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Counsel for PlainsCapital Bank

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.*,	§	**Case No. 20-42002-ELM-11**
	§	
	§	
Debtors.[1]	§	**(Jointly Administered)**
	§	

MOTION FOR DISTRIBUTION OF INSURANCE PROCEEDS
CASH COLLATERAL TO PLAINSCAPITAL BANK

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT ELDON B. MAHON U.S. COURTHOUSE, 501 W. 10TH ST., FORT WORTH, TX 76102-3643 BEFORE CLOSE OF BUSINESS ON OCTOBER 30, 2020, WHICH IS AT LEAST 21 DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY

[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); VPROP Operating, LLC (0269); Lonestar Prospects Management, L.L.C. (8451); MAALT Specialized Bulk, LLC (2001; Denetz Logistics, LLC (8177); Lonestar Prospects, Ltd. (4483) and MAALT, LP (5198). The location of the Debtors' service address is 4413 Carey Street, Fort Worth, TX 76119-4219.

ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

PlainsCapital Bank ("PlainsCapital"), by and through its undersigned counsel, respectfully moves this Court to order the Debtors to distribute the business interruption insurance settlement payment obtained by Vista Proppants and Logistics LLC ("Vista") from the Axis Insurance Company ("Axis") and which are being maintained by Debtors in a segregated account at the Bank of Texas pursuant to the Court's Order Granting Debtors' Expedited Motion Pursuant to Bankruptcy Rule 9019 to Compromise Controversy with Axis Insurance Company. [*See* Dkt. No. 601, Paragraph 5] (the "Insurance Settlement Order"). In support of this Motion (the "Motion"), PlainsCapital states as follows:

INTRODUCTION

Pursuant to the Insurance Settlement Order, the Debtors received a payment of $2,000,000.00 in insurance proceeds (the "Insurance Settlement") from Axis. As PlainsCapital asserted in response to the Debtors' Expedited Motion Pursuant to Bankruptcy Rule 9019 to Compromise Controversy with Axis Insurance Company (the "Insurance Settlement Motion"), the Insurance Settlement constitutes proceeds of its collateral and should therefore be distributed to PlainsCapital to pay down the Debtors' obligations under the Revolver Facility (defined in the Background Section below).

PlainsCapital has first priority perfected security interests in the Insurance Settlement pursuant to the Loan Documents.[2] Every day that the Debtors hold this cash collateral, interest, fees and costs continue to accrue under the Revolver Facility.

[2] Collectively, the Revolver Agreement, the Security Agreement, and the Intercreditor Agreement, all of which are defined the Background section below.

BACKGROUND

1. On September 28, 2020, the Court entered the Insurance Settlement Order, thereby approving the settlement agreement (the "Settlement Agreement") among the Debtors and Axis. [*See* Dkt No. 601].

2. The Settlement Agreement resolved a dispute over payment of a claim (claim number ATL158991) (the "Claim") submitted by the Debtors on an insurance policy (AXIS Policy No. MAF773031-18) (the "Policy") with Axis, which provided both "Property Damage" and "Time Element" coverages. [*See* Dkt No. 534, Insurance Settlement Motion; Dkt No. 562, Stipulation Related to Axis Policy No. MAF773031-18 ("the "Axis Claim Stipulation")]. The Claim, which was submitted on October 18, 2018,[3] sought coverage under the Policy for alleged loss or damage resulting from a fire at Lonestar Prospects, Ltd's ("Lonestar")[4] facility (the "Incident").

3. The Debtors and Axis had disputed the scope of all such loss and damage resulting from the Incident to the sand dryer located at 3549 Monroe Highway, Granbury, Texas (the "Property"), the coverage for the Property provided by the Policy, and the measurement of the Claim for damage to the Property. [Dkt No. 534, Insurance Settlement Motion]. Prior to the Petition date, Axis paid the amounts claimed under the Policy's "Property Damage" coverage (which includes the amounts to repair or replace damaged property) and a portion of the amounts claimed under the Policy's "Time Element" coverage (which included "Business Interruption" and "Extra Expense" amounts). [Dkt No. 562, Axis Claim Stipulation]. Axis, however, disputed

[3] Despite the Debtors' reporting obligations to PlainsCapital under the Security Agreement (as defined and discussed below), the Debtors did not provide any information to PlainsCapital regarding the Claim until specifically requested through counsel in conjunction with the Insurance Settlement Motion.

[4] As Debtors' operating company, Lonestar is a named insured under the Policy as an "owned, controlled, associated, affiliated, . . . or . . . subsidiary compan[y] or corporation[ ]" of Vista Proppants and Logistics, LLC. PCB Ex. 2, *Axis Policy No. MAF773031-18,* p. 6 of 44.

certain amounts claimed under the Time Element coverage, which is solely related to losses of Lonestar. [Dkt No. 562, Axis Claim Stipulation].

4. Following negotiations, "the Debtors and Axis determined that it was in their respective best interests to consensually and permanently resolve and settle all disputes between them arising out of or in any way related to the Incident and the Claim." [Dkt No. 534, Insurance Settlement Motion, Paragraph 8]. On September 17, 2020, the Debtors and Axis agreed to the form and substance of the Settlement Agreement. [Dkt No. 534, Paragraph 8]. By way of summary, Axis agreed to pay Vista the Insurance Settlement, and Vista agreed to release and forever discharge Axis from any and all claims "arising out of or in any way connected or related to the Incident or the Claim[.]" [Dkt No. 534, Paragraph 9]. On September 17, 2020, the Debtors filed the Insurance Settlement Motion requesting that the Court approve the Settlement Agreement. [*See* Dkt No. 534].

5. The Insurance Settlement Order provides that "[u]pon receipt of the [Insurance Settlement], the Debtors shall deposit and maintain such funds in a segregated account (the "Segregated Account") at Bank of Texas pending either (1) subject to court approval upon notice to parties in interest listed on the official limited service list, a mutual agreement between Ares Capital Management ("Ares") and [PlainsCapital] to distribute the [Insurance Settlement] or (2) other subsequent order of this Court." [Dkt No. 601, Paragraph 5]. The Insurance Settlement Order further provides that "[e]xcept for depositing the funds in the Segregated Account, the Debtors shall not use or transfer the [Insurance Settlement] funds absent such court-approved mutual agreement between Ares and PlainsCapital or other further order of this Court." [Dkt No. 601, Paragraph 5].

A. Settlement Agreement and Prior Claim Payment

6. The Settlement Agreement includes the following terms regarding payment to be made by Axis in settlement of the Claim:

- Payment: Axis agrees to pay Vista Proppants and Logistics, LLC the sum of $2 million…. The [Insurance Settlement] is in addition to prior payments of $6,324,961.00. Axis shall tender the [Insurance Settlement] within thirty (30) days after the Parties have fully executed the Settlement Agreement. Axis shall consider any deductible/SIR applicable to the Incident and/or the Claim to be fully satisfied.

7. As set forth in the Axis Claim Stipulation, the Debtors concede that the Insurance Settlement relates exclusively to the disputed Time Element portion of the Claim, comprising "Business Interruption" and "Extra Expense" amounts, and does not include amounts allocable to the actual repair or replacement of damaged property. [Dkt. No. 562, Paragraph 4].

8. The Debtors have received a total of $8,324,961.00 from Axis under the Claim, comprised of the $2,000,000.00 Insurance Settlement[5] and $6,324,961.00 paid prior to the Petition date. [Dkt No. 562, Axis Claim Stipulation]. PlainsCapital was not aware of the pre-Petition payments and reserves all rights in that regard.

B. Policy Terms Relating to Insurance Proceeds

9. The Policy provides that it "insures against loss resulting directly from **necessary interruption of business conducted by the Insured caused by insured direct physical loss or damage to covered property**, except Finished Stock, at an Insured Location." **PCB Ex. 1**, *Axis Policy No. MAF773031-18*, p. 26 of 44 (emphasis added).

10. Under the Policy,

> The Business Interruption coverage is extended to cover the actual loss sustained resulting directly from the interruption of business covered by the Business Interruption coverage for such additional length of time as would be required with the exercise of due diligence and dispatch **to restore the Insured's business to the**

[5] The Debtors have stipulated that the Insurance Settlement is attributable to Lonestar. [Dkt No. 562, Axis Claim Stipulation].

> **condition that would have existed had no loss occurred**, commencing with the later of the following dates: […] 2. The date on which repair, replacement or rebuilding of such part of the real or personal property (excepting only Finished Stock) herein described or has been damaged or destroyed is actually completed […].

PCB Ex. 1, p. 29 of 44 (emphasis added).

11. The Policy defines "Gross Earnings" to mean:

> the sum of:
> 1. Total net sales value of production (manufacturing operations); and
> 2. Total net sales of Merchandise (mercantile operations); and
> 3. Other earnings derived from operations of business.
>
> Less the cost of:
> 1. Raw Stock[6] from which such production is derived;
> 2. Supplies consisting of materials consumed directly in the conversion of such Raw Stock into Finished Stock or in supplying the service(s) sold by the Insured;
> 3. Merchandise sold, including packaging materials therefore; and
> 4. Service(s) purchased from outsiders (not employees of the Insured) for resale, which do not continue under contract.
>
> No other costs shall be deducted in determining Gross Earnings.

PCB Ex. 1, p. 39 of 44.

C. PlainsCapital's Senior Security Interests in Proceeds of Accounts, Accounts Receivable, Inventory, and General Intangibles, Including Insurance Proceeds

12. PlainsCapital is the lender[7] pursuant to that certain Amended and Restated Loan Agreement dated January 12, 2018 (as subsequently amended or modified) (the "Revolver Agreement"), with Lonestar as borrower, under which PlainsCapital agreed to make secured revolving loans to Lonestar pursuant to a specific borrowing base formula tied to accounts receivable and finished sand inventory levels ("Revolver Facility"). *See* **PCB Ex. 2**, *Revolver Agreement*.

---

[6] The Policy defines "Raw Stock" as "material in the state in which the Insured receives it for conversion by the Insured into Stock in Process or Finished Stock." **PCB Ex. 1**, p. 43 of 44. Upon information and belief, "Raw Stock" includes unfinished sand.

[7] In addition to PlainsCapital, 1st Source Bank holds a 50% participation in the Revolver Facility (as defined below).

13. In connection with the original Revolver Agreement, PlainsCapital and Lonestar entered into that certain Security Agreement, dated May 14, 2015 (the "Security Agreement"), granting PlainsCapital first-priority security interests in "Collateral" (as that term is defined therein). *See* **PCB Ex. 3**, *Security Agreement*.

14. The Security Agreement defines PlainsCapital's Collateral as including, *inter alia*:

> (i) **All present and future accounts (including all accounts as defined in the Code)**, chattel paper (whether electronic or tangible), documents, instruments, deposit accounts, securities accounts, commodity accounts, **general intangibles, payment intangibles (including any right to payment for goods sold or services rendered arising out of the sale or delivery of personal property or work done or labor performed by Borrower)**, software, letter of credit rights, investment property, intellectual property, health-care insurance receivables **and other rights to payment of every kind, including all** securities, guaranties, warranties, indemnity agreements, **insurance policies**, and other agreements pertaining to the same or the property described therein, now or hereafter owned, held, or acquired by Borrower, and in any case where an account arises from the sale of goods, the interest of Borrower in such goods.
>
> (ii) **All present and hereafter acquired inventory (including without limitation, all raw materials, work in process, and finished goods)** held, possessed, owned, held on consignment, or held for sale, lease, return or to be furnished under contracts of services, in whole or in part, by Borrower wherever located.
>
> (iii) All equipment and fixtures of whatsoever kind and character now or business, together with all replacements, accessories, additions, substitutions, and accessions to all of the foregoing. hereafter possessed, held, acquired, leased, or owned by Borrower and used or usable in Borrower's
>
> In addition, the word "Collateral" includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located: (i) all accessions, accessories, increases, and additions to and **all replacements of and substitutions for any property described above**; (ii) all products and produce of any of the property described in this Collateral section; (iii) **all proceeds (including, without limitation, insurance proceeds) from the sale, lease, destruction, loss, or other disposition of any of the property described in this Collateral section**; and (iv) all records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Borrower's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

PCB Ex. 3, Paragraph 1(b) (emphasis added). PlainsCapital promptly and properly recorded UCC financing statements to perfect such security interests (to the extent recordation was necessary for perfection).[8]

15. The Security Agreement also required Lonestar to "procure and maintain all risk insurance, including without limitation fire, theft, and liability coverage together with such other insurance as [PlainsCapital] may require with respect to the Collateral, in form, amounts, coverages, and basis reasonably acceptable to [PlainsCapital]" and "promptly notify [PlainsCapital] of any loss or damage to the Collateral." **PCB Ex. 3**, Paragraphs 4(l) & 6(m).

16. In November of 2017, Lonestar entered into another secured credit agreement with Ares Capital Corporation ("ARCC"). *See* **PCB Ex. 4**, *November 2017 ARCC Credit Agreement*. In connection with the execution of the November 2017 ARCC Credit Agreement, PlainsCapital, ARCC, and Lonestar entered into that certain Amended and Restated Intercreditor Agreement, effective as of November 9, 2017 (the "Intercreditor Agreement"), which, among other things, governed the relative priority of the liens of PlainsCapital and ARCC in the so-called "Common Collateral" that secured both the indebtedness under the November 2017 ARCC Credit Agreement and the indebtedness under the Revolver Agreement. *See* **PCB Ex. 5**, *Intercreditor Agreement*.

17. Under the Intercreditor Agreement, PlainsCapital holds first priority security interests in Revolving Priority Collateral (as defined therein). *See* **PCB Ex. 5**, Sections 1.2 (defining the property constituting Revolving Priority Collateral) and 2.1. As a result, PlainsCapital was granted first priority over ARCC's security interest in the Revolving Priority

[8] The relevant recorded documents are: (1) UCC Financing Statement #11-0017379281 dated June 13, 2011; (2) UCC Financing Statement Amendment #14-00310278 dated September 29, 2014; (3) UCC Financing Statement Amendment #15-00323806 dated October 7, 2015; and (4) UCC Financing Statement Amendment #16-00221840 dated July 7, 2016.

Collateral. In other words, PlainsCapital holds the senior secured position and ARCC holds the junior secured position on the Revolving Priority Collateral.

ARGUMENT

A. PlainsCapital Has Perfected Security Interests in Insurance Proceeds Under the Revolver Agreement.

18. PlainsCapital's senior security interests in the Insurance Settlement is readily ascertained from the plain language of the Security Agreement and Intercreditor Agreement. *See* **PCB Ex. 3**, *Security Agreement*; **PCB Ex. 5**, *Intercreditor Agreement*. Read together, these agreements provide that PlainsCapital's Revolving Priority Collateral includes all present and future accounts, accounts receivable, all present and future finished sand inventory, all general intangibles (other than intellectual property) relating to any of the foregoing, and all proceeds of any of the foregoing "(**including, without limitation, insurance proceeds**) from the sale, lease, destruction, loss, or other disposition of any of" the foregoing. *See* **PCB Ex. 5**, Paragraph 1(b) (emphasis added); **PCB Ex. 5**, *Intercreditor Agreement*, Section 1.2 (defining Revolving Priority Collateral). The Court has recognized the validity and priority of PlainsCapital's liens.[9] [*See* Dkt No. 219, Paragraph G]. The Debtors have stipulated to the validity and priority of PlainsCapital's liens.[10] [*See* Dkt No. 219, Final DIP Order, Paragraph (D)(iii)]. The Challenge Period has passed

[9] The Court's Final DIP Order recognizes that PlainsCapital, as "ABL Lender" and "certain of the Debtors are a party to that certain prepetition Amended and Restated Loan Agreement, dated as of January 12, 2018 (as amended, supplemented or otherwise modified prior to the Petition Date, the 'ABL Credit Agreement,' and the facility thereunder, the 'ABL Facility'), by and among Lonestar Prospects, Ltd., Lonestar Prospects Holding Company, L.L.C., Gary B. Humphreys, Martin W. Robertson and the ABL Lender[.]" [Dkt No. 219, Paragraph G]. The Final DIP Order further states that "[p]ursuant to the ABL Documents, the ABL Loan Obligors granted [PlainsCapital] (i) first priority liens in the ABL Priority Collateral and (ii) second priority liens in the Common Collateral (as defined in the Intercreditor Agreement) that is not ABL Priority Collateral[.]" [Dkt No. 219, Paragraph G].

[10] In the Final DIP Order, the Debtors stipulate that the Term Loan Lenders' "valid, perfected, enforceable and non-avoidable liens" upon and security interests in all collateral are "second-priority" to PlainsCapital's liens and security interests on collateral constituting ABL Priority Collateral, defined as "all accounts receivable and Finished Sand Inventory of Lonestar Prospects, any proceeds thereof, including bank accounts containing such proceeds, and general intangibles relating thereto in existence as of the Petition Date[.]"). [Dkt No. 219, Paragraph (D)(iii)]. The Debtors further stipulate that "the ABL Lender has a senior lien on Cash Collateral that constitutes ABL Priority Collateral

for the Debtors or any non-debtor party-in-interest to challenge PlainsCapital's liens. [*See* Dkt No. 219, Paragraph 21].[11]

19. Moreover, under the Uniform Commercial Code, "[a] perfected security interest in ... collateral will give the secured party a perfected security interest in the proceeds" of insurance derived from loss to the collateral. *See In re Holtslander*, 507 B.R. 779, 783 (Bankr. N.D.N.Y. 2014); *Chemical Bank v. United States Lines (S.A.), Inc. (In re McLean Indus., Inc.)*, 132 B.R. 271, 282 (Bankr. S.D.N.Y. 1991) ("Courts have agreed that insurance payable by reason of loss to the collateral constitutes proceeds" because "if a creditor holds a perfected security interest in property, that creditor also holds a perfected security interest in the proceeds of that collateral."). Courts have also specifically recognized that business interruption insurance proceeds constitute proceeds of accounts, general intangibles, and inventory which were lost due to the business interruption and thus constitute the collateral of a creditor with security interests in the foregoing. *See, e.g.*, *In re PES Holdings, LLC*, No. 19-11626 (KG), 2020 WL 1047768, at *20 (Bankr. D. Del. Feb. 28, 2020) (holding that a secured creditor with a broad security interest in the debtor's business, including a security interest in the debtor's general intangibles, accounts, and inventory, also holds a perfected security interest in business interruption proceeds as derivative of this collateral); *MNC Commercial Corp. v. Rouse*, 1992 WL 674733, *1 (W.D. Mo. Dec. 15, 1992) (holding that a secured creditor with a broad security interest including the debtor's business

and the MAALT Lender has a senior lien on Cash Collateral that constitutes the MAALT Collateral. [Dkt No. 219, Paragraph (D)(v)].

[11] The Creditors' Committee did not challenge PlainsCapital's liens and the Challenge Period has expired in that regard. [*See* Dkt No. 333, Motion of the Official Committee of Unsecured Creditors for Order Granting (I) Leave, Standing and Authority to Commence and Prosecute Certain Claims on Behalf of the Debtors' Estates and (II) Related Relief].

income and income-producing property of the business had a security interest in the proceeds of business interruption insurance).[12]

20. While UCC Section 9-109(d)(8) excludes any "assignment of a claim under a policy of insurance," courts have repeatedly held that "this exclusion applies only to situations where the parties to a security agreement attempt to create a direct security interest in an insurance policy by making the policy itself the immediate collateral securing the transaction." *PPG Indus., Inc. v. Hartford Fire Ins. Co.*, 531 F.2d 58, 60 (2d Cir. 1976) (applying New York UCC); *In re Tower Air, Inc.*, 268 B.R. 404, 408 (Bankr. D. Del. 2001), *aff'd* 2003 WL 21398007 (D. Del. June 16, 2003), *aff'd*, 397 F.3d 191 (3d Cir. 2005) (same, interpreting substantially similar Arizona UCC); *In re E. Bos. Neighborhood Health Ctr. Corp.*, 242 B.R. 562, 571 (Bankr. D. Mass. 1999) ("Nothing in the UCC's definitions of 'accounts' and 'proceeds' excludes insurance claims from their purview.").

21. Here, PlainsCapital's immediate collateral includes not only the proceeds of the Policy itself but the proceeds of the Debtors' business including "[a]ll present and future accounts … and other rights to payment of every kind, including all … insurance policies[.]" **PCB Ex. 3**, *Security Agreement*, Paragraph 1(b). PlainsCapital's collateral also includes "**all replacements of and substitutions for any property described above** … [and] **all proceeds (including, without limitation, insurance proceeds) from the sale, lease, destruction, loss, or other disposition of any of the property described in this Collateral section**[.]" **PCB Ex. 3**, Paragraph 1(b).

22. Accordingly, PlainsCapital has a first-lien priority, perfected security interest in the Insurance Settlement proceeds under the Policy because those proceeds are derived from losses to

[12] *C.f. In re Montreal, Maine & Atl. Ry., Ltd.*, 799 F.3d 1, 7 (1st Cir. 2015). However, the *Montreal* court addressed a different factual scenario: whether the Article 9 exclusion applied to the use of an insurance policy as original collateral. *See id*. Furthermore, as noted by the *PES Holdings* court, the *Montreal* opinion concerns a secured creditor with only a limited security interest. *PES Holdings*, 2020 WL 1047768, at *22.

Debtors' business, including its lost finished sand sales and the Debtors' present and future accounts, all of which are PlainsCapital's collateral. *See* **PCB Ex. 1**, *Axis Policy No. MAF773031-18*; *see also* N.Y. UCC § 9-102(a)(64)(E) ("proceeds" defined as "to the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral"); Texas U.C.C. § 9-102(a)(65)(E) (same).

23. Further, PlainsCapital's first lien priority collateral also includes "general intangibles." **PCB Ex. 3**, *Security Agreement*, Paragraph 1(b). PlainsCapital has perfected security interests in the Insurance Settlement because of its security interest in the aforementioned collateral and the proceeds derived therefrom—specifically the Debtors' business losses, accounts, general intangibles and "other rights to payment of every kind[.]" **PCB Ex. 3**, Paragraph 1(b).

24. Creditors with a security interest in a business's general intangibles also hold a perfected security interest in business interruption proceeds. *See In re Bell Fuel Corp.*, 99 B.R. 602, 605 (E.D. Pa. 1989) (creditors have a perfected security interest in business interruption proceeds under the UCC when creditors have a security interest in the debtor's general intangibles), *aff'd sub nom. Meridian Bank v. Bell Fuel Corp.*, 891 F.2d 281 (3d Cir. 1989), and *aff'd sub nom. Appeal of Official Creditors' Comm. of Bell Fuel Corp.*, 891 F.2d 282 (3d Cir. 1989); *MNC Commercial Corp.*, 1992 WL 674733. This rule makes sense, especially where a catastrophic event (like the Incident here) has severely impacted an entity's business—to hold otherwise would render meaningless a security interest to an entity's business and general intangibles in such situations.

CONCLUSION

25. The Insurance Settlement constitutes proceeds of PlainsCapital's Revolving Priority Collateral under the Security Agreement and UCC Article 9. PlainsCapital has a first-lien priority security interest and, accordingly, the Insurance Settlement proceeds should be promptly distributed to PlainsCapital.

26. WHEREFORE, PREMISES CONSIDERED, PlainsCapital requests this Court to (1) order the Debtors to distribute the Insurance Settlement to it as cash collateral to be applied against outstanding amounts under the Revolver Facility, and (2) grant such other relief to which it may be entitled.

Dated: October 9, 2020

Respectfully submitted,

FOLEY & LARDNER LLP

/s/ Holland N. O'Neil

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ATTORNEYS FOR PLAINSCAPITAL BANK

CERTIFICATE OF SERVICE

I do hereby certify that on October 9, 2020 a true and correct copy of the foregoing pleading was served via CM/ECF to all parties authorized to receive electronic notice in these cases.

/s/ Michael K. Riordan
Michael K. Riordan

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.*,	§	**Case No. 20-42002-ELM-11**
	§	
	§	**(Jointly Administered)**
Debtors.[1]	§	
	§	

ORDER

On this day the Court considered the *Motion for Distribution of Insurance Proceeds Cash Collateral to PlainsCapital Bank* (the "Motion").[2] After considering the Motion, the Court is of the opinion that the Motion should be GRANTED.

IT IS THEREFORE ORDERED that the Motion is hereby **GRANTED**.

[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); VPROP Operating, LLC (0269); Lonestar Prospects Management, L.L.C. (8451); MAALT Specialized Bulk, LLC (2001; Denetz Logistics, LLC (8177); Lonestar Prospects, Ltd. (4483) and MAALT, LP (5198). The location of the Debtors' service address is 4413 Carey Street, Fort Worth, Texas 76119-4219.

[2] Any capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

IT IS SO ORDERED that the Debtors shall distribute the Insurance Settlement to PlainsCapital as cash collateral to be applied against outstanding amounts under the Revolver Facility.

###End of Order###

Prepare and submitted by:

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ATTORNEYS FOR PLAINSCAPITAL BANK

Plains Ex. 1

POLICY NUMBER: MAF773031-18

COMMON POLICY DECLARATIONS

AXIS INSURANCE COMPANY **(A STOCK COMPANY)** **111 SOUTH WACKER DRIVE, SUITE 3500** **CHICAGO, IL 60606**	**AMWINS BROKERAGE OF TEXAS, INC.** **5910 N. CENTRAL EXPRESSWAY** **SUITE 500** **DALLAS, TX 75206**

NAMED INSURED: Vista Proppants and Logistics, LLC

MAILING ADDRESS: 4413 Carey Street
Fort Worth, TX 76119

POLICY PERIOD: FROM June 01, 2018 TO June 01, 2019 AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	Mines and Dries Sand for Drilling

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

		PREMIUM
BOILER AND MACHINERY COVERAGE PART	$	
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART	$	
COMMERCIAL AUTOMOBILE COVERAGE PART	$	
COMMERCIAL GENERAL LIABILITY COVERAGE PART	$	
COMMERCIAL INLAND MARINE COVERAGE PART	$	
COMMERCIAL PROPERTY COVERAGE PART	$	541,017
CRIME AND FIDELITY COVERAGE PART	$	
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART	$	
FARM COVERAGE PART	$	
LIQUOR LIABILITY COVERAGE PART	$	
POLLUTION LIABILITY COVERAGE PART	$	
PROFESSIONAL LIABILITY COVERAGE PART	$	
CERTIFIED TERRORISM (TRIA) COVERAGE PART	$	
TOTAL:	$	541,017

Premium shown is payable: $ 541,017 at inception.

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01	GUA0707-338	AXIS Common Policy Declarations
02	GUG0902-009	Notice to Policyholder
03	AXIS 906 (03-16)	Policyholder Notice Economic and Trade Sanctions
04	GUA0106-001	AXIS Premier Property Form
05	GUA0905 037	Additional Sub-Limits – Endorsement A
06	GUA0905 036	Additional Deductibles – Endorsement B
07	GUA0905-002	Equipment Breakdown Endorsement – Endorsement C
08	GUA0905 038	Electronic Computer Programs Definition – Endorsement D
09	PP 177 (12-15)	Equipment Breakdown Data or Media Extension – Endorsement E
10	PP 152 (06-16)	Civil Authority – Amended Time Limitation Endorsement – Endorsement F
11	PP 263 (06-16)	Ingress and Egress – Amended Time Limitation Endorsement – Endorsement G
12	MANU 999 0512	Amendatory Endorsement – Endorsement H
13	MANU 6522 (08-18)	Preservation of Property – Endorsement I
14	GUA0905 005	Scheduled Limit of Liability Endorsement – Endorsement J
15	PP 281 (04-17)	Minimum Earned Premium – Endorsement K
16	GUA0905 009	Actual Cash Value For Specific Property – Endorsement L
17	AXIS NON-US TERRORISM EXCLUSION 01 15	Exclusion of Terrorism Losses Outside the United States – Endorsement M
18	IL 09 53 01 15	Exclusion of Certified Acts of Terrorism
19	AXIS TX 901 (05-15)	Texas Notice
20	GUA0905 295	Texas Changes
21	LI-FS 001 07 15	State Fraud Statements
22	AXIS 102 AIC (06-15)	Signature Page
23	GUG0512-008	Claim Notice

Countersigned:	By:
06/01/2018	
(Date)	(Authorized Representative)

NOTE
OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.

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NOTICE TO POLICYHOLDER

This policy is composed of various forms explaining the insurance coverage provided. It may also include one or more endorsements. Endorsements are documents that change the policy. Endorsements may provide additional coverage to the policy. Endorsements can also restrict or remove coverage provided in the policy. THE POLICY SHOULD BE READ CAREFULLY TO DETERMINE WHAT IS AND WHAT IS NOT COVERED.

As the context may require, the words “you,” “your,” Insured,” and “the Insured” refer to the Named Insured shown in the Declarations. The words “we,” “us,” “our,” “Company,” “the Company,” and “this Company” refer to the Company providing this insurance.

POLICYHOLDER NOTICE

ECONOMIC AND TRADE SANCTIONS

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the Office of Foreign Assets Control (OFAC).

THE OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") OF THE US DEPARTMENT OF THE TREASURY ADMINISTERS AND ENFORCES ECONOMIC AND TRADE SANCTIONS BASED ON US FOREIGN POLICY AND NATIONAL SECURITY GOALS AGAINST TARGETED FOREIGN COUNTRIES AND REGIMES, TERRORISTS, INTERNATIONAL NARCOTICS TRAFFICKERS, THOSE ENGAGED IN ACTIVITIES RELATED TO THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION, AND OTHER THREATS TO THE NATIONAL SECURITY, FOREIGN POLICY OR ECONOMY OF THE UNITED STATES.

WHENEVER COVERAGE PROVIDED BY THIS POLICY WOULD BE IN VIOLATION OF ANY U.S. ECONOMIC OR TRADE SANCTIONS, SUCH COVERAGE SHALL BE NULL AND VOID.

FOR MORE INFORMATION, PLEASE REFER TO:

HTTPS://WWW.TREASURY.GOV/RESOURCE-CENTER/SANCTIONS/PAGES/DEFAULT.ASPX

Policy No. MAF773031-18

AXIS PREMIER PROPERTY FORM

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Property Policy

SECTION A – DECLARATIONS

1. NAMED INSURED

Vista Proppants and Logistics, LLC., and/or any owned, controlled, associated, affiliated, joint venture, or any subsidiary companies or corporations as now or may hereafter be constituted, as their respective rights and interests may appear.

2. PERIOD OF INSURANCE

In consideration of the stipulations herein named and of the premium charged, the Company does insure the above Named Insured, from June 01, 2018 to June 01, 2019, 12:01 AM local standard time.

3. PREMIUM

The premium shown herein is the annual premium for the period based on the values submitted at inception. The Company will charge additional premium for values added after the inception date based on those values and the appropriate rates for the exposures added. The Company may return premium for values sold after the inception date based upon the appropriate rates for exposures sold and subject to any minimum earned premium.

4. POLICY TERRITORY

This Policy covers loss occurring in the 50 states of the United States of America, the District of Columbia, the U.S. Virgin Islands, Puerto Rico and Canada.

5. INSURED LOCATION

The coverages under this Policy apply to an Insured Location unless otherwise provided.

An Insured Location is a Location:

A. listed on the schedule provided to the Company on 03/20/2018.

B. covered as a Miscellaneous Unnamed Location.

C. covered under the terms and conditions of the NEWLY ACQUIRED PROPERTY or UNINTENTIONAL ERRORS AND OMISSIONS provisions.

6. PERILS COVERED

This Policy insures against risks of direct physical loss or damage to covered property, except as hereinafter excluded.

7. LIMIT OF LIABILITY

The Company shall not be liable for more than *US*$100,000,000. in any one Occurrence regardless of the number of Locations or coverages involved.

8. SUB-LIMITS OF LIABILITY

The sub-limits of liability as specified under this provision and the various extensions, endorsements, and Sections of this Policy are part of and not in addition to the LIMIT OF LIABILITY. These sub-limits do not increase the LIMIT OF LIABILITY or any other sub-limit. The Company shall not be liable for more than the sub-limit specified for such Location, coverage, property, cause of loss, extension, endorsement, or Section in any one Occurrence regardless of the number of Locations or coverages involved in the Occurrence:

When a sub-limit is shown as an Annual Aggregate, the Company's maximum limit of liability will not exceed such limit during the term of the Policy regardless of the number of Occurrences, Locations and coverages involved.

When a sub-limit applies to property that sub-limit also applies to any Time Element coverage associated with that property.

When a sub-limit is shown as No Coverage, it means that no coverage is provided for that particular provision, extension, endorsement or Section. If Earthquake or Flood sub-limits are shown as No Coverage, it means that no such coverage is provided regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss,

Sub-limits of Liability:		All are per Occurrence and are part of, not in addition to, the LIMIT OF LIABILITY.		
A.	ACCOUNTS RECEIVABLE	$	250,000	
B.	BUSINESS INTERRUPTION	$	40,000,000	
C.	CIVIL AUTHORITY		See Endt. F	
D.	CONTINGENT BUSINESS INTERRUPTION	$	100,000	
E.	DEBRIS REMOVAL	$	25% of the amount that we pay for direct physical loss or damage to the Covered Property, but not to exceed 5,000,000	
F.	DEMOLITION AND INCREASED COST OF CONSTRUCTION	$	1,000,000	
G.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in California, Alaska, Hawaii and Puerto Rico which is caused by or results from Earthquake.		No Coverage	
H.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in the Pacific Northwest Earthquake Territory which is caused by or results from Earthquake.		No Coverage	
I.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in the New Madrid		No Coverage	

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	Earthquake Territory which is caused by or results from Earthquake.			
J.	As respects all loss, damage or expenses caused by or resulting from physical damage to all other Locations which is caused by or results from Earthquake.	$	20,000,000	Annual Aggregate
K.	Maximum as respects all loss, damage or expenses caused by or resulting from physical damage to all Locations which is caused by or results from Earthquake.	$	20,000,000	Annual Aggregate
L.	ELECTRONIC DATA PROCESSING EQUIPMENT BREAKDOWN	$	100,000	
M.	ELECTRONIC DATA PROCESSING MEDIA BREAKDOWN	$	50,000	
N.	EQUIPMENT BREAKDOWN ENDORSEMENT	$	50,000,000	
1.	TIME ELEMENT		Included in Equipment Breakdown Sub-limit	
2.	EXTRA EXPENSE		Included in Equipment Breakdown Sub-limit	
3.	AMMONIA CONTAMINATION	$	100,000	
4.	CONSEQUENTIAL DAMAGE	$	100,000	
5.	EXPEDITING EXPENSE	$	100,000	
6.	HAZARDOUS SUBSTANCE	$	100,000	
7.	SERVICE INTERRUPTION PROPERTY DAMAGE	$	1,000,000	
8.	SERVICE INTERRUPTION TIME ELEMENT		Included in Service Interruption – Property Damage	
9.	WATER DAMAGE	$	100,000	
O.	EXPEDITING EXPENSE	$	250,000	
P.	EXTENDED PERIOD OF INDEMNITY		90 Days (s)	
Q.	EXTRA EXPENSE		Included in Business Interruption Limit	
R.	FINE ARTS	$	25,000	
S.	FIRE EXTINGUISHING SERVICE CHARGE	$	250,000	
T.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations wholly or partially in a High Hazard Flood Zone which is caused by or results from Flood.		No Coverage	
U.	As respects all loss, damage or expenses caused by or resulting from physical		No Coverage	

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	damage to all other Locations which is caused by or results from Flood.			
V.	Maximum as respects all loss, damage or expenses caused by or resulting from physical damage to all Locations which is caused by or results from Flood.		No Coverage	
W.	INGRESS/EGRESS		See Endt H	
X.	LIMITED COVERAGE FOR MOLD, FUNGI, WET OR DRY ROT AND BACTERIA	$	10,000	Annual Aggregate
Y.	LEASEHOLD INTEREST	$	100,000	
Z.	MISCELLANEOUS UNNAMED LOCATIONS	$	500,000	
AA.	NEWLY ACQUIRED PROPERTY	$	1,000,000 90 Days Reporting	
BB.	Ordinary Payroll Expense		12 Months	
CC.	Personal Property of Employees		No Coverage	
DD.	POLLUTANT CLEANUP AND REMOVAL	$	50,000	Annual Aggregate
EE.	PROFESSIONAL FEES	$	100,000	
FF.	Property in the Course of Construction		No Coverage	
GG.	PROPERTY IN TRANSIT	$	200,000	
HH.	RENTAL VALUE		No Coverage	
II.	RESEARCH AND DEVELOPMENT		No Coverage	
JJ.	SERVICE INTERRUPTION	$	500,000	
KK.	Trees and Shrubs	$	25,000	
LL.	UNINTENTIONAL ERRORS AND OMISSIONS	$	500,000	
MM.	VALUABLE PAPERS	$	250,000	

9. DEDUCTIBLES

All losses, damages, or expenses arising out of a single Occurrence shall be adjusted separately and the Company will be liable only if the Insured sustains a loss in a single Occurrence greater than the applicable deductible specified below.

A.	For each and every loss or damage to covered property to all Locations, except as specifically stated below:	$10,000
B.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in California, Alaska, Hawaii or Puerto Rico which is caused by or results from Earthquake.	No Coverage
C.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in the Pacific Northwest Earthquake Territory which is caused by or results from Earthquake.	No Coverage
D.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in the New Madrid Earthquake Territory which is caused by or results from Earthquake.	No Coverage
E.	As respects all loss, damage or expenses caused by or resulting from physical damage to all other Locations which is caused by or results from Earthquake.	$100,000
F.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations wholly or partially located in a High Hazard Flood Zone which is caused by or results from Flood.	No Coverage
G.	As respects all loss, damage or expenses caused by or resulting from physical damage to all other Locations which is caused by or results from Flood.	$100,000
H.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in Florida, Hawaii or Tier 1 Windstorm Areas which is caused by or results from the peril of wind from any Named Storm.	5% of the 100% Value of the Property Insured. 5% of the Full 12 Months Time Element Values. The combined deductible for Property Damage and Time Element shall be subject to a minimum of $250,000 in any one Occurrence.
I.	As respects all loss, damage or expenses caused by or resulting from physical damage to Locations in Puerto Rico or U.S. Virgin Islands which is caused by or results from the peril of wind from any Named Storm.	No Coverage
J.	PROPERTY IN TRANSIT	$10,000
K.	SERVICE INTERRUPTION – Property Damage	See Endt B
L.	EQUIPMENT BREAKDOWN ENDORSEMENT	
1.	PROPERTY DAMAGE	See Endt B
2.	TIME ELEMENT	See Endt B
3.	EXTRA EXPENSE	Included with Time Element
4.	SERVICE INTERRUPTION	Included with Time Element

10. APPLICATION OF DEDUCTIBLES

Except as may be more specifically otherwise provided for in this Policy, deductibles will be applied according to the following provisions. For the purposes of applying these provisions, “specific type of coverage” shall mean those coverage(s) under SECTION B PROPERTY DAMAGE or any Time Element coverage and “specific type of property” shall mean “real property” or “personal property”.

A. Stated percentage deductibles, dollar deductibles, time exclusion or Average Daily Value deductibles which are related to a specific type of coverage or a specific type of property shall be deducted separately with respect to such coverage or property. If two or more separate deductible amounts apply to the same specific type of coverage or to the same specific type of property, the total to be deducted shall be the largest applicable deductible amount.

B. Deductibles which are not designated as applying to a specific type of coverage or a specific type of property are combined deductibles and shall be deducted from the total loss from all applicable coverages.

C. If loss arising out of one Occurrence is subject to any combination of deductibles, then the amount to be deducted shall be the larger of the deductible amounts as provided for in A. above, or the largest applicable combined deductible.

D. The deductible amount(s) as determined above shall be deducted from the total loss suffered by the Insured arising out of one Occurrence regardless of the number of Locations involved, unless otherwise stated herein.

E. Notwithstanding anything in the above to the contrary, if Earthquake, Flood or Named Storm deductibles involving different geographic territories are involved in the same Occurrence, all such deductibles shall apply.

F. If a time deductible is designated, the Company will not be liable for any loss under that coverage that occurs during the time period specified immediately following the loss.

G. When the value of property insured is used in the calculation of a deductible, that value shall be determined according to the valuation provisions contained in this Policy.

11. WAITING PERIOD

For the purposes of applying Accident to Utility Object coverage, if any, the Waiting Period is **24** hours.

12. SPECIAL TERMS AND CONDITIONS

SECTION B – PROPERTY DAMAGE

1. PROPERTY COVERED

Except as hereafter excluded and subject to all the terms, conditions and stipulations of this Policy and for the amount(s) of liability or sub-limits shown herein, this Policy insures the following property located at an Insured Location, or within 1,000 feet thereof, to the extent of the interest of the Insured in such property:

A. Real property, including new buildings and additions under construction at an Insured Location, in which the insured has an insurable interest.

B. Personal property owned by the Insured, including the Insured's interest as a tenant in Improvements and Betterments

C. Personal property of officers and employees of the Insured;

D. Personal property of others in the Insured's custody to the extent of the Insured's interest in and the Insured's Liability.

2. PROPERTY EXCLUDED

This Policy does not insure:

A. Accounts, bills, currency, deeds, evidences of debt or title, Money, notes, stamps, letters of credit, Securities; or any other documents having a negotiable or market value;

B. Land, or land values, animals, fish, birds, growing plants or crops, standing timber, water except water which is normally contained within any type of enclosed tank, piping system or other process equipment;

C. Sewers, drains or water mains, underground tanks, piping, and contents of underground tanks and piping except for loss caused by fire and explosion;

D. Satellites, spacecraft, aircraft or watercraft;

E. Motor vehicles licensed for highway use;

F. Underground mines, mine shafts, caverns and tunnels and any property contained therein;

G. Property sold by the Insured under conditional sale, trust agreement, installment payment, or other deferred payment plan, after delivery to customers: except goods sold on consignment which shall be considered as covered property but subject to the Miscellaneous Unnamed Locations sub-limit.

H. Bullion, jewelry, furs, precious metals, or precious stones, except for industrial diamonds or precious metals used for industrial purposes;

I. Dams, docks, piers, wharves, berms or dikes, roadways, streets, walks or other paved surfaces, railroad beds, ties and tracks; and retaining walls outside of and not forming a part of any building;

J. Offshore rigs and platforms and personal property located thereon;

K. Transmission and distribution lines or facilities; except within 1,000 feet of an Insured Location;

L. Contraband, or property in the course of illegal transportation or trade;

M. Any property vacant or unoccupied for more than sixty (60) consecutive days;

N. Property otherwise more specifically insured.

O. Property in transit, except as otherwise provided by this Policy

P. Air supported structures and contents thereof

3. PERILS EXCLUDED

A. This Policy excludes loss or damage directly or indirectly caused by or resulting from any of the following, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

1. Infidelity or dishonesty of the Insured, or any officer or employee thereof; bookkeeping, accounting or billing errors or omissions; or loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of Money, Securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding

2. Lack of incoming electricity, fuel, water, gas, steam, refrigerant; outgoing sewerage; or incoming or outgoing voice, Data or video, or any other communications received via satellite all when caused by an Occurrence off the Insured Location except as provided in Service Interruption in the Property Damage or Time Element section of this Policy. But, if the lack of such a service directly causes direct physical damage as insured by this Policy on the Insured Location, then only that resultant damage is insured.

3. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, by any government or sovereign power (de jure or de facto), or any authority maintaining or using military, naval or air forces; or by military, naval or air forces; or by an agent of any such government, power, authority or forces; any weapon of war employing atomic fission or radioactive force whether in time of peace or war; insurrection, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or customs regulations; confiscation by or destruction by order of any government or public authority, except destruction by order of public authority to prevent spread of fire or explosion; risks of contraband or illegal trade;

4. Nuclear reaction or nuclear radiation or radioactive contamination However, if direct physical damage by fire results, then only that resulting damage is insured, but not including any loss or damage due to nuclear reaction, radiation or radioactive contamination.

B. This Policy excludes the following, but, if direct physical damage not excluded by this Policy results, then only that resulting damage is insured:

1. Wear and tear, deterioration, rust or corrosion , inherent or latent defect; vermin or insects

2. Settling, cracking, shrinkage, bulging or expansion of pavements, foundations, walls, floors, roofs or ceilings

3. Faulty or negligent workmanship, material, construction or design; or errors in the development, processing, or manufacture of products; or work being performed upon property insured and directly attributable thereto

C. This Policy excludes shrinkage, evaporation, loss of weight, contamination, change in flavor, color, texture, finish, temperature, humidity; unless directly resulting from insured, direct physical damage to covered property at an Insured Location;

D. This Policy excludes loss or damage due to:

1. Explosion in or of any of the following property: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion therefrom. However, if direct physical loss or direct physical damage to covered property at an Insured Location by fire or combustion explosion outside any of the property described in this exclusion results, the Company shall be liable for such resulting direct physical loss or direct physical damage to covered property at an Insured Location.

2. Rupture, bursting, cracking, burning or bulging of any of the following property: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines. However, if direct physical loss or direct physical damage to covered property at an Insured Location by fire or combustion explosion outside any of the property described in this exclusion results, the Company shall be liable for such resulting direct physical loss or direct physical damage to covered property at an Insured Location.

3. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force. However, if direct physical loss or direct physical damage to covered property at an Insured Location by fire results, the Company shall be liable for such resulting direct physical loss or direct physical damage to covered property at an Insured Location.

4. Electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated. However, if direct physical loss or direct physical damage to covered property at an Insured Location by fire results,

the Company shall be liable for such resulting direct physical loss or direct physical damage to covered property at an Insured Location.

5. Delay, loss of market, loss of use, interruption of business or any other consequential or indirect loss except as otherwise provided herein;

6. Unexplained or mysterious disappearance, or shortage disclosed on taking inventory

7. Interference by employees or other persons with rebuilding, repairing, or replacing property, or with the resumption or continuation of operations;

8. Enforcement of any ordinance, law, regulation or order pertaining to the manufacture, packaging, labeling, laws or distribution of goods, wares, Merchandise or other products by the insured; or pertaining to the construction, installation, repair, replacement, occupancy or use or demolition of the property insured hereunder;

9. Exposure of personal property in the open to elements of the weather except for wind and hail; however, liability is specifically assumed for any ensuing fire and the Company shall be liable for only such ensuing loss;

10. The release, discharge, dispersal, seepage, migration, or escape of Pollutants or Contaminants unless the release, discharge, dispersal, seepage, migration, or escape is caused by fire, lightning, explosion, windstorm, hail, leakage from fire protection equipment, smoke, vehicles and aircraft, riot, civil commotion, vandalism, sinkhole collapse, volcanic action, falling objects, weight of snow, ice or sleet, or water damage. However, this Policy does not cover the costs arising out of the enforcement of any law, ordinance, regulation or order by civil or judicial authority requiring the removal, disposal, replacement, cleanup, restoration or containment of covered property or for costs to monitor or test for the existence or effects of pollutants.

E. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, it is understood and agreed this Policy does not insure against loss or damage to, or any cost, claim or expense directly or indirectly arising out of or relating to, any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, claim or expense:

1. Data, Electronic Data, Programs, or Electronic Computer Programs,

2. failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability, or operation of Data, Electronic Data, Programs, or Electronic Computer Programs,

3. any instruction, including but not limited to any Computer Virus, introduced into, or caused to act upon Computer Operations,

4. errors in configuring Computer Operations,

5. failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability, or operation of Computer Operations caused by anything other than insured direct physical loss or damage to covered tangible property at an Insured Location.

F. The Company will not pay for damage or consequential loss directly or indirectly caused by, consisting of, or arising from, the failure of any Computer Operations, , whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the inability to:

1. Correctly recognize any date as its true calendar date;

2. Capture, save, or retain, and/or correctly manipulate, interpret or process any Data or information or command or instruction as a result of treating any date other than its true calendar date; and/or

3. Capture, save, retain or correctly process any Data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of Data or the inability to capture, save, retain, or correctly process such Data on or after any date.

It is further understood that the Company will not pay for the repair or modification of any part of Computer Operations or its related equipment, to correct deficiencies or features of logic or operation.

It is further understood that the Company will not pay for damage or consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in above.

This provision shall not exclude subsequent damage or Time Element loss, not otherwise excluded, which itself results from fire, lightning, explosion, windstorm, hail, leakage from fire protection equipment, smoke, vehicles and aircraft, riot, civil commotion, vandalism, sinkhole collapse, volcanic action, falling objects, weight of snow, ice or sleet, or water damage.

G. This Policy excludes the following, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:

1. Mold or Other Fungi, wet or dry rot, or Bacteria

2. Loss or damage caused directly or indirectly by Mold or Other Fungi, wet or dry rot, or Bacteria;

3. The costs associated with the enforcement of any ordinance or law which requires the Insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of Mold or other Fungi, wet or dry rot, or Bacteria; or

4. Any costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any government agency, court or other authority arising from any cause whatsoever.

This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area
This exclusion does not apply:

1. when Mold or Other Fungi, wet or dry rot, or Bacteria results from fire or lightning; or

2. to the extent that coverage is provided by LIMITED COVERAGE FOR MOLD, FUNGI, WET OR DRY ROT AND BACTERIA provision of the Policy.

H. Notwithstanding any of the terms of this Policy that might be construed otherwise, this Policy does not insure against loss or damage caused directly or indirectly by any act, error or omission (whether by the Insured or others) in:

1. planning, zoning, surveying, siting or developing property;

2. establishing or enforcing building codes or standards for construction or materials;

3. designing, establishing the specifications, furnishing work, materials, parts or equipment, or constructing or maintaining the following property or facilities
   a. buildings or structures;
   b. improvements or changes in or additions to land or other property; or
   c. roads, water mains, sewers, drainage ditches, levees, dams or other facilities;

all whether or not such property or facilities are (i) covered by this Policy, or (ii) away from the Insured Location.

4. EXTENSIONS OF COVERAGE

This Policy includes the following extensions of coverage. These extensions of coverage will not increase the Policy Limit of Liability and are subject to the applicable sub-limit and the Policy provisions, including applicable exclusions and deductibles.

A. DEBRIS REMOVAL

This Policy is extended to cover the reasonable and necessary expense incurred in the removal of debris from an Insured Location that remains as a direct result of insured direct physical loss or damage to covered property at an Insured Location.

This extension of coverage does not cover the expense of removal of contaminated uninsured property or of the Contaminant in or on uninsured property whether or not the contamination results from insured direct physical loss or damage. Contamination includes, but is not limited to, the presence of Pollutants.

This extension of coverage does not cover the expense of removal of any property or part thereof, the removal of which is required by the enforcement of any law, ordinance, regulation or rule regulating or restricting the construction, installation, repair, replacement, demolition, occupancy, operation or other use of such property.

No liability shall exist under this Debris Removal provision unless such expenses are reported to the Company within one hundred eighty (180) days of the date of direct physical loss or damage.

B. EARTHQUAKE

This Policy also insures direct physical loss or damage to covered property at an Insured Location caused by or resulting from Earthquake.

All Earthquake within a continuous 72 hour period will be considered a single Earthquake. The Company shall not be liable for any loss or damage caused by any Earthquake occurring before the effective date and time of this Policy, nor for any loss or damage occurring after the expiration date and time of this Policy.

Direct physical damage by fire or explosion resulting from Earthquake will not be considered to be loss by Earthquake within the terms and conditions of this Policy.

C. FLOOD

This Policy also insures direct physical loss or damage to covered property at an Insured Location caused by or resulting from Flood.

Each loss by Flood shall constitute a single claim hereunder; provided, if more than one Flood shall occur within any period of 72 hours during the term of this Policy, such Floods shall be deemed to be a single Flood. The Company shall not be liable for any loss or damage caused by any Flood occurring before the effective date and time of this Policy, nor for any loss or damage occurring after the expiration date and time of this Policy.

D. POLLUTANT CLEANUP AND REMOVAL

This Policy is extended to cover the necessary and reasonable expenses actually incurred by the insured to clean up and remove Pollutants from land or water in or on land at the Insured Location if the discharge, dispersal, seepage, migration, release or escape of the Pollutants is directly caused by insured direct physical loss or damage to covered property at an Insured Location which occurs during the term of this Policy, except no liability is assumed for the expense to clean up and remove:

1. Pollutants from land or water at any Location covered under the provisions of the Newly Acquired Property; or

2. Pollutants from land or water at any Miscellaneous Unnamed Location

No liability shall exist under this Pollutant Cleanup and Removal provision unless such expenses are reported to the Company within one hundred eighty (180) days of the date of direct physical loss or damage.

This Policy does not cover expenses, fines, penalties or costs incurred or sustained by the Insured or imposed on the Insured at the order of any Government Agency, Court or other Authority, in connection with any kind or description of environmental impairment including seepage or pollution or contamination from any cause.

E. FIRE EXTINGUISHING SERVICE CHARGES:

This Policy is extended to cover regular agreed fire department service charges or those imposed by law that may be incurred because of fire or explosion on or exposing an Insured Location.

F. ACCOUNTS RECEIVABLE

This Policy is extended to cover the following loss resulting from insured direct physical loss or damage to covered accounts receivable records at an Insured Location.

1. all sums due the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss or damage to records of accounts receivable at an Insured Location;

2. all interest charges on any loan to offset impaired collection pending repayment of such sums made uncollectible by loss or damage;

3. collection expense in excess of Normal collection cost and made necessary because of such loss or damage

4. Other expense which is reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss or damage;

This extension of coverage does not insure against loss:

1. due to bookkeeping, accounting or billing errors or omissions;

2. which requires an audit of records or an inventory computation to prove its factual existence; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder;

3. due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of Money, Securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding.

After payment of loss, all amounts recovered by the Insured on accounts receivable for which the Insured has been indemnified shall belong and be paid to the Company by the Insured up to the total amount of loss paid by the Company; but all recoveries in excess of such amounts shall belong to the Insured.

When there is proof that a loss covered by this extension has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Insured's monthly statements and shall be computed as follows:

1. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;

2. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve (12) months immediately preceding the month in which the loss occurs, or such part thereof for which the Insured has furnished monthly statements to the Company, as compared with such average for the same months of the preceding year;

3. the amount determined under a. above, increased or decreased by the percentage calculated under b. above, shall be the agreed total amount

of accounts receivable as of the last day of the fiscal month in which said loss occurs;

4. the amount determined under c. above shall be increased or decreased in conformity with the Normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which statement has been rendered.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which would normally have been uncollectible by the Insured. All unearned interest and service charges shall be deducted.

G. VALUABLE PAPERS

This Policy is extended to cover insured direct physical loss or damage to covered Valuable Papers and Records at an Insured Location.

This extension of coverage does not insure against loss:

1. resulting from errors or omissions in processing or copying;

2. resulting from unauthorized instructions to transfer property to any person or to any place;

3. resulting from voluntary parting with any property by the Insured or any associate, proprietor, partner, director, trustee, officer, employee or agent of any Insured if induced to do so by any fraudulent scheme, trick, device or false pretense.

4. or damage to property held as samples or for sale or for delivery after sale.

5. or damage to property not specifically declared, described and valued in an endorsement to this Policy, if such property cannot be replaced with other of like kind and quality or restored to usable condition

H. NEWLY ACQUIRED PROPERTY

This Policy is extended to cover real and personal property of the type covered constructed, acquired or leased after the inception date of this Policy at Locations within the POLICY TERRITORY.

Coverage under this Newly Acquired Property extension of coverage shall commence when the Insured first acquires an insurable interest in the property at the Location and shall cease ninety (90) days from the date of such acquisition, or when reported to and accepted by the Company, or on the expiration date of this Policy, whichever shall occur first. Newly Acquired Property does not include any property in transit, property while waterborne, property covered in the Miscellaneous Unnamed Location or Unintentional Errors or Omissions extensions of coverage, property at any exhibition, exposition, fair or trade show or otherwise insured under this Policy or any other Policy issued by this Company to the Insured. This extension of coverage shall not be construed as providing coverage at Locations otherwise insured by this Policy form.

It is understood and agreed that loss or damage caused by or resulting form Flood or Earthquake is excluded as respects this extension of coverage.

I. DEMOLITION AND INCREASED COST OF CONSTRUCTION

This Policy is extended to cover the following costs when there is insured direct physical loss or damage to covered buildings or structures at an Insured Location and such additional costs are occasioned by the enforcement of any law or ordinance regulating the construction, repair, replacement, use or demolition of such buildings or structures which is in force at the time of loss and necessitates such costs:

1. The actual cost of demolishing the undamaged portions of buildings or structures, and of clearing the site of such undamaged portions

2. The increased cost to repair, construct, or reconstruct buildings or structures on the same premises of like height, floor area, and style and for like occupancy limited to the minimum requirements of any laws or ordinances in force at the time such loss occurs and which regulate construction, repair, or use of the damaged buildings or structures.

3. This Company shall not be liable:
   a. Under Subparagraph 1, for any loss unless the undamaged portions of buildings or structures are actually demolished;

   b. Under Subparagraph 2:
      (1) For any loss unless and until the damaged or destroyed buildings or structures are actually rebuilt or replaced with due diligence and dispatch or
      (2) For any loss unless the damaged or destroyed buildings or structures are actually rebuilt or replaced within two (2) years from the date of loss.
      (3) For more than the amount actually and necessarily expended to repair or replace as above provided, in excess of the amount recoverable under this Policy had this Extension not been attached thereto or;
      (4) For more than the amount insured under this extension in excess of the cost to repair or replace that portion of buildings or structures damaged or destroyed, with materials of like kind and quality without deduction for depreciation.

   c. Under Subparagraph 1 and 2,
      (1) For demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material
      (2) For any governmental direction or request declaring that asbestos material present in or part of or utilized on any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified;
      (3) For the cost of compliance with the enforcement of any law or ordinance which the Insured would have otherwise incurred by nature of such law or ordinance in the absence of any loss or damage covered by this Policy.

J. PROPERTY IN TRANSIT

This Policy is extended to cover the following personal property, except as excluded by this Policy, while in transit within the territory of this Policy:

1. personal property owned by the Insured.

2. personal property shipped to customers under F.O.B., C & F or similar terms. The Insured's contingent interest in such shipments is admitted.

3. personal property of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or legal liability.

4. personal property of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery.

This Extension of Coverage excludes:

1. samples in the custody of salespeople or selling agents;

2. property insured under import or export ocean marine insurance;

3. waterborne shipments, except while on the navigable inland waters of the countries within the territory of this Policy;

4. airborne shipments unless by regularly scheduled passenger airlines or air freight carriers;

5. property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier;

6. any transporting vehicle;

7. all materials in transit which are otherwise covered under another policy;

8. Delay, loss of market, loss of use, interruption of business or any other consequential or indirect loss except as otherwise provided herein; and

9. Time Element.

Coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.

This Extension of Coverage:

1. covers general average and salvage charges on shipments covered while waterborne.

2. insures physical loss or damage caused by or resulting from unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts; improper parties having gained possession of property through fraud or deceit.

3. does not inure directly or indirectly to the benefit of any carrier or bailee.

Any act or agreement by the Insured before or after loss or damage whereby any right of the Insured to recover in whole or in part for loss or damage to property covered hereunder against any carrier, bailee or other party liable therefore, is released, impaired or lost, shall render this Policy null and void, but the Insured's right to retain or recover the premium shall not be affected. The Company is not liable for any loss or damage, which, without its written consent, has been settled or compromised by the Insured. It shall, however, be permissible for the Insured without prejudice to this insurance, to accept the ordinary Bill of Lading or Shipment Receipts issued by carriers limiting their liability to less than the actual value.

K. ELECTRONIC DATA PROCESSING EQUIPMENT BREAKDOWN

This Policy is extended to cover direct physical loss or damage

1. to covered Electronic Data Processing Equipment and component parts thereof while at an Insured Location and owned by the Insured or leased, rented, or under the control of the insured and used in the operations of the insured to process information at Insured Locations; and

2. which is caused by:

   A. Mechanical breakdown or machinery breakdown;

   B. Short circuit, blowout, or other electrical damage to electrical equipment, apparatus or devices, including wiring.

L. ELECTRONIC DATA PROCESSING MEDIA BREAKDOWN

This Policy is extended to cover insured direct physical loss or damage to Electronic Data Processing Media that is:

1. at an Insured Location,

2. used in the operations of the insured to process and store information at an Insured Location; and.

3. caused by:

   A. Mechanical breakdown or machinery breakdown;

   B. Short circuit, blowout, or other electrical damage to electrical equipment, apparatus, or devices, including wiring.

M. MISCELLANEOUS UNNAMED LOCATIONS

This Policy is extended to cover Miscellaneous Unnamed Locations.

Miscellaneous Unnamed Location does not include any property in transit, property while waterborne, property covered in the Newly Acquired Property or Unintentional Errors or Omissions extensions of coverage, or that is otherwise insured under this Policy or any other policy issued by the Company.

It is understood and agreed that loss or damage caused by or resulting from Flood or Earthquake is excluded as respects this extension of coverage.

N. SERVICE INTERRUPTON

This Policy is extended to insure against shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage, of covered personal property at an Insured Location resulting from insured direct physical loss or damage to property of the type covered at facilities which are: Owned by the public utility company or other company contracted to supply steam, natural gas, telecommunications, water, electricity, oxygen, or refrigeration to the Insured Location; and used to supply said services directly to the Insured Location

O. EXPEDITING EXPENSE

This Policy is extended to cover, the reasonable and necessary extra costs of temporary repair of insured direct physical loss or damage to covered property at an Insured Location and the extra costs of expediting the permanent repairs or permanent replacement of such damaged property, whichever is less,. In no event shall these expediting expenses include expenses recoverable elsewhere in this Policy or the cost of permanent repair or replacement of the damaged property.

P. PROFESSIONAL FEES

This Policy is extended to cover expenses incurred by the Insured or by the Insured's representative including auditors, accountants, appraisers, architects, engineers or other such professionals for producing and certifying particulars or details of the Insured's business required by the Company in order to arrive at the loss payable under this Policy in event of a claim. However, no coverage shall apply to expenses incurred for the services of public adjusters or attorneys; insurance agents or brokers or loss appraisers nor for services of employees of the Insured unless agreed to by the Company prior to the use of their services.

Q. UNINTENTIONAL ERRORS OR OMISSIONS

If direct physical loss or damage is not payable under this Policy solely due to an error or unintentional omission:

1. in the description of where covered property is physically located;

2. to include any Location:
   a. owned, rented or leased by the Insured on the effective date of this Policy; or
   b. purchased, rented or leased by the Insured during the term of this Policy, or

3. that results in cancellation of the property insured under this Policy;

this Policy covers such direct physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this extension of coverage that any error or unintentional omission be reported by the Insured to the Company when discovered and corrected.

Unintentional Errors or Omissions does not include any property in transit, property while waterborne, property covered in the Miscellaneous Unnamed Location or Newly Acquired Property extensions of coverage, property at any exhibition, exposition, fair or trade show or otherwise insured under this Policy or any other Policy issued by this Company to the Insured

R. LIMITED COVERAGE FOR MOLD, FUNGI, WET OR DRY ROT AND BACTERIA

This Policy is extended to cover loss or damage to covered property at an Insured Location or while covered under the PROPERTY IN TRANSIT provision of the Policy directly caused by or resulting from Mold or other Fungi, wet or dry rot, or Bacteria if such Mold or other Fungi, wet or dry rot, or Bacteria is directly caused by or results from insured direct physical loss or damage other than fire or lightning.:

As applied to this limited coverage for loss or damage by Mold, or other Fungi, wet or dry rot, and Bacteria, “loss or damage” means:

a. Direct physical loss or damages to covered property by Mold, or other Fungi, wet or dry rot or bacteria, including the cost of removal of the Mold or other Fungus, wet or dry rot or Bacteria;

b. The cost to tear out and replace any part of the building or other property as needed to gain access to the Mold or other fungi, wet or dry rot or Bacteria; and

c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is reason to believe that Mold or other Fungi, wet or dry rot or Bacteria are present.

The sub-limit for this extension of coverage is an annual aggregate and applies regardless of the number or type of coverages that may apply, the number of Locations to which this coverage extension applies, or regardless of the number or type of Mold or Other Fungi, wet or dry rot, or Bacteria that caused the loss or damage. With respect to a particular Occurrence of loss which results in Mold or other Fungi, wet or dry rot or Bacteria, we will not pay more than a total of $10,000 even if the Mold or other Fungi, wet or dry rot or Bacteria continues to be present or active, or recurs, in a later policy period.

SECTION C- TIME ELEMENT

This Policy includes the following coverages and terms and conditions. The coverages will not increase the Policy Limit of Liability and are subject to applicable sub-limits and the Policy provisions, including applicable exclusions and deductibles

1. BUSINESS INTERRUPTON

This Policy insures against loss resulting directly from necessary interruption of business conducted by the Insured caused by insured direct physical loss or damage to covered property, except Finished Stock, at an Insured Location.

Recovery in the event of loss hereunder shall be the actual loss sustained by the Insured resulting directly from such interruption of business, but not exceeding the reduction in Gross Earnings during the Period of Recovery, less charges and expenses which do not necessarily continue during the interruption of business.

2. EXTRA EXPENSE

This Policy covers the necessary Extra Expense as hereinafter defined, incurred by the Insured in order to continue as nearly as practicable the Normal operations of the Insured's business following insured direct physical loss or damage to covered property at an Insured Location.

In the event of such damage or destruction, the Company shall be liable for such necessary Extra Expense incurred during the Period of Recovery.

It is a condition of this insurance that as soon as practicable the Insured shall resume operation of the business and dispense with such Extra Expense.

Any salvage value of property obtained for temporary use during the period of restoration, which remains after the resumption of Normal operations, shall be taken into consideration in the adjustment of any loss hereunder.

3. RENTAL VALUE

This Policy covers the Rental Value of real property at an Insured Location. .

Recovery in the event of loss hereunder shall be the actual loss sustained by the Insured resulting directly from necessary untenantability, caused by insured direct physical loss or damage to covered property at an Insured Location as furnished and equipped by the Insured and whether rented at the time or not, but not exceeding the reduction in Rental Value during the Period of Recovery, less charges and expenses which do not necessarily continue during the interruption of rent ability

4. LEASEHOLD INTEREST

This Policy covers the following expenses if directly caused by insured direct physical loss or damage to covered real property leased by the Insured and located at an Insured Location:

A. The actual rent which remains payable for the unexpired term of the Lease if such property becomes wholly untenable or unusable and the lease agreement requires continuation of the rent payment; or

B. The proportion of the actual rent which remains payable for the unexpired term of the Lease if such property becomes partially untenable or unusable and the lease agreement requires continuation of the rent payment; or

C. The Leasehold Interest for the first three (3) months following loss or damage and the Net Leasehold Interest for the remaining unexpired term of the lease if the lease is canceled by the lessor pursuant to the lease agreement or by the operation of law**.**

This coverage does not insure against any loss or expense resulting from:

A. The suspension, lapse, or cancellation of any license; or

B. The Insured exercising an option to cancel the Lease; or

C. Any act or omission by the Insured which constitutes a default under the Lease.

It is a condition of this coverage that the Insured shall use any suitable property or service owned or controlled by the Insured or obtainable from another source to reduce the amount of loss hereunder.

This Policy does not provide this coverage for more than the number of consecutive days shown in the Sub-Limits of Liability section of the Declarations, nor more than the dollar limit of liability shown in the same section.

5. TIME ELEMENT GENERAL CONDITIONS

A. This Policy also covers such expenses as are necessarily incurred for the purpose of reducing a Time Element loss (except expense incurred to extinguish a fire) but in no event shall the aggregate of such expenses exceed the amount by which the loss otherwise payable under this section is thereby reduced.

B. Resumption of Operations – It is a condition of this insurance that if the Insured could reduce the loss resulting from the interruption of business:

1. By complete or partial resumption of operation of the property herein described, whether damaged or not; or

2. By making use of Raw Stock, Stock in Process, Finished Stock or Merchandise, at an Insured Location(s) described herein or at another Location or

3. By making use of other property at an Insured Location(s) described herein or at another Location,

such reductions shall be taken into account in arriving at the loss hereunder.

C. Liability under this Policy for Ordinary Payroll Expense is limited to such expense which continues during an interruption of business for a period of time not exceeding the number of consecutive days shown in the Declarations, immediately following the date of insured direct physical loss or damage to covered property at an Insured Location. Coverage applies only to the extent necessary to resume Normal business of the Insured with the same quality of service, which existed immediately preceding the loss, and only to the extent the payroll expense would have been earned had no loss occurred. If there is no

time limit shown in the Declarations, for ordinary payroll, then coverage is hereby excluded.

D. In determining the amount of the Time Element loss as insured against by this Policy, due consideration shall be given to experience of the business before the loss and the probable experience thereafter had no loss occurred.

E. If the named Insured is comprised of more than one legal entity, liability shall not exceed the amount of loss had all interests comprised one legal entity.

F. The amount of Time Element loss resulting from insured physical damage to covered Property in the Course of Construction which delays commencement of business operations of the Insured shall be calculated by applying the length of time, determined as otherwise provided herein, to the level of business operations or production that would have been reasonably achieved after construction and start-up would have been completed had no physical damage occurred.

G. This Policy does not insure against Time Element loss for any period during which business would not or could not have been conducted for any reason other than physical damage of the type insured against.

H. This Policy does not insure against any increase of loss resulting from the suspension, lapse or cancellation of any lease, license, contract or order unless such suspension, lapse or cancellation results directly from the interruption of business, and then there shall be liability for only such loss as affects the Insured's earnings during, and limited to, the Period of Recovery.

I. This Policy does not insure against Time Element loss resulting from damage to Finished Stock nor for the time required to reproduce said Finished Stock.

6. TIME ELEMENT EXTENSIONS OF COVERAGE

A. CIVIL AUTHORITY

This Policy is extended to cover for up to four (4) weeks, the actual loss sustained by the Insured due to the necessary interruption of the Insured's business during the period of time while access to an Insured Location is specifically prohibited by order of civil authority, but only when such order is given as a direct result of direct physical loss or damage of the type insured against to property of the type covered at an Insured Location or within one statute mile of an Insured Location.

B. INGRESS AND EGRESS

This Policy is extended to cover for up to four (4) weeks, the actual loss sustained by the Insured due to the necessary interruption of business during the period of time when, as a direct result of direct physical damage of the type insured against to property of the type covered at an Insured Location or within one statute mile of an Insured Location, ingress to or egress from an Insured Location is thereby physically prevented.

C. CONTINGENT BUSINESS INTERRUPTION

This Policy is extended to cover loss resulting directly from necessary interruption of business conducted at an Insured Location occupied by the Insured, caused by direct physical loss or damage of the type insured against to property of the type covered at any Locations within the POLICY TERRITORY,

1. of direct suppliers from whom the Insured is contractually obligated to purchase goods or services

2. of direct customers who are contractually obligated to accept product(s) produced or service(s) provided by the Insured

Recovery in the event of loss hereunder shall be the actual loss sustained by the Insured resulting directly from such interruption of business, but not exceeding the reduction in Gross Earnings during the Period of Recovery, less charges and expenses which do not necessarily continue during the interruption of business

The term suppliers or customers does not include any company supplying to or receiving from an Insured Location utilities including, but not limited to, steam, natural gas, telecommunications, water, electricity, oxygen, refrigeration or sewage.

This coverage does not insure loss resulting from lack of incoming or outgoing transmission of voice, Data or video, or any communications received via satellite.

D. EXTENDED PERIOD OF INDEMNITY

The Business Interruption coverage is extended to cover the actual loss sustained resulting directly from the interruption of business covered by the Business Interruption coverage for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss occurred, commencing with the later of the following dates:

1. The date on which the liability of this Company for loss resulting from interruption of business would terminate if this endorsement had not been attached to this Policy; or

2. The date on which repair, replacement or rebuilding of such part of the real or personal property (excepting only Finished Stock) herein described or has been damaged or destroyed is actually completed;

But in no event for more than the consecutive days shown in the SUB-LIMITS OF LIABILITY provision of the Declarations section

E. RESEARCH AND DEVELOPMENT

If insured direct physical loss or damage to covered property at an Insured Location directly results in an interruption of research and development activities, which in themselves would not have produced income during the Period of Recovery, this Policy is extended to cover the actual loss sustained by the Insured of the continuing fixed charges and expenses, including ordinary payroll directly attributable to such research and development activities, during the Period of Recovery.

F. SERVICE INTERRUPTION

This Policy is extended to cover the actual loss sustained and Extra Expense incurred by the Insured during the Period of Service Interruption at an Insured Location when the loss is caused by the interruption of incoming services described below as a direct result of direct physical loss or damage of the type insured to property of the type covered at facilities which are:

1. Owned by the public utility company or other company contracted to supply steam, natural gas, telecommunications, water, electricity, oxygen, or refrigeration to the Insured Location; and

2. Used to supply said services directly to the Insured Location.

SECTION D -GENERAL CONDITIONS

1. PROPERTY VALUATION

The value of the following property shall be determined as follows:

A. Raw Stock, supplies and Merchandise : the replacement cost;

B. Stock in Process: the value of Raw Stock and labor expended, plus the proper proportion of overhead charges;

C. Finished Stock: the regular cash selling price at the Location where the loss occurred, less all discounts and charges to which such Finished Stock would have been subject had no loss occurred;

D. On Valuable Papers, if not specifically declared, described and valued in an endorsement to this Policy, valuation shall be based on the lesser of:

1. The cost to repair or restore the valuable paper or record to the condition that existed immediately prior to the insured event; or

2. The limit of liability shown in the Declarations,

E. Electronic Data Processing Media: the cost of the blank Electronic Data Processing Media plus the cost of copying the Electronic Data or Electronic Computer Programs from back-up or from originals of the previous generation, even though Electronic Data and Electronic Computer Programs are not covered by this policy. These costs will not include research and engineering or any costs of restoring, gathering, assembling or recreating such Electronic Data or Electronic Computer Programs. Nor does this policy insure any amount pertaining to the value of such Electronic Data or Electronic Computer Programs to the insured or any other party, even if such Electronic Data or Electronic Computer Programs cannot be restored, recreated, gathered or assembled.
In no event shall the value include any additional cost directly or indirectly associated with the enforcement of any law or ordinance regulating the storage, processing, collection, transmission, recording, management, privacy or protection of Media, Electronic Data Processing Media, Data, Electronic Data, Programs or Electronic Computer Programs.

If the Electronic Data Processing Media is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank Electronic Data Processing Media.

F. Patterns and Dies: the replacement cost if actually replaced; otherwise, at Actual Cash Value, at the time and place of loss;

G. Improvements and Betterments:

1. If repaired or replaced at the expense of the insured within two (2) years after such loss, the replacement cost of the damaged or destroyed Improvements and Betterments;
2. If not repaired or replaced within two (2) year after such loss, that proportion of the original cost at time of installation of the damaged or destroyed Improvements and Betterments which the unexpired term of the lease at the time of loss bears to the period(s) from the date(s) such

Improvements and Betterments were made to the expiration date of the lease,

3. If repaired or replaced at the expense of others for the use of the Insured, there shall be no liability hereunder.

H. Property in transit shall be valued at the actual invoice cost, including prepaid freight, together with such costs and charges since shipment as may have accrued and become legally due thereon. If there is no invoice, the valuation of property covered hereunder shall be in accordance with the Actual Cash Value at the time and place of loss.

I. Fine Arts: if not specifically declared, described and valued in an endorsement to this Policy , shall be valued at the least of the following:
   a. the Actual Cash Value of the Fine Arts; or
   b. the cost of reasonably restoring the Fine Arts to its condition immediately before loss; or
   c. the cost of replacing the Fine Arts with substantially identical property; or
   d. the applicable sub-limit stated in the Declarations

   In the event of loss or damage, the value of Fine Arts will be determined as of the time of loss.

J. Motor Vehicles, Mobile and/or Contractors Equipment: In case of loss, settlement shall be based on the Actual Cash Value of the property at the time of loss or damage occurs but shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

K. Any other property not otherwise provided for

   The lesser of:

   1. The cost to rebuild or replace on the same site with new materials of like size, kind and quality.

   2. The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.

   3. The selling price of real property or machinery and equipment, other than stock, offered for sale on the date of loss.

   4. The cost to replace unrepairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement.

   5. The increased cost of demolition, if any, resulting from loss covered by this Policy, if such property is scheduled for demolition.

   6. The Actual Cash Value if such property is:

      a. useless to the Insured; or

b. not repaired, replaced or rebuilt on the same or another site within two years from the date of loss.

2. ASSIGNMENT

Assignment of interest under this Policy shall not bind the Company without its prior written consent.

3. INSPECTION OF PROPERTY

The Company shall be permitted but not obligated to inspect the Insured's property and operations at any reasonable time. Neither the right to make inspections nor the making thereof nor any advice or report resulting there from shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

4. NO CONTROL

The insurance shall not be affected by failure of the Insured to comply with any provision of this Policy in any portion of the Insured Location over which the Insured has no control.

5. SUBROGATION

In the event of any payment under this Policy, the Company shall be subrogated to all the Insured's right of recovery therefore against any party, and the Company may require from the Insured an assignment of all rights of recovery against any party for loss to the extent that payment therefore is made by the Company. The Insured shall do nothing after loss to prejudice such rights; however, this insurance shall not be invalidated should the Insured waive in writing prior to a loss any or all rights of recovery against any party for loss or damage as insured against by this Policy.

6. LOSS CLAUSE

Any loss hereunder shall not reduce the amount of this Policy except for those perils to which an annual aggregate loss limit applies.

7. NO BENEFIT TO BAILEE

This insurance shall in no way inure directly or indirectly to the benefit of any carrier or other bailee.

8. OTHER INSURANCE

The Company shall not be liable for loss or damage under this Policy if at the time of such loss or damage there is any other insurance which would attach if this insurance had not been effected, except that this insurance shall apply only as excess and in no event as contributory insurance, and then only after all other insurance has been exhausted.

9. UNDERLYING INSURANCE

Permission is granted the Insured to purchase insurance on all or any part of the deductibles of this Policy and the existence of such underlying insurance shall not prejudice any recovery otherwise payable under this Policy.

10. EXCESS INSURANCE

Excess insurance is insurance over the limit of liability set forth in this Policy. The existence of such excess insurance shall not prejudice the coverage provided under this Policy nor will it reduce any liability hereunder.

11. CANCELLATION CLAUSE

This Policy shall be canceled at any time following the request of the Insured, in which case this Company shall, upon demand refund the excess of paid premium above the customary short rates, if allowed by state regulations, for the expired time. This Policy may be canceled at any time by this Company by giving to the Insured a sixty (60) day written notice of cancellation with or without tender of the excess of paid premium above the pro-rata premium for that expired time, which excess, if not tendered, shall be refunded on demand. However, in the event of non-payment of premium, this Policy may be canceled by the Company by giving to the Insured a 10 (ten) days written notice of cancellation.

12. MISREPRESENTATION OR FRAUD

This entire Policy shall be void, if whether before or after a loss, any Insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of any Insured therein, or in case of any fraud, attempted fraud, or false swearing by any Insured relating thereto.

13. CHANGES

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or stop the Company from asserting any right under the terms of this Policy, nor, with the exception provided in the "Suspension" provision of the EQUIPMENT BREAKDOWN ENDORSEMENT, shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy

14. NOTICE OF LOSS

The Insured as soon a practicable will report in writing to the Company or it's agent every loss that the Insured has a reasonable basis to believe may become a claim under this Policy and shall also file with the Company or agent within sixty (60) day from date of discovery of loss, unless such time is extended in writing by the Company, a detailed sworn proof of loss. Failure by the Insured to report said loss and to file such sworn proof of loss as is here-in-before provided shall invalidate any claim under this Policy for such loss.

15. EXAMINATION UNDER OATH

The Insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property, and submit to examinations under oath by any person named by the Company and subscribe the same; and, as often as may be reasonably required, shall produce for examination all books of account, tax returns, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Company or their representative, and shall permit extracts and copies thereof to be made.

16. ABANDONMENT

There can be no abandonment to the Company of any property.

17. APPRAISAL

If the Insured and the Company fail to agree as to the amount of loss, each shall, on the written demand of either, made within 60 days after receipt of proof of loss by the Company, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire, and failing for 15 days to agree upon such umpire, then on the request of the Insured or the Company, such umpire shall be selected by a judge of a court of record in the state in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the replacement value at the time of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The Insured and the Company shall each pay his or its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. The Company shall not be held to have waived any of its rights by any act relating to appraisal.

18. COMPANY OPTION

It shall be optional with the Company to take all, or any part, of the property at the agreed or appraised value.

19. SETTLEMENT OF CLAIMS

All adjusted claims shall be paid or made good to the Insured within 60 days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Company.

20. SUIT

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within 12 months next after discovery by the Insured of the Occurrence which gave rise to the claim, provided, however, that if by the laws of the state within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding is commenced within the shortest limit of time permitted by the laws of such state.

21. CONFORMITY TO STATUTE

Terms of this Policy, which are in conflict with the statutes of the state wherein this Policy is issued, are hereby amended to conform to such statutes.

22. TITLES OF PARAGRAPHS

The several titles of the various paragraphs of this form (and of endorsements and supplemental contracts, if any, now or hereafter attached to this Policy) are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

23. BRANDS AND LABELS

If branded or labeled Merchandise or Finished Stock covered by this Policy is damaged and the Insured elects to take all or any part of such Merchandise or Finished Stock at the value established by the provisions of this Policy, the Insured may at his own expense, stamp “Salvage” on the Merchandise or Finished Stock or its containers or may remove or

obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the Merchandise or Finished Stock, but the Insured shall re-label the merchandise, or Finished Stock or containers in compliance with the requirements of the law.

24. PROTECTION OF PROPERTY

In case of actual or imminent insured direct physical loss or damage, the Insured will take reasonable steps to protect, recover or save the covered property and minimize any further or potential loss. The reasonable expenses incurred by the insured in protection and preservation of property insured hereunder shall be added to the total physical loss or damage otherwise recoverable under the Policy and be subject to the applicable deductible and without increase in the limit provisions contained in this Policy. The acts of the Insured or the Company in protecting, recovering or saving the covered property will not be considered a waiver or an acceptance of abandonment.

25. PAIR, SET OR PARTS

In the event of loss or damage to:

A. Any article or articles which are a part of a pair or set, the measure of loss of or damage to such articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or

B. Any part of property covered consisting, when complete for use, of several parts, the Company shall only be liable for the value of the part lost or damaged.

26. INCREASE IN HAZARD

This Policy shall be invalidated by an increase in hazard by any means within the control and knowledge of the Insured.

27. LOSS PAYABLE

Unless otherwise provided herein, loss, if any, is to be adjusted with the Named Insured and payable to the First Named Insured, whose receipt shall constitute a release in full of all liability under this Policy for such loss.

28. CERTIFICATES OF INSURANCE

This Company hereby gives permission for its authorized agents to issue certificates of insurance. Any certificate of insurance issued in connection with this Policy shall be issued solely as a matter of convenience or information for the addressee(s) or holder(s) of said certificate of insurance, and a copy immediately sent to this Company.

29. MORTGAGEE INTERESTS AND OBLIGATIONS

If loss hereunder is made payable, in whole or in part, to a designated mortgagee not named as the Insured, such interest in this Policy may be canceled by giving to such mortgagee ten days written notice of cancellation.

If the Insured fails to render proof of loss, such mortgagee, upon notice, shall render proof of loss in the form herein specified within sixty (60) days thereafter and shall be subject to the provisions hereof relating to appraisal and time of payment and of bringing suit. If this Company shall claim that no liability existed as to the mortgagor or owner, it shall, to the

extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue, or it may pay off the mortgage debt and require an assignment thereof and of the mortgage. Other provisions relating to the interests and obligations of such mortgagee may be added hereto by agreement in writing.

30. SERVICE OF SUIT

The Company hereby designates the Superintendent, Commissioner or Director of Insurance, or his/her designee, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by you or on your behalf or by any beneficiary under this Policy against the Company arising out of this Policy, provided that all lawful process received by said Superintendent, Commissioner or Director of Insurance, or his/her designee, is sent by certified or registered mail to the Company at:

AXIS U.S. Insurance
Attention: Claims Administrator
11680 Great Oaks Way
Suite 500
Alpharetta, GA 30022

31. LIBERALIZATION

If during the period that insurance is in force under this Policy, or within forty-five (45) days prior to the inception date thereof, on behalf of the Company there be filed with and approved or accepted by the insurance supervisory authorities, in conformity with law, any changes in the forms or endorsements attached to this Policy, or the rules or regulations applying thereto, by which this insurance could be extended or broadened, without increased premium charge, by endorsement or substitution of form, then such extended or broadened insurance shall inure to the benefit of the Insured as though such endorsement or substitution of form has been made.

32. DEFINITIONS

The following terms wherever used in this Policy shall mean as follows:

A. 100% Value of the Property Insured means 100% value of the property insured at the time of loss or damage at the Locations where the physical damage occurred.

B. Actual Cash Value means replacement cost new less depreciation.

C. Average Daily Value (ADV) means the amount that would have been earned during the Period of Recovery by use of the facilities at the Location where the physical damage occurred, and all other Locations where Time Element loss ensues, divided by the number of working days in that period.

D. Bacteria means:
   1. any type or form of bacterium; or
   2. any byproduct that is produced or released by such bacterium.

E. Company means the company providing this insurance Policy.

F. Computer Operations means Computer Systems or Electronic Data Communications System.

G. Computer Systems means computer hardware of any kind; Electronic Computer Programs; Electronic Data Processing Media; Electronic Data; operating system; media microchip; microprocessers (computer chips); integrated circuit or similar device; computer network and networking equipment; firmware; servers; web sites; Extranet; and all input, output, processing, storage, and off-line media libraries.

H. Computer Virus means any corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes, but is not limited to, 'Trojan Horses', 'worms' and time or logic bombs'.

I. Data means information or knowledge.

J. Earthquake means any natural or man-made earth movement (except mudslide or mud flow caused by accumulation of water on or under the ground) including, but not limited to earthquake and resultant earthquake sprinkler leakage, volcanic action, landslide, subsidence or tsunami, regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Notwithstanding anything in the above to the contrary, to the extent mudslide or mud flow caused by accumulation of water on or under the ground is caused by or results from a tsunami, it shall be considered to be Earthquake as defined in this Policy.

K. Electronic Data Communications System means any communication system, including Computer Systems and the Internet, which provides the Insured with access to other Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment, or which provides any party access to the Insured's Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment.

L. Electronic Data Processing Media means punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which Electronic Data or Electronic Computer Programs are recorded or transmitted, but not the Electronic Data or Electronic Computer Programs themselves. Money or Securities are not Electronic Data Processing Media.

M. Electronic Data means Data recorded or transmitted in a form usable in Computer Systems, microchips, integrated circuits or similar devices in non-computer equipment, and which can be stored on Electronic Data Processing Media for use by Electronic Computer Programs.

N. Extra Expense means the excess (if any) of the total cost incurred during the Period of Recovery chargeable to the operation of the Insured's business, over and above the total cost that would normally have been incurred during the same period had no damage occurred

O. Extranet means an internal computer network that has been selectively opened to suppliers, customers, or other third parties via the Internet or otherwise.

P. Fine Arts: means shall mean paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture;

bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, Money and Securities.

Q. Finished Stock means stock manufactured by the Insured which in the ordinary course of the Insured's business is ready for packing, shipment or sale.

R. Fire Protection Equipment means tanks, water mains, hydrants, valves, and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes but does not include: branch piping from a joint system where such branches are used entirely for purposes other than fire protection, nor any underground water mains or appurtenances located outside of the Insured Location and forming a part of the public water distribution system, nor any pond to reservoir in which the water is impounded by a dam nor any aqueduct, pen stock or associated surge tanks.

S. First Named Insured means the individual or entity whose name appears first in the NAMED INSURED provision of this Policy.

T. Flood means a general and temporary condition of partial or complete inundation of normally dry land areas from (1) the rising or overflow of inland or tidal waters, (2) the unusual and rapid accumulation of run off of surface waters from any source, or (3) mud slide (i.e., mud-flow), meaning a river or flow of liquid mud proximately caused by flooding as defined in (1) above or by the accumulation of water under the ground, or (4) water that backs up from a sewer or drain.

To the extent that a condition described above is caused by or results from a tsunami, it shall not be considered to be Flood as defined in this Policy.

U. Full 12 Months Time Element Values means full 12 months Time Element values that would have been earned in the 12 month period following the occurrence by use of the facilities at the Location where the physical damage occurred and all other Locations where Time Element loss ensues.

V. Gross Earnings means the sum of:

1. Total net sales value of production (manufacturing operations); and
2. Total net sales of Merchandise (mercantile operations); and
3. Other earnings derived from operations of business.

Less the cost of:

1. Raw Stock from which such production is derived;
2. Supplies consisting of materials consumed directly in the conversion of such Raw Stock into Finished Stock or in supplying the service(s) sold by the Insured;
3. Merchandise sold, including packaging materials therefore; and
4. Service(s) purchased from outsiders (not employees of the Insured) for resale, which do not continue under contract.

No other costs shall be deducted in determining Gross Earnings.

W. High Hazard Flood Zone means

1. areas which at the time of loss or damage have been designated by the Federal Emergency Management Agency to be in a Special Flood Hazard Area (SFHA) , or
2. areas outside the United States which are equivalent to 1. above.

X. Improvements and Betterments means fixtures, alterations, installations, or additions comprising a part of the building occupied by the Insured and made or acquired at the expense of the Insured exclusive of rent paid by the Insured, but which are not legally subject to removal by the Insured.

Y. Insured Location(s) means a Location(s) listed on a schedule provided to the Company on the date noted in the Insured Location provision, or covered as a Miscellaneous Unnamed Location, or covered under the terms and conditions of the Newly Acquired Property or Unintentional Errors or Omissions provisions.

Z. Insured's Liability means liability imposed by law upon the Insured; or liability assumed by the Insured by specific agreement prior to loss for direct loss or damage of the type insured against.

AA. Internet means the worldwide publicly accessible network of computers, which is commonly referred to as “The Internet” or “World Wide Web”, or any other similar publicly accessible network hereafter to be developed.

BB. Leakage from Fire Protection Equipment means the escape or passage of water or other substance used for fire protection, through a breach or flaw in the fire protection system which is caused without the intervention of any other independent cause.

CC. Lease means the lease or rental agreement, whether written or oral, in effect as of the time of loss.

DD. Leasehold Interest means the excess rent paid for either the same or similar replacement property over the amount of rent and other charges which would have been payable under the unexpired Lease plus bonuses or advance rent paid (including any maintenance, operating charges or taxes) for each month during the unexpired term of the Insured’s Lease.

EE. Location(s) means as listed on the schedule provided to the Company on the date noted in the INSURED LOCATION provision. If not so specified or if a Miscellaneous Unnamed Location, a building, yard, dock, wharf, pier or bulkhead (or any group of the foregoing) bounded on all sides by public streets, clear land space or open waterways, each not less than fifty feet wide. Any bridge or tunnel crossing such street, space or waterway will render such separation inoperative.

FF. Media means any item of tangible personal property on which Data or Programs can be recorded, but not the Data or Programs themselves. Money or Securities are not Media.

GG. Merchandise means goods kept for sale by the Insured, which are not the product of manufacturing operations conducted by the Insured;

HH. Miscellaneous Unnamed Location(s) means:

1. property of the type covered, within the POLICY TERRITORY, in which the Insured has an insurable interest which existed prior to the inception date of this Policy and which is a) not listed on the schedule provided to the Company on the date noted in the Insured Location(s) definition or b) listed on the schedule provided to the Company on the date noted in the INSURED LOCATION provision of this Policy but for which the Insured has not submitted values for its interest or c) not

property covered under the terms and conditions of the Newly Acquired Property. extension of coverage.

2. property of the type covered at any exhibition, exposition, fair or trade show within the POLICY TERRITORY.

II. Mold or Other Fungi means

1. any type of or form of mold or mildew;
2. any other type or form of fungus; or
3. any mycotoxin, spore, scent or byproduct that is produced or released by such mold, mildew or other fungus.

JJ. Money means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held for sale to the public.

KK. Named Storm means a storm or weather disturbance that is named by the National Weather Service or other recognized authority. Such storm or weather disturbance includes all weather phenomenon associated with or occurring in conjunction with the storm or weather disturbance, including, but not limited to, Flood, wind, hail, sleet, tornadoes, hurricane or lightning. Such storm or weather disturbance shall also include storm or weather disturbance occurring during the 72 hours immediately following the time when such storm or weather disturbance has been downgraded, meaning that the storm or weather disturbance is no longer considered by the weather services or authorities described above to be a hurricane, typhoon, tropical storm or cyclone.

LL. Net Leasehold Interest means the present value of the amount which placed at four percent (4%) annual interest would equal the “Leasehold Interest” (less any amounts otherwise payable hereunder).

MM. New Madrid Earthquake Territory means the following counties within the following states:

1. *Arkansas*: Clay, Craighead, Crittenden, Cross, Greene, Independence, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Prairie, Randolph, St. Francis, White, Woodruff;
2. *Illinois:* Alexander, Franklin, Jackson, Johnson, Massac, Monroe, Perry, Pope, Pulaski, Randolph, Union, Washington, Williamson.
3. *Kentucky:* Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, McCracken
4. *Mississippi:* DeSoto, Marshall, Tate, Tunica
5. *Missouri:* Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Madison, Mississippi, New Madrid, Pemiscot, Perry, Reynolds, Ripley, St. Francis, St. Genevieve, Scott, Stoddar, Wayne
6. *Tennessee:* Crockett, Dyer, Fayette, Gibson, Hardeman, Haywood, Henry, Lake, Lauderdale, Obion, Shelby, Tipton, Weakley

NN. Normal means the condition that would have existed had no loss occurred.

OO. Occurrence means all covered loss, damage, or a sequence of losses or damages, casualties or disasters arising from a single event or catastrophe. When the term applies to loss or losses from the perils of Earthquake, Flood, Named Storm, wind,, hurricane, tornado, cyclone, hail, riot, riot attending a

strike, civil commotion, or vandalism and malicious mischief a single event or catastrophe shall be construed to be all losses arising during a continuous period of seventy-two 72 hours. When filing proof of loss, the Insured may elect the moment at which the seventy-two 72 hour period shall be deemed to have commenced, which shall not be earlier than when the first loss to the covered property occurs.

However, the Company shall not be liable hereunder for any loss or damage:

1. occurring before this Policy becomes effective; or
2. arising from an Occurrence which is in progress at the time this Policy becomes effective, even if such loss or damage occurs after this Policy becomes effective; or
3. occurring after the expiration of this Policy, except loss or damage arising from an Occurrence in progress at the time this Policy expires.

PP. Ordinary Payroll Expense means the entire payroll expense for all employees of the Insured, except officers, executives, department managers and employees under contract

QQ. Pacific Northwest Earthquake Territory means the following counties within the following state:

1. *Washington:* Callam, Gray Harbors, Island, Jefferson, King, Katsap, Lewis, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston, Whatcom

RR. Period of Recovery, for all property other than Electronic Data Processing Media means only such length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair or replace such property as has been damaged or destroyed, commencing with the date of such damage or destruction and not limited by the date of expiration of this Policy
This period of time does not include any additional time required for making any change(s) to such property for any reason except as provided for in the DEMOLITION AND INCREASED COST OF CONSTRUCTION provision of this Policy, nor for any additional time required for re-staffing or retraining employees, nor any additional time due to the Insured's inability to resume operations regardless of the reason.

For Electronic Data Processing Media Period of Recovery means

1. the time required with exercise of due diligence and dispatch to replace the Electronic Data Processing Media and copy from duplicates or from originals of the previous generation the Electronic Data or Electronic Computer Program made unavailable by physical loss or damage of the type insured against to covered Electronic Data Processing Media. This time does not include research, engineering or any other time necessary to restore, gather, assemble or recreate such Electronic Data or Electronic Computer Programs. Nor does it include any time directly or indirectly associated with the enforcement of any law or ordinance regulating the storage, processing, collection, transmission, recording, management, privacy or protection of Media, Electronic Data Processing Media, Data, Electronic Data, Programs or Electronic Computer Programs, or
2. if, for whatever reason, the Electronic Data or Electronic Computer Programs are not copied from back-up or from

originals of the previous generation, the time required with exercise of due diligence and dispatch to replace the Electronic Data Processing Media.

SS. Period of Service Interruption means:

(i) The period starting with the time when an interruption of specified services occurs; and ending when with due diligence and dispatch the service could be wholly restored and the Llocation receiving the service could or would have resumed normal operations following the restorations of services.

(ii) The Period of Service Interruption is limited to only those hours during which the Insured would or could have used services(s) if it had been available.

(iii) The Period of Service Interruption does not extend to include the interruption of operations caused by any reason other than interruption of the specified services.

TT. Policy means all parts of the document to which this form is attached including but not limited to Declarations-Section A, Property Damage-Section B, Time Element-Section C, General Conditions-Section D and Endorsements.

UU. Pollutants or Contaminant means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to asbestos, smoke, vapor, soot fumes, acids, alkalis, chemicals and waste. “Waste pollutants” means those pollutants which are at any time transported, handled, stored, treated, disposed of or processed as waste by or for the Insured, or for whom the Insured is legally liable.

VV. Program means recorded instructions, whether digital or otherwise, for the processing, collecting, transmitting, recording, retrieval or storage of Data.

WW. Property in the Course of Construction means covered property at an Insured Location which is in the course of construction, installation, erection, start-up, commissioning, reconstruction, repairs, demolition, alteration, renovation and the like.

XX. Raw Stock means material in the state in which the Insured receives it for conversion by the Insured into Stock in Process or Finished Stock.

YY. Rental Value means the sum of:

1. the total anticipated gross rental income from tenant occupancy of an Insured Location as furnished and equipped by the Insured; and
2. the amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be obligations of the Insured; and
3. the fair Rental Value of any portion of said property which is occupied by the Insured.

ZZ. Securities means all negotiable and nonnegotiable instruments or contracts representing either Money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include Money.

AAA. Sinkhole Collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

BBB Special Flood Hazard Area means an area having special flood, mudflow, or flood-related erosion hazards, and shown on a Flood Hazard Boundary Map or a Flood Insurance Rate Map as Zone A, AO, A1-A30, AE, A99, AH, AR, AR/A, AR/AE, AR/AH, AR/AO, AR/A1-A30, V1-V30, VE, or V.

CCC. Stock in Process means Raw Stock which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become Finished Stock.

DDD. Tier 1 Windstorm Areas means the following counties, parishes and independent cities including barrier islands within these states:

1. *Alabama:* Baldwin, Mobile
2. *Georgia:* Bryan, Camden, Chatham, Glynn, Liberty, McIntosh
3. *Louisiana:* Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Martin, St. Mary, St. Tammany, Terrebonne, Vermillion
4. *Mississippi:* Hancock, Harrison, Jackson
5. *North Carolina:* Beaufort, Brunswick, Camden Carteret, Chowan, Craven, Currituck, Dane, Hyde, Jones, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, Washington
6. *South Carolina:* Beaufort, Berkeley, Charleston, Colleton, Georgetown, Horry, Jasper
7. *Texas:* Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Harris, Jackson, Jefferson, Kennedy, Kleberg, Matagorda, Nueces, Refugio, Orange, San Patricio, Willacy
8. *Virginia:* Accomack, Gloucester, Isle of Wight, James City, Lancaster, Matthews, Middlesex, Northampton, Northumberland, Surry, York and Independent Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach.

EEE. Time Element: means coverages provided under Section C. of this Policy.

FFF. Valuable Papers and Records means drawings, exposed film or other written, printed or otherwise inscribed documents including books, manuscripts, maps, drawings, film, and other photographically produced records such as slides and microfilms, legal and financial agreements such as deeds and mortgages that can be replaced.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** A
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL SUB-LIMITS

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

The following sub-limits are added to the Policy:

TYPE OF SUB-LIMIT	SUB-LIMIT
Equipment Breakdown - Computer Equipment	$100,000
Equipment Breakdown - Data Restoration	$100,000
Equipment Breakdown – Spoilage – including refrigerant contamination, BI & EE	$100,000
Newly Acquired – Business Interruption (90) days reporting	$100,000
Outdoor Property	$25,000
Preservation of Property	$400,000
Property Off-Premises	$100,000
Personal Property of Others	$25,000
Contractors Equipment	$37,765,019
Contractors Equipment Rented or Leased from Others and Borrowed Equipment	$1,000,000
Misc. Unscheduled Tools and Equipment - $10,000 max per item	$250,000
Flood at the following locations: 2000 S. Main, 2301 Terminal Rd, 230 SE 46th Street, 11415 South Bus I 35, and 1801 N 16th	$2,500,000 Annual Aggregate

All other terms and conditions remain unchanged.

Authorized Representative

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** B
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL DEDUCTIBLES

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

The following deductibles are added to the Policy:

	TYPE OF DEDUCTIBLE	DEDUCTIBLE
	Deductible at 2000 S. Main, 2301 Terminal Rd, 230 SE 46th Street, 11415 South Bus I 35, and 1801 N 16th	$50,000
	Contractors Equipment for any item valued at $5,000 or less	$5,000
	Time Element	24 Hours
	Consequential Damage	Included in PD Deductible
	Service Interruption- Property Damage	$10,000
	Service Interruption – Time Element	24 hours
	Equipment Breakdown -Property Damage including Spoilage	$10,000
	Equipment Breakdown – Time Element, excluding Spoilage	1 X ADV

All other terms and conditions remain unchanged.

Authorized Representative

Named Insured Vista Proppants and Logistics, LLC		Endorsement Number C
Policy Number MAF773031-18	Policy Period 06/01/2018 to 06/01/2019	Effective Date of Endorsement 06/01/2018
Issued By AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENDORSEMENT

1. INSURING AGREEMENT

Notwithstanding Sub-paragraphs D.1., D.2., D.3. and D.4. of Paragraph 3. PERILS EXCLUDED of SECTION B – PROPERTY DAMAGE to the contrary, this Policy is extended to insure against direct physical loss or damage caused by Accidents to Objects.

As used in this coverage, Accident means a sudden and accidental breakdown of the Object or a part thereof, which manifests itself at the time of its occurrence by physical damage to the Object that necessitates repair or replacement of the Object or part thereof.

Object shall mean any covered property at an Insured Location:

a. that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or

b. which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

None of the following is an Accident:

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection; or

d. The functioning of any safety or protective device.

2. LIMIT OF LIABILITY

Liability under this Endorsement arising out of any one Accident is limited to the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT sub-limit in SECTION A - DECLARATIONS section of this Policy. Any more specific sub-limit(s) associated with this endorsement are part of, and not in addition to the EQUIPMENT BREAKDOWN ENDORSEMENT sub-limit.

If an initial Accident causes other Accidents, all Accidents at any one Location which manifest themselves at the same time and are the result of the same cause will be considered one Accident.

3. DEDUCTIBLE

There shall be liability under this endorsement for physical damage, only when the amount of loss caused by an Accident to an Object arising out of any one Accident exceeds the EQUIPMENT BREAKDOWN ENDORSEMENT PROPERTY DAMAGE deductible. The Company will then pay for the amount of loss or damage in excess of the deductible up to applicable limit of insurance.

All Time Element losses covered under this endorsement are subject to the EQUIPMENT BREAKDOWN ENDORSEMENT TIME ELEMENT deductible. The Company will then pay the amount of loss in excess of the deductible up to applicable limit of insurance.

4. **WAITING PERIOD**

The Company's liability for covered loss or damage resulting from an Accident to a Utility Object shall attach only when the Period of Service Interruption exceeds the time period indicated in the WAITING PERIOD provision of SECTION A - DECLARATIONS of this Policy. The Company will then pay the amount of loss in excess of the deductible up to applicable limit of insurance.

5. CONDITIONS

With respect to Objects insured, the following condition shall apply:

Suspension: Upon the discovery of a dangerous condition with respect to any Object, any representative of the Company may immediately suspend the Insurance with respect to an Accident to said Object by written notice mailed or delivered to the Insured at the address of the Insured, or at the location of the Object. Insurance so suspended may be reinstated by the Company, but only by an endorsement issued to form a part of this Policy. The Insured will be allowed the unearned portion of the premium paid for the suspended insurance, pro rata for the period of suspension.

6. SUB-LIMITS OF COVERAGE

The following loss, damage, cost, claim and expenses are subject to sub-limits which are stated in the EQUIPMENT BREAKDOWN ENDORSEMENT sub-limit section of SECTION A - DECLARATIONS of this Policy. The sub-limits are part of, and not in addition to the EQUIPMENT BREAKDOWN ENDORSEMENT sub-limit. When a sub-limit is shown as No Coverage, it means that no coverage is provided for that particular loss, damage, cost, claim or expense resulting from an Accident to an Object. .

a. Time Element

The Company’s liability for Time Element loss caused by or resulting from an Accident to an Object shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT TIME ELEMENT sub-limit in SECTION A - DECLARATIONS of this policy.

b. Extra Expense

The Company’s liability for Extra Expense incurred by the Insured in order to continue as nearly as practicable the Normal operations of the Insured’s business following an Accident to an Object at an Insured Location shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT EXTRA EXPENSE sub-limit in SECTION A - DECLARATIONS of this policy.

c. Ammonia Contamination

The Company's liability for loss, including salvage expense, with respect to damage by ammonia contacting or permeating property under refrigeration or in process requiring refrigeration, resulting from any one Accident to one or more Objects shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT AMMONIA CONTAMINATION sub-limit in SECTION A - DECLARATIONS of this policy.

d. Service Interruption

(1) Property Damage

The Company's liability for shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage, of covered personal property at an Insured Location resulting from an Accident to a Utility Object, whether or not such Object is located on the premises of the Insured shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT SERVICE INTERRUPTION PROPERTY DAMAGE sub-limit in SECTION A - DECLARATIONS of this policy. This sub-limit is part of, and not in addition to, the EQUIPMENT BREAKDOWN ENDORSEMENT CONSEQUENTIAL DAMAGE sub-limit,

(2) Time Element

The Company's liability for the actual loss sustained and Extra Expense incurred by the Insured during the Period of Service Interruption at an Insured Location resulting from an Accident to a Utility Object, whether or not such Object is located on the premises of the Insured shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT SERVICE INTERRUPTION TIME ELEMENT sub-limit in SECTION A - DECLARATIONS of this policy.

e. Expediting Expense

The Company's liability for the reasonable extra cost of temporary repair and of expediting the permanent repair or replacement of property as a result of an Accident to an Object including overtime and the extra cost to express or other rapid means of transportation shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT EXPEDITING EXPENSE sub-limit in SECTION A - DECLARATIONS of this policy.

f. Hazardous Substance

The Company's liability for additional expenses incurred to cleanup, repair, replace and dispose of property that is damaged or contaminated or polluted by a substance declared by a governmental agency to be hazardous to health as a result of an Accident to an Object shall not exceed the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT HAZARDOUS SUBSTANCE sub-limit in SECTION A - DECLARATIONS of this policy. Additional expense means expenses incurred beyond those for which we would have been liable if no substance hazardous to health had been involved.

g. Water Damage

The Company's liability for loss or damage to covered property, including salvage expense, caused by water resulting from any one Accident to one or more Objects shall not exceed the amount shown in the in the EQUIPMENT BREAKDOWN ENDORSEMENT WATER DAMAGE sub-limit in SECTION A - DECLARATIONS of this policy

h. Consequential Damage

When an Accident to an Object results in spoilage to covered personal property due to lack of power, light, heat, steam or refrigeration the Company will pay the amount of loss in excess of the deductible up the amount shown in the EQUIPMENT BREAKDOWN ENDORSEMENT CONSEQUENTIAL DAMAGE sub-limit in SECTION A - DECLARATIONS of this Policy. This sub-limit is part of, and not in addition to the EQUIPMENT BREAKDOWN ENDORSEMENT SERVICE INTERRUPTION PROPERTY DAMAGE sub-limit,

7. ADDITIONAL EXCLUSIONS

a. The following losses are not insured:

(1) Breakdown of any structure, foundation, cabinet, or compartment containing or supporting an Object or any part thereof, not caused by an Accident to the Object;

(2) Breakdown of any boiler settling, insulating or refractory material not caused by an Accident to an Object;

(3) Breakdown of Objects manufactured or held by the Insured for sale to others;

(4) Breakdown of any sewer piping, buried vessels or piping, or piping forming a part of a sprinkler system;

(5) Breakdown of any water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;

(6) Breakdown of an Object until such time as said Object has been installed completely tested on the premises of the Insured. For the purposes of this insurance, "completely tested" shall mean that said Object has operated on the Insured's premises in the capacity for which it was designed as part of the Insured's normal production process or processes. Notwithstanding the above, coverage under this Endorsement shall apply to any newly installed Object having a fair market value of $1,000,000 or less and to any spare or replacement Objects or parts therefor;

b. Notwithstanding any provisions to the contrary, the Company assumes no liability under this Endorsement for any loss:

(1) from fire concomitant with or following an Accident or from the use of water or other means to extinguish fire;

(2) from an Accident caused directly or indirectly by fire or from the use of water or other means to extinguish fire;

(3) from a combustion explosion outside the Object concomitant with or following an Accident;

(4) from an Accident caused directly or indirectly by a combustion explosion outside the Object;

(5) as respects any boiler or fired pressure vessel, from an explosion within the furnace of any such object or within the passages from the furnace to the atmosphere whether or not such explosion (a) is contributed to or aggravated by an Accident to any part of such object that contains steam or water, or (b) is caused in whole or in part, directly or indirectly, by an Accident to any Object or part thereof;

(6) from an Accident caused directly or indirectly by Earthquake;.

(7) from the explosion of accumulated gases or unconsumed fuel within the fire box, or combustion chamber, of any fired vessel or within the flues which conduct the gases of combustion therefrom;

(8) from Flood;

(9) from explosion of an Object other than:

(i) any steam boiler, electric steam generator, steam piping, steam turbine, steam engine, or

(ii) any machine or electrical apparatus when such loss is caused by centrifugal force or mechanical breakdown; or

(10) from any loss or damage caused by or resulting from aircraft or vehicles, lightning, sinkhole, collapse, smoke, sprinkler leakage, or weight of snow, ice or sleet, windstorm, hail, freezing (caused by cold weather), breakage of glass; falling objects, riot, civil commotion, vandalism, or molten material.

8. DEFINITION

Utility Object means property of the type covered:

a. that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or

b. which, during normal usage, operates under vacuum or pressure, other than the weight of its contents

and which is owned by the public utility company or other company contracted to supply steam, natural gas, telecommunications, water, electricity, oxygen, or refrigeration to the Insured Location and used to supply said services directly to the Insured Location.

9. SPECIAL TERMS AND CONDITIONS

Named Insured Vista Proppants and Logistics, LLC		Endorsement Number D
Policy Number MAF773031-18	Policy Period 06/01/2018 to 06/01/2019	Effective Date of Endorsement 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC COMPUTER PROGRAMS DEFINITION

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

This policy is revised to include the following definition:

Electronic Computer Programs means computer software, applications software, and other recorded instructions for the processing, sequencing, collecting, transmitting, recording, retrieval, or storage of Electronic Data.

All other terms and conditions remain unchanged.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** E
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN DATA OR MEDIA EXTENSION

This Endorsement modifies coverage provided under the EQUIPMENT BREAKDOWN ENDORSEMENT only.

The EQUIPMENT BREAKDOWN ENDORSEMENT is revised to include the following extension of coverage:

DATA OR MEDIA

A. If Electronic Data Processing Media or Electronic Data is lost or corrupted as a direct result of direct physical loss or damage caused by Accidents to Objects this Policy is extended to pay the actual cost to:

(1) research, replace or restore the damaged Electronic Data Processing Media or the lost or corrupted Electronic Data

(2) Reprogram instructions used in any Object

B. If Time Element coverage is provided by this policy, that Time Element coverage is extended to cover the Time Element loss during the time necessary to:

(1) research, replace or restore the damaged Electronic Data Processing Media or the lost or corrupted Electronic Data

(2) Reprogram instructions used in any Object

When such action is required as a result of direct physical loss or damage caused by Accidents to Objects

C. The Company's liability under this Data or Media provision arising out of one Occurrence shall not exceed $See Endorsement A.

All other provisions of the policy remain unchanged.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** F
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CIVIL AUTHORITY – AMENDED TIME LIMITATION ENDORSEMENT

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM.

Sub-Paragraph A. of Paragraph 6. TIME ELEMENT EXTENSIONS OF COVERAGE of SECTION C. TIME ELEMENT is deleted in its entirety and replaced by:

A. CIVIL AUTHORITY

This Policy is extended to cover for up to 30 days not to exceed $250,000, the actual loss sustained by the Insured due to the necessary interruption of the Insured's business during the period of time while access to an Insured Location is specifically prohibited by order of civil authority, but only when such order is given as a direct result of direct physical loss or damage of the type insured against to property of the type covered at an Insured Location or within one statue mile of an Insured Location.

All other provisions of the policy remain unchanged.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** G
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

AMENDATORY ENDORSEMENT

In consideration of the premium charged it is understood and agreed that the following applies to this policy:

Contractors Equipment – Max and single item is per schedule on file with the company

Contractors Equipment will be reported and adjusted on a quarterly basis.

Coverage for Business Income is blanket between 3549 Monroe Hwy and 2700 N. Cresson Hwy per the schedule of Business Income values on file with the company.

All other terms and conditions remain unchanged.

Authorized Representative

Named Insured Vista Proppants and Logistics, LLC		Endorsement Number H
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INGRESS AND EGRESS –AMENDED TIME LIMITATION ENDORSEMENT

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM.

Sub-Paragraph B. of Paragraph 6. TIME ELEMENT EXTENSIONS OF COVERAGE of SECTION C. TIME ELEMENT is deleted in its entirety and replaced by:

B. INGRESS AND EGRESS

This Policy is extended to cover for up 30 days not to exceed $100,000 to, the actual loss sustained by the Insured due to the necessary interruption of business during the period of time when, as a direct result of direct physical damage of the type insured against to property of the type covered at an Insured Location or within one mile of an Insured Location, ingress to or egress from an Insured Location is thereby physically prevented.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** I
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRESERVATION OF PROPERTY

This endorsement modifies insurance provided under the AXIS PREMIER FORM:

If it is necessary to move covered property from an Insured Location to preserve it from loss or damage by a covered peril, the maximum the Company will pay for any direct physical loss or damage to that property is See Endorsement A per Occurrence while such covered property is being moved or while temporarily stored at another location; but only if the loss or damage occurs within 30 days after the property is first moved.

All other provisions of the policy remain unchanged.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** J
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULED LIMIT OF LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM.

A provision applies if an "X" appears in the box along side it.

1. In the event of covered loss hereunder, liability of the Company for

X Each type of property at a Location shall not exceed the product of <**1.00>** multiplied by the value reported on the latest Statement of Values on file with the Company for that type of covered property at that Location.

_____ Real property at a Location shall not exceed the product of <**1.00>** multiplied by the value reported on the latest Statement of Values on file with the Company for real property at that Location.

_____ Personal property at a Location shall not exceed the product of <**1.00>** multiplied by the value reported on the latest Statement of Values on file with the Company for personal property at that Location.

_____ All covered property at a Location shall not exceed the product of <**1.00>** multiplied by the total value reported on the latest Statement of Values on file with the Company for all covered property for that Location.

_____ Loss under SECTION C – TIME ELEMENT 1. BUSINESS INTERRUPTION caused by or resulting from insured direct physical loss or damage to covered property at a Location shall not exceed the product pf <**1.00>** multiplied by the total value reported on the latest Statement of Values on file with the Company for **<INSERT VALUE CATEGORY(IES)>** for that Location.

_____ Loss under SECTION C – TIME ELEMENT 2. EXTRA EXPENSE caused by or resulting from insured direct physical loss or damage to covered property at a Location shall not exceed the product of <**1.00>** multiplied by the total value reported on the latest Statement of Values on file with the Company for **<INSERT VALUE CATEGORY(IES)>** for that Location.

_____ Loss under SECTION C – TIME ELEMENT 3. RENTAL VALUE caused by or resulting from insured direct physical loss or damage to covered property at a Location shall not exceed the product of < **>** multiplied by the total value reported on the latest Statement of Values on file with the Company for **<INSERT VALUE CATEGORY(IES)>** for that Location.

_____ Loss under SECTION C – TIME ELEMENT 4. LEASEHOLD INTEREST caused by or resulting from insured direct physical loss or damage to covered property at a Location shall not exceed the product of <**1.0>** multiplied by the total value reported on the latest Statement of Values on file with the Company for **<INSERT VALUE CATEGORY(IES)>** for that Location.

_____ All covered property at a Location and loss under SECTION C – TIME ELEMENT 1. BUSINESS INTERRUPTION caused by or resulting from insured direct physical loss or damage to covered property at that same Location shall not exceed the product of <**1.00>** of the total value reported on the latest Statement of Values on file with the Company for that Location.

_____ All covered loss, damage, claim or expense caused by or resulting from direct physical loss or damage to covered property at a Location shall not exceed the product of <**1.00>** of the total value reported on the latest Statement of Values on file with the Company for that Location.

_____
Authorized Agent

Named Insured Vista Proppants and Logistics, LLC		Endorsement Number K
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM CLAUSE - PERCENTAGE

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

In the event of cancellation of this policy by the Insured, a minimum earned premium of 35% of the annual policy premium shall become earned; any conditions of the policy to the contrary notwithstanding.

Failure of the Insured to make timely payment of premium shall be considered a request by the Insured for the Company to cancel. In the event if such cancellation by the Company for nonpayment of premium, the minimum earned premium shall be due and payable; provided, however, such non-payment cancellation shall be rescinded if the Insured remits the full premium due within 10 days of receiving it.

In the event of any other cancellation by the Company, the earned premium shall be computed pro-rata, not subject to the minimum premium.

All other provisions of the policy remain unchanged.

Named Insured Vista Proppants and Logistics, LLC		**Endorsement Number** L
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL CASH VALUE FOR SPECIFIC PROPERTY

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM

Notwithstanding anything in Condition 1, Property Valuation under Section D, General Conditions to the contrary, the following property at the following Insured Locations shall be covered on an Actual Cash Value basis:

Description of Insured Location	**Description of Property**
Contractors Equipment	Repair or Replacement Cost subject to verification That reported values are the cost of new equipment. Otherwise, valuation is Actual Cash Value.
Real Property damage at the following locations	200 S. Main, 2301 Terminal Road, 230 SE 46th 11415 South Bus I 35 and 1801 N 16th

All other terms and conditions remain unchanged.

Authorized Representative

Named Insured	Vista Proppants and Logistics, LLC	Endorsement Number M
Policy Number MAF773031-18	**Policy Period** 06/01/2018 to 06/01/2019	**Effective Date of Endorsement** 06/01/2018
Issued by AXIS Insurance Company		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM LOSSES OUTSIDE THE UNITED STATES

A. The following exclusion is added:

1. We will not pay for loss or damage to property outside the fifty (50) states of the United States and the District of Columbia caused directly or indirectly by " terrorism", including action in hindering or defending against actual or expected "terrorism". Nor will we pay for any loss, damage, cost, claim or expense directly or indirectly arising out of or relating to such loss or damage to property. All such loss, damage, cost, claim or expense is excluded regardless of any other cause or event that contributes concurrently or in any other sequence to the loss, damage, cost claim or expense.

2. Except as set forth in paragraph 3., and notwithstanding anything to the contrary in paragraph 1 of this Endorsement, coverage or exclusion of any act certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002 (including any amendments thereto) shall be in accordance with the provisions of any endorsement to this policy addressing such certified acts.

3. Notwithstanding anything to the contrary in any endorsement adding a conditional exclusion of terrorism, the provisions of this endorsement continue to apply even if the conditional exclusion becomes applicable.

B. Severability

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder will remain in full force and effect.

C. Application of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this policy.

D. The following definition is added:

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
   - **a.** Use or threat of force or violence; or
   - **b.** Commission or threat of a dangerous act; or
   - **c.** Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:

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a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

All other terms and conditions remain unchanged.

Authorized Representative

AXIS NON-US TERRORISM EXCLUSION 01 15

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POLICY NUMBER: MAF773031-18 **IL 09 53 01 15**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C)** applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
CA, GA, ME, HI, IA, IL, MO, NC, NJ, NY, OR, RI, VI, WA, WI, WV	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

 © Insurance Services Office, Inc., 2015

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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TEXAS NOTICE

IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact your Agent.

You may call the AXIS toll-free telephone number below for information or to make a compliant:

1-866-259-5435

You may also write to AXIS Insurance Company at the administrative address below:

11680 Great Oaks Way, Suite 500
Alpharetta, Georgia 30022

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, Texas 78714-9104
FAX: 1-512-490-1007
Web: http://www.tdi.texas.gov/
Email: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the Agent or the Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para presentar una queja:

Usted puede comunicarse con su Agente.

Usted puede llamar al número de teléfono gratuito de AXIS para obtener información o para presentar una queja al:

1-866-259-5435

Usted también puede escribir a AXIS Insurance Company:

11680 Great Oaks Way, Suite 500
Alpharetta, Georgia 30022

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:

1-800-252-3439

Usted puede escribir al Departamento de Seguros de Texas a:

P.O. Box 149104
Austin, Texas 78714-9104
FAX: 1-512-490-1007
Web: http://www.tdi.texas.gov/
Email: ConsumerProtection@tdi.texas.gov

DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:

Si tiene una disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con el agente o la Compañía primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.

ADJUNTE ESTE AVISO A SU PÓLIZA:

Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the AXIS PREMIER PROPERTY FORM.

1. Paragraph **12** SPECIAL TERMS AND CONDITIONS of Section **A** DECLARATIONS is deleted in its entirety.

2. The following is added to Provision **3** PERILS EXCLUDED of Section **B** PROPERTY DAMAGE and supersedes any provision to the contrary:

The Company will not pay for loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

3. Condition **11** CANCELLATION CLAUSE of Section **D** GENERAL CONDITIONS is replaced by the following:

CANCELLATION

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. **(1)** We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(a) 14 days before the effective date of cancellation if we cancel for nonpayment of premium; or
(b) 30 days before the effective date of cancellation if we cancel for any other reason.

If we cancel this policy, we will, at the request of the first Named Insured, provide a written statement of the reason or reasons for such cancellation.

(2) In compliance with Texas law, we will not cancel this policy solely because the first Named Insured is an elected official.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date. Such notice will state that pro rata unearned paid premium, if not tendered, will be refunded on demand.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

g. GOVERNMENTAL PROPERTY

(1) If this policy has been in effect for 90 days or less and is not a renewal of a policy we issued, we may cancel coverage on governmental units for any reason.

(2) If this policy has been in effect for more than 90 days or is a renewal of a policy we issued, we may cancel coverage on governmental units only for the following reasons:

(a) If the first Named Insured does not pay the premium or any portion of the premium when due;
(b) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;
(c) If the first Named Insured submits a fraudulent claim; or
(d) If there is an increase in the hazard covered by this policy that is within your control that would produce an increase in the premium rate of this policy.

(3) If such coverage is cancelled, we will, at the request of the first Named Insured, provide a written statement of the reason or reasons for such cancellation.
(4) In compliance with Texas law, we will not cancel such coverage solely because the first Named Insured is an elected official.

4. Condition **14** NOTICE OF LOSS of Section **D** GENERAL CONDITIONS is replaced by the following:

The Insured as soon a practicable will report in writing to the Company or it's agent every loss which may become a claim under this policy and shall also file with the Company or agent within ninety-one (91) days from date of discovery of loss, unless such time is extended in writing by the Company, a detailed sworn proof of loss. The Company will supply the Insured with the necessary forms. Failure by the Insured to report said loss and to file such sworn proof of loss as is here-in-before provided shall invalidate any claim under this policy for such loss.

5. Condition **17** APPRAISAL of Section **D** GENERAL CONDITIONS is replaced by the following:

If the Company and the Insured disagree on the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of such demand. The two appraisers will select an umpire. If they cannot agree within 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. Each appraiser will state the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding as to the amount of loss. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal:

a. The Insured will still retain the Insured's right to bring a legal action against the Company, subject to the provisions of the Legal Action Against The Company Commercial Property Condition; and

b. The Company will still retain the Company's right to deny the claim.

6. Condition **19** SETTLEMENT OF CLAIMS of Section **D** GENERAL CONDITIONS is replaced by the following:

a. Claims Handling

(1) Within 15 days after the Company receives written notice of claim, the Company will:

(a) Acknowledge receipt of the claim. If the Company does not acknowledge receipt of the claim in writing, the Company will keep a record of the date, method and content of the acknowledgment;
(b) Begin any investigation of the claim; and
(c) Request a signed, sworn proof of loss, specify the information the Insured must provide and supply the Insured with the necessary forms. The Company may request more information at a later date, if during the investigation of the claim such additional information is necessary.

(2) The Company will notify the Insured in writing as to whether:

(a) The claim or part of the claim will be paid;
(b) The claim or part of the claim has been denied, and inform the Insured of the reasons for denial;
(c) More information is necessary; or
(d) The Company needs additional time to reach a decision. If the Company needs additional time, the Company will inform the Insured of the reasons for such need.

The Company will provide notification, as described in **(2)(a)** through **(2)(d)** above, within:

(a) 15 business days after the Company receives the signed, sworn proof of loss and all information the Company requested; or
(b) 30 days after the Company receives the signed, sworn proof of loss and all information the Company requested, if the Company has reason to believe the loss resulted from arson.

If the Company has notified the Insured that the Company needs additional time to reach a decision, the Company must then either approve or deny the claim within 45 days of such notice.

b. The Company will pay for covered loss or damage within 5 business days after:

(1) The Company has notified the Insured that payment of the claim or part of the claim will be made and have reached agreement with the Insured on the amount of loss; or
(2) An appraisal award has been made.

However, if payment of the claim or part of the claim is conditioned on the Insured's compliance with any of the terms of this policy, the Company will make payment within 5 business days after the date the Insured has complied with such terms.

c. Catastrophe Claims

If a claim results from a weather related catastrophe or a major natural disaster, the claim handling and claim payment deadlines described in **3.a.** and **3.b.** above are extended for an additional 15 days.

Catastrophe or Major Natural Disaster means a weather related event which:

(1) Is declared a disaster under the Texas Disaster Act of 1975; or
(2) Is determined to be a catastrophe by the Texas Department of Insurance.

d. The term "business day", as used in the Loss Payment Provision, means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

7. Condition **20** SUIT of Section **D** GENERAL CONDITIONS is replaced by the following:

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within 2 years and one day after discovery by the Insured of the Occurrence which gave rise to the claim, provided, however, that if by the laws of the state within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding or commenced within the shortest limit of time permitted by the laws of such state.

8. Condition **26** INCREASE IN HAZARD of Section **D** GENERAL CONDITIONS is deleted in its entirety.

9. The following is added to Condition **29** MORTGAGEE INTERESTS AND OBLIGATIONS of Section **D** GENERAL CONDITIONS and supersedes any provision to the contrary:

a. If the Company denies the Insured's claim because of the Insured's acts or because the Insured has failed to comply with the terms of this policy, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

(1) Pays any premium due under this policy at the Company's request if the Insured has failed to do so;
(2) Submits a signed, sworn proof of loss within 91 days after receiving notice from the Company of the Insured's failure to do so; and
(3) Has notified the Company of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this policy Part will then apply directly to the mortgageholder.

b. If this policy is cancelled, the Company will give the mortgageholder named in the Declarations written notice of cancellation.

If the Company cancels this policy, the Company will give written notice to the mortgageholder at least:

(1) 14 days before the effective date of cancellation if the Company cancels for the Insured's nonpayment of premium; or
(2) 30 days before the effective date of cancellation if the Company cancels for any other reason.

If the Insured cancels the policy, the Company will give the mortgageholder notice of cancellation to be effective on the date stated in the notice. The date of cancellation cannot be before the 10th day after the date the Company mails the notice.

10. Condition **30** SERVICE OF SUIT of Section **D** GENERAL CONDITIONS is deleted in its entirety.

11. The following is added and supersedes any provision to the contrary:

All references to "Tier 1 Windstorm Areas" are replaced by "High Hazard Windstorm Areas".

12. The following is added and supersedes any provision to the contrary:

Article 862.053 Policy A Liquidated Demand. A fire insurance policy, in case of total loss by fire of property insured, shall be held and considered to be a liquidated demand against the Company for the full amount of such policy. The provisions of this Article shall not apply to personal property.

13. The following is added and supersedes any provision to the contrary:

NONRENEWAL

a. If we elect not to renew this policy, we will, at the request of the first Named Insured, provide a written statement of the reason or reasons for such nonrenewal.

b. In compliance with Texas law, we will not refuse to renew this policy solely because the first Named Insured is an elected official.

NONRENEWAL – GOVERNMENTAL PROPERTY

a. If we elect not to renew coverage on governmental units, we will mail or deliver written notice of nonrenewal to the first Named Insured at least 30 days before the expiration date. We will, at the request of the first Named Insured, provide a written statement of the reason or reasons for such nonrenewal.

b. In compliance with Texas law, we will not refuse to renew such coverage solely because the first Named Insured is an elected official.

STATE FRAUD STATEMENTS

Applicable in Alabama

Alabama Fraud Statement

"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison or any combination thereof."

Applicable in Arkansas, Louisiana, Rhode Island, and West Virginia

Arkansas, Louisiana, Rhode Island, and West Virginia Fraud Statement

"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Applicable in Colorado

Colorado Fraud Statement

"It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies."

Applicable in District of Columbia

District of Columbia Fraud Statement

"Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant."

Applicable in Florida

Florida Fraud Statement

"Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree."

Applicable in Kansas

Kansas Fraud Statement

"A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows

to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto."

Applicable in Kentucky

Kentucky Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime."

Applicable in Maine

Maine Fraud Statement

"It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits."

Applicable in Maryland

Maryland Fraud Statement

"Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison."

Applicable in New Jersey

New Jersey Fraud Statement

"Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties."

Applicable in New Mexico

New Mexico Fraud Statement

"Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties."

Applicable in New York

New York Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation."

Applicable in Ohio

Ohio Fraud Statement

"Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud."

Applicable in Oklahoma

Oklahoma Fraud Statement

"WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony."

Applicable in Oregon

Oregon Fraud Statement

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

A. The misinformation is material to the content of the policy;
B. We relied upon the misinformation; and
C. The information was either:
    1. Material to the risk assumed by us; or
    2. Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

Applicable in Pennsylvania

Pennsylvania Fraud Statement

"Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

Applicable in Puerto Rico

Puerto Rico Fraud Statement

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars ($5,000) and not more than ten thousand dollars ($10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Applicable in Tennessee, Virginia and Washington

Tennessee, Virginia and Washington Fraud Statement

"It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

SIGNATURE PAGE

IN WITNESS WHEREOF, the Company has caused the facsimile signatures of its President and Secretary to be affixed hereto, and has caused this policy to be signed on the Declarations by an authorized representative of the Company.

Peter J. Vogt, President

Andrew Weissert, Secretary

CLAIM NOTICE

To report a new claim notice/loss, please notify:

AXIS U.S. INSURANCE

During business hours of 8:30 AM EST to 4:30 PM EST.

Mailing Address
PO Box 4470
Alpharetta, GA 30023

Shipping Address
11680 Great Oaks Way
Suite 500
Alpharetta, GA 30022

Phone: (678) 746-9400
Fax: (678) 746-9315
Toll Free Fax: (866) 770-5629
E-mail: USClaimNoticeATL@axiscapital.com

After business hours
Please contact Cunningham Lindsey at 1-800-621-5410.

Plains Ex. 2

PlainsCapital Bank
801 Houston Street
Fort Worth, Texas 76102

January 12, 2018

LONESTAR PROSPECTS, LTD.
Attention: Gary B. Humphreys
4413 Carey Street
Fort Worth, Texas 76119

Re: Amended and Restated Loan Agreement

Ladies and Gentlemen:

This letter sets forth the Amended and Restated Loan Agreement (this "Loan Agreement") among LONESTAR PROSPECTS, LTD. ("Borrower"), a Texas limited partnership; LONESTAR PROSPECTS HOLDING COMPANY, L.L.C. ("Lonestar Holding"), a Texas limited liability company, GARY B. HUMPHREYS ("Humphreys") and MARTIN W. ROBERTSON ("Robertson" and collectively with Lonestar Holding and Humphreys, collectively "Guarantors"); and PLAINSCAPITAL BANK ("Lender"), with respect to loans from Lender to Borrower and obligations of Borrower and Guarantors to Lender. This Loan Agreement amends and restates the Loan Agreement dated April 14, 2011, among Borrower, Guarantors, and Lender, as amended by the First Amendment dated December 12, 2011, the Second Amendment dated June 14, 2012, the Third Amendment dated December 28, 2012, the Fourth Amendment dated June 14, 2013, the Fifth Amendment dated September 23, 2013, the Sixth Amendment dated January 13, 2014, the Seventh Amendment dated April 14, 2014, the Eighth Amendment dated September 3, 2015, the Ninth Amendment dated August 14, 2017, and the Tenth Amendment dated November 3, 2017 (collectively the "Prior Loan Agreement").

1. Loans. (a) Subject to the terms and conditions set forth in this Loan Agreement and the other agreements, instruments, and documents executed and delivered in connection with this Loan Agreement (collectively the "Loan Documents"), Lender agrees to make a revolving loan in the maximum principal amount of $40,000,000.00 to Borrower (the "Revolving Loan") on the terms set forth in the Revolving Promissory Note attached as Exhibit A (the "Revolving Note"), for the purposes set forth in this Loan Agreement. Subject to the terms and conditions of this Loan Agreement, Borrower may borrow, repay, and reborrow on a revolving basis from time

to time during the period commencing on the date hereof and continuing through 11:00 a.m. (Fort Worth, Texas time) on August 14, 2018 (the "Termination Date"), such amounts as Borrower may request under the Revolving Loan; provided, however, the total principal amount outstanding at any time shall not exceed the lesser of (i) the aggregate sums permitted under the Borrowing Base, or (ii) $40,000,000.00. Advances on the Revolving Loan may be used only for working capital purposes. The unpaid principal balance of the Revolving Note shall bear interest from the date advanced until paid or until Event of Default or the Termination Date at a fluctuating rate per annum equal to the sum of the Prime Rate (as defined in the Revolving Note), plus one-half percent (0.5%); provided, however, that the interest rate under the Revolving Note shall never fall below a floor rate of three and three-quarters percent (3.75%) per annum. All sums advanced under the Revolving Loan, together with all accrued but unpaid interest thereon, shall be due and payable in full on the Termination Date. Notwithstanding any provision of this Loan Agreement or the Revolving Note to the contrary, additional advances on the Revolving Loan will only be permitted to the extent allowed by Section 9.03(f) of the Term Credit Agreement (as defined below).

(b) Borrower shall give notice to Lender of any requested advance on the Revolving Loan, in the form of the Request for Borrowing attached as Exhibit B, not later than 10:00 a.m. (Fort Worth, Texas time) on the date of the requested advance. The request for an advance may be given telephonically if promptly confirmed in writing by delivery of Request for Borrowing and Interest Notice. **Notwithstanding any provision of this Loan Agreement or the Loan Documents to the contrary, none of the proceeds of the Revolving Loan, nor any Letter of Credit issued hereunder, will be used, directly or indirectly, for the purpose, whether immediate, incidental, or ultimate, of purchasing or carrying any "margin stock" as defined in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.**

(c) At the request of Borrower, Lender may from time to time issue one or more letters of credit for the account of Borrower or any affiliates (the "Letters of Credit"); provided, however, that Lender shall not be obligated to issue a Letter of Credit if: (i) the conditions set forth in Subsection (b) of Section 4 are not met, (ii) the form of the Letter of Credit is not acceptable to Lender, (iii) Lender has not received credit approval for the Letter of Credit, or (iv) the aggregate undrawn amount of all outstanding Letters of Credit (the "LC Exposure") will exceed the availability under the Borrowing Base. Borrower's availability on the Revolving Loan will be reduced by the LC Exposure. Any fundings under any Letters of Credit will be treated as an advance on the Revolving Loan and will be secured by the Security Documents. All Letters of Credit shall be for a term of up to one year (or longer if necessary for regulatory requirements) but shall expire not later than five days prior to the Termination Date, unless adequately secured by cash collateral held by Lender. Borrower will sign and deliver Lender's

customary forms for the issuance of Letters of Credit and pay the Letter of Credit Fee required by Lender.

(d) The Revolving Loan, all other loans now or hereafter made by Lender to Borrower, and any renewals or extensions of or substitutions for those loans, will be referred to collectively as the "Loans." The Revolving Note, all other promissory notes now or hereafter payable by Borrower to Lender, and any renewals or extensions of or substitutions for those notes, will be referred to collectively as the "Notes."

2. Collateral. (a) Payment of the Notes, all obligations with respect to Letters of Credit, all other obligations, fees, and expenses due pursuant to this Loan Agreement or the other Loan Documents, all obligations, fees, and expenses with respect to treasury and cash management services, and all other secured indebtedness under the following security documents (collectively the "Secured Obligations") will be secured by the first liens and first security interests created or described in the following (collectively the "Security Documents"): (i) the Security Agreement (the "Security Agreement") dated April 14, 2011, executed by Borrower in favor of Lender, and covering accounts receivable and finished sand inventory; (ii) the Security Agreement (the "Second Security Agreement") dated May 14, 2015, executed by Borrower in favor of Lender, and creating a second-priority security interest in substantially all personal property of Borrower (collectively the "Collateral"); and (iii) any other security documents now or hereafter executed in connection with the Secured Obligations. The Security Agreement and the Second Security Agreement are hereby amended so that any reference to "Loan Agreement" in those Security Documents shall mean this Amended and Restated Loan Agreement, as now or hereafter amended, restated, replaced, supplemented, or otherwise modified, from time to time. If requested by Lender, Borrower will execute in favor of Lender security agreements or amendments, in Proper Form, covering the Collateral. The term "Proper Form" means in form, substance, and detail satisfactory to Lender in its sole discretion.

(b) Payment of the Secured Obligations will also be guaranteed by each of the Guarantors pursuant to the following guaranties in Proper Form (collectively the "Guaranties").

(i) an Unlimited Guaranty dated September 3, 2015, executed by Lonestar Holding in favor of Lender; and

(ii) an Unlimited Guaranty dated September 3, 2015, executed by LONESTAR PROSPECTS MANAGEMENT, L.L.C. ("General Partner"), in favor of Lender; and

(iii) Fourth Restated Limited Guaranties dated September 3, 2015, executed by Humphreys and Robertson, respectively, in favor of Lender, and with the several liability of each of Humphreys and Robertson with respect to the Revolving Note and all other

Secured Obligations limited to fifty percent (50.0%) of the unpaid principal and accrued, unpaid interest and fees under the Revolving Note as of the Determination Date (as defined in their Guaranties), plus fifty percent (50.0%) of the interest and fees under the Revolving Note accruing after the Determination Date, but before such Guarantor has satisfied his liability under his Guaranty, plus all attorneys fees and collection costs for enforcement of the Guaranty against Guarantor; and

(iv) Unlimited Guaranties dated January 13, 2014, executed by the following additional guarantors (the "Additional Guarantors"), respectively, in favor of Lender:

(A) Gary Blaine Humphreys and Claudia Ann Humphreys, as co-trustees of the ERIC BLAINE HUMPHREYS TRUST created under Trust Agreement dated December 14, 2012;

(B) Gary Blaine Humphreys and Claudia Ann Humphreys, as co-trustees of the JAKE ALLEN HUMPHREYS TRUST created under Trust Agreement dated December 14, 2012;

(C) FUTURE NEW DEAL, LTD., a Texas limited partnership;

(D) FUTURE NEW DEAL II, LLC, a Texas limited liability company;

(E) M&J PARTNERSHIP, LTD., a Texas limited partnership;

(F) T.Y.F HOLDINGS, LLC, a Texas limited liability company;

(G) Martin W. Robertson and Janet Lynn Robertson, as co-trustees of the CHRISTOPHER MARTIN ROBERTSON TRUST created under Trust Agreement dated December 18, 2012; and

(H) Martin W. Robertson and Janet Lynn Robertson, as co-trustees of the CLAIRE ANN ROBERTSON TRUST created under Trust Agreement dated December 18, 2012.

(c) After an Event of Default (as defined below) that remains uncured after the expiration of any notice and cure period required by this Loan Agreement, or if there is an existing Borrowing Base deficiency, Lender reserves the right to require Borrower to set up a lockbox account to be managed by Lender for the purpose of collection of sale proceeds from sand reserves. Borrower agrees that upon Lender's election to require the lockbox after an Event

of Default, Lender will receive the proceeds of all finished sand for application to the Secured Obligations in such order as Lender shall determine in its discretion; and Borrower hereby directs all sand purchasers to pay Borrower's distributions attributable to such sales directly to Lender, if Lender so elects. All sand proceeds received in the lockbox account by Lender in excess of the current scheduled monthly payment and any other fees or expenses owed to Lender will be transferred to Borrower at the end of each month for its use consistent with the provisions of this Loan Agreement, so long as there is no existing Event of Default. If the sand proceeds received by Lender during any month are not sufficient to make the scheduled monthly payment, Borrower will pay Lender the deficiency within ten (10) days.

(d) Unless a security interest would be prohibited by law or would render a nontaxable account taxable, Borrower grants to Lender a contractual possessory security interest in, and hereby assigns, pledges, and transfers to Lender all Borrower's rights in any deposits or accounts now or hereafter maintained with Lender (whether checking, savings, or any other account), excluding, however, accounts maintained by Borrower at Lender for the purpose of revenue distribution to third parties entitled to those revenues and any other accounts held by Borrower for the benefit of a third party or for which setoff would be prohibited by applicable law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff any sums owing on the Secured Obligations against any and all such deposits and accounts; and Lender shall be entitled to exercise the rights of offset and banker's lien against all such accounts and other property or assets of Borrower with or in the possession of Lender to the extent of the full amount of the Secured Obligations.

3. Borrowing Base. If at any time the sum of the outstanding principal balance owing on the Revolving Note, plus the LC Exposure, exceeds an amount equal to the Borrowing Base, Borrower agrees to immediately repay to Lender such excess amount, plus all accrued but unpaid interest thereon. As used herein, the following terms have the meanings assigned below:

(i) "Borrowing Base" means an amount equal to Eighty Percent (80%) of the Borrower's Eligible Accounts, plus Forty Percent (40 %) of the Borrower's Eligible Inventory; provided, however, that (1) advances from Eligible Accounts owed by Trican Well Services LP shall be limited to Sixty Percent (60 %), and (2) the outstanding amount advanced against Eligible Inventory at any time shall not exceed the lesser of (x) $12,500,000.00, or (y) Eighty Percent (80%) of Borrower's Eligible Accounts.

(ii) "Eligible Accounts" means at any time, an amount equal to the aggregate net invoice or ledger amount owing on all trade accounts receivable of Borrower for sand sold in the ordinary course of business, in which Lender has a perfected, first-priority security interest, after deducting (without duplication): (1) each account that is unpaid one hundred twenty (120) days or more after the original invoice date; (2) the amount of all discounts, allowances, rebates,

credits, and adjustments to such accounts; (3) the amount of all contra accounts, setoffs, defenses, or counterclaims asserted by or available to the account debtors; (4) all accounts with respect to which goods are placed on consignment or subject to a guaranteed sale or other terms under which payment by the account debtor may be conditional; (5) the amount billed for or representing retainage, if any, until all prerequisites to the immediate payment of retainage have been satisfied; (6) all accounts owing by account debtors for which there has been instituted a proceeding under any Debtor Relief Laws; (7) all accounts owing by any officer, employee, agent, or affiliate of Borrower; (8) all accounts due Borrower by any account debtor whose domicile, residence, or principal place of business is located outside the United States of America, excluding, however, (I) multi-national companies with a United States headquartered affiliate, and (II) Trican Well Services LP; (9) accounts with respect to which the account debtor is the United States or any department, agency, or instrumentality of the United States, any state of the United States, or any city, town, municipality, or division thereof, except to the extent an acknowledgment of assignment to Lender of such account in compliance with the Federal Assignment of Claims Act and other applicable law has been received by Lender; (10) all accounts subject to any provision prohibiting assignment or requiring notice of or consent to such assignment; (11) that portion of all account balances owing by any single account debtor which exceeds twenty-five percent (25%) of the aggregate of all accounts otherwise deemed eligible hereunder which are owing to Borrower by all account debtors, unless Borrower provides evidence satisfactory to Lender of credit insurance coverage acceptable to Lender on the accounts receivable from any such account debtor, from a financially sound and reputable insurance company; provided, however, that only that portion of all account balances owing by Halliburton Energy Services or EOG Resources, Inc., which exceeds the lesser of (A) forty percent (40%) of the aggregate of all accounts otherwise deemed eligible hereunder which are owing to Borrower by all account debtors, or (B) the applicable amount of credit insurance acceptable to Lender with respect to such accounts, shall be excluded from Eligible Accounts; (12) all accounts due from an account debtor when ten percent (10%) or more of the total amount due to Borrower from that debtor is ineligible under one or more of these subsections of this definition; and (13) any other accounts deemed unacceptable by Lender in its reasonable discretion.

(iii) "Eligible Inventory" means as of any date, the aggregate value of all finished sand inventory, then owned by Borrower and held for sale or other disposition in the ordinary course of its business, in which Lender has a first priority security interest. For purposes of this definition, Eligible Inventory shall be valued at the lower of cost (including the cost of labor) or market value.

4. Conditions Precedent. (a) The obligation of Lender to continue to make advances on the Revolving Loan is subject to Borrower's satisfaction, in Lender's sole discretion, of the following conditions precedent:

(1) Borrower shall be in compliance in all material respects with all existing obligations hereunder, there shall be no default under the Loan Documents at closing, and all representations and warranties in connection with existing obligations hereunder must be true in all material respects.

(2) the negotiation, execution, and delivery of Loan Documents in Proper Form, including, but not limited to, the following:

(i) this Loan Agreement;
(ii) the Revolving Note;
(iii) a Ratification and Amendment of the Guaranties; and
(iv) Borrowing Resolution.

(3) satisfactory evidence that Lender holds perfected liens and security interests in all collateral for the Secured Obligations, subject to no other liens or security interests other than the Permitted Liens (as defined below).

(4) there shall not have occurred any result, occurrence, condition, change, fact, event, circumstance, or effect that, individually or in the aggregate, has caused or would reasonably be expected to cause a material adverse change in (i) the financial condition, business, assets, properties, liabilities (actual and contingent), operations or results of operations of Borrower or any Guarantors, (ii) the ability of Borrower or any Guarantors to own their assets and conduct business in the ordinary course as presently owned and conducted, or (iii) the ability of Borrower or any Guarantors to perform their obligations under or consummate the transactions contemplated by the Loan Documents (collectively "Material Adverse Change").

(5) there being no order or injunction or other pending or threatened litigation in which there is a reasonable possibility, in Lender's judgment, of a decision which could result in a Material Adverse Change.

(6) Lender's receipt and review, with results satisfactory to Lender and its counsel, of information regarding litigation, tax, accounting, insurance, pension liabilities (actual or contingent), real estate leases, material contracts, debt agreements, property ownership, and contingent liabilities of Borrower.

(7) Borrower shall deliver certificates of the appropriate government officials of the state of incorporation or organization of Borrower and Guarantors as to the existence and good standing of Borrower and Guarantors, each dated within ten (10) days prior to the date of this Loan Agreement.

(b) Lender will not be obligated to make the Loans or any subsequent advance on the Loans or issue any Letter of Credit, if, prior to the time that a loan or advance is made or a Letter of Credit is issued, (i) there has been any Material Adverse Change, (ii) any representation or warranty made by Borrower in this Loan Agreement or the other Loan Documents is untrue or incorrect in any material respect as of the date of the advance or loan, (iii) Lender has not received all Loan Documents appropriately executed by Borrower, Guarantors, and all other proper parties, (iv) Lender has requested that Borrower or Guarantors execute additional loan or security documents and those documents have not yet been properly executed, delivered, and recorded, (v) Borrower is not in compliance with the Borrowing Base and all reporting requirements, or (vi) an Event of Default (as defined below) has occurred and is continuing.

5. Representations and Warranties. (a) Borrower and General Partner hereby represent and warrant to Lender as follows:

(1) The execution, delivery, and performance of this Loan Agreement, the Notes, the Security Documents, the Unlimited Guaranty, and all of the other Loan Documents by Borrower have been duly authorized by Borrower's partners and General Partner's managers, and this Loan Agreement, the Notes, the Security Documents, the Unlimited Guaranty, and all of the other Loan Documents constitute legal, valid, and binding obligations of Borrower and General Partner, enforceable in accordance with their respective terms;

(2) The execution, delivery, and performance of this Loan Agreement, the Notes, the Security Documents, the Unlimited Guaranty, and the other Loan Documents, and the consummation of the transaction contemplated, do not require the consent, approval, or authorization of any third party and do not and will not conflict with, result in a violation of, or constitute a default under (i) any provision of Borrower's limited partnership agreement or General Partner's certificate of formation and company agreement or any other material agreement or material instrument binding upon Borrower or General Partner, or (ii) any law, governmental regulation, court decree, or order applicable to Borrower or General Partner;

(3) Each financial statement of Borrower and General Partner, now or hereafter supplied to Lender, was (or will be) prepared in accordance with generally accepted accounting principles in effect on the date such statement was prepared, consistently applied ("Accounting Principles"), in Proper Form, and truly discloses and fairly presents in all material respects Borrower's and General Partner's financial condition as of the date of each such

statement, and there has been no Material Adverse Change subsequent to the date of the most recent financial statement supplied to Lender;

(4) There are no actions, suits, or proceedings pending or, to Borrower's knowledge, threatened against or affecting Borrower, Guarantors, or the Collateral, before any court or governmental department, commission, or board, which, if determined adversely, would reasonably be expected to cause a Material Adverse Change;

(5) Borrower and General Partner have filed all federal, state, and local tax reports and returns required by any law or regulation to be filed and have either duly paid all taxes, duties, and charges indicated due on the basis of such returns and reports, or made adequate provision for the payment thereof, and the assessment of any material amount of additional taxes in excess of those paid and reported is not reasonably expected;

(6) Borrower is in compliance in all material respects with all applicable provisions of the Employee Retirement Income Security Act of 1974, as amended or recodified from time to time ("ERISA"); Borrower has not violated any provision of any "defined benefit plan" (as defined in ERISA) maintained or contributed to by Borrower (each a "Plan"); no "Reportable Event" as defined in ERISA has occurred and is continuing with respect to any Plan initiated by Borrower, unless the reporting requirements have been waived by the Pension Benefit Guaranty Corporation; and Borrower has met its minimum funding requirements under ERISA with respect to each Plan; and

(7) Borrower certifies that Schedule 1 attached to this Loan Agreement sets forth a true and correct organizational chart and list of the ownership of Borrower and all Subsidiaries owned by Borrower indicating the ownership in each as of the date of this Loan Agreement. As used in this Loan Agreement, "Subsidiaries" shall mean entities for which Borrower owns, directly or indirectly, interests having more than fifty-one percent (51%) of the outstanding ownership or fifty-one percent (51%) of the ordinary voting power for the election of directors or managers of such entity.

(b) Humphreys and Robertson (collectively "Individual Guarantors") hereby represent and warrant as follows:

(1) Each financial statement of Individual Guarantors, now or hereafter supplied to Lender, was (or will be) prepared in accordance with Accounting Principles, in Proper Form, and truly discloses and fairly presents each Individual Guarantors' financial condition as of the date of each such statement, and there has been no Material Adverse Change subsequent to the date of the most recent financial statement supplied to Lender;

(2) There are no actions, suits, or proceedings pending or threatened against or affecting Individual Guarantors, before any court or governmental department, commission, or board, which, if determined adversely, would reasonably be expected to cause a Material Adverse Change with respect to any of the Individual Guarantors; and

(3) Individual Guarantors have filed all federal, state, and local tax reports and returns required by any law or regulation to be filed and have either duly paid all taxes, duties, and charges indicated due on the basis of such returns and reports, or made adequate provision for the payment thereof, and the assessment of any material amount of additional taxes in excess of those paid and reported is not reasonably expected.

6. Covenants. (a) Until the Loans and all other Secured Obligations are fully paid and satisfied, no Letters of Credit are outstanding, and any commitment of Lender under this Loan Agreement is terminated, Borrower and General Partner shall, unless Lender otherwise consents in writing:

(1) (i) Maintain their existence in good standing in the state of their formation, maintain their authority to do business in Texas and all other states in which either is required to qualify, and maintain full legal capacity to perform all their obligations under this Loan Agreement and the Loan Documents, (ii) continue to operate their business as presently conducted and preserve and maintain the rights, licenses, permits, privileges, and franchises material to the conduct of their business, (iii) not permit a material change in their ownership, control, or management, (iv) maintain at all times General Partner as Borrower's sole general partner, (v) not permit either of their dissolution, liquidation, or other termination of existence or forfeiture of right to do business, (vi) not form any Subsidiary without notifying Lender in writing at least thirty (30) days in advance, (vii) not permit a merger or consolidation (unless Borrower is the surviving entity), (viii) not acquire all or substantially all of the assets of any other entity (other than all or substantially all of the assets of a Subsidiary) without first notifying Lender in writing at least thirty (30) days in advance, and (ix) not amend Borrower's limited partnership agreement or General Partner's company agreement, without the prior written consent of Lender.

(2) Manage the Collateral in an orderly and efficient manner consistent with good business practices, and perform and comply in all material respects with all statutes, rules, regulations, and ordinances imposed by any governmental unit upon the Collateral, Borrower, or its operations, except where the failure to do so could not reasonably be expected to result in a Material Adverse Change, including, without limitation, (i) all environmental laws, and (ii) all permits, licenses, registrations, approvals, and authorizations (x) related to any natural or environmental resource or media located on, above, within, related to or affected by any Collateral, (y) required for the performance of the operations of Borrower, or (z) applicable to the

use, generation, handling, storage, treatment, transport, or disposal of any hazardous substances; use reasonable efforts to cause all employees, agents, contractors, subcontractors, while such are acting within the scope of their relationship with Borrower, to comply with all such laws as may be necessary or appropriate to enable Borrower to so comply; and not do anything or permit anything to be done that would subject any of the Collateral to any remedial obligations under any environmental law, assuming disclosure to applicable governmental authorities of all relevant facts, conditions, and circumstances.

(3) Maintain insurance as customary in the industry or as reasonably required by Lender, including but not limited to, casualty, comprehensive property damage, and commercial general liability, and other insurance, including worker's compensation (if necessary to comply with law), naming Lender as an additional insured and a loss payee, as applicable, and containing provisions prohibiting their cancellation without prior written notice to Lender, and provide Lender with evidence of the continual coverage of those policies prior to the lapse of any policy.

(4) Not sell, assign, transfer, or otherwise dispose of all or any interest of Borrower in the Collateral or any other material assets, except for (i) the sale of sand in the ordinary course of business, (ii) the sale or transfer of equipment that is no longer necessary for the business of Borrower or that is replaced by equipment of at least comparable value and use.

(5) Promptly inform Lender of (i) any Material Adverse Change, (ii) all litigation and claims which would reasonably be expected to cause a Material Adverse Change, (iii) all actual or contingent material liabilities of Borrower, (iv) any change in name, identity, or structure of Borrower, and (v) any uninsured or partially insured loss of any collateral through fire, theft, liability, or property damage having a value in excess of $25,000.00.

(6) Maintain Borrower's and General Partner's books and records in accordance with Accounting Principles, and permit Lender to examine, audit, and make and take away copies or reproductions of Borrower's and General Partner's books and records, reasonably required by Lender, at all reasonable times, including, without limitation, semi-annual field exams; and pay for the reasonable cost of such examinations, audits, and inspections required by Lender.

(7) Pay and discharge when due all indebtedness and obligations, including without limitation, all assessments, taxes, governmental charges, levies, and liens, of every kind and nature, imposed upon Borrower, General Partner, or the Collateral, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon the Collateral, income, or profits, and pay all trade payables and other current liabilities incurred in the ordinary course of business within ninety (90) days of their due date;

provided, however, Borrower will not be required to pay and discharge any such indebtedness, obligation, payable, assessment, tax, charge, levy, lien, or claim, so long as (i) the same shall be contested in good faith by appropriate judicial, administrative, or other legal proceedings, and (ii) Borrower has established adequate reserves with respect to such contested indebtedness, obligation, payable, assessment, tax, charge, levy, lien, or claim in accordance with Accounting Principles.

(8) Not directly or indirectly create, incur, assume, or permit to exist any indebtedness (including guaranties), secured or unsecured, absolute or contingent, without the prior written consent of Lender, except for the following (the "Permitted Indebtedness"): (i) the indebtedness to Lender, (ii) any trade payables, taxes, and current liabilities incurred in the ordinary course of business, (iii) Borrower's and General Partner's guaranty of the term debt owed under the Amended and Restated Senior Secured Credit Agreement executed by Ares Capital Corporation, in its capacity as administrative agent (the "Term Agent"), the Lenders (as defined therein), VPROP Operating, LLC, a Delaware limited liability company, as the borrower thereunder (the "Term Loan Borrower"), and other parties thereto, dated as of November 9, 2017, as may be amended, restated, supplemented, renewed or otherwise modified from time to time in accordance with that certain Amended and Restated Intercreditor Agreement dated as of November 9, 2017, by and among Lender, Term Agent (as defined below), and Term Loan Borrower, together with any other agreements pursuant to which any of the Indebtedness (as defined therein), commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, the "Term Credit Agreement"), (iv) the Second Subordinate Debt, (v) indebtedness under capital leases or other equipment financing arrangements for mobile excavation equipment, automobiles, trucks, rental equipment, or other equipment or personal property, not to exceed $30,000,000.00 in the aggregate at any one time outstanding, (vi) deferred revenues related to certain payments in an amount not to exceed $3,000,000.00 in the aggregate made by EOG Resources, Inc. in favor of Borrower pursuant to that certain 2017 Sand Purchase Agreement dated as of January 1, 2017, between EOG Resources, Inc. and Borrower, as such agreement may be amended, restated or supplemented from time to time, and (vii) the existing indebtedness listed on Schedule 2 attached.

(9) Not mortgage, collaterally assign, hypothecate, pledge, or encumber, and not create, incur, or assume any lien or security interest on or in, the Collateral (or any interest in the Collateral) or any of Borrower's or General Partner's property or assets, except the following (collectively the "Permitted Liens"): (i) those in favor of Lender; (ii) those associated with the guaranty by Borrower and General Partner of term debt owed by Term Loan Borrower to Lenders (as defined in the Term Credit Agreement) under the Term Credit Agreement, and those permitted under the Term Credit Agreement, and those liens arising under Section 11 of that certain Lease Agreement dated effective August 27, 2015, by and between

Borrower and Lonestar Prop 50, LLC, each of which is in respect of obligations that are not delinquent; (iii) liens for taxes, assessments, or other governmental charges or levies which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with Accounting Principles; (iv) statutory landlord's liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or other like liens arising by operation of law in the ordinary course of business or incident to the exploration, development, operation, and maintenance of sand reserves, each of which is in respect of obligations that are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with Accounting Principles; (v) liens in connection with workers' compensation, unemployment insurance or other social security, or pension obligations, which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with Accounting Principles; (vi) purchase money security interests, capital leases, liens securing other equipment financing arrangements permitted by this Loan Agreement, or construction liens that attach solely to the asset acquired, leased, or constructed, that secure indebtedness in an amount equal to or less than the cost and the fair market value of the asset acquired or constructed, and that are in an aggregate amount not to exceed $30,000,000.00; (vii) contractual liens that arise in the ordinary course of business under or in connection with real property leases, operating agreements, contracts for the sale, transportation, or exchange of sand, marketing agreements, processing agreements, development agreements, and other agreements which are usual and customary in the sand business and are for claims which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with Accounting Principles, provided that any such lien referred to in this clause does not materially impair the use of the property covered by such lien for the purposes for which such property is held by the Borrower or materially impair the value of such property subject thereto; (viii) liens relating to banker's liens, rights of set-off, or similar rights and remedies and burdening only deposit accounts or other funds maintained with a depository institution, provided that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor, and no such deposit account is intended by Borrower to provide collateral to the depository institution; (ix) easements, restrictions, servitudes, permits, conditions, covenants, exceptions, or reservations for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of sand, or for the joint or common use of real estate, rights of way, facilities and equipment, that do not secure any monetary obligations and which in the aggregate do not materially impair the use of such property for the purposes of which such property is held by the Borrower or materially impair the value of such property subject thereto; (x) liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory obligations, regulatory obligations and other obligations of a like nature incurred in the ordinary course of business; (xi) liens arising

under Uniform Commercial Code financing filings regarding operating leases which are not synthetic leases entered into by Borrower in the ordinary course of business covering only the property under such lease; (xii) judgment and attachment liens not giving rise to an Event of Default, provided that any appropriate legal proceedings which may have been duly initiated for the review of such judgment shall not have been finally terminated or the period within which such proceeding may be initiated shall not have expired and no action to enforce such lien has been commenced; and (xiii) the existing liens and security interests listed on Schedule 2 attached; provided, further that liens described above shall remain "Permitted Liens" only for so long as no action to enforce such lien has been commenced and no intention to subordinate the first-priority lien granted in favor of the Lender is to be hereby implied or expressed by the existence of such Permitted Liens.

(10) Not make any loans, advances, dividends, or other distributions on account of any shares of any class of membership interest in Borrower now or hereafter outstanding to any party, including without limitation, shareholders, officers, directors, partners, joint venturers, members, managers, relatives, or affiliates, or any profit sharing or retirement plan, except so long as there is not an Event of Default existing, no Event of Default will be caused by the distribution, and there is no Borrowing Base deficiency, Borrower may distribute to its partners the following (the "Permitted Distributions"): (i) an amount equal annually to their tax liability incurred as a result of their ownership in Borrower (the "Tax Distributions"); (ii) distributions made with respect to management fees benefitting Borrower and payable by Vista Proppants and Logistics, LLC pursuant to its management agreements, not to exceed $3,000,000 in the aggregate during any calendar year, and (iii) such other amounts as Lender shall hereafter approve in writing.

(11) Not purchase, acquire, redeem, or retire any stock or other ownership interest in Borrower; and not permit any transaction or contract with any affiliates or related parties, except at arms length and on market terms.

(12) Maintain their primary depository accounts and principal banking relationship and treasury management services with Lender. Notwithstanding the foregoing, Lender consents to and approves the existence of an account by Borrower with 1st Source Bank.

(13) INDEMNIFY LENDER AGAINST ALL LOSSES, LIABILITIES, WITHHOLDING AND OTHER TAXES, CLAIMS, DAMAGES, OR EXPENSES RELATING TO THE LOANS, THE LOAN DOCUMENTS, OR BORROWER'S USE OF THE LOAN PROCEEDS, INCLUDING BUT NOT LIMITED TO ATTORNEYS AND OTHER PROFESSIONAL FEES AND SETTLEMENT COSTS, BUT EXCLUDING, HOWEVER, THOSE CAUSED SOLELY BY OR RESULTING SOLELY FROM ANY GROSS

NEGLIGENCE OR WILLFUL MISCONDUCT BY LENDER; AND THIS INDEMNITY SHALL SURVIVE THE TERMINATION OF THIS LOAN AGREEMENT.

(14) Comply in all material respects with all applicable provisions of ERISA, not violate any provision of any Plan, meet its minimum funding requirements under ERISA with respect to each Plan, and notify Lender in writing of the occurrence and nature of any Reportable Event or Prohibited Transaction, each as defined in ERISA, or any funding deficiency with respect to any Plan.

(15) Limit all investments to the following (the "Permitted Investments"): (i) direct investments in sand reserves and related equipment, (ii) deposits, money-market accounts, and certificates of deposit maintained with Lender, (iii) readily-marketable direct obligations of the United States of America, (iv) fully-insured time deposits and certificates of deposit with maturities of one (1) year or less of any other commercial bank operating in the United States having capital and surplus in excess of $400,000,000, (v) commercial paper of a domestic issuer if at the time of purchase such paper is rated in one of the two highest ratings categories of Standard & Poor's Financial Services LLC or Moody's Investors Service, or (vi) a deposit account with 1st Source Bank. For the avoidance of doubt, this Subsection (15) of Subsection (a) of Section 6 shall not restrict Borrower from making other Investments (to the extent not otherwise prohibited by this Agreement). As used herein, "Investment" means (a) the acquisition (whether for cash, property, services or securities or otherwise) of equity interests in any other person or any agreement to make any such acquisition; (b) the making of any deposit with, or advance, loan or capital contribution to, assumption of debt of, purchase or other acquisition of any other debt or equity participation or interest in, or other extension of credit to, any other person (including the purchase of property from another person subject to an understanding or agreement, contingent or otherwise, to resell such property to such person, but excluding any such advance, loan, or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory or supplies sold by such person in the ordinary course of business); or (c) the purchase or acquisition (in one or a series of transactions) of the property of another person that constitutes a business unit.

(16) Not permit any plant equipment or mining of sand reserves outside of the any real property owned or leased by Borrower, unless Borrower has obtained a release of any mortgage covering the acreage to be utilized or the mortgagee has subordinated the mortgage to the rights of Borrower under the applicable real property lease.

(17) Execute and deliver, or cause to be executed and delivered, within ten (10) days of Lender's written request, any and all other agreements, instruments, or documents which Lender may reasonably request in order to give effect to the transactions contemplated under this Loan Agreement and the Loan Documents, and to grant, perfect, and

maintain liens and security interests on or in the Collateral and related collateral, and promptly cure any defects in the execution and delivery of any Loan Documents.

(b) Until the Loans and all other Secured Obligations are fully paid and satisfied, no Letters of Credit are outstanding, any commitment of Lender under this Loan Agreement is terminated, and all other obligations and liabilities of Guarantors under this Loan Agreement, the Guaranties, and the other Loan Documents are fully paid and satisfied, Individual Guarantors shall, unless Lender otherwise consents in writing:

(1) Not sell, transfer, pledge, encumber, or otherwise dispose of all or any interest in Borrower;

(2) Promptly inform Lender of (i) any Material Adverse Change with respect to any Individual Guarantors, (ii) all litigation and claims which could reasonably be expected to cause a Material Adverse Change with respect to any Individual Guarantors, and (iii) all actual or contingent material liabilities of Individual Guarantors; and

(3) Execute and deliver, or cause to be executed and delivered, any and all other agreements, instruments, or documents which Lender may reasonably request in order to give effect to the transactions contemplated under this Loan Agreement and the Loan Documents, and promptly cure any defects in the execution and delivery of any Loan Documents.

7. Financial Covenants. Until the Loans and all other Secured Obligations are fully paid and satisfied, no Letters of Credit are outstanding, and any commitment of Lender under this Loan Agreement is terminated, Borrower shall, unless Lender otherwise consents in writing, maintain the following financial covenants:

(a) Borrower shall maintain at the end of each fiscal quarter, commencing with the fiscal quarter ended June 30, 2017, a Debt Service Coverage Ratio greater than or equal to 1.1 to 1.0. As used in this Loan Agreement, the following terms have the meanings assigned below:

(i) "Debt Service Coverage Ratio" is defined as the ratio of (1) EBIDA for the prior four fiscal quarters on a rolling basis, minus all Permitted Distributions made in cash during such period, divided by (2) the sum of (x) the interest expense for the same period, plus (y) current maturities of long term debt for the current fiscal year, including scheduled payments on the Term Loans.

(ii) "EBIDA" is defined as the sum of Borrower's net income for the prior four fiscal quarters on a rolling basis, plus, without duplication and to the extent deducted in the calculation of net income for such period, (1) depreciation, depletion, amortization, and other non-cash charges, and (2) interest expense.

(b) Borrower shall maintain at the end of each fiscal quarter, commencing with the fiscal quarter ended June 30, 2017, a Leverage Ratio less than or equal to the following:

Fiscal quarter ending	Maximum ratio
6/30/2017 - 12/31/2017	3.50 to 1.00
3/31/2018	3.25 to 1.00
6/30/2018 - 9/30/2018	3.00 to 1.00
12/31/2018 - 6/30/2019	2.75 to 1.00
9/30/2019 - 3/31/2020	2.50 to 1.00
6/30/2020 and each fiscal quarter thereafter	2.25 to 1.00

As used in this Loan Agreement, the following terms have the meanings assigned below:

(i) "Leverage Ratio" is defined as the ratio of (1) Total Debt as of the last day of the fiscal quarter, divided by (2) EBIDA for the prior four fiscal quarters on a rolling basis.

(ii) "Total Debt" is defined as the aggregate principal amount outstanding under the total liabilities of Borrower (excluding liabilities under guaranties which are contingent and not reflected as liabilities on the balance sheet of Borrower), including, without limitation, amounts owed on the Revolving Loan, the Term Loans, and all capital leases.

(c) Borrower shall maintain at the end of each fiscal year, commencing with the fiscal year ending December 31, 2017, a Reserve Coverage Ratio greater than or equal to the following:

Fiscal year ending	Minimum ratio
12/31/2017	9.00 to 1.00
12/31/2018	8.00 to 1.00
12/31/2019	7.00 to 1.00

As used in this Loan Agreement, the following terms have the meanings assigned below:

(i) "Reserve Coverage Ratio" is defined as the ratio of (1) Reserve Value, divided by (2) the annual reasonably forecasted sales volume (in tons) of Probable Ore Reserves (as defined in Section 30 of the JORC Code) and Proved Ore Reserves (as defined in Section 31 of the JORC Code) for the subsequent year as stated in the Annual Budget (as defined below).

(ii) "Reserve Value" is defined as the sum of Probable Ore Reserves and Proved Ore Reserves (in tons) owned by or available to be mined by Borrower and confirmed by the most-recent Reserve Report (as defined below). Notwithstanding the foregoing, such Probable Ore Reserves and Proved Ore Reserves shall only be included in the Reserve Value if (x) the weighted average sales price per ton (as determined by Borrower) for Borrower's contracts for the sale of Probable Ore Reserves and Proved Ore Reserves exceeds (y) the "cost per ton of sand mined" (as defined in the applicable Reserve Report with reasonable reference to recent actual cost) for such Probable Ore Reserves and Proved Ore Reserves by at least $15 per ton.

(iii) "JORC Code" is defined as the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, promulgated by the Joint Ore Reserves Committee, 2012 Edition, as amended from time to time, and any successor code. Unless otherwise specified, all accounting and financial terms and covenants set forth above are to be determined according to Accounting Principles, consistently applied.

8. Reporting Requirements. (a) Until the Loans and all other Secured Obligations are fully paid and satisfied, no Letters of Credit are outstanding, and any commitment of Lender under this Loan Agreement is terminated, Borrower shall, unless Lender otherwise consents in writing, furnish to Lender in Proper Form:

(1) As soon as available, and in any event within one hundred twenty (120) days of the end of Borrower's fiscal year, annual financial statements for Borrower, consisting of at least a balance sheet, an income statement, a statement of cash flows, a statement of changes in owners' equity, and a statement of contingent liabilities, audited by an independent certified public accounting firm acceptable to Lender and certified by an authorized officer of Borrower (i) as being true and correct in all material aspects to the best of his knowledge, (ii) as fairly reporting in all material respects the financial condition of Borrower as of the close of the fiscal year and the results of its operations for the year, and (iii) as having been prepared in accordance with Accounting Principles;

(2) As soon as available, and in any event within forty-five (45) days of the end of each fiscal quarter, quarterly financial statements for Borrower compiled by an independent certified public accounting firm acceptable to Lender, consisting of at least a balance

sheet, an income statement, a statement of cash flows, a statement of changes in owners' equity, and a statement of contingent liabilities, for the quarter and for the period from the beginning of the fiscal year to the close of the quarter, certified by an authorized officer of Borrower (i) as being true and correct in all material aspects to the best of his knowledge, (ii) as fairly reporting in all material respects the financial condition of Borrower as of the close of the fiscal quarter and the results of its operations for the quarter, and (iii) as having been prepared in accordance with Accounting Principles, subject to normal year-end adjustments and the absence of footnotes;

(3) Within forty-five (45) days after the end of each month if there is any outstanding balance on the Revolving Note, a Borrowing Base Certificate in the form of Exhibit C attached, signed by an authorized officer of Borrower, along with an accounts receivable listing and aging and an inventory report;

(4) With the annual and quarterly financial statements required above, a Compliance Certificate in the form of Exhibit D attached to this Loan Agreement, signed by an authorized officer of Borrower and certifying compliance with the financial covenants and other matters in this Loan Agreement;

(5) On or before February 28 of each year, commencing February 28, 2016, Borrower shall furnish to Lender a reserve report (the "Reserve Report") evaluating the Sand Properties (as defined in the Term Credit Agreement) of Borrower as of the immediately preceding January 1. The Reserve Report shall be prepared by one or more Approved Engineers (as defined in the Term Credit Agreement). With the delivery of each Reserve Report, Borrower shall provide to Lender a certificate from an authorized officer of Borrower certifying that in all material respects: (i) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct, and (ii) the other matters required by Section 8.12(b) of the Term Credit Agreement.

(6) Within thirty (30) days of filing, but in no event later than October 31 of each year, copies of Borrower's federal, state, and local income tax filings or returns, with all schedules, attachments, forms, and exhibits;

(7) Within forty-five (45) days after the end of each month, commencing with the month ending May 31, 2011, and continuing through the month ending December 31, 2011, and thereafter within forty-five (45) days after the end of each fiscal quarter, a production report, showing the gross volumes of sand produced from the Collateral and such other information as Lender may reasonably request;

(8) At any time upon request by Lender and within thirty (30) days of any change thereafter, a list showing the name and address of each purchaser of sand produced from or attributable to the Collateral;

(9) Within five (5) days after Borrower learns of any such occurrence, a written report of any pending or threatened litigation which would reasonably be expected to cause a Material Adverse Change or which asserts damages or claims in an amount in excess of $100,000;

(10) As soon as possible and in any event within five (5) days after the occurrence of any Event of Default, or any event which, with the giving of notice or lapse of time or both, would constitute an Event of Default, the written statement of Borrower setting forth the details of such Event of Default and the action which Borrower proposes to take with respect thereto; and

(11) Within ten (10) days of Lender's written request, such other information respecting the condition and the operations, financial or otherwise, of Borrower and the Collateral as Lender may from time to time reasonably request.

(12) Concurrently with the delivery of annual financial statements under Subparagraph (1) of Subsection (a) of Section 8 of this Loan Agreement, an annual budget of Borrower in form and detail reasonably satisfactory to Lender (the "Annual Budget").

(b) Until the Loans and all other Secured Obligations are fully paid and satisfied, no Letters of Credit are outstanding, any commitment of Lender under this Loan Agreement is terminated, and all other obligations and liabilities of Guarantors under this Loan Agreement, the Guaranties, and the other Loan Documents are fully paid and satisfied, each of the Individual Guarantors shall, unless Lender otherwise consents in writing, furnish to Lender in Proper Form:

(1) Within ninety (90) days of the anniversary of the prior statements provided to Lender, current personal financial statements for each of the Individual Guarantors, consisting of at least a balance sheet, a statement of cash flow, and a statement of contingent liabilities, and being certified (i) as being true and correct in all material aspects to the best of his knowledge, and (ii) as having been prepared in accordance with Accounting Principles;

(2) Within thirty (30) days of filing, but in no event later than October 31 of each year, copies of each Individual Guarantors' federal, state, and local income tax filings or returns, with all schedules, attachments, forms, and exhibits; and

(3) Within ten (10) days of Lender's written request, such other information respecting the condition and the operations, financial or otherwise, of each of the Individual Guarantors as Lender may from time to time reasonably request.

(4) Within ninety (90) days of each calendar year end, commencing with the calendar year ending December 31, 2014, current annual financial statements for each of the Eric Blaine Humphreys Trust, the Jake Allen Humphreys Trust, the Christopher Martin Robertson Trust, and the Claire Ann Robertson Trust, consisting of at least a balance sheet and a statement of contingent liabilities, and being certified (i) as being true and correct in all material aspects to the best of the Trustees' knowledge, and (ii) as having been prepared in accordance with Accounting Principles.

9. Events of Default. (a) The occurrence at any time of any of the following events or the existence of any of the following conditions, and the expiration of any notice, cure, or grace period required by Subsection (b) of Section 10 of this Loan Agreement, shall be called an "Event of Default":

(1) Failure to make punctual payment when due of any sums owing on any of the Notes or any other Secured Obligations; or

(2) Failure of any of the Obligated Parties (as defined below) to properly perform in all material respects any of the obligations, covenants, or agreements, contained in this Loan Agreement or any of the other Loan Documents; or any representation or warranty made by Borrower or Guarantors proves to have been false, misleading, or erroneous in any material respect; or

(3) A failure by Borrower to resolve a Borrowing Base deficiency; or

(4) Levy, execution, attachment, sequestration, or other writ against any real or personal property, representing the security for the Secured Obligations; or

(5) Any "Event of Default" under the Notes or any of the other Loan Documents, the Events of Default defined in the Notes and Loan Documents being cumulative to those contained in this Loan Agreement; or

(6) Except as expressly permitted by this Loan Agreement, the transfer, whether voluntarily or by operation of law, by Borrower of all or any portion of Borrower's interest in the Collateral without obtaining Lender's consent; or

(7) The failure of any of the Obligated Parties to pay any money judgment in excess of $100,000.00, against that party before the expiration of thirty (30) days after the judgment becomes final, or the failure of any of the Obligated Parties to obtain dismissal within ninety (90) days of any involuntary proceeding filed against that party under any Debtor Relief Laws (as defined below); or

(8) Borrower's liquidation, termination of existence, merger or consolidation with another (unless Borrower is the surviving entity), forfeiture of right to do business, or appointment of a trustee or receiver for any part of its property or the filing of an action seeking to appoint a trustee or receiver; or

(9) A filing by any of the Obligated Parties of a voluntary petition in bankruptcy, or taking advantage of any Debtor Relief Laws; or an answer admitting the material allegations of a petition filed against any of the Obligated Parties, under any Debtor Relief Laws; or an admission by any of the Obligated Parties in writing of an inability to pay its or their debts as they become due; or

(10) Any of the Obligated Parties revokes, or disputes the validity of or liability under, any of the Loan Documents, including any guaranty or security document; or

(11) Lender's receipt of a notice of "Enforcement Action" from Seller under the Subordination Agreement; or

(12) Borrower shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any debt under the Term Credit Agreement, when and as the same shall become due and payable, or (ii) any event or condition occurs that results in any debt under the Term Credit Agreement becoming due prior to its scheduled maturity, or (iii) any event or condition that enables or permits (after giving effect to all applicable notice and cure periods) the holder or holders of the Lenders under the Term Credit Agreement or any trustee or agent on its or their behalf to cause debt under the Term Credit Agreement to become due prior to its scheduled maturity.

(b) The term "Obligated Parties" means Borrower, Guarantors, or any of them, any other party liable, in whole or in part, for the payment of any of the Secured Obligations, whether as maker, endorser, guarantor, surety, or otherwise, and any party executing any deed of trust, mortgage, security agreement, pledge agreement, assignment, or other contract of any kind executed as security in connection with or pertaining to the Secured Obligations, the Notes, or the Loans. The term "Debtor Relief Laws" means any applicable liquidation, conservatorship, receivership, bankruptcy, moratorium, rearrangement, insolvency,

reorganization, or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.

10. Remedies. (a) Upon the occurrence and during the continuance of any one or more of the foregoing Events of Default and the expiration of any notice, cure, or grace period required by Subsection (b) below, the entire unpaid principal balances of the Notes, together with all accrued but unpaid interest thereon, and all other Secured Obligations then owing by Borrower to Lender, shall, at the option of Lender, become immediately due and payable without further presentation, demand for payment, notice of intent to accelerate, notice of acceleration or dishonor, protest or notice of protest of any kind, all of which are expressly waived by Borrower. Any and all rights and remedies of Lender pursuant to this Loan Agreement or any of the other Loan Documents may be exercised by Lender, at its option, upon the occurrence and during the continuance of an Event of Default and the expiration of any notice, cure, or grace period required by Subsection (b) below. All remedies of Lender may be exercised singularly, concurrently, or consecutively, without waiver or election.

(b) Upon any Event of Default described in Subsection (a)(1) of Section 9 above regarding payment of sums owing to Lender, Borrower shall have five (5) days grace after the due date in the invoice provided by Lender in order to cure the default prior to acceleration of the Notes and exercise of any remedies. Upon any other Event of Default described in Subsection (a) of Section 9 above, Lender shall provide Borrower with written notice of the Event of Default and Borrower shall have twenty (20) days after notice in order to cure the Event of Default prior to acceleration of the Notes and exercise of any remedies; except Borrower shall have no cure period for any voluntary filing by Borrower under any Debtor Relief Laws, for any voluntary transfer of any portion of the Collateral, without obtaining Lender's partial release, for any liquidation or termination of existence of Borrower, or for any Event of Default that is not capable of cure during that period, including, without limitation, breaches of any negative covenants and any financial covenants, and provided that Lender is not obligated to provide written notice of any Event of Default which Borrower reports to Lender, but Borrower shall have the benefit of any applicable grace or cure period required herein.

(c) All rights of Lender under the terms of this Loan Agreement shall be cumulative of, and in addition to, the rights of Lender under any and all other agreements between Borrower and Lender (including, but not limited to, the other Loan Documents), and not in substitution or diminution of any rights now or hereafter held by Lender under the terms of any other agreement.

11. Waiver and Amendment. Neither the failure nor any delay on the part of Lender to exercise any right, power, or privilege herein or under any of the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power, or

privilege preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. No waiver of any provision in this Loan Agreement or in any of the other Loan Documents and no departure by Borrower therefrom shall be effective unless the same shall be in writing and signed by Lender, and then shall be effective only in the specific instance and for the purpose for which given and to the extent specified in such writing. No modification or amendment to this Loan Agreement or to any of the other Loan Documents shall be valid or effective unless the same is signed by the party against whom it is sought to be enforced.

12. Savings Clause. Regardless of any provision contained in this Loan Agreement, the Notes, or any of the Loan Documents, it is the express intent of the parties that at no time shall Borrower or any of the Obligated Parties pay interest in excess of the Maximum Rate (or any other interest amount which might in any way be deemed usurious), and Lender will never be considered to have contracted for or to be entitled to charge, receive, collect, or apply as interest on any of the Notes or the other Secured Obligations, any amount in excess of the Maximum Rate (or any other interest amount which might in any way be deemed usurious). In the event that Lender ever receives, collects, or applies as interest any such excess, the amount which would be excessive interest will be applied to the reduction of the principal balances of the Notes or the Secured Obligations, and, if the principal balances of the Notes and the Secured Obligations are paid in full, any remaining excess shall forthwith be paid to Borrower. In determining whether the interest paid or payable exceeds the Maximum Rate (or any other interest amount which might in any way be deemed usurious), Borrower and Lender shall, to the maximum extent permitted under applicable law: (i) characterize any non-principal payment (other than payments which are expressly designated as interest payments hereunder) as an expense or fee rather than as interest; (ii) exclude voluntary prepayments and the effect thereof; and (iii) amortize, pro rate, or spread the total amount of interest throughout the entire contemplated term of the Notes so that the interest rate is uniform throughout the term. The term "Maximum Rate" has the meaning assigned in the Revolving Note.

13. Notices. Any notice or other communications provided for in this Loan Agreement shall be in writing and shall be given to the party at the address shown below:

Lender: PLAINSCAPITAL BANK
Attention: Keeton Moore
801 Houston Street
Fort Worth, Texas 76102
Fax Number (877) 379-6244
E-mail: kmoore@plainscapital.com

With a copy to counsel for Lender: Paul D. Bradford
HARRIS, FINLEY & BOGLE, P.C.
777 Main Street, Suite 1800
Fort Worth, Texas 76102-5341
Fax Number (817) 332-6121
E-mail: pbradford@hfblaw.com

Borrower: LONESTAR PROSPECTS, LTD.
Attention: Gary B. Humphreys and Craig Mackey
4413 Carey Street
Fort Worth, Texas 76119
Fax Number (817) 563-3550
E-mail: ghumphreys@maalt.com and cmackey@maalt.com

With a copy to counsel for Borrower: HAYNES AND BOONE, LLP
Attention: Sakina Foster
2323 Victory Avenue, Suite 700
Dallas, Texas 75219-7672
Fax Number (214) 200-0944
E-mail: sakina.foster@haynesboone.com

Any such notice or other communication shall be deemed to have been given on the day it is personally delivered or, if mailed, on the third day after it is deposited in an official receptacle for the United States mail, or, if by electronic mail or facsimile, on the date it is received by the party. Any party may change its address for the purposes of this Loan Agreement by giving notice of such change in accordance with this paragraph.

14. Miscellaneous. (a) This Loan Agreement shall be binding upon and inure to the benefit of Lender, Borrower, and Guarantors, and their respective heirs, personal representatives, successors, and assigns; provided, however, that Borrower and Guarantors may not, without the prior written consent of Lender, assign any rights, powers, duties, or obligations under this Loan Agreement or any of the other Loan Documents.

(b) THIS LOAN AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA AND SHALL BE

PERFORMED IN TARRANT COUNTY, TEXAS. BORROWER, GUARANTORS, AND LENDER IRREVOCABLY AGREE THAT VENUE FOR ANY ACTION OR CLAIM RELATED TO THIS LOAN AGREEMENT, THE NOTES, THE LOANS, THE SECURED OBLIGATIONS, THE GUARANTIES, OR THE COLLATERAL SHALL BE IN COURT IN TARRANT COUNTY, TEXAS.

(c) If any provision of this Loan Agreement or any other Loan Documents is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and the remaining provisions of this Loan Agreement or any of the other Loan Documents shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance.

(d) All covenants, agreements, undertakings, representations, and warranties made in this Loan Agreement and the other Loan Documents shall survive any closing hereunder.

(e) All documents delivered by Borrower or Guarantors to Lender must be in Proper Form.

(f) Without limiting the effect of any provision of any Loan Document which provides for the payment of expenses and attorneys fees upon the occurrence of certain events, Borrower shall pay all costs and expenses (including, without limitation, the reasonable attorneys fees of Lender's inside or independent legal counsel) in connection with (i) the preparation of this Loan Agreement and the other Loan Documents, and any and all extensions, renewals, amendments, supplements, extensions, or modifications thereof, (ii) any action reasonably required in the course of administration of the Loans or the Secured Obligations, (iii) resolution of any disputes with Borrower or Guarantors related to the Loans, the Secured Obligations, or this Loan Agreement, and (iv) any action in the enforcement of Lender's rights upon the occurrence of an Event of Default.

(g) If there is a conflict between the terms of this Loan Agreement and the terms of any of the other Loan Documents, the terms of this Loan Agreement will control.

(h) Lender shall have the right, with the consent of Borrower (unless an Event of Default has occurred and is continuing, in which case no consent is needed), which will not be unreasonably withheld, (i) to assign the Loans or commitment and be released from liability thereunder, and (ii) to transfer or sell participations in the Loans or commitment with the transferability of voting rights limited to principal, rate, fees, and term; provided, however, that Lender shall have the right to make intercompany assignments to affiliates, without restriction or consent.

(i) This Loan Agreement may be separately executed in any number of counterparts, each of which will be an original, but all of which, taken together, shall be deemed to constitute one agreement, and Lender is authorized to attach the signature pages from the counterparts to copies for Lender and Borrower. At Lender's option, this Loan Agreement and the Loan Documents may also be executed by Borrower and Guarantors in remote locations with signature pages faxed or scanned and e-mailed to Lender. Borrower and Guarantors agree that the faxed or scanned signatures are binding upon Borrower and Guarantors, and Borrower and Guarantors further agree to promptly deliver the original signatures for this Loan Agreement and all Loan Documents by overnight mail or expedited delivery. It will be an Event of Default if they fail to promptly deliver all required original signatures.

15. Second Subordinate Debt. All debts now or hereafter payable to GHMR OPERATIONS, L.L.C. ("Subordinate Lender") by Borrower shall be called the "Second Subordinate Debt." Borrower has incurred Second Subordinate Debt owed to Subordinate Lender in connection with the acquisition and construction of the storage facility on the GHMT Tract. Borrower agrees to sign and deliver, and to cause Subordinate Lender to sign and deliver, in favor of Lender, a Second Subordination Agreement (the "Second Subordination Agreement") in Proper Form, by which Borrower and Subordinate Lender subordinate the Second Subordinate Debt to repayment of the Secured Obligations. Borrower hereby agrees that (i) the principal amount of the Second Subordinate Debt shall not exceed $1,400,000.00 in the aggregate at any time, (ii) repayment of the Second Subordinate Debt is subordinate to repayment of the Secured Obligations, (iii) Borrower will not grant, and Subordinate Lender will not permit, any liens or security interests securing payment of the Second Subordinate Debt covering the Collateral, any other collateral of Lender, or any of Borrower's assets, (iv) so long as there is no Event of Default, Borrower may make scheduled principal and interest payments on the Subordinate Debt, (v) after an Event of Default, all principal and interest payments on the Subordinate Debt will accrue and will not trigger a default on the Subordinate Debt, and (vi) unless and only to the extent that Lender gives its prior written consent, no prepayments of principal will be permitted on the Subordinate Debt without Lender's prior written consent.

16. Notice of Final Agreement. (a) In connection with the Loans, Borrower, Guarantors, and Lender have executed and delivered this Loan Agreement and the Loan Documents (collectively the "Written Loan Agreement").

(b) It is the intention of Borrower, Guarantors, and Lender that this paragraph be incorporated by reference into each of the Loan Documents. Borrower, Guarantors, and Lender each warrant and represent that their entire agreement with respect to the Loans is contained within the Written Loan Agreement, and that no agreements or promises have been made by, or exist by or among, Borrower, Guarantors, and Lender that are not reflected in the Written Loan Agreement.

(c) THE WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

If the foregoing correctly sets forth our agreement, please so acknowledge by signing and returning the additional copy of this Loan Agreement enclosed to me.

Yours very truly,

PLAINSCAPITAL BANK

By:_____
Keeton Moore,
Senior Vice President

Accepted and agreed to
this ____ day of January, 2018:

BORROWER:

LONESTAR PROSPECTS, LTD.,
a Texas limited partnership

By: Lonestar Prospects Management, L.L.C.,
a Texas limited liability company,
its general partner

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

By:_____
Gary B. Humphreys,
Chief Executive Officer

GUARANTORS:

LONESTAR PROSPECTS MANAGEMENT, L.L.C.,
a Texas limited liability company

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

By: _____
Gary B. Humphreys,
Chief Executive Officer

_____
GARY B. HUMPHREYS

_____
MARTIN W. ROBERTSON

600369.6 [January 9, 2018]

Exhibits and Schedules
Exhibit A - Revolving Note
Exhibit B - Request for Borrowing
Exhibit C - Borrowing Base Certificate
Exhibit D - Compliance Certificate
Schedule 1 - Organizational Chart
Schedule 2 - Existing debts and liens

GUARANTORS:

LONESTAR PROSPECTS MANAGEMENT, L.L.C.,
a Texas limited liability company

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

By:_____
Gary B. Humphreys,
Chief Executive Officer

_____
GARY B. HUMPHREYS

_____
MARTIN W. ROBERTSON

600369.6 [January 9, 2018]

Exhibits and Schedules
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Plains Ex. 3

PlainsCapital Bank

SECURITY AGREEMENT

(Second Security Agreement)

This Security Agreement is entered into effective May 14, 2015, by LONESTAR PROSPECTS, LTD. ("Borrower"), a Texas limited partnership, for the benefit of PLAINSCAPITAL BANK ("Lender"). For valuable consideration, Borrower grants to Lender a security interest in the Collateral to secure the Obligations (as defined below) and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

1. DEFINITIONS. The following words have the meanings assigned below when used in this Agreement. Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code as adopted in the State of Texas and as amended from time to time ("Code"). All references to dollar amounts shall mean amounts in lawful money of the United States of America.

(a) "Agreement" means this Security Agreement, as amended or modified from time to time, together with all exhibits and schedules attached from time to time.

(b) "Collateral" means the following described property of Borrower, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

(i) All present and future accounts (including all accounts as defined in the Code), chattel paper (whether electronic or tangible), documents, instruments, deposit accounts, securities accounts, commodity accounts, general intangibles, payment intangibles (including any right to payment for goods sold or services rendered arising out of the sale or delivery of personal property or work done or labor performed by Borrower), software, letter of credit rights, investment property, intellectual property, health-care insurance receivables and other rights to payment of every kind, including all securities, guaranties, warranties, indemnity agreements, insurance policies, and other agreements pertaining to the same or the property described therein, now or hereafter owned, held, or acquired by Borrower, and in any case where an account arises from the sale of goods, the interest of Borrower in such goods.

(ii) All present and hereafter acquired inventory (including without limitation, all raw materials, work in process, and finished goods) held, possessed, owned, held on consignment, or held for sale, lease, return or to be furnished under contracts of services, in whole or in part, by Borrower wherever located.

(iii) All equipment and fixtures of whatsoever kind and character now or hereafter possessed, held, acquired, leased, or owned by Borrower and used or usable in Borrower's

business, together with all replacements, accessories, additions, substitutions, and accessions to all of the foregoing.

In addition, the word "Collateral" includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located: (i) all accessions, accessories, increases, and additions to and all replacements of and substitutions for any property described above; (ii) all products and produce of any of the property described in this Collateral section; (iii) all proceeds (including, without limitation, insurance proceeds) from the sale, lease, destruction, loss, or other disposition of any of the property described in this Collateral section; and (iv) all records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Borrower's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

(c) "Event of Default" means and includes any of the Events of Default set forth below in the section titled "Events of Default."

(d) "Lender" means PLAINSCAPITAL BANK, its successors and assigns (which is a secured party under the Code).

(e) "Loan Agreement" means the Loan Agreement dated April 14, 2011, executed by Borrower, Lender, and others, as now or hereafter amended, restated, replaced, supplemented, or otherwise modified, from time to time.

(f) "Loan Documents" means the Loan Agreement, the Revolving Note, and all Loan Documents (as defined in the Loan Agreement), and includes, without limitation, all promissory Notes, credit agreements, loan agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements, and documents, whether now or hereafter existing, executed in connection with the Obligations.

(g) "Revolving Note" means a revolving promissory note of even date, in the principal amount of $10,000,000, payable by Borrower to the order of Lender, and all renewals and extensions of, and substitutions for, any of that note.

(h) "Obligations" means the aggregate of:

(1) The Revolving Note; and

(2) Any and all other or additional indebtedness, obligations, or liabilities for which Borrower is now or may become liable to Lender under the Loan Agreement; and

(3) Any and all other or additional indebtedness or liabilities for which Borrower is now or may become liable to Lender in any manner (including without limitation overdrafts in a bank account), whether under this instrument or otherwise, either primarily or secondarily, absolutely or contingently, directly or indirectly, and whether matured or unmatured, regardless of how the indebtedness or liability may have been or may be acquired by Lender; and

(4) Any and all extensions and renewals of or substitutes for any of the foregoing indebtedness, obligations, and liabilities or any part thereof.

2. WARRANTIES. Borrower warrants that Borrower has the full right, power, and authority to enter into this Agreement and to pledge the Collateral to Lender.

3. WAIVERS. Borrower waives notice of the incurring of any Obligations and waives all requirements of presentment, protest, demand, and notice of dishonor or non-payment to Borrower, Borrower, or any other party to the Obligations or the Collateral. Lender may do any of the following with respect to any obligation of any Borrower, without first notifying or obtaining the consent of Borrower: (a) grant any extension of time for any payment, (b) grant any renewal, (c) permit any modification of payment terms or other terms, (d) release Borrower or any guarantor from all or any portion of the Obligations, or (e) exchange or release all or any portion of the Collateral or other security for all or any portion of the Obligations. No such act or failure to act shall affect Lender's rights against Borrower or the Collateral.

4. OBLIGATIONS. Borrower represents and covenants to Lender as follows:

(a) Organization. Borrower is a limited partnership duly organized, validly existing, and in good standing under the laws of the State of Texas. Borrower has its chief executive office at 4413 Carey Street, Fort Worth, Texas 76119. Borrower will notify Lender of any change in the location of Borrower's chief executive office.

(b) Authorization. The execution, delivery, and performance of this Agreement by Borrower have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (i) any provision of its certificate of incorporation, bylaws, certificate of organization, regulations, certificate of limited partnership, or limited partnership agreement, or any agreement or other instrument binding upon Borrower or (ii) any law, governmental regulation, court decree, or order applicable to Borrower. The execution and delivery of this Agreement will not violate any law or agreement governing Borrower or to which Borrower is a party, and its certificate or articles of incorporation and bylaws do not prohibit any term or condition of this Agreement.

(c) Perfection. Borrower hereby authorizes Lender to authenticate and file all financing statements or amendments to financing statement in such offices and places and at such times and as often as may be, in the judgment of Lender, necessary to preserve, protect, and renew the security interests herein created in the Collateral. Borrower agrees to execute such financing statements and to take whatever other actions are requested by Lender to perfect and continue Lender's security interest in the Collateral. Upon request of Lender, Borrower will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Borrower will Notes Lender's interest upon any and all chattel paper if not delivered to Lender for possession by Lender. Borrower hereby irrevocably appoints Lender as its attorney-in-fact for the purpose of executing any documents necessary to perfect or to continue the security interest granted in this Agreement. Lender may at any time, and without further authorization from Borrower, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Borrower will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral. Borrower has disclosed to Lender all of Borrower's current business locations. Borrower

will notify Lender in writing at least thirty (30) days prior to the occurrence of any of the following: (i) any changes in Borrower's name, or (ii) any change in Borrower's business locations.

(d) Enforceability. To the extent the Collateral consists of accounts, chattel paper, or general intangibles, the Collateral is enforceable in accordance with its terms, is genuine, and complies with applicable laws concerning form, content, and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. At the time any account becomes subject to a security interest in favor of Lender, the account shall be a good and valid account representing an undisputed, bona fide indebtedness incurred by the account debtor, for merchandise held subject to delivery instructions or theretofore shipped or delivered pursuant to a contract of sale, or for services theretofore performed by Borrower with or for the account debtor; Borrower will not adjust, settle, compromise, amend, or modify any account, except in good faith and in the ordinary course of business; provided, however, this exception shall automatically terminate upon the occurrence of an Event of Default or upon Lender's written request.

(e) Removal of Collateral. Borrower shall keep the Collateral (or to the extent the Collateral consists of intangible property such as accounts, the records concerning the Collateral) at Borrower's address shown above, or at such other locations as are acceptable to Lender. Except in the ordinary course of its business, including the sale of inventory, Borrower shall not remove the Collateral from its existing locations without the prior written consent of Lender. To the extent that the Collateral consists of vehicles, or other titled property, Borrower shall not take or permit any action which would require application for certificates of title for the vehicles outside the State of Texas, without the prior written consent of Lender.

(f) Transactions Involving Collateral. Except for inventory sold or accounts collected in the ordinary course of Borrower's business, Borrower shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Borrower shall not pledge, mortgage, encumber, or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender, even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Borrower shall immediately deliver any such proceeds to Lender.

(g) Title. Borrower represents and warrants to Lender that it is the owner of the Collateral and holds good and marketable title to the Collateral, free and clear of all security interests, liens, and encumbrances except for the security interest under this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Borrower shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

(h) Collateral Schedules and Locations. As often as Lender shall require, and insofar as the Collateral consists of accounts and general intangibles, Borrower shall deliver to Lender schedules of such Collateral, including such information as Lender may require, including without limitation names and addresses of account debtors and aging of accounts and general intangibles.

(i) Maintenance and Inspection. Borrower shall maintain all tangible Collateral in good condition and repair. Borrower will not commit or permit damage to or destruction of the Collateral or any part of the Collateral. Lender and its designated representatives and agents shall have the right at all reasonable times to examine, inspect, and audit the Collateral wherever located. Borrower shall immediately notify Lender of all cases involving the return, rejection, repossession, loss, or damage of or to any Collateral; of any request for credit or adjustment or of any other dispute arising with respect to the Collateral; and generally of all happenings and events affecting the Collateral or the value or the amount of the Collateral.

(j) Taxes, Assessments, and Liens. Borrower will pay when due all taxes, assessments, and governmental charges or levies upon the Collateral and provide Lender evidence of such payment upon its request. Borrower may withhold any such payment or may elect to contest any tax lien if Borrower is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien other than a Permitted Lien (as defined in the Loan Agreement) which is not discharged within fifteen (15) days, Borrower shall deposit with Lender cash, a sufficient corporate surety bond, or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, attorneys fees, or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Borrower shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Borrower shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

(k) Compliance With Governmental Requirements. Borrower is conducting and will continue to conduct Borrower's businesses in material compliance with all federal, state, and local laws, statutes, ordinances, rules, regulations, orders, determinations and court decisions applicable to Borrower's businesses and to the production, disposition, or use of the Collateral, including without limitation, those pertaining to health and environmental matters such as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (collectively, together with any subsequent amendments, hereinafter called "CERCLA"), the Resource Conservation and Recovery Act of 1976, as amended by the Used Oil Recycling Act of 1980, the Solid Waste Disposal Act Amendments of 1980, and the Hazardous Substance Waste Amendments of 1984 (collectively, together with any subsequent amendments, hereinafter called "RCRA"). Borrower represents and warrants that (i) none of the operations of Borrower is the subject of a federal, state or local investigation evaluating whether any material remedial action is needed to respond to a release or disposal of any toxic or hazardous substance or solid waste into the environment; (ii) Borrower has not filed any notice under any federal, state, or local law indicating that Borrower is responsible for the release into the environment, the disposal on any premises in which Borrower is conducting its businesses, or the improper storage, of any material amount of any toxic or hazardous substance or solid waste or that any such toxic or hazardous substance or solid waste has been released, disposed of, or is improperly stored, upon any premises on which Borrower is conducting its businesses; and (iii) Borrower otherwise does not have any known material contingent liability in connection with the release into the environment, disposal, or the improper storage, of any such toxic or hazardous substance or solid waste. The terms "hazardous substance" and "release," as used herein, shall have the meanings specified in CERCLA, and the terms "solid waste" and "disposal," as used herein, shall have the meanings specified in RCRA; provided, however, that to the extent that the laws of the State of Texas establish meanings for such terms which are broader than that specified in either CERCLA or RCRA, such broader meanings shall apply. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous

wastes and substances. Borrower hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify shall survive the payment of the Obligations and the termination of this Agreement.

(l) Insurance. Borrower shall procure and maintain all risk insurance, including without limitation fire, theft, and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages, and basis reasonably acceptable to Lender. Borrower MAY FURNISH THE REQUIRED INSURANCE WHETHER THROUGH EXISTING POLICIES OWNED OR CONTROLLED BY Borrower OR THROUGH EQUIVALENT INSURANCE FROM ANY INSURANCE COMPANY AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF TEXAS. If Borrower fails to provide any required insurance or fails to continue such insurance in force, Lender may, but shall not be required to, do so at Borrower's expense, and the cost of the insurance will be added to the Obligations. If any such insurance is procured by Lender at a rate or charge not fixed or approved by the State Board of Insurance, Borrower will be so notified, and Borrower will have the option for five (5) days of furnishing equivalent insurance through any insurer authorized to transact business in Texas. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be canceled or diminished without at least thirty (30) days prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission, or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Borrower will provide Lender with such loss payable or other endorsements as Lender may require. If Borrower at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if it so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

(m) Insurance Proceeds. Borrower shall promptly notify Lender of any loss or damage to the Collateral. Lender may make proof of loss if Borrower fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Borrower from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the Obligations, and shall pay the balance to Borrower. Any proceeds which have not been disbursed within six (6) months after their receipt and which Borrower has not committed to the repair or restoration of the Collateral shall be used to prepay the Obligations. Application of insurance proceeds to the payment of the Obligations will not extend, postpone, or waive any payments otherwise due, or change the amount of such payments to be made, and proceeds may be applied in such order and such amounts as Lender may elect.

(n) Solvency. As of the date hereof, and after giving effect to this Agreement and the completion of all other transactions contemplated by Borrower at the time of the execution of this Agreement, (i) Borrower is and will be solvent, (ii) the fair salable value of Borrower's assets exceeds and will continue to exceed Borrower's liabilities (both fixed and contingent), (iii) Borrower is paying and will continue to be able to pay its debts as they mature, and (iv) if Borrower is not an individual,

Borrower has and will have sufficient capital to carry on Borrower's businesses and all businesses in which Borrower is about to engage.

(o) Lien Not Released. The lien, security interest, and other security rights of Lender hereunder shall not be impaired by any indulgence, moratorium, or release granted by Lender, including but not limited to, the following: (i) any renewal, extension, increase, or modification of any of the Obligations; (ii) any surrender, compromise, release, renewal, extension, exchange, or substitution granted in respect of any of the Collateral; (iii) any release or indulgence granted to any endorser, guarantor, or surety of any of the Obligations; (iv) any release of any other collateral for any of the Obligations; (v) any acquisition of any additional collateral for any of the Obligations; and (vi) any waiver or failure to exercise any right, power, or remedy granted herein, by law, or in any Loan Documents.

(p) Environmental Inspections. Upon Lender's reasonable request from time to time, Borrower will obtain at Borrower's expense an inspection or audit report addressed to Lender of Borrower's operations from an engineering or consulting firm approved by Lender, indicating the presence or absence of toxic and hazardous substances, underground storage tanks, and solid waste on any premises in which Borrower is conducting business; provided, however, Borrower will be obligated to pay for the cost of any such inspection or audit no more than one time in any twelve (12) month period unless Lender has reason to believe that toxic or hazardous substance or solid wastes have been dumped or released on any such premises. If Borrower fails to order or obtain an inspection or audit within ten (10) days after Lender's request, Lender may at its option order such inspection or audit, and Borrower grants to Lender and its agents, employees, contractors, and consultants access to the premises in which it is conducting its business and a license (which is coupled with an interest and is irrevocable) to obtain inspections and audits. Borrower agrees to promptly provide Lender with a copy of the results of any such inspection or audit received by Borrower. The cost of such inspections and audits by Lender shall be a part of the Obligations, secured by the Collateral, and payable by Borrower on demand.

(q) Chattel Paper. To the extent a security interest in the chattel paper of Borrower is granted hereunder, Borrower represents and warrants that all such chattel paper have only one original counterpart, and no other party other than Borrower or Lender is in actual or constructive possession of any such chattel paper. Borrower agrees that at the option of and on the request by Lender, Borrower will either deliver to Lender all originals of the chattel paper which is included in the Collateral or will mark all such chattel paper with a legend indicating that such chattel paper is subject to the security interest granted hereunder.

5. ACCOUNTS. Until an Event of Default has occurred and except as otherwise provided below with respect to accounts, Borrower may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Loan Documents, provided that Borrower's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. Until otherwise notified by Lender, Borrower may collect any of the Collateral consisting of accounts. At any time and even though no Event of Default exists, Lender may collect the accounts, notify account debtors to make payments directly to Lender for application to the Obligations, and verify the accounts with such account debtors. Lender also has the right, at the expense of Borrower, to enforce collection of such accounts and adjust, settle, compromise, sue for, or foreclose on the amount owing under any such account, in the same manner and to the same extent as Borrower. If Lender at any time has possession of any Collateral, whether before or after an

Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Borrower shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Borrower shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve, or maintain any security interest given to secure the Obligations.

6. EXPENDITURES BY LENDER. If not discharged or paid when due, Lender may (but shall not be obligated to) discharge or pay any amounts required to be discharged or paid by Borrower under this Agreement, including without limitation all taxes, liens, security interests, encumbrances, and other claims, at any time levied or placed on the Collateral. Lender also may (but shall not be obligated to) pay all costs for insuring, maintaining, and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the Notes rate from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses shall become a part of the Obligations and be payable on demand by Lender. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of an Event of Default.

7. EVENTS OF DEFAULT. Each of the following shall constitute an "Event of Default" under this Agreement:

(a) Other Defaults. Failure of Borrower to comply with or to perform any other term, obligation, covenant, or condition contained in this Agreement.

(b) False Statements. Any warranty, representation, or statement made or furnished to Lender under this Agreement is false or misleading in any material respect.

(c) Loan Agreement Defaults. The occurrence of any Event of Default as defined in the Loan Agreement.

8. RIGHTS AND REMEDIES. If an Event of Default occurs under this Agreement and after expiration of any notice, cure, or grace period required by the Loan Agreement, Lender shall have all the rights and remedies of a secured party under the provisions of the Code, as amended from time to time. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

(a) Accelerate Obligations. Lender may declare the entire Obligations immediately due and payable, without notice.

(b) Assemble Collateral. Lender may require Borrower to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Borrower to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter, provided Lender does so without a breach of the peace or a trespass, upon the property of Borrower to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Borrower agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Borrower after repossession.

(c) Sell the Collateral. Lender shall have full power to sell, lease, transfer, or otherwise dispose of the Collateral or the proceeds thereof in its own name or that of Borrower. Lender may sell the Collateral (as a unit or in parcels) at public auction or private sale. Lender may buy the Collateral, or any portion thereof, (i) at any public sale, and (ii) at any private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations. Lender shall not be obligated to make any sale of Collateral regardless of a notice of sale having been given. Lender may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Borrower reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition of the Collateral is to be made. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days prior to the date any public sale, or after which a private sale, of any of such Collateral is to be held. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale, and selling the Collateral, shall become a part of the Obligations secured by this Agreement and shall be payable on demand, with interest at the Notes rate from date of expenditure until repaid.

(d) Appoint Receiver. To the extent permitted by applicable law, Lender shall have the following rights and remedies regarding the appointment of a receiver: (i) Lender may have a receiver appointed as a matter of right, (ii) the receiver may be an employee of Lender and may serve without bond, and (iii) all fees of the receiver and his or her attorney shall become part of the Obligations secured by this Agreement and shall be payable on demand, with interest at the Notes rate from date of expenditure until repaid.

(e) Collect Revenues and Accounts. Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may transfer any Collateral into its own name or that of its nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Obligations or apply it to payment of the Obligations in such order of preference as Lender may determine. Insofar as the Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine. For these purposes, Lender may, on behalf of and in the name of Borrower, receive, open, and dispose of mail addressed to Borrower; change any address to which mail and payments are to be sent; and endorse Notes, checks, drafts, money orders, documents of title, instruments, and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

(f) Obtain Deficiency. If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Borrower for any deficiency remaining on the Obligations due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Borrower shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

(g) Other Rights and Remedies. Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise. Borrower waives any right to require Lender to proceed against any third party, exhaust any other security for the Obligations, or pursue any other right or remedy available to Lender.

(h) Cumulative Remedies. All of Lender's rights and remedies, whether evidenced by this Agreement or the Loan Documents or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower under this Agreement, after Borrower's failure to perform, shall not affect Lender's right to declare a default and to exercise its remedies.

9. MISCELLANEOUS PROVISIONS. (a) Amendments. This Agreement, together with any Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement and supersedes all prior written and oral agreements and understandings, if any, regarding same. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(b) Applicable Law. This Agreement has been delivered to Lender and is performable in Tarrant County, Texas. Courts within the State of Texas have jurisdiction over any dispute arising under or pertaining to this Agreement, and venue for such dispute shall be in Tarrant County, Texas. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND APPLICABLE FEDERAL LAWS, EXCEPT TO THE EXTENT PERFECTION AND THE EFFECT OF PERFECTION OR NON-PERFECTION OF THE SECURITY INTEREST GRANTED HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL, ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF TEXAS.

(c) Attorneys Fees and Other Costs. Borrower will upon demand pay to Lender the amount of any and all costs and expenses (including without limitation, reasonable attorneys fees and expenses) which Lender may incur in connection with (i) the perfection and preservation of the security interests created under this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, the Collateral, (iii) the exercise or enforcement of any of the rights of Lender under this Agreement, or (iv) the failure by Borrower to perform or observe any of the provisions hereof.

(d) Termination. Upon (i) the satisfaction in full of the Obligations and all obligations hereunder, (ii) the termination or expiration of any commitment of Lender to extend credit that would become Obligations hereunder, and (iii) Lender's receipt of a written request from Borrower for the termination hereof, this Agreement and the security interests created hereby shall terminate. Upon termination of this Agreement and Borrower's written request, Lender will, at Borrower's sole cost and expense, return to Borrower such of the Collateral as shall not have been sold or otherwise disposed of or applied pursuant to the terms hereof and execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination.

(e) Indemnity. Borrower hereby agrees to indemnify, defend, and hold harmless Lender, and its officers, directors, shareholders, employees, agents, attorneys, and representatives (each an "Indemnified Person") from and against any and all liabilities, obligations, claims, losses, damages,

penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature (collectively the "Claims") which may be imposed on, incurred by, or asserted against, any Indemnified Person (whether or not caused by any Indemnified Person's sole, concurrent, or contributory negligence) arising in connection with this Agreement, the Loan Documents, the Obligations, or the Collateral (including, without limitation, the enforcement of the Loan Documents and the defense of any Indemnified Person's action or inactions in connection with the Loan Documents). **WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO ANY CLAIMS WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH OR ANY OTHER INDEMNIFIED PERSON,** except to the limited extent that the Claims against the Indemnified Person are proximately caused by such Indemnified Person's gross negligence or willful misconduct. The indemnification provided for in this Section shall survive the termination of this Agreement and shall extend and continue to benefit each individual or entity who is or has at any time been an Indemnified Person hereunder.

(f) Captions. Captions and headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

(g) Notice. All notices required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier or deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the address shown below. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. To the extent permitted by applicable law, if there is more than one Borrower, notice to any Borrower will constitute notice to all Borrowers. For notice purposes, Borrower will keep Lender informed at all times of Borrower's current addresses.

(h) Power of Attorney. Borrower hereby irrevocably appoints Lender as its true and lawful attorney-in-fact, such power of attorney being coupled with an interest, with full power of substitution to do the following in the place and stead of Borrower and in the name of Borrower: (i) to demand, collect, receive, receipt for, sue, and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Collateral; (ii) to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts, or warrants issued in payment for the Collateral; (iii) to settle or compromise any and all claims arising under the Collateral, and, in the place and stead of Borrower, to execute and deliver its release and settlement for the claim; and (iv) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Borrower, or otherwise, which in the discretion of Lender may deem to be necessary or advisable. This power is given as security for the Obligations, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Lender.

(i) Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

(j) Successor Interests. Subject to the limitations set forth above on transfer of the Collateral, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns; provided, however, Borrower's rights and obligations hereunder may not be assigned or otherwise transferred without the prior written consent of Lender.

(k) Waiver. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right to thereafter demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of any of Borrower's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

10. Second Priority. Notwithstanding any provision of this Agreement to the contrary, the security interests in the Collateral are second-priority to the extent set forth in the Intercreditor Agreement dated June ___, 2015, among Borrower, Lender, and Ares Capital Corporation, as now or hereafter amended, restated, replaced, supplemented, or otherwise modified, from time to time.

Signed effective the date stated above.

BORROWER:

LONESTAR PROSPECTS, LTD.
By: Lonestar Prospects Management, L.L.C., its general partner

By: _____
Gary B. Humphreys, Manager

Borrower's address:
LONESTAR PROSPECTS, LTD.
Attention: Gary B. Humphreys
4413 Carey Street
Fort Worth, Texas 76119

Lender's address:
PLAINSCAPITAL BANK
Attn: Keeton Moore, Senior Vice President
801 Houston Street
Fort Worth, Texas 76102

Plains Ex. 4

AMENDED AND RESTATED SENIOR SECURED CREDIT AGREEMENT

dated as of November 9, 2017,

as amended by that certain Amendment No. 1 to Amended and Restated Senior Secured Credit Agreement, dated as of May 4, 2018,

among

Vista Proppants and Logistics, LLC,
as Parent

VPROP Operating, LLC, a Delaware limited liability company,
as the Borrower,

Ares Capital Corporation,
as Administrative Agent

and

the Lenders party hereto

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THIS AMENDED AND RESTATED SENIOR SECURED CREDIT AGREEMENT dated as of November 9, 2017, is among: Vista Proppants and Logistics, LLC, a Delaware limited liability company ("**Parent**"), VPROP Operating, LLC, a Delaware limited liability company (the "**Borrower**"); each of the Lenders from time to time party hereto; and Ares Capital Corporation, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "**Administrative Agent**").

R E C I T A L S

A. Lonestar Prospects, Ltd., a Texas limited partnership doing business as "Vista Sand" ("**Vista Sand**"), certain lenders and ARCC, as administrative agent, entered into that certain Senior Secured Credit Agreement, dated as of March 1, 2017 (as amended, supplemented or otherwise modified from time to time prior to the date hereof, the "**Existing Credit Agreement**"), pursuant to which the lenders party thereto made certain loans to Vista Sand upon the terms and conditions set forth therein.

B. Pursuant to the terms of that certain Assumption Agreement dated as of the date hereof, executed by Vista Sand, the Borrower and the Existing Lenders (the "**Assumption Agreement**"), immediately prior to the effectiveness of this Agreement, with the consent of the Existing Lenders, Vista Sand assigned to the Borrower, and the Borrower expressly assumed payment and performance of, all of the Existing Obligations (as defined therein).

C. After giving effect to the Borrower's assumption of the Existing Obligations, the parties hereto have agreed to amend and restate the terms and provisions of the Existing Credit Agreement and the Existing Loan Documents (as defined in the Assumption Agreement) in their entirety, on the terms and conditions set forth herein and in the other Loan Documents.

D. Substantially simultaneously with the consummation of the Transactions and subject to the conditions set forth in Section 9.05(d), the Proppants To Go Distribution will occur, and Proppants To Go will simultaneously be released as a guarantor under the Existing Loan Documents and any liens created under the Existing Loan Documents encumbering assets of Proppants To Go or the equity interests in Proppants To Go shall be released.

E. It is the intent of the parties hereto that this Agreement shall not constitute a novation of the obligations and liabilities existing under the Existing Credit Agreement or constitute repayment of any such obligations and liabilities and that this Agreement shall amend and restate the Existing Credit Agreement in its entirety in accordance with the terms hereof, including Section 12.19.

F. The Borrower has requested that the Lenders provide certain additional loans to the Borrower.

G. The Lenders have agreed to make such loans subject to the terms and conditions of this Agreement.

H. In consideration of the mutual covenants and agreements herein contained and of the loans and commitments hereinafter referred to, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING MATTERS

Section 1.01. Terms Defined Above. As used in this Agreement, each term defined above has the meaning indicated above.

Section 1.02. Certain Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"**2018 Incremental Commitments**" means, with respect to each 2018 Incremental Lender, the commitment of such Lender to make a 2018 Incremental Loan on the Amendment No. 1 Effective Date in the amount set forth for such Lender on Annex I. The aggregate amount of 2018 Incremental Commitments as of the Amendment No. 1 Effective Date is $75,000,000.

"**2018 Incremental Lender**" means each Lender that has a 2018 Incremental Commitment.

"**2018 Incremental Loans"** has the meaning assigned such term in Section 2.01(d).

"**5 MM Condition**" means that (a) Vista Sand (i) has entered into contracts that are in full force and effect with one or more Approved Offtakers with minimum volume commitments to purchase, in the aggregate, at least 5,000,000 tons per year of Finished Sand Inventory in total over a Weighted Average Remaining Term of not less than three years at a weighted average selling price of at least $30 per ton, net of all shipping, delivery and other freight charges (which minimum volume commitments are not subject to any reduction in the amount of Finished Sand Inventory committed to be purchased, whether upon the occurrence of any event or condition, at the election of the Approved Offtaker or otherwise), and (ii) has all material permits for intended construction and operation of the Tolar Facility and the Winkler Facility, including the Winkler Facility Material Permits, and (b) no Event of Default or Default shall have occurred and be continuing.

"**Act**" has the meaning assigned such term in Section 12.15.

"**Administrative Agent**" has the meaning assigned such term in the Preamble.

"**Administrative Questionnaire**" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"**Affected Loans**" has the meaning assigned such term in Section 5.04.

"**Affiliate**" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. For the avoidance of doubt, Lonestar Prospects Holding, Future, M&J Partnership, GHMR Operations, L.L.C., FR Sand and any other direct or indirect holders of Equity Interests in the Borrower shall be considered Affiliates of the Borrower.

"**Affiliated**" shall have the correlative meaning thereto.

"**Agreement**" means this Senior Secured Credit Agreement (including all exhibits and schedules), as the same may from time to time be amended, modified, supplemented or restated.

"**Amendment No. 1**" means Amendment No. 1 to Amended and Restated Senior Secured Credit Agreement, dated as of May 4, 2018, by and among the Borrower, Parent, the Subsidiary Guarantors, the 2018 Incremental Lenders, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 1 Effective Date**" means May 4, 2018.

"**Amendment No. 1 Transactions**" means, collectively, (a) the entry into the Amendment No. 1, (b) the borrowing of the 2018 Incremental Loans, (c) the consummation of any other transaction in

connection with the foregoing and (d) the payment of the fees and expenses incurred in connection with any of the foregoing.

"**Applicable Margin**" means (a) for any Interest Period commencing prior to December 31, 2018, a rate per annum equal to 9.5% and (b) for any Interest Period commencing on or after December 31, 2018, a rate per annum equal to the sum of (i) 9.5% *minus* (ii) if the 5 MM Condition is satisfied as of the last day of the fiscal quarter most recently ended prior to the commencement of such Interest Period, 0.5%, *minus* (iii) if the Consolidated Leverage Ratio as of the last day of the fiscal quarter most recently ended prior to the commencement of such Interest Period is less than 2.00:1.00, 1.0%.

"**Applicable Premium**" means, with respect to any prepayment under Section 3.03 or any prepayment or repayment following an Event of Default, a cash amount equal to the percentage of the aggregate principal amount of the Loans being prepaid or repaid, in each case, at any time as follows:

(a) at any time prior to the first anniversary of the Amendment No. 1 Effective Date, a cash amount equal to 5.0% of the principal amount prepaid or repaid;

(b) at any time on or after the first anniversary of the Amendment No. 1 Effective Date and prior to the second anniversary of the Amendment No. 1 Effective Date, a cash amount equal to 3.0% of the principal amount prepaid or repaid;

(c) at any time on or after the second anniversary of the Amendment No. 1 Effective Date and prior to the third anniversary of the Amendment No. 1 Effective Date, a cash amount equal to 1.0% of the principal amount prepaid or repaid; and

(d) at any time after the third anniversary of the Amendment No. 1 Effective Date, with no premium.

"**Approved Counterparty**" means (a) any RCA Lender or any Affiliate of an RCA Lender or (b) any other Person whose long term senior unsecured debt rating is A-/Aa-3 by S&P and Moody's, respectively, (or their equivalent) or higher.

"**Approved Engineer**" means John T. Boyd and any other independent engineer acceptable to the Administrative Agent.

"**Approved Offtaker**" means any Person whose long term senior unsecured debt rating is BB+/Ba1 by S&P and Moody's, respectively, (or their equivalent) or higher.

"**ARCC**" means Ares Capital Corporation.

"**Asset Sale**" means any disposition or series of related dispositions of Property (excluding any disposition permitted by Section 9.13(a), Section 9.13(b), Section 9.13(c), Section 9.13(d), Section 9.13(e), Section 9.13(f), Section 9.13(g), Section 9.13(h) or Section 9.13(i)) but (for the purposes of Section 3.02) excluding sales or dispositions of Property to the extent that the aggregate value of such Property sold in any single transaction or related series of transactions is equal to $1,500,000 or less) (with respect to the gross proceeds to any Loan Party or its Subsidiaries in connection with any Asset Sale, such proceeds shall be valued at the initial principal amount thereof in the case of non-cash proceeds consisting of notes or other debt securities and valued at fair market value in the case of other non-cash proceeds).

"**Assignment and Assumption**" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 12.04(b)), and accepted by the Administrative Agent, in the form of Exhibit E or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

"Assumption Agreement" has the meaning assigned such term in the Recitals.

"**Bankruptcy Event**" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"**Barnhart Contract**" means that certain Letter Agreement dated as of February 13, 2017 by and among EOG Resources, Inc., Vista Sand, MAALT and GHMR Operations, LLC regarding the 2017 Sand Purchase Agreement dated effective as of January 1, 2017 by and among EOG Resources, Inc., Vista Sand and MAALT.

"**Blocked Account Control Agreement**" means an agreement in form and substance reasonably acceptable to the Administrative Agent establishing the Administrative Agent's Control with respect to any Deposit Account. For purposes of this definition, "Control" means "control" within the meaning of Section 9-104 of the UCC.

"**Board**" means the Board of Governors of the Federal Reserve System of the United States of America or any successor Governmental Authority.

"**Borrower**" has the meaning assigned such term in the Preamble.

"**Borrowing**" means Loans made on the same date.

"**Borrowing Request Notice**" means a notice of request by the Borrower for a Borrowing in accordance with Section 2.02, which shall be substantially in the form of Exhibit B (or such other form as may be approved by the Administrative Agent including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

"**Business Day**" means any day that is not a Saturday, Sunday or other day on which commercial banks in Houston, Texas are authorized or required by law to remain closed.

"**Capital Expenditure Plan**" means the plan of development of the Borrower's and its Subsidiaries' Sand Properties and all related Sand Interests, attached as Schedule 8.01, as the same may be updated from time to time in accordance with the terms of this Agreement.

"**Capital Expenditure Plan Certificate**" a certificate substantially in the form of Exhibit G, to be delivered to the Administrative Agent concurrent with the delivery by the Borrower of each Capital Expenditure Plan delivered pursuant to Section 8.01(q).

"**Capital Expenditures**" means, for any period, with respect to any Person, the aggregate of all expenditures by such Person and its Subsidiaries for the direct or indirect acquisition or leasing (pursuant to a Capital Lease) of Sand Interests or other fixed or capital assets or additions to equipment (including replacements, capitalized repairs and improvements) during such period which are required to be capitalized under GAAP on a balance sheet of such Person. The amount of Capital Expenditures in respect of fixed assets purchased or constructed by Borrower or any of its Subsidiaries in any fiscal period shall be net of (v) royalty fees received in connection with such purchase or construction, (w) any insurance proceeds received by Borrower or such Subsidiary and applied to the repair, restoration or replacement of fixed assets that are permitted to be reinvested by the terms of this Agreement, (x) proceeds as a result of any condemnation received during such fiscal period by Borrower or such Subsidiary for Casualty Events with respect to fixed assets and applied to the repair, restoration or replacement thereof that are permitted to be reinvested by the terms of this Agreement, (y) expenditures constituting reinvestment of Net Cash Proceeds from Asset Sales permitted hereunder and (z) expenditures constituting any portion of the purchase price for Permitted Acquisitions.

"**Capital Leases**" means, in respect of any Person, all leases which shall have been, or should have been, in accordance with GAAP, recorded as capital leases on the balance sheet of the Person liable for the payment of rent thereunder. Notwithstanding anything in this Agreement to the contrary, any obligation of a Person under a lease (whether existing as of the First Amendment Effective Date or entered into in the future) that is not (or would not be) required to be classified and accounted for as a capital lease (or similar) on the balance sheet of such Person under GAAP as in effect at the time such lease is entered into shall not be treated as a capital lease obligation solely as a result of (x) the adoption of any changes in, or (y) changes in the application of, GAAP after such lease is entered into; provided that all payments under any such lease continue to be treated as an expense for calculating Consolidated Net Income.

"**Cash Equivalents**" means Investments described in Section 9.06(c), Section 9.06(d), Section 9.06(e) and Section 9.06(f).

"**Casualty Event**" means any loss, casualty or other insured damage to, or any nationalization, taking under power of eminent domain or by condemnation or similar proceeding of, any Property of the Borrower or any Subsidiary having a fair market value in excess of $250,000.

"**CERCLA**" has the meaning assigned such term in the definition of Environmental Laws.

"**Certificate of Inclusion**" means that certain Certificate of Inclusion under the Candidate Conservation Agreement with Assurances Component of the Texas Conservation Plan for the Dunes Sagebrush Lizard (*Sceloporus arenicolus*), effective as of August 14, 2017, by Parent.

"**Change in Control**" means the occurrence of any of the following:

(a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), other than Permitted Holders, of Equity Interests representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests in Parent; *provided*, that a transaction, or series of transactions, pursuant to which Parent becomes a direct or indirect wholly-owned Subsidiary of a parent company, of which more than 50% of

the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of such parent company is beneficially owned by Permitted Holders, shall not constitute a "Change in Control"; *provided*, *further*, that so long as Parent is a wholly owned Subsidiary of a parent company, no Person shall be deemed to be or become a beneficial owner of more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests in Parent unless such Person shall be or become a beneficial owner of more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of such parent company;

(b) Parent ceases to directly own 100% of the outstanding Equity Interests (including all voting and economics attributable thereto) in the Borrower; or

(c) the Borrower ceases to own, directly or indirectly, 100% of the outstanding Equity Interests (including all voting and economics attributable thereto) in any of the Subsidiaries.

"**Change in Law**" means (a) the adoption or taking effect of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender (or, for purposes of Section 5.01(b)), by any Lending Office of such Lender or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"**Code**" means the Internal Revenue Code of 1986, and any successor statute.

"**Collateral**" means any and all property owned, leased or operated by any Loan Party covered by the Security Instruments and any and all other property of any Loan Party, now existing or hereafter acquired, that may at any time be or become subject to a security interest or Lien in favor of the Administrative Agent, on behalf of itself and the other Secured Parties, to secure the Indebtedness.

"**Commitment**" means a New Commitment, an Incremental Commitment or a 2018 Incremental Commitment. For all purposes hereunder and for the avoidance of doubt, from and after the Amendment No. 1 Effective Date, each reference to a "Commitment" in this Agreement and in the Loan Documents shall be deemed to include the 2018 Incremental Commitments.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. §1 et seq.).

"**Consolidated EBITDA**" means, for any Reference Period, with respect to the Borrower and its Subsidiaries on a consolidated basis, Consolidated Net Income for such period *plus* (a) without duplication and to the extent deducted in calculating Consolidated Net Income for such period, the sum of (i) Consolidated Interest Expense for such period, (ii) the sum of federal, state, local and foreign income Taxes accrued or paid in cash during such period, (iii) the amount of depreciation, depletion and amortization expense deducted in determining Consolidated Net Income, (iv) any extraordinary, unusual or non-recurring items reducing Consolidated Net Income for such period, (v) any non-cash items reducing Consolidated Net Income for such period, (vi) fees, charges and expenses incurred in connection with this Agreement and the other Loan Documents (including the negotiation, execution and delivery thereof), (vii) customary and reasonable non-recurring out of pocket transaction fees and expenses

incurred in connection with a Permitted Acquisition or other Investments permitted hereunder or incurred in connection with an unsuccessful acquisition that Borrower reasonably believed would have otherwise constituted a Permitted Acquisition had it been consummated or an Investment that would have otherwise been permitted hereunder if consummated, (viii) customary and reasonable non-recurring out-of-pocket transaction fees incurred to source, evaluate or perform due diligence relating to or in connection with Investments permitted hereunder or the issuance, administration, prepayment, amendment, or refinancing of Indebtedness (including all fees and expenses of the agent or lenders under any such Indebtedness, including attorney's fees) or issuance of Equity Interests permitted hereunder, whether or not such transactions are consummated, (ix) losses on asset sales to the extent reducing Consolidated Net Income for such period, (x) losses with respect to any Swap Agreement, (xi) management fees (or distributions made to pay management fees by an Affiliate of a Loan Party) not to exceed $3,000,000 in such Reference Period, (xii) any losses from discontinued operations, (xiii) non-recurring litigation expenses, (xiv) expenses in opening new sand processing or mining facilities or facilities relating to transportation or logistics or substantial expansions of existing sand processing or mining facilities or facilities relating to transportation and logistics with a capital cost up to $3,000,000, (xv) fees, charges and expenses incurred in connection with the Existing Credit Agreement (including the negotiation, execution and delivery thereof), (xvi) any Applicable Premium incurred pursuant to this Agreement, (xvii) fees, charges and expenses incurred in connection with any refinancing of the RCA Loan Documents (including the negotiation, execution and delivery thereof), whether or not such transactions is consummated and (xviii) other non-recurring costs and expenses reasonably approved by the Required Lenders, *minus* (b) without duplication and to the extent included in calculating Consolidated Net Income for such period, the sum of (i) any extraordinary, unusual or non-recurring items increasing Consolidated Net Income for such period, (ii) any non-cash items increasing Consolidated Net Income for such period, (iii) gains on asset sales to the extent increasing Consolidated Net Income for such period and (iv) gains with respect to any Swap Agreement. For the purposes of calculating Consolidated EBITDA for any period, if at any time during such period (and after the Effective Date), the Borrower or any Subsidiary shall have made a Permitted Acquisition or any sale, assignment, conveyance or other transfer of Property, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto (including pro forma adjustments arising out of events which are directly attributable to such Permitted Acquisition, are factually supportable, and are expected to have a continuing impact, in each case to be mutually and reasonably agreed upon by the Borrower and the Administrative Agent) as if any such Permitted Acquisition (or adjustment) or such sale, assignment, conveyance or other transfer occurred on the first day of such period.

"**Consolidated Excess Cash Flow**" means, for any fiscal year of the Borrower, the excess, if any, of (a) the sum, without duplication, of (i) the Consolidated Net Income for such fiscal year, (ii) the amount of all non-cash charges (including depreciation and amortization) deducted in arriving at such Consolidated Net Income, (iii) the amount, if any, by which Consolidated Working Capital decreased during such fiscal year, and (iv) the aggregate net amount of non-cash losses on Asset Sales by the Borrower and its Subsidiaries during such fiscal year (other than sales of inventory in the ordinary course of business), to the extent deducted in arriving at such Consolidated Net Income over (b) the sum, without duplication, of (i) the amount of all non-cash credits included in arriving at such Consolidated Net Income, (ii) the aggregate amount actually paid by the Borrower and its Subsidiaries in cash during such fiscal year on account of Capital Expenditures (except to the extent financed by the incurrence of Debt), (iii) consideration paid in cash (including earnout payments) or Cash Equivalents to make Permitted Acquisitions, and any non-recurring out-of-pocket transaction fees, expenses and costs incurred or working capital adjustment in connection with this Agreement or any Permitted Acquisition to the extent not capitalized (except in each case to the extent financed by the incurrence of Debt), (iv) the aggregate amount of all prepayments of loans under the Revolving Credit Agreement during such fiscal year to the extent accompanied by corresponding permanent reductions of the commitments under the Revolving Credit Agreement (but excluding any such prepayments to the extent the commitments that were so

reduced are reinstated or replaced within 30 days after the date of reduction), (v) the aggregate amount of all optional prepayments of Loans during such fiscal year, (vi) the aggregate amount of all regularly scheduled principal payments of Funded Debt (including the Term Loans) of the Borrower and its Subsidiaries made during such fiscal year (other than in respect of any revolving credit facility to the extent there is not an equivalent permanent reduction in commitments thereunder), (vii) the amount, if any, by which Consolidated Working Capital increased during such fiscal year, (viii) the aggregate net amount of non-cash gains on Asset Sales by the Borrower and its Subsidiaries during such fiscal year (other than sales of inventory in the ordinary course of business), to the extent included in arriving at such Consolidated Net Income and (ix) the amount of any proceeds from or payment in respect of any business interruption claim included in arriving at such Consolidated Net Income.

"**Consolidated Interest Expense**" means, for any Reference Period, with respect to the Borrower and its Subsidiaries on a consolidated basis, total interest expense, whether paid or not, (including that portion attributable to capital leases in accordance with GAAP and capitalized interest) premium payments, debt discount, fees, charges and related expenses with respect to all outstanding Debt of the Borrower and its Subsidiaries, including all commissions, discounts and other fees and charges owed with respect to letters of credit, but excluding net payments (less net credits) under interest rate Swap Agreements to the extent such net payments are allocable to such period in accordance with GAAP, in each case whether or not paid in cash during such period.

"**Consolidated Leverage Ratio**" means, as at the last day of any Reference Period, the ratio of (a) Consolidated Total Debt on such day to (b) Consolidated EBITDA for such Reference Period.

"**Consolidated Net Income**" means, for any Reference Period, the consolidated net income (or loss) of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with Borrower or any of its Subsidiaries.

"**Consolidated Subsidiaries**" means each subsidiary of Parent (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) consolidated with the financial statements of Parent in accordance with GAAP.

"**Consolidated Total Debt**" means, at any date of determination, the aggregate principal amount of all Debt of the Borrower and its Subsidiaries outstanding at such time, net of all unrestricted cash of the Borrower and its Subsidiaries that is held in accounts that are subject to a Blocked Account Control Agreement, in the amount that would be reflected on a balance sheet prepared at such date, determined on a Consolidated basis in accordance with GAAP.

"**Consolidated Working Capital**" means, at any date of determination, the excess of (a) the consolidated current assets of the Borrower and its Subsidiaries as of such date (excluding cash and cash equivalents), over (b) the consolidated current liabilities of the Borrower and its Subsidiaries as of such date (excluding current maturities of long-term Debt), calculated in accordance with GAAP. Consolidated Working Capital at any date may be a positive or negative number. Consolidated Working Capital increases when it becomes more positive or less negative and decreases when it becomes less positive or more negative.

"**Contractual Obligations**" means, with respect to any Person, any term, condition or provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its Property is bound, and with respect to any Loan Party, shall include such Loan Party's obligations under any Material Contract.

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. For the purposes of this definition, and without limiting the generality of the foregoing, any Person that owns directly or indirectly 10% or more of the Equity Interests having ordinary voting power for the election of the directors or other governing body of a Person (other than as a limited partner of such other Person) will be deemed to "control" such other Person. "**Controlling**" and "**Controlled**" have meanings correlative thereto.

"**Cure Period**" has the meaning assigned such term in Section 9.01(d)(i).

"**Debt**" means, for any Person, the sum of the following (without duplication): (a) all obligations of such Person for borrowed money or evidenced by bonds, bankers' acceptances, debentures, notes or other similar instruments; (b) all obligations of such Person (whether contingent or otherwise) in respect of letters of credit, surety or other bonds and similar instruments; (c) all accrued expenses, liabilities or other obligations of such Person to pay the deferred purchase price of Property or services (excluding accounts payable incurred in the ordinary course of business consistent with past practices and which are not past due by more than sixty (60) days); (d) all obligations under Capital Leases; (e) all Debt (as defined in the other clauses of this definition) of others secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) a Lien on any Property of such Person, whether or not such Debt is assumed by such Person; (f) all Debt (as defined in the other clauses of this definition) of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the Debt (howsoever such assurance shall be made) to the extent of the lesser of the amount of such Debt and the maximum stated amount of such guarantee or assurance against loss; (g) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others and, to the extent entered into as a means of providing credit support for the obligations of others and not primarily to enable such Person to acquire any such Property; (h) obligations to deliver commodities, goods or services, including, without limitation, Finished Sand Inventory or other minerals, in consideration of one or more advance payments; (i) obligations to pay for goods or services even if such goods or services are not actually received or utilized by such Person; (j) any Debt (as defined in the other clauses of this definition) of a partnership for which such Person is liable either by agreement, by operation of law or by a Governmental Requirement but only to the extent of such liability; (k) Disqualified Capital Stock and (l) for the purposes of Section 9.01 only, the Swap Termination Value of Swap Agreements then in place. The Debt of any Person shall include all obligations of such Person of the character described above to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is not included as a liability of such Person under GAAP.

"**Debtor Relief Laws**" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"**Default**" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"**Defaulting Lender**" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans or (ii) pay over to the Administrative Agent any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied or (b) has become the subject of a Bankruptcy Event.

"**Denetz Logistics**" means Denetz Logistics, L.L.C., a Texas limited liability company.

"**Deposit Account**" has the meaning specified in the UCC.

"**Designated Jurisdiction**" means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

"**Disqualified Capital Stock**" means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, (i) matures or is mandatorily redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or (ii) is convertible or exchangeable for Debt or redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock) at the option of the holder thereof, in whole or in part, on or prior to the date that is one year after the earlier of (a) the Maturity Date and (b) the date on which there are no Loans or other obligations hereunder outstanding and all of the Commitments are terminated or (iii) requires any payment in cash to be made to the holder of such Equity Interest, other than payments permitted pursuant to Section 9.05.

"**dollars**" or "**$**" refers to lawful money of the United States of America.

"**Domestic Subsidiary**" means any Subsidiary that is organized under the laws of the United States of America or any State thereof or the District of Columbia.

"**Effective Date**" means the date on which the conditions specified in Section 6.01 are satisfied (or waived in accordance with Section 12.02).

"**Effective Date Letter Agreement**" means the letter agreement, dated the Effective Date, by and between the Administrative Agent and the Loan Parties.

"**Eligible Assignee**" means (a) a Lender, (b) an Affiliate of a Lender, and (c) a Related Party of a Lender.

"**Environmental Laws**" means any and all applicable Governmental Requirements pertaining to pollution or protection of the environment, the protection of health as it relates to exposure to Hazardous Materials in the environment or the preservation or reclamation of natural resources or the management, Release or threatened Release of any Hazardous Materials, in effect in any and all jurisdictions in which the Borrower or any of the other Loan Parties is conducting or at any time has conducted business, or where any Property of the Borrower or any of the other Loan Parties is located, including, without limitation, the Oil Pollution Act of 1990 ("**OPA**"), the Clean Air Act, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 ("**CERCLA**"), the Federal Water Pollution Control Act, the Occupational Safety and Health Act of 1970, the Resource Conservation and Recovery Act of 1976, ("**RCRA**"), the Safe Drinking Water Act, the Toxic Substances Control Act, the Superfund Amendments and Reauthorization Act of 1986, and the Hazardous Materials Transportation Act.

"**Environmental Permit**" means any permit, registration, license, approval, consent, exemption, variance, or other authorization required under or issued pursuant to applicable Environmental Laws.

"**Equity Interests**" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such Equity Interest.

"**ERISA**" means the Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" means each Person which together with the Borrower or any other Loan Party would be treated as a "single employer" under Section 4001(b)(1) of ERISA or subsection (b), (c), (m) or (o) of Section 414 of the Code.

"**ERISA Event**" means any one of the following: (a) a "reportable event" described in Section 4043 of ERISA or the regulations issued thereunder (other than events for which the thirty (30) day notice period has been waived) with respect to a Pension Plan; (b) a failure by the Borrower, any other Loan Party or any ERISA Affiliate to meet any applicable requirement under the Pension Funding Rules or the filing of an application for the waiver of the minimum funding standards under the Pension Funding Rules; (c) a determination that any Pension Plan is, or is expected to be, in "at-risk" status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code); (d) the withdrawal of the Borrower, any other Loan Party or any ERISA Affiliate from a Pension Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA; (e) the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination under Section 4041 of ERISA; (f) receipt by the Borrower, any other Loan Party or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan; (g) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (h) the imposition or incurrence of any liability under Title IV of ERISA, other than for contributions due but not delinquent under the Pension Funding Rules or PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower, any other Loan Party or any ERISA Affiliate; (i) the receipt by the Borrower, any other Loan Party or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower, any other Loan Party or any ERISA Affiliate of any notice, concerning the imposition of "withdrawal liability" pursuant to Section 4202 of ERISA or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA, or is in endangered or critical status with the meaning of Section 305 of ERISA; (j) the engagement by the Borrower, any other Loan Party or any ERISA Affiliate in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; (k) the imposition of a lien upon property or rights to property of the Borrower, any other Loan Party or any ERISA Affiliate pursuant to Section 430(k) of the Code or Section 303(k) of ERISA; (l) the making of an amendment to a Pension Plan that could result in the posting of bond or security under Section 436(f)(1) of the Code; or (m) the disqualification by the IRS of any Plan intended to be qualified under Section 401(a) of the Code, or the determination by the IRS that any trust forming part of any Pension Plan intended to qualify under Section 401(a) of the Code fails to qualify for exemption from taxation under Section 501(a) of the Code, or, in each case, the receipt from the IRS of notice of failure to qualify as such.

"**Event of Default**" has the meaning assigned such term in Section 10.01.

"**Excepted Liens**" means: (a) Liens for Taxes, assessments or other governmental charges or levies which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (b) Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (c) statutory landlord's liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or other like Liens arising by operation of law in the ordinary course of business or incident to the development, operation and maintenance of Sand Properties, each of which is in respect of obligations that are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(d) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a creditor depository institution; *provided* that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor in excess of those set forth by regulations promulgated by the Board and no such deposit account is intended by the Borrower or any of the other Loan Parties to provide collateral to the depository institution; (e) Immaterial Title Deficiencies and easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any Property of the Borrower or any of the other Loan Parties for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines and other means of ingress and egress for the removal of gas, oil, coal or other minerals or timber, and other like purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, and leases or subleases of real property and any interest or title of a lessee or sublessee under any such lease or sublease, in each case, that do not secure any monetary obligations and which in the aggregate do not materially impair the use of such Property for the purposes of which such Property is held by the Borrower or any of the other Loan Parties or materially impair the value of such Property subject thereto and which do not impair or diminish the Administrative Agent's or Secured Parties' Liens on the Mortgaged Property; (f) Liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory obligations, regulatory obligations and other obligations of a like nature incurred in the ordinary course of business; (g) Liens in favor of the depository bank arising under documentation governing deposit accounts or in any Control Agreement (as defined in the Security Agreement) or Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC, which Liens secure the payment of returned items, settlement item amounts, bank fees, or similar items or fees; (h) judgment and attachment Liens not giving rise to an Event of Default; *provided* that any appropriate legal proceedings which may have been duly initiated for the review of such judgment. shall not have been finally terminated or the period within which such proceeding may be initiated shall not have expired and no action to enforce such Lien has been commenced; (i) Liens on any Vehicle to the extent the value (as determined by the Borrower in its reasonable and good faith judgment) of such Vehicle does not exceed $100,000 and the value of Liens on all Vehicles does not exceed $10,000,000 in the aggregate at any time outstanding; (j) a Lien existing on any Property prior to the acquisition thereof by any Loan Party or any Subsidiary or existing on any Property of any Person that becomes a Loan Party after the date hereof prior to the time such Person becomes a Loan Party; *provided* that (A) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Loan Party, as applicable, (B) such Lien shall not apply to any other Property of such Loan Party, (C) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Loan Party, as applicable, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof and (D) the aggregate principal amount of the obligations secured thereby does not exceed $15,000,000 at any time outstanding; (k) licenses of intellectual property rights granted in the ordinary course of business, which in the aggregate do not materially impair the use of any Property owned by the Borrower or any of the other Loan Parties for the purposes of which such Property is held by the Borrower or any of the other Loan Parties or materially impair the value of such Property subject thereto and which do not impair or diminish the Administrative Agent's or Secured Parties' Liens on such Property; and (l) liens arising under Section 11 of the Prop 50 Lease in favor of Lonestar Prop 50, LLC, each of which is in respect of obligations that are not delinquent; *provided*, *further* that (x) Liens described in clauses (a) through (e) and (l) shall remain "Excepted Liens" only for so long as no action to enforce such Lien has been commenced and no intention to subordinate the Lien granted in favor of the Administrative Agent and the Lenders is to be hereby implied or expressed by the permitted existence of such Excepted Liens and (y) the term "Excepted Liens" shall not include any Lien securing Debt for borrowed money other than the Indebtedness.

"**Excluded Taxes**" means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower or any Guarantor hereunder or under any other Loan Document, (a) Taxes imposed on (or measured by) its net income and franchise Taxes (including the Texas franchise Tax) imposed on it (in lieu of income Taxes), in each case, by the United States of America or such other jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, (b) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction in which the Borrower or any Guarantor is located, (c) in the case of a Foreign Lender, any United States federal withholding Tax that is imposed on amounts payable to (i) such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (other than pursuant to an assignment request by the Borrower) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.02, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (d) is attributable to such Foreign Lender's failure to comply with Section 5.02(f) or (e) any United States federal withholding Taxes under FATCA.

"Existing Credit Agreement" has the meaning assigned such term in the Recitals.

"**Existing Lenders**" means the lenders under the Existing Credit Agreement as of the date hereof, immediately prior to giving effect to the effectiveness of this Agreement.

"**Existing Loans**" means the loans outstanding under the Existing Credit Agreement as of the date hereof, immediately prior to giving effect to the effectiveness of this Agreement.

"**FATCA**" means Sections 1471 through 1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current and future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreement implementing any of the foregoing.

"**FCPA**" means the Foreign Corrupt Practices Act of 1977.

"**Fee Letter**" means that certain Engagement and Fee letter, dated as of the Amendment No. 1 Effective Date, by and among the Borrower, Parent and the Administrative Agent.

"**Financial Officer**" means, for any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person. Unless otherwise specified, all references herein to a Financial Officer means a Financial Officer of the Borrower.

"**Financial Statements**" means the financial statement or statements referred to in Section 7.04(a).

"**Finished Sand Inventory**" means Inventory constituting a fracturing proppant for completing oil and gas wells that has been processed through a Loan Party's wet plant and dry plant and otherwise meets the quality standards prescribed by the International Organization for Standardization, the American Petroleum Institute or the standards for purchase under a Major Material Contract, in each case, as from time to time in effect. Unless otherwise indicated herein, each reference to the term "**Finished Sand Inventory**" shall mean Finished Sand Inventory of the Loan Parties.

"**Fiscal Quarter**" means a fiscal quarter ending on March 31, June 30, September 30 or December 31 of each year.

"**Fixed Charge Coverage Ratio**" means, for any Reference Period, with respect to the Borrower and its Subsidiaries on a consolidated basis, the ratio of (a) Consolidated EBITDA for such period to (b) the sum of (i) Consolidated Interest Expense (other than interest paid-in-kind, amortization of financing fees, and other non-cash Consolidated Interest Expense and net of cash interest income) *plus* (ii) Tax expenses paid in cash for such period, (iii) scheduled debt amortization payments or redemptions for such period, and (iv) rentals payable under capital leases of personal property for such period (without duplication of items included in Consolidated Interest Expense).

"**Flood Insurance Regulations**" means (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), and (d) the Flood Insurance Reform Act of 2004 and any regulations promulgated thereunder.

"**Foreign Lender**" means any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"**Foreign Subsidiary**" means any Subsidiary that is not a Domestic Subsidiary.

"**FR Sand**" means FR Sand, LLC, a Delaware limited liability company.

"**Funded Debt**" as to any Person, means all debt of such Person that matures more than one year from the date of its determination or matures within one year from such date but is renewable or extendible, at the option of such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all current maturities and current sinking fund payments in respect of such debt whether or not required to be paid within one year from the date of its creation and, in the case of the Borrower, debt in respect of the Loans.

"**Future**" means Future New Deal, Ltd., a Texas limited partnership.

"**GAAP**" means generally accepted accounting principles in the United States of America as in effect from time to time subject to the terms and conditions set forth in Section 1.04.

"**Governmental Authority**" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"**Governmental Requirement**" means any law, statute, code, ordinance, order, legally binding determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, rules of common law, authorization or other legally binding directive or requirement, whether now or hereinafter in effect, of any Governmental Authority.

"**GP**" means Lonestar Prospects Management, L.L.C., a Texas limited liability company, the general partner of Vista Sand.

"**Granbury Properties**" means the Sand Interests subject to the Sand Hill Lease, together with any other Sand Interests of the Loan Parties that use the same extraction, processing and other facilities that are used for the Sand Interests subject to the Sand Hill Lease.

"**Guarantors**" means Parent and each Subsidiary Guarantor.

"**Guaranty Agreement**" means the Amended and Restated Guaranty Agreement, dated as of the Effective Date, executed by the Guarantors in favor of the Administrative Agent pursuant to which the Guarantors unconditionally guarantee, on a joint and several basis, payment of the Indebtedness.

"**Hazardous Material**" means any substance regulated or as to which liability might arise under any Environmental Law, or any other Governmental Requirements related to pollution or protection of the environment or human health through exposure to the environment, including: (a) any chemical, compound, material, product, byproduct, substance or waste defined as or included in the definition or meaning of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic waste," "extremely hazardous substance," "toxic substance," "contaminant," "pollutant," or words of similar meaning or import found in any applicable Environmental Law; (b) hydrocarbons, petroleum products, petroleum substances, natural gas, oil, oil and gas waste, crude oil, and any components, fractions, or derivatives thereof; and (c) radioactive materials, explosives, asbestos or asbestos containing materials, polychlorinated biphenyls, radon, infectious or medical wastes.

"**Highest Lawful Rate**" means, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Loans or on other Indebtedness under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws allow as of the date hereof.

"**Immaterial Title Deficiencies**" means minor defects or deficiencies in title which do not diminish more than 2.0% of the aggregate value of the Sand Properties evaluated in the most recently delivered Reserve Report and which do not impair or diminish the Administrative Agent's or Secured Parties' Liens on the Mortgaged Property.

"**Incremental Borrowing Request Notice**" means a notice of request by the Borrower for a Borrowing of Incremental Loans in accordance with Section 2.02, which shall be substantially in the form of Exhibit H (or such other form as may be approved by the Administrative Agent including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

"**Incremental Commitment**" means, with respect to each Incremental Lender, the commitment of such Incremental Lender to make Incremental Loans during the Incremental Loan Availability Period as originally established pursuant to the terms of the Existing Credit Agreement and continued hereunder in the aggregate amount set forth for such Incremental Lender on Annex I or in the most recent Assignment and Assumption or other documentation contemplated hereby executed by such Incremental Lender, as such commitment may be reduced or increased from time to time pursuant to assignments by or to such Incremental Lender pursuant to Section 12.04.

"**Incremental Commitment Expiration Date**" means the earlier to occur of (a) the date on which the Incremental Commitments have been fully drawn and (b) November 29, 2017.

"**Incremental Lender**" means each Lender with an Incremental Commitment.

"**Incremental Loan**" has the meaning assigned to such term in Section 2.01(c).

"**Incremental Loan Availability Period**" means the period from and including the Effective Date to and including the Incremental Commitment Expiration Date.

"**Indebtedness**" means any and all amounts owing or to be owing by the Borrower or any other Loan Party (whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising): (a) to the Administrative Agent or any Lender under any Loan Document including, without limitation, all interest on any of the Loans (including any interest that accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any Loan Party (or could accrue but for the operation of applicable Debtor Relief Laws), whether or not such interest is allowed or allowable as a claim in any such case, proceeding or other action); and (b) all renewals, extensions and/or rearrangements of any of the above.

"**Indemnified Parties**" means the Administrative Agent, each other Secured Party and their respective officers, directors, employees, representatives, agents, attorneys, accountants and experts.

"**Indemnified Taxes**" means Taxes other than Excluded Taxes.

"**Indemnitee**" has the meaning assigned such term in Section 12.03(b).

"**Information**" has the meaning assigned such term in Section 12.11.

"**Initial Reserve Report**" means the (i) Review of Industrial Mineral Reserves, dated February 26, 2016, evaluating the mineral reserves contained within the Sand Properties of the Loan Parties and the Technical Review of Industrial Sand Reserves, dated October 4, 2016, evaluating the industrial sand reserve statements of the Loan Parties, both prepared by John T. Boyd Company, (ii) Technical Report of 2017 JORC Mineral Resources and Ore Reserves dated July 22, 2017, evaluating the exploration results, mineral resources and ore reserves of the Loan Parties, prepared by Joseph D. Drew, the director of technical services for Vista Sand and (iii) Review of Industrial Mineral Reserves, dated October 2, 2017, evaluating the industrial mineral reserves statements of the Loan Parties, prepared by John T. Boyd Company; provided, however, with respect to the Sand Properties related to the Lonestar Prop 50 Lease, Borrower may deliver an officer-certified internal reserve report.

"**Intercreditor Agreement**" means that certain Amended and Restated Intercreditor Agreement entered into as of November 9, 2017 among (a) PlainsCapital Bank, (b) ARCC, (c) the Loan Parties and (d) each of the other persons party thereto.

"**Interest Period**" means each period from and including a Quarterly Payment Date to but excluding the next succeeding Quarterly Payment Date.

"**Inventory**" has the meaning specified in the UCC.

"**Investment**" means, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of Equity Interests in any other Person or any agreement to make any such acquisition (including, without limitation, any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such short sale); (b) the making of any deposit with, or advance, loan or capital contribution to, assumption of Debt of, purchase or other acquisition of any other Debt or equity participation or interest in, or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement,

contingent or otherwise, to resell such Property to such Person, but excluding any such advance, loan or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory or supplies sold by such Person in the ordinary course of business); (c) the purchase or acquisition (in one or a series of transactions) of the Property of another Person that constitutes a business unit; or (d) the entering into of any guarantee of, or other contingent obligation (including the deposit of any Equity Interests to be sold) with respect to, Debt or other liability of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person. The amount of any Investment shall be the original cost or amount of such Investment plus the cost or amount of all additions thereto, without any adjustment for increases or decreases in value, or write-ups, write-downs, or write-offs with respect to such Investment, minus any actual returns received in cash or Cash Equivalents on such Investment.

"**IRS**" means the United States Internal Revenue Service (including any successor agency).

"**JORC Code**" means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, promulgated by the Joint Ore Reserves Committee, 2012 Edition.

"**Lenders**" means the Persons listed on Annex I and any Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than, in each case, any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"**Lending Office**" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent, which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"**Lessor**" means Sand Hill Land and Cattle, LLC, a Texas limited liability company, Lonestar Prop 50, LLC, a Texas limited liability company, GHMR Operations, LLC, a Texas limited liability company, and Hogg Ranch, LLC, a Texas limited liability company, as applicable.

"**LIBO Rate**" means the greater of: (a) 1.50% and (b) the LIBO Screen Rate at approximately 11:00 a.m., London time, two Business Days prior to (x) in the case of determinations of interest to the first Quarterly Payment Date after the date of a Borrowing, the date of such Borrowing and (y) in the case of determinations of interest to subsequent Quarterly Payment Dates and the Maturity Date, the preceding Quarterly Payment Date, in each for an amount of deposits of US dollars equal to the principal amount with respect to which interest is being determined and a maturity of three months. In the event that the LIBO Screen Rate is not available at such time for any reason, then the "LIBO Screen Rate" shall be the rate determined by reference to any other recognized source for such a rate selected by the Administrative Agent in good faith, or if the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the LIBO Screen Rate is no longer available from any source or is otherwise not ascertainable or (ii) the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable. Notwithstanding anything to the contrary in Section 9.02, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five Business Days of the

date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment.

"**LIBO Screen Rate**" means the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes on the administration of such rate) as displayed on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market).

"**Lien**" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to (a) the lien or security interest arising from a deed of trust, mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes or (b) production payments and the like payable out of Sand Properties. The term "**Lien**" shall include easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations, in each case, where the effect is to secure an obligation owed to, or a claim by, a Person other than the owner of the Property. For the purposes of this Agreement, the Borrower or any other Loan Party shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement, or leases under a financing lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person in a transaction intended to create a financing.

"**Logistics Subsidiary Guarantors**" means, collectively, MAALT Specialized Bulk, Denetz Logistics and MAALT LP.

"**Loan Documents**" means this Agreement, the Existing Credit Agreement, the Notes, the Guaranty Agreement, the Guaranty Agreement (as defined in the Existing Credit Agreement), the Security Instruments, the Effective Date Letter Agreement, the Fee Letter, Amendment No. 1 and each other document, instrument, certificate and agreement designated as a Loan Document by any of the Loan Parties and the Administrative Agent from time to time. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

"**Loan Parties**" means, collectively, the Borrower and each Guarantor.

"**Loans**" means the loans made (or, in the case of the Existing Loans, continued) by the Lenders to the Borrower pursuant to this Agreement, including the Existing Loans, the New Loans, any Incremental Loans and the 2018 Incremental Loans.

"**Lonestar Prop 50 Lease**" means that certain Lease Agreement, effective August 27, 2015, by and between Vista Sand and Lonestar Prop 50, LLC.

"**Lonestar Prospects Holding**" means Lonestar Prospects Holding Company, L.L.C., a Texas limited liability company.

"**M&J Partnership**" means M&J Partnership, Ltd., a Texas limited partnership.

"**MAALT LP**" means MAALT, L.P., a Texas limited partnership.

"**MAALT Specialized Bulk**" means Maalt Specialized Bulk, LLC, a Texas limited liability company.

"**Major Material Contract**" means the following: (a) that certain Sand Purchase Agreement, dated and effective January 1, 2017, by and between Vista Sand and EOG Resources, Inc., (b) that certain Sand Purchase Agreement, dated and effective August 1, 2016, by and between Vista Sand and Keane Frac, LP, (c) that certain Sand Purchase Agreement, dated and effective February 1, 2017, by and between Vista Sand and Apache Corporation, (d) the Sand Hill Lease, (e) the Lonestar Prop 50 Lease, (f) the Tolar Lease (g) the Winkler Lease, (h) each contract or other agreement referenced on Schedule 7.23 under the heading "Major Material Contract", (i) any other contract or agreement pursuant to which the Borrower or any of its Subsidiaries pays, receives or incurs liabilities (or could reasonably be expected to pay, receive or incur liabilities during the term thereof) in excess of $10,000,000 over the life of such contract or agreement and if breached could reasonably be expected to cause a Material Adverse Effect, together with all amendments, modifications, replacements, extensions and rearrangements of the foregoing made in accordance with the terms of this Agreement.

"**Major Material Contract EOD**" means the Borrower or any other applicable Subsidiary fails to perform a covenant or agreement in a Major Material Contract, which failure, after giving effect to the expiration of any applicable grace period or the giving of notice, or both, results in a Material Adverse Effect (it being understood that any termination of a Major Material Contract as a result of any such failure shall be deemed to result in a Material Adverse Effect unless after giving effect to such termination the Loan Parties have contracts and other agreements in full force and effect that (1) provide for the purchase at least 3,000,000 tons of Finished Sand Inventory per year, (2) in the aggregate have a weighted average minegate price per ton not less than $36/ton and (3) in the aggregate have a weighted average length of contract of at least 3 years.

"**Marketable Title**" means good and marketable title, free and clear of all mortgages liens and encumbrances, except for Excepted Liens.

"**Material Adverse Effect**" means a material adverse change in, or material adverse effect on (a) the business, operations, Property, Reserve Value or financial condition of the Borrower and the other Loan Parties taken as a whole, (b) the ability of the Borrower individually, or the Loan Parties, taken as a whole, to perform any of its or their obligations under any Loan Document, (c) the validity or enforceability of any Loan Document or (d) the material rights and remedies of or benefits available to the Administrative Agent or any Lender under any Loan Document; provided that a Material Adverse Effect shall not be deemed to have occurred, if such occurrence is the result of the action or inaction of the Administrative Agent or any Lender.

"**Material Contract**" means (a) the Major Material Contracts and (b) any other contract or agreement pursuant to which Borrower or any of its Subsidiaries pays, receives or incurs liabilities (or could reasonably be expected to pay, receive or incur liabilities during the term thereof) in excess of $7,000,000.

"**Material Indebtedness**" means Debt (other than the Loans), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrower and its Subsidiaries in an aggregate principal amount exceeding $6,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Borrower or any of its Subsidiaries in respect of any Swap Agreement at any time shall be the Swap Termination Value.

"**Maturity Date**" means (i) August 1, 2021 or (ii) such earlier date, if any, at which the maturity of the Loans shall be accelerated pursuant to Section 10.02(a).

"**Moody's**" means Moody's Investors Service, Inc. and any successor thereto that is a nationally recognized rating agency.

"**Mortgage**" means each mortgage, deed of trust or other agreement which conveys or evidences a Lien in favor of the Administrative Agent, for the benefit of the Secured Parties, on any Mortgaged Property, including any amendment, restatement, modification or supplement thereto, in each case in form and substance reasonably acceptable to the Administrative Agent. The Mortgages as of the Effective Date are identified on Schedule 1.02A.

"**Mortgaged Property**" means the Granbury Properties, including the Sand Properties subject to the Sand Hill Lease, the Lonestar Prop 50 Lease, the Tolar Lease, the Winkler Lease, and any and all other Sand Property owned or leased by the Borrower or any Non-Logistics Subsidiary Guarantor which is subject to the Liens or other encumbrances in favor of the Administrative Agent, for the benefit of the Secured Parties, now or hereafter granted, existing or arising under or in connection with the terms of the Security Instruments.

"**Multiemployer Plan**" means a "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA to which the Borrower, any Subsidiary or any ERISA Affiliate contributes or is required to contribute or with respect to which the Borrower or any Subsidiary has or may have any direct or indirect liability (whether actual or contingent).

"**Net Cash Proceeds**" means (a) in connection with any Asset Sale or any Recovery Event, the proceeds thereof in the form of cash and cash equivalents (including any such proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but excluding any interest payments, but only as and when received) of such Asset Sale or Recovery Event, net of (i) amounts required to be applied to the repayment of Debt secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event (other than any Lien pursuant to a Security Instrument), (ii) in the case of an Asset Sale, attorneys' fees, accountants' fees, investment bank fees and other reasonable and customary fees and expenses actually incurred in connection therewith and (iii) Tax Distribution Amounts paid in connection with an Asset Sale; *provided* that the evidence of each of (i), (ii) and (iii) is provided to the Administrative Agent in form and substance reasonably satisfactory to it, and (b) in connection with any issuance or sale of Equity Interests or debt securities or instruments or the incurrence of Indebtedness for borrowed money, the cash proceeds received from such issuance, sale or incurrence, net of attorneys' fees, accountants' fees, investment bank fees, underwriting discounts and commissions and other reasonable and customary fees and expenses actually incurred in connection therewith; *provided*, *however*, that in the case of this clause (b), evidence of such costs is provided to the Administrative Agent in form and substance reasonably satisfactory to it. For the avoidance of doubt, the proceeds from or payment in respect of any business interruption claim shall not be deemed "Net Cash Proceeds".

"**New Commitment**" means, with respect to each Lender, the commitment of such Lender to make a New Loan on the Effective Date in the amount set forth for such Lender on Annex I.

"**New Loan**" has the meaning assigned such term in Section 2.01(b).

"**Non-Compete Agreement**" has the meaning assigned to such term in Section 6.01(z).

"**Non-Logistics Subsidiary Guarantors**" means, collectively, all Subsidiary Guarantors other than the Logistics Subsidiary Guarantors.

"**Notes**" means any promissory notes of the Borrower, substantially in the form of Exhibit A, delivered pursuant to Section 2.03, together with all amendments, modifications, replacements, extensions and rearrangements thereof.

"**OFAC**" means the Office of Foreign Assets Control of the United States Department of Treasury.

"**Organizational Documents**" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non US jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating or limited liability company agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"**Other Taxes**" means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any other excise or Property Taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery, performance, registration of or enforcement of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement and any other Loan Document.

"**Parent**" has the meaning assigned such term in the Preamble.

"**Participant**" has the meaning assigned such term in Section 12.04(c)(1).

"**Participant Register**" has the meaning assigned such term in Section 12.04(c)(1).

"**PBGC**" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under Title IV of ERISA.

"**Pecos Facility Acquisition**" means the acquisition by MAALT, LP from GHMR Operations, LLC of the (i) Pecos Facility, (ii) any other improvements and personal property located at the Pecos Facility and (iii) any other assets, properties or rights, including any contracts, that relate to the Pecos Facility.

"**Pecos Facility**" means that certain real property located in Pecos, Texas, which consists of the real property described in that certain Farm and Ranch Contract, dated as of August 18, 2016, between Wes Jones and Jodi Jones and GHMR Operations, LLC, on which a frac sand and proppant transloading facility is to be developed.

"**Pension Funding Rules**" means the rules of the Code and ERISA regarding minimum funding standards (including any installment payment thereof) to Multiemployer Plans and Pension Plans and set forth in Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"**Pension Plan**" means any "employee pension benefit plan" (as defined in Section 3(2) of ERISA, other than a Multiemployer Plan) that is maintained or is contributed to, or is required to be

maintained or contributed to, by the Borrower, any other Loan Party or any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 or 430 of the Code or Section 302 or 303 of ERISA, or in the case of a multiple employer plan described in Section 4064(a) of ERISA, has made contributions at any time during the preceding five plan years.

"**Permitted Acquisition**" means an acquisition (or series of related acquisitions), by merger or otherwise, by Borrower or any Subsidiary of assets, operations or Equity Interests of any Person, provided that: (a) immediately after giving effect thereto, no Default shall have occurred and be continuing or would result therefrom, (b) all transactions related thereto shall be consummated in accordance in all material respects with applicable laws, (c) in the case of any acquisition of Equity Interests in any Person, such acquisition is an acquisition of one hundred percent (100%) of the Equity Interests of such Person, (d) in case of an acquisition of assets, such assets (other than assets to be retired or disposed of within ninety (90) days) are to be used in the same line of business or a business reasonably related thereto, (e) the Loan Parties shall be in compliance, on a pro-forma basis (using the most recent quarterly financial statements delivered to the Lenders) after giving effect to such acquisition (including any cost savings to the extent approved by the Required Lenders and Indebtedness assumed or permitted to exist in connection with such acquisition), with the covenants set forth in Section 9.01 (for the period of the financial statements being used), and shall deliver to the Administrative Agent a certificate of a Financial Officer to such effect, (f) in the event that the consideration for such Permitted Acquisition is paid in cash in an amount over $5,000,000, then, after giving effect to any such acquisition, the Consolidated Leverage Ratio on a pro-forma basis for the applicable Reference Period (using the most recent quarterly financial statements delivered to the Lenders) shall be at least 0.25 to 1.00 lower than the required Consolidated Leverage Ratio for the applicable Reference Period (with such financial statements being used) as set forth in Section 9.01, (g) the Loan Parties shall be in compliance with the terms of this Agreement, including Section 8.14 and Section 9.12, (h) the Borrower delivers written notice to the Administrative Agent and the Lenders of either its or its Subsidiary's intention to make such acquisition no less than thirty (30) days prior to the proposed closing date for such acquisition (or such shorter period as may be approved by the Administrative Agent in its sole discretion) that sets forth, among other things, financial statements, as available, of such Person or seller of assets and information regarding liabilities and obligations with respect to environmental, ERISA and tax matters to be incurred by any Loan Party or any Subsidiary (including without limitation the acquired Person in the event of an acquisition of Equity Interests) as a result of such acquisition, any indemnities afforded under the terms of such acquisition and the scope and results of any due diligence review undertaken by the Borrower in connection therewith, (i) prior to making any such Permitted Acquisition, the Loan Parties shall have unrestricted cash and Cash Equivalents plus availability under the Revolving Credit Agreement of no less than $4,000,000, and (j) other than (x) with respect to Pecos Facility Acquisition, to the extent the consideration in respect thereof does not exceed $15,000,000 or (y) any consideration in the form of common equity of Parent, the consideration for Permitted Acquisitions shall not exceed $25,000,000 in the aggregate annually.

"**Permitted Holders**" means, collectively, (i) FR XIII Charlie AIV, L.P. (ii) any Affiliate of FR XIII Charlie AIV, L.P. (other than any portfolio company of FR XIII Charlie AIV, L.P. or any of its Affiliates). (iii) M&J Partnership (so long as M&J Partnership is Controlled by Martin Robertson), (iv) Future (so long as Future is Controlled by Gary Humphreys), (v) GHMR (so long as GHMR is Controlled by either or both of Gary Humphreys and Martin Robertson), (vi) any of Gary Humphreys or Martin Robertson and their respective spouses, lineal descendants and spouses of their lineal descendants; (vii) the estates of Persons described in clause (vi), (viii) trusts established for the benefit of any Person or Persons described in clause (vi), (ix) ARCC, and (x) any Affiliate of ARCC.

"**Person**" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"**PIK Interest**" means interest that is added to the outstanding principal balance of the Loans in accordance with Section 2.04(a), which shall thereafter be deemed principal bearing interest at the rate set forth in Section 2.04(a).

"**PIK Interest Amount**" means the amount of interest that would be owing on any Quarterly Payment Date if the interest rate on the Loans since the most recent Quarterly Payment Date had been a rate per annum equal to 1%.

"**Plan**" means any "employee benefit plan" as defined in Section 3(3) of ERISA (other than a Multiemployer Plan) maintained or established for employees of the Borrower or a Subsidiary, or any such plan to which the Borrower or a Subsidiary contributes on behalf of any of its employees or with respect to which the Borrower has or may have any direct or indirect liability (whether actual or contingent).

"**Pledge Agreement**" means the Amended and Restated Pledge Agreement, dated as of the date hereof, among the Loan Parties and the Administrative Agent pursuant to which each of the Loan Parties grants Liens on, and a security interest in, the Equity Interests owned by such Loan Party and the other "collateral" defined therein in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Indebtedness.

"**Prepayment Date**" means, (a) with respect to any mandatory prepayment pursuant to Section 3.02, the date of such mandatory prepayment and (b) with respect to any voluntary prepayment pursuant to Section 3.03, the date of such voluntary prepayment.

"**Probable Ore Reserves**" has the meaning given such term in Section thirty (30) of the JORC Code.

"**Proppants To Go Distribution**" has the meaning assigned such term in Schedule 1.02C.

"**Proppants To Go**" means Proppants To Go LLC, a Texas limited liability company.

"**Property**" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, cash, securities, accounts and contract rights.

"**Proved Ore Reserves**" has the meaning given such term in Section 31 of the JORC Code.

"**Purchase Price Refund**" means any amount received by any Loan Party after the Effective Date as a result of a purchase price adjustment or similar event in connection with any acquisition of Property by such Loan Party.

"**Quarterly Payment Date**" means March 1, June 1, September 1 and December 1 of each year prior to the Maturity Date.

"**RCA Administrative Agent**" means, subject to Section 1.03, the "Administrative Agent" as defined in the Revolving Credit Agreement.

"**RCA Default**" means, subject to Section 1.03, a "Default" as defined in the Revolving Credit Agreement.

"**RCA First Lien Collateral**" has the meaning assigned to such term in the definition of Required Intercreditor Agreement Terms.

"**RCA Hedge Obligations**" means, subject to Section 1.03, and obligations of the Borrower or any other Loan Party in respect of a Swap Agreement (other than any such obligations as a guarantor or the grantor of a Lien to secure the obligations of another in respect thereof) included in the RCA Obligations.

"**RCA Lender**" means, subject to Section 1.03, a "Lender" as defined in the Revolving Credit Agreement.

"**RCA Loan Documents**" means, subject to Section 1.03, "Loan Documents" as defined in the Revolving Credit Agreement.

"**RCA Obligations**" means, subject to Section 1.03, "Obligations" as defined in the Revolving Credit Agreement.

"**RCRA**" has the meaning assigned such term in the definition of Environmental Laws.

"**Recovery Event**" means any settlement of or payment in respect of any property, casualty or claim or any condemnation proceeding (or proceeding in lieu thereof) (including any Casualty Event) relating to any asset of any Loan Party.

"**Redemption**" means with respect to any Debt, the repurchase, redemption, prepayment, repayment, satisfaction and discharge or defeasance or any other acquisition or retirement for value (or the segregation of funds with respect to any of the foregoing) of any such Debt. "**Redeem**" has the correlative meaning thereto.

"**Reference Period**" means, at any date of determination, the most recently completed four consecutive fiscal quarters of the Borrower on or immediately prior to such date.

"**Register**" has the meaning assigned such term in Section 12.04(b)(iii).

"**Related Parties**" means, with respect to any specified Person, such Person's Affiliates and the respective partners, directors, officers, employees, agents, trustees, advisors and sub-advisors (including attorneys, accountants and experts) of such Person and such Person's Affiliates.

"**Release**" means any depositing, spilling, leaking, pumping, pouring, placing, emitting, discarding, abandoning, emptying, discharging, migrating, injecting, escaping, leaching, dumping, or disposing.

"**Remedial Work**" has the meaning assigned such term in Section 8.10(a).

"**Required Intercreditor Agreement Terms**" means that, (a) notwithstanding the order of perfection of any Lien to secure the Indebtedness or the RCA Obligations (i) the RCA Administrative Agent shall have a first priority security interest in the accounts receivable and Finished Sand Inventory of the Loan Parties (other than the Logistics Subsidiary Guarantors), any proceeds of either thereof, including bank accounts containing such proceeds, and general intangibles relating thereto (collectively, the "**RCA First Lien Collateral**") to secure the RCA Obligations, (ii) the Administrative Agent shall have a second priority security interest in the RCA First Lien Collateral and a first priority security interest in all other Property of the Loan Parties (other than the Logistics Subsidiary Guarantors) and (iii) the RCA Obligations may be secured by a Lien on any Property of the Loan Parties (other than the Logistics Subsidiary Guarantors) other than the RCA First Lien Collateral, but only to the extent that such Lien is junior to the Lien on such Property securing the Indebtedness and any proceeds of any such

Property shall be applied first to the payment of the Indebtedness and, only after the Indebtedness has been paid in full, second to the payment of the RCA Obligations and (b) and the Lenders shall be granted a right to purchase at par all amounts owed the RCA Lenders in respect of loans and letters of credit under the Revolving Credit Agreement exercisable upon the occurrence of the maturity or acceleration of the maturity of the RCA Obligations.

"**Required Lenders**" means (a) at any time when there is only one Lender, such Lender and (b) at any time when there are two (2) or more Lenders, at least two (2) Lenders holding Loans and unused Commitments representing more than fifty percent (50%) of the sum of (x) the aggregate principal amount of Loans (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(c)) outstanding at such time plus (y) the total unused Commitments at such time. For purposes of this definition, any Lenders that are Affiliated shall be deemed to be a single Lender.

"**Reserve Coverage Ratio**" means, as of the last day of any Reference Period, the ratio of (a) the Reserve Value as of such date to (b) the annual reasonably forecasted sales volume (in tons) of Probable Ore Reserves and Proved Ore Reserves for the subsequent year as stated in the annual budget delivered in accordance with Section 8.01(p).

"**Reserve Report**" means, the Initial Reserve Report and any subsequent Reserve Report delivered pursuant to Section 8.12.

"**Reserve Value**" means the sum of Probable Ore Reserves and Proved Ore Reserves (in tons) owned by or available to be mined by Vista Sand and confirmed by the most recent Reserve Report prepared by an Approved Engineer. Notwithstanding the foregoing, such Probable Ore Reserves and Proved Ore Reserves shall only be included in the Reserve Value if (x) the weighted average sales price per ton (as determined by Vista Sand) for Vista Sand's contracts for the sale of Probable Ore Reserves and Proved Ore Reserves exceeds (y) the "**cost per ton of sand mined**" (as defined in the applicable Reserve Report with reasonable reference to recent actual cost) for such Probable Ore Reserves and Proved Ore Reserves by at least $15 per ton.

"**Resignation Effective Date**" has the meaning assigned such term in Section 11.06(a).

"**Responsible Officer**" means, as to any Person, the chief executive officer, the president, any Financial Officer or any vice president of such Person and, solely for purposes of requests and notices given pursuant to Article II, any other officer of such Person so designated by any of the foregoing officers of such Person in a notice to the Administrative Agent. Unless otherwise specified, all references to a Responsible Officer herein shall mean a Responsible Officer of the Borrower. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"**Restricted Payment**" means any dividend or other distribution (whether in cash, securities or other Property) with respect to any Equity Interests in the Borrower or any Subsidiary, or any payment (whether in cash or other Property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Borrower or any Subsidiary.

"**Revolving Credit Agreement**" means that certain Loan Agreement, dated as of April 14, 2011 (as amended by the First Amendment dated as of December 12, 2011, the Second Amendment dated as of June 14, 2012, the Third Amendment dated as of December 28, 2013, the Fourth Amendment dated as of

June 14, 2013, the Fifth Amendment dated as of September 23, 2013, the Sixth Amendment dated as of January 13, 2014, the Seventh Amendment dated as of April 14, 2014, the Eighth Amendment dated as of September 3, 2015, the Ninth Amendment dated as of August 14, 2017 and the Tenth Amendment dated as of the Effective Date, together with any other agreements pursuant to which any of the indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced on substantially similar terms.

"**S&P**" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., and any successor thereto that is a nationally recognized rating agency.

"**Sanction(s)**" means any sanction administered or enforced by the Government of the United States of America (including without limitation, OFAC).

"**Sand Hill Lease**" means that certain Lease Agreement, dated April 14, 2011, by and between Vista Sand and Sand Hill Land and Cattle, LLC, as amended by that certain First Amendment to Lease Agreement, dated effective as of April 1, 2012, as further amended by that certain Second Amendment to Lease Agreement, dated as of January 1, 2014, as further amended by that certain Third Amendment to Lease Agreement, dated as of September 18, 2014, and as further amended by that certain Fourth Amendment to Lease Agreement, dated as of November 4, 2015.

"**Sand Interests**" means all rights, titles, interests and estates now or hereafter acquired in and to real property which contains or may contain minerals appropriate for extraction and processing into Finished Sand Inventory, and rights to excavate, produce or recover such minerals, including any lease, mineral leases, fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature, in each case with respect to such minerals. Unless otherwise indicated herein, each reference to the term "Sand Interests" shall mean Sand Interests of the Loan Parties.

"**Sand Properties**" means (a) Sand Interests; (b) all operating agreements, contracts and other agreements, including production sharing contracts and agreements, which relate to any of the Sand Interests or the production, sale, purchase, exchange or processing of minerals from or attributable to such Sand Interests; (c) all minerals in and under and which may be produced and saved or attributable to the Sand Interests, including all work in process and Finished Sand Inventory extracted from and/or processed from the Sand Interests and in storage, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Sand Interests; (d) all tenements, hereditaments, appurtenances and Properties in any manner appertaining, belonging, affixed or incidental to the Sand Interests and (e) all Properties, rights, titles, interests and estates described or referred to above, including any and all Property, real or personal, now owned or hereinafter acquired and situated upon, used, held for use or useful in connection with the operating, working or development of any of such Sand Interests or Property and including any and all buildings, structures, plants, compressors, pumps, conveyors, dryers, silos and other storage facilities, transloading equipment, rail equipment, infrastructure, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, mobile excavation equipment, automobiles, trucks, rental equipment or other personal Property which may be on such premises for the purpose of excavation, processing, transport, storage or for other similar uses, surface leases, rights-of-way, easements and servitudes together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

"**SEC**" means the Securities and Exchange Commission or any successor Governmental Authority.

"**Secured Parties**" means the Administrative Agent, each Lender, each Indemnified Party and any legal owner, holder, assignee or pledgee of any of the Indebtedness.

"**Security Agreement**" means the Amended and Restated Security Agreement, dated as of the date hereof, among the Borrower, the Non-Logistics Subsidiary Guarantors and the Administrative Agent pursuant to which each of the Borrower and the Non-Logistics Subsidiary Guarantors grants Liens on, and a security interest in, such Person's personal property constituting Collateral (as defined therein) in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Indebtedness.

"**Security Instruments**" means, collectively, the Pledge Agreement, the Security Agreement, the Security Agreement (as defined the Existing Credit Agreement), the Mortgages, the Blocked Account Control Agreements and all other agreements, instruments, consents, certificates and other documents now or hereafter executed and delivered by the Borrower or any Guarantor (other than Swap Agreements or participation or similar agreements between any Lender and any other lender or creditor with respect to any Indebtedness pursuant to this Agreement) in connection with this Agreement that are intended to create, perfect or evidence Liens to secure the Indebtedness.

"**Specified Equity Contribution**" has the meaning assigned such term in Section 9.01(d)(iii).

"**Specified Equity Transactions**" has the meaning assigned such term in Schedule 1.02C.

"**Subsidiary**" means, with respect to any Person (the "**parent**") at any date, (a) any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as (b) any other Person of which (i) Equity Interests representing more than 50% of the equity or more than 50% of the ordinary voting power (irrespective of whether or not at the time Equity Interests of any other class or classes in such Person shall have or might have voting power by reason of the happening of any contingency) are or, (ii) in the case of a partnership, any general partnership interests are, or (iii) in the case of a limited liability company, the sole or managing member interests are, in each case, as of such date, owned, controlled or held by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. Unless the context otherwise requires, any reference hereunder to "Subsidiary" shall mean a Subsidiary of the Borrower.

"**Subsidiary Guarantor**" means each Subsidiary that is a party to the Guaranty Agreement as a guarantor. The Subsidiary Guarantors as of the Effective Date are identified as such on Schedule 1.02B.

"**Swap Agreement**" means any "swap" within the meaning of Section 1a(47) or Section 2(e) of the Commodity Exchange Act entered into with an Approved Counterparty; *provided* that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the other Loan Parties shall be a Swap Agreement.

"**Swap Termination Value**" means, in respect of any Swap Agreement, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreement, (a) for any date on or after the date such Swap Agreement has been closed out and the termination value determined in accordance therewith, such termination value and (b) for any date prior to the date referenced in clause (a), the amount determined as the mark-to-market value for such Swap Agreement, as determined by (i) the Borrower in good faith, if no Event of Default has occurred and is continuing or (ii) the Administrative Agent in good faith, if otherwise.

"**Synthetic Leases**" means, in respect of any Person, all leases which shall have been, or should have been, in accordance with GAAP, treated as operating leases on the financial statements of the Person liable (whether contingently or otherwise) for the payment of rent thereunder and which were properly treated as indebtedness for borrowed money for purposes of United States federal income Taxes, if the lessee in respect thereof is obligated to either purchase for an amount in excess of, or pay upon early termination an amount in excess of, 80% of the residual value of the Property subject to such operating lease upon expiration or early termination of such lease.

"**Tax Distribution Amount**" means an aggregate amount equal to the product of (a) the highest combined United States federal, state and local income Tax rate applicable to a resident individual of Texas at the time such equityholder of the Borrower is or was subject to taxation on the excess amounts described in the following clause (b) (assuming the full deductibility for United States federal Tax purposes of any state and local income Taxes and considering the capital or ordinary character of the excess amount described in the succeeding clause (b)) and (b) the excess, if any, of (A) the aggregate net taxable income distributed to such equityholder of the Borrower in the current and all preceding taxable years of the Borrower over (B) the aggregate net taxable loss distributed to such equityholder in all preceding taxable years of the Borrower; provided, however, that in no event shall the amount distributed to any equityholder of the Borrower for any taxable year exceed the actual amount of net United States federal, state and local income Taxes attributable to such member's equity ownership in the Borrower, assuming all equityholders are taxed at the highest combined United States federal, state and local income Tax rate applicable to a resident of Texas at the time (considering the capital or ordinary character of the excess amount described in the preceding clause (b)), immediately preceding the Tax Distribution Date.

"**Tax Distribution Date**" means (a) for any year, the third Business Day following the delivery to the Administrative Agent of a certificate, in a form acceptable to the Administrative Agent, with respect to the Tax Distribution Amount for such year, and in any event on or prior to April 15th of each year, (b) in the event any equityholder of the Borrower is required by applicable law to make payments on a quarterly basis with respect to the estimated net taxable income to be distributed to such Person, with respect to such equityholder of the Borrower, the third Business Day following the delivery to the Administrative Agent of a certificate, in a form acceptable to the Administrative Agent, with respect to the Tax Distribution Amount for such quarterly period or (c) to the extent a Tax Distribution Amount is paid in connection with an Asset Sale, the date of such Asset Sale; *provided* that the evidence set forth in the first proviso of the definition of Net Cash Proceeds is delivered to the Administrative Agent.

"**Taxes**" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding) or other charges imposed by any Governmental Authority.

"**Title Information**" has the meaning assigned such term in Section 8.13.

"**Tolar Facility**" means a new silica sand mine facility located on the Tolar Lease, including a new railroad thereon.

"**Tolar Lease**" means that certain Lease Agreement, dated December 1, 2014, by and between Vista Sand and GHMR Operations, LLC. as amended by the First Amendment to Lease Agreement dated March l, 2017.

"**Total Debt**" means, at any time, all outstanding Debt of the Loan Parties in the aggregate.

"**Total Loan Amount**" means the sum of (a) the aggregate principal amount of all Existing Loans outstanding on the Effective Date plus (b) the aggregate principal amount of all New Loans made on the Effective Date plus (c) the aggregate principal amount of all Incremental Loans made during the

Incremental Loan Availability Period plus (d) the aggregate principal amount of all 2018 Incremental Loans made on the Amendment No. 1 Effective Date.

"**Transactions**" means the transactions described on Schedule 1.02C.

"**Treasury Rate**" means, as of any date of determination, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of three months (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)).

"**UCC**" means the Uniform Commercial Code as in effect in the State of New York, or, where applicable to specific Property, any other relevant State.

"**Unfunded Pension Liabilities**" has the meaning assigned to such term in Section 7.10(f).

"**U.S. Tax Compliance Certificate**" has the meaning assigned such term in Section 5.02(f).

"**Vehicle**" means all automobiles, trucks, truck tractors, trailers, semi-trailers, railcars or other motor vehicles or rolling stock (or other assets covered by a certificate of title law of any state).

"Vista Sand" has the meaning assigned such term in the Recitals.

"**Weighted Average Remaining Term**" means, for purposes of meeting the 5 MM Condition, the average amount of time remaining before expiration of the Finished Sand Inventory purchase contracts by one or more Approved Offtakers. For example, suppose Vista Sand has two purchase contracts, one for aggregate remaining minimum volume of 5,000,000 tons and the other for aggregate remaining minimum volume of 10,000,000 tons, for total remaining minimum volume of 15,000,000 tons. The 5,000,000 ton purchase contract expires in five years, and the 10,000,000 ton purchase contract in 10 years. The Weighted Average Remaining Term is calculated as: (5,000,000 tons / 15,000,000 tons) * 5 years + (10,000,000 tons / 15,000,000 tons) * 10 years = 8 1/3 years. For the avoidance of doubt, "remaining minimum" volume means Finished Sand Inventory that has not yet been delivered and shall include only committed volumes.

"**Wholly-Owned Subsidiary**" means any Subsidiary of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by the Borrower or one or more of the Wholly-Owned Subsidiaries or are owned by the Borrower and one or more of the Wholly-Owned Subsidiaries.

"**Winkler Facility**" means a new silica sand mine facility located on the real property described in the Winkler Lease, which facility will (i) include Proved Ore Reserve volumes of 40/70 mesh or 100 mesh of at least 100,000,000 tons as indicated by an internal JORC Code compliant report certified by a Responsible Officer and previously delivered to Administrative Agent prior to the Effective Date (the "**Certified Winkler Compliance Report**"), (ii) have production costs and delivered costs into the Permian Basin substantially similar to or less than the 2016 costs of the facility located on the Granbury Properties and (iii) have production capacity of at least 2,000,000 tons/year.

"**Winkler Facility Material Permits**" shall mean all Governmental Requirements necessary and material to the construction, development, use, operation, ownership, or maintenance and the performance of the Winkler Facility and as listed on Schedule 1.02D.

"**Winkler Lease**" means that certain Lease Agreement, dated and effective as of April 28, 2017, by and between Vista Sand and Hogg Ranch, LLC., as amended by the First Amendment to Lease Agreement, effective as of April 28, 2017.

"**Withholding Agent**" means any Loan Party or the Administrative Agent.

Section 1.03. Terms Generally; Rules of Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" as used in this Credit Agreement shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in the Loan Documents), (b) any reference herein to any law shall be construed as referring to such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to the restrictions contained in the Loan Documents), (d) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) with respect to the determination of any time period, the word "from" means "from and including" and the word "to" means "to and including" and (f) any reference herein to Articles, Sections, Annexes, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement. No provision of this Agreement or any other Loan Document shall be interpreted or construed against any Person solely because such Person or its legal representative drafted such provision.

Section 1.04. Accounting Terms and Determinations; GAAP. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the Financial Statements except for changes in which the Borrower's independent certified public accountants concur and which are disclosed to the Administrative Agent on the next date on which financial statements are required to be delivered to the Lenders pursuant to Section 8.01(a); *provided* that, unless the Borrower and the Required Lenders shall otherwise agree in writing, no such change shall modify or affect the manner in which compliance with the covenants contained herein is computed such that all such computations shall be conducted utilizing financial information presented consistently with prior periods. Such parties agree to negotiate in good faith to amend such computation or determination to preserve the original intent in light of the change in GAAP.

ARTICLE II
THE CREDIT FACILITIES

Section 2.01. Existing Loans; New Commitments; Incremental Commitments; 2018 Incremental Commitments.

(a) As of the Effective Date immediately prior to giving effect to this Agreement, the outstanding principal amount of each Existing Loan owing by the Borrower to each Existing Lender is set forth on Annex I. Subject to the terms and conditions set forth in this Agreement, each Existing Lender

agrees that its Existing Loan shall remain outstanding, be continued as, and constitute, a Loan for all purposes hereunder from and after the Effective Date.

(b) Subject to the terms and conditions set forth in this Agreement, each Lender severally agrees to make a single term loan to the Borrower on the Effective Date (each a "New Loan") in an amount equal to such Lender's New Commitment.

(c) Subject to the terms and conditions set forth in this Agreement, including Sections 6.02, 6.03 and 9.02, each Incremental Lender agrees to make one or more term loans to the Borrower from time to time during the Incremental Loan Availability Period (each an "Incremental Loan"); provided that (i) the principal amount of any Incremental Loan made by any Incremental Lender on the occasion of any Borrowing of Incremental Loans shall not exceed the then-available Incremental Commitment of such Incremental Lender (immediately prior to giving effect to the making of such Incremental Loan) and (iii) the aggregate principal amount of all Incremental Loans made by the Incremental Lenders during the Incremental Loan Availability Period shall not exceed $60,000,000.

(d) Subject to the terms and conditions set forth in Amendment No. 1 and this Agreement, including Sections 6.02 and 9.02, each 2018 Incremental Lender agrees to make a single term loan to the Borrower on the Amendment No. 1 Effective Date (each a "2018 Incremental Loan") in an amount equal to such Lender's 2018 Incremental Commitment.

(e) Amounts repaid or prepaid in respect of the Loans may not be reborrowed.

Section 2.02. Method of Borrowing.¶

(a) To request the Borrowing of New Loans on the Effective Date, the Borrower shall deliver to Administrative Agent a duly completed Borrowing Request Notice prior to 10:00 am (Central Time) two (2) Business Days before the Effective Date.

(b) To request a Borrowing of Incremental Loans, the Borrower shall deliver to the Administrative Agent a duly completed Incremental Borrowing Request Notice prior to 10:00 a.m. (Central Time) five (5) Business Days before the date of the proposed Borrowing; provided, that each Borrowing of Incremental Loans shall be in an aggregate amount that is not less than $20,000,000.

(c) To request the Borrowing of 2018 Incremental Loans on the Amendment No. 1 Effective Date, the Borrower shall deliver to the Administrative Agent a duly completed Borrowing Request Notice prior to 10:00 a.m. (Central Time) two (2) Business Days (or such shorter period as may be approved by the 2018 Incremental Lenders) before the Amendment No. 1 Effective Date.

(d) Upon receipt of a Borrowing Request Notice described in Section 2.02(a), the Administrative Agent shall promptly notify each Lender of the receipt thereof, and such Borrowing Request Notice shall not thereafter be revocable by the Borrower (except as otherwise set forth in that certain Funding Indemnification Letter agreement, dated as of November 7, 2017, among Vista Sand, the Borrower and the Administrative Agent).

(e) Upon receipt of an Incremental Borrowing Request Notice described in Section 2.02(c), the Administrative Agent shall promptly notify each Lender of the receipt thereof, and such Incremental Borrowing Request Notice shall not thereafter be revocable by the Borrower.

(f) Upon receipt of a Borrowing Request Notice for 2018 Incremental Loans described in Section 2.02(c), the Administrative Agent shall promptly notify each 2018 Incremental

Lender of the receipt thereof, and such Borrowing Request Notice shall not thereafter be revocable by the Borrower.

(g) Not later than (i) in the case of the Borrowing of New Loans, 12:00 noon (Central time) on the Effective Date, each Lender shall make available a Loan in the amount of its New Commitment, (ii) in the case of a Borrowing of Incremental Loans, 12:00 noon (Central time) on the date of such Borrowing, each Incremental Lender shall make available the amount of its requested Incremental Loan or (iii) in the case of the Borrowing of 2018 Incremental Loans, 12:00 noon (Central time) on the Amendment No. 1 Effective Date, each 2018 Incremental Lender shall make available a Loan in the amount of its 2018 Incremental Commitment, in each case in funds immediately available to the Administrative Agent at its address set forth herein. Unless Administrative Agent determines that any applicable condition specified in (i) Section 6.02, (ii) in the case of a Borrowing of Incremental Loans, Section 6.03 or (iii) in the case of the Borrowing of 2018 Incremental Loans, Amendment No. 1 has not been satisfied, Administrative Agent will make the funds so received from the applicable Lenders available to the Borrower at Administrative Agent's aforesaid address.

(h) In the event that any Lender fails to fund its share of any Incremental Loan required to be funded by such Lender hereunder (any such unfunded amount, such Lender's "Unfunded Incremental Loan Amount"), the Administrative Agent will fund, or will cause one or more other Lenders that are Affiliates of the Administrative Agent to fund, within five (5) Business Days after the requested Borrowing Date, the Unfunded Incremental Loan Amount of such Lender. Thereafter, the portion of the Unfunded Incremental Loan Amount funded by the Administrative Agent or any other Lender shall constitute a Loan owing to the Administrative Agent or such other Lender.

Section 2.03. Notes. The Existing Loan of each Lender has been evidenced by a Note payable to the order of such Lender in the amount of such Existing Loan. Upon the request of any Lender, the Loans of such Lender shall be evidenced by a Note payable to such Lender.

Section 2.04. Interest Rates; Payments.

(a) The principal amount of the Loans outstanding from day to day shall bear interest (computed on the basis of actual days elapsed in a 365 or 366 day year, as applicable) at a rate per annum equal to the lesser of (x) the sum of the LIBO Rate plus the Applicable Margin and (y) the Highest Lawful Rate, payable in arrears on each Quarterly Payment Date and on the Maturity Date. On each Quarterly Payment Date, (i) all accrued interest other than PIK Interest shall be paid in cash and (ii) accrued interest equal to the PIK Interest Amount shall be paid in kind. All PIK Interest will be capitalized by increasing the outstanding principal amount of the Loans on the relevant Quarterly Payment Date by the PIK Interest Amount payable on such date (including, with respect to the first Quarterly Payment Date after the Effective Date, accrued and unpaid PIK Interest on the Existing Loans outstanding under the Existing Credit Agreement on the Effective Date). Unless the context otherwise requires, for all purposes hereof, references to the "outstanding principal amount" or the "principal amount outstanding" of the Loans includes any PIK Interest so capitalized and added to the principal amount of the Loans from the date on which such interest has been so added. Notwithstanding the foregoing provisions of this subsection, however, without the consent of the Required Lenders, during the continuance of an Event of Default all interest must be paid in cash.

(b) Notwithstanding anything to the contrary set forth in Section 2.04(a), upon the occurrence and during the continuance of an Event of Default, the Indebtedness (whether or not accelerated) shall bear interest (including post-petition interest in any proceeding under Debtor Relief Laws, whether or not allowed in such a proceeding), at a rate per annum equal to the lesser of (i) the sum of (A) the rate provided for in Section 2.04(a) plus (B) 2.0% per annum and (ii) the Highest Lawful Rate.

Interest payable as provided in this Section shall be payable in cash from time to time on demand. Payment or acceptance of the increased rates of interest provided for in this Section is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender.

(c) Notwithstanding the foregoing, if at any time the rate of interest calculated hereunder (as used in this sub-section, the "contract rate") is limited to the Highest Lawful Rate, any subsequent reductions in the contract rate shall not reduce the rate of interest on the Loans below the Highest Lawful Rate until the total amount of interest accrued equals the amount of interest which would have accrued if the contract rate had at all times been in effect. In the event that at maturity (stated or by acceleration), or at final payment of any Loan, the total amount of interest paid or accrued on such Loan is less than the amount of interest which would have accrued if the contract rate had at all times been in effect with respect thereto, then at such time, to the extent permitted by Law, the Borrower shall pay to the holder of such Loan an amount equal to the difference between (i) the lesser of the amount of interest which would have accrued if the contract rate had at all times been in effect and the amount of interest which would have accrued if the Highest Lawful Rate had at all times been in effect, and (ii) the amount of interest actually paid on such Loan.

Section 2.05. Mandatory Termination of Commitments; Maturity.¶

(a) The New Commitment of each Lender shall terminate immediately after the funding of its New Loan on the Effective Date. The Incremental Commitment of each Lender shall terminate on the Incremental Commitment Expiration Date; provided that, on the date of each Borrowing of Incremental Loans, the portion of the Incremental Commitments being funded pursuant to such Borrowing shall terminate immediately after the funding of such Incremental Loans. The 2018 Incremental Commitment of each 2018 Incremental Lender shall terminate immediately after the funding of its 2018 Incremental Loan on the Amendment No. 1 Effective Date.

(b) The outstanding principal balance of the Loans, all accrued but unpaid interest thereon, and all other Indebtedness shall be due and payable in full on the Maturity Date.

Section 2.06. Application of Payments.¶

(a) The Borrower shall make each payment of principal of, and interest on, the Loans and all fees payable by the Borrower hereunder not later than 12:00 p.m. (Eastern time) on the date when due, in funds immediately available to the Administrative Agent at its address set forth herein. Administrative Agent will promptly (and if such payment is received by Administrative Agent by 12:00 p.m. (Eastern time), and otherwise if reasonably possible, on the same Business Day) distribute to each Lender its proportionate share or, in the case of any fee, other appropriate share of each such payment received by Administrative Agent for the account of Lenders. Whenever any payment of principal of, or interest on, any Loans shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. If the date for any payment of principal is extended by operation of Law or otherwise, interest thereon shall be payable for such extended time. All amounts payable by the Borrower under the Loan Documents (whether principal, interest, fees, expenses, or otherwise) shall be paid in full, without set-off or counterclaim. Amounts repaid on account of the Loans may not be reborrowed.

(b) Prior to the occurrence of an Event of Default, all principal payments received by Lenders with respect to the Loans shall be applied to the Loans of each Lender ratably in accordance with the amounts thereof.

(c) After the occurrence of an Event of Default, all amounts collected or received by Administrative Agent or any Lender from any Loan Party or in respect of any of the assets of any Loan Party shall be applied in the following order:

(i) *first*, to the payment of all fees, indemnities, expenses and other amounts payable to the Administrative Agent (including fees, expenses, and disbursements of counsel to the Administrative Agent) and all amounts due the Administrative Agent under Section 12.03;

(ii) *second*, to the payment of all fees, indemnities, expenses and other amounts (other than principal and interest) payable to Lenders (including fees, expenses, and disbursements of counsel to Lenders) ratably among them in proportion to the respective amounts described in this clause second payable to them;

(iii) *third*, to the reimbursement of any advances made by Lenders to effect performance of any unperformed covenants of any Loan Party under any of the Loan Documents;

(iv) *fourth*, to (A) accrued and unpaid interest on the Loans and (B) unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause fourth payable to them; and

(v) *last*, the balance, if any, after all of the Indebtedness has been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Section 2.07. [Reserved].¶

Section 2.08. OID.¶ The Borrower and the Lenders intend that (i) the Loans are debt for federal income Tax purposes, (ii) the Notes issued to the Lenders constitute a single debt instrument for purposes of Sections 1271 through 1275 of the Internal Revenue Code and the Treasury Regulations thereunder (pursuant to Treasury Regulations Section 1.1275-2(c)), (iii) such debt instrument shall be treated as issued with original issue discount ("**OID**"), (iv) to the extent permissible and in accordance with applicable law, such debt instrument shall be treated as described in Treasury Regulations Section 1.1272-1(d) and therefore treated as governed by the rules set out in Treasury Regulations Section 1.1272-1(d),, and not treated as governed by the rules set out in Treasury Regulations Section 1.1275-4, (v) any calculation by the Borrower regarding the amount of OID for any accrual period on the Loan shall be subject to the review and comment of the Administrative Agent, and (vi) the Borrower and the Lenders agree not to take any action or file any Tax return, report or declaration inconsistent with this Section 2.08 (including with respect to the amount of OID on the Loan as determined in accordance with the preceding clause (v)). The inclusion of this Section 2.08 is not an admission by any Lender that it is subject to United States taxation.

Section 2.09. Defaulting Lenders.¶ Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then, for so long as such Lender is a Defaulting Lender, the Commitment of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 12.02); provided that, except as otherwise provided in Section 12.02, this Section 2.09 shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender directly affected thereby.

ARTICLE III
REPAYMENTS; PREPAYMENTS

Section 3.01. Repayment of Indebtedness.¶

(a) Quarterly Repayments. On each Quarterly Payment Date, commencing with the Quarterly Payment Date on March 1, 2019 and ending on the last Quarterly Payment Date before the Maturity Date, the Borrower shall repay the principal of the Loans in an amount equal to:

(i) for each Quarterly Payment Date during the period from and including March 1, 2019 to and including March 1, 2020, 1.75% of the Total Loan Amount; and

(ii) for each Quarterly Payment Date thereafter, 2.5% of the Total Loan Amount.

(b) Excess Cash Flow Prepayments.

(i) On the second Quarterly Payment Date of each fiscal year commencing with the Quarterly Payment Date on June 1, 2020, the Borrower shall offer to prepay the Loans in accordance with this Section 3.01(b) in an amount equal to 50% of Consolidated Excess Cash Flow for the most recently ended fiscal year.

(ii) In connection with any offer to make a prepayment required by clause (i) above, the Borrower shall provide prior written or telephonic notice thereof, in each case given to the Administrative Agent on the applicable Quarterly Payment Date. Each such notice shall include the calculation of the amount of Consolidated Excess Cash Flow giving rise to the prepayment offer and the amount that is available to prepay the Loans. In the event that the Borrower shall subsequently determine that the actual amount of Consolidated Excess Cash Flow exceeded the amount set forth in such notice, the Borrower shall promptly make an additional offer to prepay the Loans in an amount equal to such excess, and the Borrower shall concurrently therewith deliver to the Administrative Agent a notice of offer to make such prepayment demonstrating the calculation of such excess.

(iii) Each Lender, in its sole discretion, may, but is not obligated to, decline the Borrower's offer to make any prepayment pursuant to this Section 3.01(b), in each case, with respect to such Lender's pro rata share of such prepayment. Promptly after the date of receipt of the notice required by clause (ii) of this Section 3.01(b), the Administrative Agent shall provide written notice (the "**First Offer**") to the Lenders of the amount available to prepay the Loans within one (1) Business Day of receipt of the applicable notice. Any Lender declining such prepayment (a "**Declining Lender**") shall give written notice thereof to the Administrative Agent by 10:00 a.m. (Central time) no later than five (5) Business Days after the date of such notice from the Administrative Agent (the "**First Offer Deadline**") and on such date the Administrative Agent shall provide notice to the Borrower of the aggregate amount accepted for prepayment pursuant to the First Offer. The Borrower shall prepay the Loans accepted for prepayment pursuant to the First Offer no later than the date specified for such prepayment in the First Offer in the amount set forth in the applicable notice from the Administrative Agent. Additionally, on the First Offer Deadline (or earlier if the Administrative Agent has received responses from all Lenders) the Administrative Agent shall then provide written notice (the "**Second Offer**") to the Lenders other than the Declining Lenders (such Lenders being the "**Accepting Lenders**") of the additional amount available (due to such Declining Lenders' declining such prepayment) to prepay Loans owing to such Accepting Lenders, such available amount to be allocated on a pro

rata basis among the Accepting Lenders that accept the Second Offer. Any Lenders declining prepayment pursuant to such Second Offer shall give written notice thereof to the Administrative Agent by 10:00 a.m. (Central time) no later than five (5) Business Days after the date of such notice of a Second Offer. The Borrower shall prepay the Loans accepted for prepayment pursuant to the Second Offer within one Business Day after its receipt of notice from the Administrative Agent of the aggregate amount of such prepayment. Amounts remaining after the allocation of accepted amounts with respect to the First Offer and the Second Offer to Accepting Lenders shall be retained by the Borrower.

(c) If any principal or interest amount payable on the Loans remains outstanding at the Maturity Date, such amount shall be paid in full by the Borrower to the Lenders in immediately available funds on the Maturity Date.

Section 3.02. Mandatory Prepayments.

(a) Unless the Required Lenders shall otherwise agree, if (i) any Debt (excluding any Debt permitted pursuant to Section 9.03) shall be incurred by the Borrower or any Subsidiary, or (ii) any Asset Sale shall occur, then within five (5) Business Days after the date of such incurrence or Asset Sale, the Borrower shall prepay the principal amount of the Loans in an amount equal to the amount of the Net Cash Proceeds of such incurrence or Asset Sale; provided, however, that, upon written notice by the Borrower to the Administrative Agent not less than five (5) Business Days after the date of receipt of any Net Cash Proceeds, such proceeds may be retained by the Borrower and its Subsidiaries (and be excluded from the prepayment requirements of this clause) if (w) the Borrower informs the Administrative Agent in such notice of its good faith intention to apply (or cause one or more of its Subsidiaries to apply) such Net Cash Proceeds to the acquisition of other Property or, in the case of Net Cash Proceeds as a result of a Recovery Event, to use such Net Cash Proceeds to repair the affected assets of Borrower or any Subsidiary, (x) within 180 days following the receipt of such Net Cash Proceeds, such proceeds are either applied to such acquisition or repair or the Borrower or a Loan Party has entered into a bona fide binding contract not prohibited by this Agreement committing to make the acquisition or repair with a Person other than a Loan Party or any Affiliate of a Loan Party and such Net Cash Proceeds are subsequently applied in accordance with such contract within ninety (90) days after the date such agreement is entered into, (y) if such proceeds are not applied to such acquisition or repair in accordance with the foregoing, the Borrower shall prepay the principal amount of the Loans in an amount equal to the amount of such proceeds not so applied and (z) in the case of Net Cash Proceeds received as a result of an Asset Sale, such proceeds being applied or committed to an acquisition do not exceed $5,000,000 during any period of twelve (12) consecutive calendar months. The provisions of this Section 3.02(a) do not constitute a consent to the incurrence of any Debt or any Asset Sale not otherwise permitted by the terms hereof.

(b) Unless the Required Lenders shall otherwise agree, if on any date any Loan Party shall receive a Purchase Price Refund which yields aggregate proceeds to any Loan Party or any of its Subsidiaries in excess of $3,000,000, then, not less than five (5) Business Days after the date of receipt by such Person of such Purchase Price Refund, the Borrower shall prepay the principal amount of the Loans in an amount equal to the amount of such Purchase Price Refund. The provisions of this Section 3.02 do not constitute a consent to the consummation of any disposition of Property or series of related dispositions of Property not permitted by the terms of this Agreement.

(c) Upon the occurrence of a Change in Control, the Borrower shall immediately prepay the outstanding principal amount of the Loans.

(d) Each prepayment of the Loans pursuant to this Section 3.02 shall be applied in accordance with Section 2.06 and shall be accompanied by payment of accrued interest to the Prepayment Date on the principal amount prepaid.

Section 3.03. Voluntary Prepayments.

(a) The Borrower may, subject to Section 3.03(b) and the other provisions of this Agreement, upon not less than fifteen (15) Business Days' advance notice (or such shorter period as may be approved by the Administrative Agent in its sole discretion) to the Administrative Agent (who shall promptly notify each Lender), prepay the principal of the Loans in whole or in part. Any partial prepayment shall be in a minimum amount of $1,000,000 and shall be in an integral multiple of $500,000.

(b) Subject to prior notice in accordance with Section 3.03(a), the Borrower may prepay the Loans at any time, and any prepayment made pursuant to Section 3.03(a) shall be made together with the Applicable Premium; provided, however, that, for the avoidance of doubt, the continuation of the Existing Loans as Loans hereunder as of the Effective Date shall not constitute a prepayment of the Existing Loans.

(c) Each prepayment pursuant to this Section 3.03 shall be made, together with accrued interest to the date of payment, as set forth in Section 2.06.

ARTICLE IV
PAYMENTS; PRO RATA TREATMENT; SHARING OF SET-OFFS

Section 4.01. Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

(a) Payments by the Borrower. The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees, or of amounts payable under Section 5.01, Section 5.02 or otherwise) prior to 12:00 p.m., Central time, on the date when due, in immediately available funds, without defense, deduction, recoupment, set-off or counterclaim. Fees, once paid, shall be fully earned and shall not be refundable under any circumstances. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices specified in Section 12.01, except that payments pursuant to Section 5.01, Section 5.02 and Section 12.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) Application of Insufficient Payments. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amount of principal then due to such parties.

(c) Sharing of Payments by Lenders. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of, or interest on, any of its Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of

its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this Section 4.01(c) shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this Section 4.01(c) shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

Section 4.02. Presumption of Payment by the Borrower. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the rate then applicable to the Loans, determined as if any PIK Interest were payable in cash.

Section 4.03. Disposition of Proceeds. The Mortgages contain an assignment by the Loan Parties that are party thereto unto and in favor of the Administrative Agent, for the benefit of the Secured Parties, of all of such Loan Parties' interest in and to production and all proceeds attributable thereto which may be produced from or allocated to the Mortgaged Property. The Security Instruments further provide in general for the application of such proceeds to the satisfaction of the Indebtedness and other obligations described therein and secured thereby. Notwithstanding the assignment contained in such Security Instruments, until the occurrence of an Event of Default, (a) the Administrative Agent and the Lenders agree that they will neither notify the purchaser or purchasers of such production nor take any other action to cause such proceeds to be remitted to the Administrative Agent or the Lenders, but the Administrative Agent and the Lenders will instead permit such proceeds to be paid to the applicable Loan Parties and the Lessor and (b) the Lenders hereby authorize the Administrative Agent to take such actions as may be necessary to cause such proceeds to be paid to the applicable Loan Parties and the Lessor.

ARTICLE V
INCREASED COSTS; TAXES; ILLEGALITY

Section 5.01. Increased Costs.

(a) Changes in Law. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender; or

(ii) impose on any Lender any other condition affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by such Lender (whether of principal, interest or otherwise), *then* the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy or liquidity), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates. As promptly as practical, after a Lender obtains knowledge of the facts that entitle it to compensation under this Section 5.01, but in any event within ninety (90) days after such Lender acquires such knowledge, such Lender shall provide Borrower with a certificate which identifies the factual basis for its claim, the amount or amounts that such Lender has reasonably determined will compensate hereunder, and the manner in which such amount or amounts have been calculated. Any Lender claiming additional compensation under this Section 5.01 shall use reasonable efforts (consistent with legal and regulatory restrictions) to reduce or eliminate any such additional compensation which may thereafter accrue and which efforts would not, in the sole discretion of such Lender, be otherwise. A certificate setting forth the basis for determining such amounts necessary to compensate such Lender (including the calculations used to arrive at such additional amounts and the assumptions on which such calculations were based), submitted to the Borrower by the Administrative Agent, shall be conclusive evidence, absent manifest error, of the correctness of such amount. The Borrower shall pay such Lender the amount shown as due on any such certificate within 20 Business Days after receipt thereof.

(d) Effect of Failure or Delay in Requesting Compensation. Failure or delay on the part of any Lender to demand compensation pursuant to this Section 5.01 shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender pursuant to this Section 5.01 for any increased costs or reductions incurred more than 180 days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; *provided further* that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 5.02. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower or any Guarantor under any Loan Document shall be made free and clear of and without deduction or withholding for any Taxes, including any Indemnified Taxes or Other Taxes; *provided* that if the Borrower or any Guarantor shall be required under applicable law to deduct any Taxes from such payments, then (i) if such Taxes are an Indemnified Tax or Other Taxes, the sum

payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 5.02(a)), the Administrative Agent or Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower or such Guarantor shall make such deductions and (iii) the Borrower or such Guarantor shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) Payment of Other Taxes by the Borrower. The Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent and each Lender within 10 Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes payable or paid by the Administrative Agent, or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 5.02) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate of the Administrative Agent or a Lender as to the amount of such payment or liability under this Section 5.02 shall be delivered to the Borrower and shall be conclusive absent manifest error; *provided* that the Borrower shall not have any obligation to indemnify the Administrative Agent or such Lender for any amounts paid by the Administrative Agent or such Lender under this Section 5.02 more than two years prior to the date the Administrative Agent or such Lender notifies the Borrower of the amount of such payment.

(d) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower or a Guarantor to a Governmental Authority pursuant to this Section 5.02, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Withholding Agent, at the time or times reasonably requested by the Withholding Agent, such

properly completed and executed documentation reasonably requested by the Withholding Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Withholding Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Withholding Agent as will enable the Withholding Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.02(f)(ii)(A) and (ii)(B) and Section 5.02(g) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a "United States person" as defined in Section 7701(a)(30) of the Code,

(A) any Lender that is a "United States person" as defined in Section 7701(a)(3) of the Code shall deliver to the Withholding Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from United States federal backup withholding Tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Withholding Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income Tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of the applicable IRS Form W-8 establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the "interest" article of such Tax treaty and (y) with respect to any other applicable payments under any Loan Document, the applicable IRS Form W-8 establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the "business profits" or "other income" article of such Tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent equityholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (together with any certificate substantially in the form of Exhibit F-2, F-3, or F-4, a "**U.S. Tax Compliance Certificate**") and (y) executed originals of IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by the applicable IRS Form W-8 or IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 on behalf of each such direct and indirect partner; and

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Withholding Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in United States federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Withholding Agent to determine the withholding or deduction required to be made.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Withholding Agent in writing of its legal inability to do so.

(g) FATCA. If a payment made to a Lender under this Agreement would be subject to United States Federal withholding Tax imposed by FATCA if such Lender fails to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Withholding Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Withholding Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Withholding Agent as may be necessary for the Withholding Agent to comply with its obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA and to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 5.02(g), "**FATCA**" shall include any amendments made to FATCA after the date of this Agreement.

(h) Survival. Each party's obligations under this Section 5.02 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 5.03. Mitigation Obligations. Each Lender may make any Loans to the Borrower through any Lending Office, *provided* that the exercise of this option shall not affect the obligation of the Borrower to repay Loans in accordance with the terms of this Agreement. If any Lender requests compensation under Section 5.01, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 5.01 or Section 5.02, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not

otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 5.04. Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its applicable Lending Office to honor its obligation to make or maintain Loans, then such Lender shall promptly notify the Borrower and the Administrative Agent thereof and such Lender's obligation to make such Loans shall be suspended (the "**Affected Loans**") until such time as such Lender may again make and maintain such Loans.

ARTICLE VI
CONDITIONS PRECEDENT

Section 6.01. Effective Date. This Agreement and the obligations of the Lenders to continue the Existing Loans shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 12.02):

(a) the Administrative Agent and the Lenders shall have received all commitment, facility, structuring and agency fees and all other fees and amounts due and payable on or prior to the Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder (including, without limitation, the reasonable fees and expenses of Akin Gump Strauss Hauer & Feld, LLP and Sidley Austin LLP, counsel to the Administrative Agent);

(b) the Administrative Agent shall have received a certificate of the Secretary, an Assistant Secretary or other officer of each Loan Party setting forth (i) resolutions of its board of directors (or comparable governing body) with respect to the authorization of such Loan Party to execute and deliver the Loan Documents to which it is a party and to enter into the transactions contemplated in those documents, (ii) the officers of such Loan Party (y) who are authorized to sign the Loan Documents to which such Loan Party is a party and (z) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (iii) specimen signatures of such authorized officers, (iv) the Organizational Documents of such Loan Party, certified as being true and complete and (v) a list of the officers and directors of each Loan Party. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from the Borrower to the contrary;

(c) the Administrative Agent shall have received certificates of the appropriate State agencies with respect to the existence, qualification and good standing of each Loan Party;

(d) the Administrative Agent shall have received from each party hereto counterparts (in such number as may be reasonably requested by the Administrative Agent) of this Agreement signed on behalf of each party thereto;

(e) with respect to each Lender that has requested a Note in respect of its Loans and/or Commitments hereunder, the Administrative Agent shall have received a duly executed Note payable to the order of such Lender in the principal amount equal to such Loans and/or Commitments dated as of the date hereof;

(f) the Administrative Agent shall have received from each party thereto duly executed counterparts (in such number as may be reasonably requested by the Administrative Agent) of the Security Instruments required as of the Effective Date, including the Pledge Agreement, the Security

Agreement and the Guaranty Agreement. In connection with the execution and delivery of such Security Instruments, the Administrative Agent shall be reasonably satisfied that the Security Instruments will, when properly recorded (or when the applicable financing statements related thereto are properly filed or such other actions needed to perfect are taken) create perfected Liens (subject only to Excepted Liens identified in clauses (a) to (c) of the definition thereof, but subject to the provisos at the end of such definition) on the Property purported to be pledged as Collateral pursuant to the Security Instruments;

(g) the Administrative Agent shall have received an opinion of Haynes and Boone, LLP, special counsel to the Borrower, in form and substance reasonably acceptable to the Administrative Agent and its counsel;

(h) the Administrative Agent shall have received a certificate of insurance coverage of the Loan Parties evidencing that the Loan Parties are carrying insurance reasonably acceptable to the Administrative Agent;

(i) the Administrative Agent shall have completed a review of title regarding the Sand Properties and such review shall not have revealed any condition or circumstance which would make the representations and warranties contained in Section 7.16 inaccurate in any respect;

(j) the Administrative Agent shall be reasonably satisfied with the environmental condition of the Sand Properties of the Loan Parties;

(k) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying that the Borrower has received all consents and approvals referred to in Section 7.03;

(l) the Administrative Agent shall have received counterparts (in such number as may be reasonably requested by the Administrative Agent) of the Assumption Agreement signed on behalf of such party;

(m) the Administrative Agent shall have received the financial statements referred to in Section 7.04(a) and the Initial Reserve Report accompanied by a certificate covering the matters described in Section 8.12(b);

(n) the Administrative Agent shall have received appropriate UCC search certificates, fixture filing, judgment, tax and county-level real property record search results reflecting no Liens encumbering the Properties of the Loan Parties for each jurisdiction requested by the Administrative Agent; other than those being assigned or released on or prior to the Effective Date or Liens permitted by Section 9.04 and bankruptcy and litigation searches in form and substance satisfactory to the Administrative Agent;

(o) on the Effective Date, none of the Loan Parties shall have any Debt (other than the Indebtedness or other Debt permitted hereunder);

(p) the Administrative Agent shall have received duly executed counterparts of (a) an amended and restated Blocked Account Control Agreement with respect to each of the Borrower's and Non-Logistics Subsidiary Guarantor's deposit accounts (other than Excluded Accounts (as such term is defined in the Security Agreement)) and (ii) the Intercreditor Agreement, in each case signed on behalf of each party thereto;

(q) there shall not have occurred any Material Adverse Effect;

(r) all governmental and third party approvals necessary in connection with the Transactions, the financing contemplated hereby and the continuing operations of the Loan Parties (including equityholder approvals, if any) shall have been obtained on terms reasonably satisfactory to the Administrative Agent and shall be in full force and effect;

(s) the Administrative Agent shall have received, and satisfactorily completed its review of, information regarding ownership, business operations, business prospects, litigation, Tax, accounting, labor, insurance, pension liabilities (actual or contingent), real estate leases, Material Contracts, debt agreements, property ownership, and contingent liabilities of the Borrower and its Subsidiaries;

(t) the Administrative Agent and the Lenders shall have received a pro forma balance sheet as to Parent and the Consolidated Subsidiaries after giving effect to all elements of the Transactions to be consummated on or before the Effective Date (including consolidating information that summarizes in reasonable detail the differences between the information relating to Parent and the Consolidated Subsidiaries, on the one hand, and the information relating to Borrower and its consolidated Subsidiaries, on a standalone basis), and forecasts prepared by management of the Borrower of balance sheets and income statements on a quarterly basis for the first year following the Effective Date and on an annual basis for each year thereafter during the term of this Agreement;

(u) the Administrative Agent shall have received a certificate of a Financial Officer setting forth reasonably detailed calculations demonstrating that the consolidated leverage ratio of the Parent and its Subsidiaries (determined in the same manner as the Consolidated Leverage Ratio of the Borrower and its Subsidiaries hereunder) as of September 30, 2017 is not greater than 3.00:1.00;

(v) the Administrative Agent shall have received such evidence of management background and credit reports as it determines to be necessary in its sole discretion;

(w) the Administrative Agent shall have received copies of any additional Major Material Contracts entered into following March 1, 2017 that are then in existence, in each case certified as being true, complete and correct, each in form and substance satisfactory to the Administrative Agent;

(x) the Administrative Agent shall have received final approval of the ARCC Investment Committee;

(y) the Administrative Agent shall have received the Capital Expenditure Plan in form and substance reasonably acceptable to the Administrative Agent;

(z) the Administrative Agent shall have received non-compete agreements executed by each of Gary Humphreys and Martin Robertson (each, a "**Non-Compete Agreement**") with respect to (i) operation of competing sand mines and sand processing ventures and (ii) business and acquisition opportunities, in form and substance reasonably acceptable to the Administrative Agent (or the Administrative Agent shall be reasonably satisfied that any such agreement entered into in connection with the Existing Credit Agreement remains in full force and effect);

(aa) the Administrative Agent shall be reasonably satisfied that the Specified Equity Transactions have been consummated, on terms and conditions satisfactory the Administrative Agent;

(bb) the legal, corporate and capital structure of the Loan Parties shall be consistent with the structure disclosed to the Administrative Agent prior to the Effective Date; and

(cc) the Administrative Agent shall have received such other documents as the Administrative Agent may reasonably request.

Without limiting the generality of the provisions of Section 11.04, for purposes of determining compliance with the conditions specified in this Section 6.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required under this Section 6.01 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the Effective Date specifying its objection thereto. All documents executed or submitted pursuant to this Section 6.01 by and on behalf of the Borrower or any of its Subsidiaries shall be in form and substance reasonably satisfactory to the Administrative Agent. The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding.

Section 6.02. Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing (including the funding of the New Loans on the Effective Date, the funding of any Incremental Loans that the applicable Incremental Lenders have agreed to make, and the funding of the 2018 Incremental Loans on the Amendment No. 1 Effective Date), is subject to the satisfaction of the following conditions:

(a) at the time of and immediately after giving effect to such Borrowing, no Default shall have occurred and be continuing;

(b) at the time of and immediately after giving effect to such Borrowing, no event, development or circumstance has occurred or shall then exist that has resulted in, or could reasonably be expected to have, a Material Adverse Effect;

(c) the representations and warranties of the Loan Parties set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the date of such Borrowing, except that (i) to the extent any such representations and warranties are expressly limited to an earlier date, then on and as of the date of such Borrowing, such representations and warranties shall continue to be true and correct in all material respects as of such specified earlier date and (ii) to the extent that any such representation and warranty is qualified by materiality, such representation and warranty shall continue to be true and correct in all respects;

(d) the making of such Loan shall not be prohibited by any applicable Governmental Requirement, and no litigation shall be pending or threatened, which does or, with respect to any threatened litigation, seeks to, enjoin, prohibit or restrain, the making or repayment of any Loan or any participations therein or the consummation of the transactions contemplated by this Agreement or any other Loan Document; and

(e) the receipt by the Administrative Agent of a Borrowing Request Notice in accordance with Section 2.02.

Each request for a Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters, and to the extent, specified in Section 6.02(a) through (d).

Section 6.03. Incremental Loan. The obligations of the Lenders to make any Incremental Loans hereunder shall (x) not become effective until the date on which each of the conditions set forth in Section 6.01 and Section 6.02 are satisfied (or waived in accordance with Section 12.02) and (y) be subject to and conditioned upon each of the following conditions (or waiver thereof in accordance with Section 12.02) at the time of any such Incremental Loan:

(a) Administrative Agent shall have received Schedule 1.02D, the schedule of Winkler Facility Material Permits required for the Winkler Facility, together with (A) copies of each such Winkler Facility Material Permit listed on Part I of Schedule 1.02, each of which is in full force and effect and not subject to unsatisfied condition or, to the Borrower's knowledge, appeal and (B) a certificate, signed by a Responsible Officer of the Borrower, stating that, (w) the Winkler Facility Material Permits as set forth on Part I of Schedule 1.02 constitute all of the Winkler Facility Material Permits which are, in such Responsible Officer's opinion, in light of the status of the Winkler Facility as of the date thereof, required to have been obtained pursuant to applicable Governmental Requirements as of such date, (x) Part II of Schedule 1.02 lists all other Winkler Facility Material Permits required for the construction, development, use, operation, ownership, or maintenance and the performance of the Winkler Facility after the date thereof as contemplated as of the date thereof, and (y) the Winkler Facility Material Permits listed in Part II of Schedule 1.02 are, in such Responsible Officer's opinion, in light of the status of the Winkler Facility as of the date thereof, obtainable not later than required by the applicable Governmental Authority without substantial difficulty, expense or delay and in a manner to allow the performance of the transactions contemplated thereby to proceed in accordance with the Capital Expenditure Plan and (z) the Winkler Facility Material Permits are not subject to any significant or material restriction, condition, limitation or pending written claims which could reasonably be expected to result in a Material Adverse Effect;

(b) With respect to any of the Winkler Facility Material Permits not yet required as of the date of such Borrowing and listed in Part II of Schedule 1.02, the Borrower, in its reasonable determination, has no reasonable basis to believe that any such Winkler Facility Material Permits will not be obtained (or obtained with substantial difficulty, expense or delay) and will be obtained and in a manner to allow the transactions contemplated thereby to proceed in accordance with the Capital Expenditure Plan;

(c) The Administrative Agent shall have received the Certified Winkler Compliance Report and certification from a Responsible Officer that the conditions set forth in the definition of "Winkler Facility" have been satisfied;

(d) The Administrative Agent shall have received a Note executed by the Borrower in favor of each Incremental Lender requesting a Note;

(e) The Loan Parties shall have used their best efforts to deliver to the Administrative Agent the items required to be delivered by Section 8.18 and the Loan Parties shall be in compliance in all material respects with Section 8.18; and

(f) The Administrative Agent shall have received with respect to the Borrower certificates of good standing as of a recent date issued by the appropriate Governmental Authority of the state or jurisdiction of its incorporation or organization, where applicable.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

Each of Parent and the Borrower represents and warrants to the Lenders that:

Section 7.01. Organization; Powers. Each of the Loan Parties is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority, and has all material governmental licenses, authorizations, consents and approvals necessary, to own its assets and to carry on its business as now conducted, and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except where failure

to have such power, authority, licenses, authorizations, consents, approvals and qualifications could not reasonably be expected to have a Material Adverse Effect.

Section 7.02. Authority; Enforceability. The Transactions are within the Loan Parties' respective limited partnership or limited liability company powers and have been duly authorized by all necessary limited partnership or limited liability company and, if required, equityholder action (including, without limitation, any action required to be taken by any class of directors of the Borrower or any other Person, whether interested or disinterested, in order to ensure the due authorization of the Transactions). Each Loan Document to which any Loan Party is a party has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable Debtor Relief Laws and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 7.03. Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person (including equityholders, members, partners or any class of directors or managers, whether interested or disinterested, of the Borrower or any other Person), nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of any Loan Document or the consummation of the transactions contemplated thereby, except such as have been obtained or made and are in full force and effect other than (i) the recording and filing of the Security Instruments as required by this Agreement and (ii) those third party approvals or consents which, if not made or obtained, would not cause a Default hereunder, could not reasonably be expected to have a Material Adverse Effect and would not have an adverse effect on the enforceability of the Loan Documents, (b) will not violate any applicable law or regulation or the Organizational Documents of any Loan Party or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture or other material agreement binding upon any Loan Party or its Properties, or give rise to a right thereunder to require any payment to be made by any Loan Party and (d) will not result in the creation or imposition of any Lien on any material Property of any Loan Party (other than the Liens created by the Loan Documents).

Section 7.04. Financial Condition; No Material Adverse Change.

(a) The Borrower has heretofore furnished to the Lenders (i) the consolidated balance sheet of Vista Sand and its subsidiaries as of December 31, 2016 and 2015, and the related consolidated statements of income and changes in partners' capital and cash flows for the years then ended, reported on by Whitley Penn LLP, independent public accountants, and (ii) the unaudited consolidated and consolidating balance sheet of Parent and its subsidiaries and related consolidated and consolidating segment statement of operations as of and for the fiscal quarters ended March 31, 2017 and June 30, 2017, certified by its chief financial officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the unaudited quarterly financial statements.

(b) Since December 31, 2015, (i) there has been no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect and (ii) the business of the Borrower and the other Loan Parties has been conducted only in the ordinary course consistent with past business practices.

(c) No Loan Party has on the date hereof any material Debt (including Disqualified Capital Stock) or any contingent liabilities, off-balance sheet liabilities or partnerships, liabilities for

Taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in the Financial Statements.

Section 7.05. Litigation.¶

(a) Except as set forth on Schedule 7.05, there are no actions, suits, investigations or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting any Loan Party or the Lessor (i) not fully covered by insurance (except for normal deductibles) as to which there is a reasonable possibility of an adverse determination that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (ii) that involve any Loan Document or the Transactions or (iii) that could impair the consummation of the Transactions.

(b) Since the date of this Agreement, there has been no change in the status of the matters disclosed in Schedule 7.05 that, individually or in the aggregate, has resulted in a Material Adverse Effect.

Section 7.06. Environmental Matters.¶Except as set forth on Schedule 7.06:

(a) the Loan Parties and each of their respective Properties and operations thereon are, and within all applicable statute of limitation periods have been, in material compliance with all applicable Environmental Laws;

(b) the Loan Parties have obtained all Environmental Permits required for their respective operations and each of their Properties, with all such Environmental Permits being currently in full force and effect, and none of the Borrower or the other Loan Parties has received any written notice or otherwise has knowledge that any such existing Environmental Permit will be revoked or that any application for any new Environmental Permit or renewal of any existing Environmental Permit will be protested or denied;

(c) there are no material claims, demands, suits, orders, inquiries, or proceedings concerning any violation of, or any liability (including as a potentially responsible party or any liability for investigation, remediation, removal, abatement, or monitoring of Hazardous Materials) under, any applicable Environmental Laws that is pending or, to the Borrower's knowledge, threatened against any Loan Party or any of their respective Properties or as a result of any operations at such Properties;

(d) none of the Properties of the Loan Parties contain any: (i) underground storage tanks; (ii) asbestos-containing materials; (iii) landfills or dumps; (iv) hazardous waste management units as defined pursuant to RCRA or any comparable state law; or (v) sites on or nominated for the National Priorities List promulgated pursuant to CERCLA or any state remedial priority list promulgated or published pursuant to any comparable state law;

(e) there has been no material Release or, to the Borrower's knowledge, threatened Release, of Hazardous Materials at, on, under or from the Loan Parties' Properties, there are no investigations, remediations, abatements, removals, or monitorings of Releases of Hazardous Materials required under applicable Environmental Laws at such Properties and, to the knowledge of the Borrower, none of such Properties are adversely affected by any material Release or threatened Release of a Hazardous Material originating or emanating from any other real property;

(f) there has been no material exposure of any Person or Property to any Hazardous Materials as a result of or in connection with the operations and businesses of any of the Loan Parties'

Properties that could reasonably be expected to form the basis for a claim for damages or compensation; and

(g) the Loan Parties have provided to the Lenders complete and correct copies of all material environmental site assessment reports, investigations, studies, analyses, and correspondence on environmental matters (including matters relating to any alleged non-compliance with or liability under Environmental Laws) that are in any of the Borrower's or any other Loan Party's possession or control and relating to their respective Properties or operations thereon.

Section 7.07. Compliance with the Laws and Agreements; No Defaults.

(a) Each of the Loan Parties (i) to its knowledge, is in material compliance with all Governmental Requirements applicable to it or its Property and all agreements and other instruments binding upon it or its Property, and (ii) possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations, in each case, necessary for the ownership of its Property and the conduct of its business.

(b) None of the Loan Parties is in default nor has any event or circumstance occurred which, but for the expiration of any applicable grace period or the giving of notice, or both, would result in or permit the acceleration of the maturity of or would require the Borrower or any other Loan Party to Redeem or make any offer to Redeem under any indenture, note, credit agreement or instrument pursuant to which any Material Indebtedness is outstanding or by which the Borrower or any other Loan Party or any of their Properties is bound.

(c) No Default has occurred and is continuing.

(d) No Major Material Contract EOD occurred.

Section 7.08. Investment Company Act. None of the Loan Parties is an "investment company" or a company "controlled" by an "investment company," within the meaning of, or subject to regulation under, the Investment Company Act of 1940.

Section 7.09. Taxes. Each of the Loan Parties has timely filed or caused to be filed all Tax returns and reports required by applicable law to have been filed, where such Tax returns accurately reflect in all material respects all liabilities for Taxes of the Loan Parties for the periods covered thereby, and has paid or caused to be paid all Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such other Loan Party, as applicable, has set aside on its books adequate reserves in accordance with GAAP. The charges, accruals and reserves on the books of the Loan Parties in respect of Taxes and other governmental charges are, in the reasonable opinion of the Borrower, adequate. No Tax Lien has been filed and, to the knowledge of the Borrower, no claim is being asserted with respect to any such Tax or other such governmental charge.

Section 7.10. ERISA.

(a) Each Plan is in compliance in all respects with the applicable provisions of ERISA, the Code and other applicable laws, except for such noncompliance as could not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; and each Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from Federal income tax under

Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS, and, to the knowledge of the Borrower, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) Other than routine claims for benefits, there are no pending or, to the knowledge of the Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrower, there has been no "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) or violation of the fiduciary responsibility rules with respect to any Plan that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

(c) Except as could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, no ERISA Event has occurred, and none of the Borrower, any Loan Party, nor any ERISA Affiliate is aware of any fact, event or circumstance that, either individually or in the aggregate, could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan or Multiemployer Plan.

(d) Except as could not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, full payment when due has been made of all amounts which the Borrower, each other Loan Party or any ERISA Affiliate is required, under the terms of each Plan, Pension Plan, Multiemployer Plan or applicable law, to have paid as contributions to such Plan, Pension Plan or Multiemployer Plan as of the date hereof.

(e) None of the Loan Parties nor any ERISA Affiliate sponsors, maintains, or contributes to an employee welfare benefit plan, as defined in Section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities (other than in accordance with Section 4980B of the Code or any similar State law), that may not be terminated by the Borrower, any other Loan Party or any ERISA Affiliate in its sole discretion at any time without any material liability.

(f) The present value of all accrued benefit liabilities (as defined in Section 4001(a)(16) of ERISA) under each Pension Plan (based on those assumptions used to fund such Pension Plan) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Pension Plan allocable to such accrued benefits by a material amount (any such excess, "**Unfunded Pension Liabilities**"). As of the most recent valuation date for each Multiemployer Plan, the potential liability of the Borrower, any Loan Party or any ERISA Affiliate for a complete withdrawal from such Multiemployer Plan (within the meaning of Section 4203 of ERISA), when aggregated with such potential liability for a complete withdrawal from all Multiemployer Plans, is zero.

Section 7.11. Disclosure; No Material Misstatements. The Borrower has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which any Loan Party is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of the Loan Parties to the Administrative Agent or any Lender or any of their Affiliates in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected

financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time. There is no fact peculiar to the Loan Parties which could reasonably be expected to have a Material Adverse Effect or in the future is reasonably likely to have a Material Adverse Effect and which has not been set forth in this Agreement or the Loan Documents or the other documents, certificates and statements furnished to the Administrative Agent or the Lenders by or on behalf of the Loan Parties prior to, or on, the date hereof in connection with the transactions contemplated hereby. There are no statements or conclusions in any Reserve Report which are based upon or include misleading information or fail to take into account material information regarding the matters reported therein, it being understood that projections concerning volumes attributable to the Sand Properties of the Borrower and the other Loan Parties and production and cost estimates contained in each Reserve Report are necessarily based upon professional opinions, estimates and projections and that the Borrower and the other Loan Parties do not warrant that such opinions, estimates and projections will ultimately prove to have been accurate.

Section 7.12. Insurance. The Loan Parties have (a) all insurance policies sufficient for the compliance by each of them with all material Governmental Requirements and all material agreements and (b) insurance coverage in at least amounts and against such risk (including, without limitation, public liability) that are usually insured against by companies similarly situated and engaged in the same or a similar business for the assets and operations of the Loan Parties. The Administrative Agent and the Lenders have been named as additional insureds in respect of such liability insurance policies and the Administrative Agent has been named as loss payee with respect to Property loss insurance.

Section 7.13. Restriction on Liens. None of the Borrower and its Subsidiaries is a party to any material agreement or arrangement, or subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Administrative Agent and the Secured Parties on or in respect of its Properties to secure the Indebtedness, except for (a) restrictions in the Revolving Credit Agreement and the Intercreditor Agreement with respect to granting Liens of higher or equal priority to the Liens securing the RCA Obligations and (b) with respect to the Logistics Subsidiary Guarantors, restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by Section 9.03(c) if such restrictions or conditions apply only to the property or assets securing such Indebtedness.

Section 7.14. Subsidiaries and Capitalization.

(a) Except as set forth on Schedule 7.14(a) or as disclosed in writing to the Administrative Agent (which shall promptly furnish a copy to the Lenders), which shall be a supplement to Schedule 7.14(a), the Borrower has no Subsidiaries and the Borrower has no Foreign Subsidiaries.

(b) Schedule 7.14(b) lists the owners of all authorized and outstanding Equity Interests of each Loan Party, including options and other equity equivalents of each Loan Party, together with the amount and percentage of such Equity Interests held by each such owner. All of the outstanding Equity Interests of each Loan Party are validly issued and free and clear of any and all Liens (other than Liens in favor of Administrative Agent pursuant to the Instruments and Permitted Liens).

(c) Except as set forth on Schedule 7.14(c), there (i) are no outstanding or (ii) any present plans to issue any shares of capital stock or other Equity Interests, securities, rights, warrants or options convertible or exchangeable into or exercisable for any shares of capital stock or other Equity Interests, stock appreciation rights or phantom stock of any Loan Party; *provided*, *however*, nothing contained in this Section 7.14 shall restrict any Loan Party from granting equity options to its managers or directors in accordance with this Agreement or pursuant to Lender's prior written consent. Except as set forth on Schedule 7.14(c), no Loan Party is under any obligation, contingent or otherwise, to redeem or

otherwise acquire any shares of its capital stock or other Equity Interests or any securities, rights or options to acquire such capital stock, Equity Interests, stock appreciation rights or phantom stock. Except as contemplated by the Organizational Documents of the Loan Parties in effect as of the date hereof and the Loan Documents, there are no agreements between any Persons, equityholders, or managers or directors of any Loan Party with respect to the voting or transfer of any Equity Interests of a Loan Party owned by such parties or with respect to any other aspect of their affairs concerning any Loan Party other than those set forth on Schedule 7.14(c), none of which conflict with the primary rights granted to the Administrative Agent or any Lender in the Loan Documents or any related agreements executed simultaneously herewith.

(d) Except as set forth on Schedule 7.14(d), there are no statutory or contractual shareholders' preemptive rights with respect to the Equity Interests of any Loan Party. No Loan Party has violated any applicable federal or state securities laws in connection with the offer, sale or issuance of any of its Equity Interests. Except as set forth on Schedule 7.14(d), there are no agreements granting registration rights to any Person with respect to any Equity Interests of a Loan Party, none of which conflict with the primary rights granted to the Administrative Agent or any Lender in the Loan Documents or any related agreements executed simultaneously herewith.

Section 7.15. Location of Business and Offices. The Borrower's jurisdiction of organization is Delaware; the name of the Borrower as listed in the public records of its jurisdiction of organization is VPROP Operating, LLC; and the organizational identification number of the Borrower in its jurisdiction of organization is 6588917 (or, in each case, as set forth in a notice delivered to the Administrative Agent pursuant to Section 8.01(l) in accordance with Section 12.01). The Borrower's principal place of business and chief executive offices are located at the address specified in Section 12.01 (or as set forth in a notice delivered pursuant to Section 8.01(l) and Section 12.01(c)). Each Subsidiary's jurisdiction of organization, name as listed in the public records of its jurisdiction of organization, organizational identification number in its jurisdiction of organization, and the location of its principal place of business and chief executive office is stated on Schedule 7.14 (or as set forth in a notice delivered pursuant to Section 8.01(l)).

Section 7.16. Properties; Titles, Etc.

(a) The Loan Parties have Marketable Title to the Sand Properties evaluated in the most recently delivered Reserve Report and each of the Loan Parties has good title to all its material personal Properties, in each case, free and clear of all Liens except Liens permitted by Section 9.04. After giving full effect to the Excepted Liens, the Loan Party specified as the owner owns the net interests in production attributable to the Sand Interests as reflected in the most recently delivered Reserve Report, and the ownership of such Properties shall not in any material respect obligate such Loan Party to bear the costs and expenses relating to the maintenance, development and operations of each such Property in an amount in excess of the working interest of each Property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Borrower's or such other Loan Party's net revenue interest in such Property.

(b) All material leases and agreements necessary for the conduct of the business of the Loan Parties are valid and subsisting, in full force and effect, and there exists no default or event or circumstance which with the giving of notice or the passage of time or both would give rise to a default under any such leases or agreements.

(c) The rights and Properties presently owned, leased or licensed by each Loan Party including, without limitation, all easements and rights of way, include all rights and Properties necessary

to permit each Loan Party to conduct its business in all material respects in the same manner as its business has been conducted prior to the date hereof.

(d) All of the Properties of the Loan Parties which are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards.

(e) Each Loan Party owns, or is licensed to use, all trademarks, trade names, copyrights, patents and other intellectual Property material to its business, and the use thereof by the Borrower and such other Loan Parties does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Loan Parties either own or have valid licenses or other rights to use all databases, geological data, geophysical data, engineering data, seismic data, maps, interpretations and other technical information used in their businesses as presently conducted, subject to the limitations contained in the agreements governing the use of the same, which limitations are customary for companies engaged in the business of the exploration and production of Finished Sand Inventory and other minerals.

Section 7.17. Maintenance of Properties. The Sand Properties of the Loan Parties have been maintained, operated and developed in a good and workmanlike manner and in material conformity with all Governmental Requirements and in material conformity with the provisions of all leases, subleases or other contracts comprising a part of the Sand Interests and other contracts and agreements forming a part of the Sand Properties of Vista Sand and the other Loan Parties. Specifically in connection with the foregoing, Vista Sand has complied in all material respects with the Sand Hill Lease, the Lonestar Prop 50 Lease, the Tolar Lease and the Winkler Lease and such agreements continue in full force and effect. All material improvements, fixtures and equipment owned in whole or in part by the Loan Parties that are necessary to conduct normal operations are being maintained in a state adequate to conduct normal operations and in a manner consistent with the Loan Parties' past practices.

Section 7.18. Prepayments. Except as set forth on Schedule 7.18 or on the most recent certificate delivered pursuant to Section 8.12(b), on a net basis there are no prepayments which would require any Loan Party to deliver Finished Sand Inventory or other minerals produced from their Sand Properties at some future time without then or thereafter receiving full payment therefor.

Section 7.19. Marketing of Production. Except for contracts listed and in effect on the date hereof on Schedule 7.19, and thereafter either disclosed in writing to the Administrative Agent or included in the most recently delivered Reserve Report (with respect to all of which contracts the Borrower represents that it or the relevant Loan Party is receiving a price for all production sold thereunder which is computed substantially in accordance with the terms of the relevant contract and are not having deliveries curtailed substantially below the subject Property's delivery capacity), no material agreements exist which are not cancelable on sixty (60) days' notice or less without penalty or detriment for the sale of Finished Sand Inventory or other minerals by any Loan Party (including, without limitation, calls on or other rights to purchase, production of the Sand Properties, whether or not the same are currently being exercised) that (a) pertain to the sale of production at a fixed price and (b) have a maturity or expiry date of longer than six (6) months from the date hereof.

Section 7.20. Swap Agreements. Schedule 7.20, as of the date hereof, and after the date hereof, each report required to be delivered by the Borrower pursuant to Section 8.01(d), sets forth, a true and complete list of all Swap Agreements of the Borrower and each other Loan Party, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the

net mark-to-market value thereof, all credit support agreements relating thereto and the counterparty to each such agreement.

Section 7.21. Use of Loans. The proceeds of the Loans shall be only for the purposes specified in Section 9.09. The Loan Parties are not engaged principally, or as one of its or their important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation T, U or X of the Board). No part of the proceeds of any Loan will be used whether on or following the Effective Date for any purpose which violates the provisions of Regulations T, U or X of the Board.

Section 7.22. Solvency. After giving effect to the transactions contemplated hereby, (a) the aggregate assets (after giving effect to amounts that could reasonably be received by reason of indemnity, offset, insurance or any similar arrangement), at a fair valuation, of each Loan Party will exceed the aggregate Debt of such Loan Party, as the Debt becomes absolute and matures, (b) each of the Loan Parties will not have incurred or intended to incur, and will not believe that it will incur, Debt beyond its ability to pay such Debt (after taking into account the timing and amounts of cash to be received by each of the Borrower and the other Loan Parties and the amounts to be payable on or in respect of its liabilities, and giving effect to amounts that could reasonably be received by reason of indemnity, offset, insurance or any similar arrangement) as such Debt becomes absolute and matures and (c) each of the Loan Parties will not have (and will have no reason to believe that it will have thereafter) unreasonably small capital for the conduct of its business.

Section 7.23. Material Contracts. Neither Borrower nor any Subsidiary is a party to any Material Contract other than those Material Contracts set forth on Schedule 7.23. The Borrower has provided the Administrative Agent with copies certified as being true, complete and correct of the Major Material Contracts. Each of the Borrower and its Subsidiaries is in material compliance with the terms of the Material Contracts to which it is a party.

Section 7.24. Foreign Corrupt Practices. No Loan Party, nor any director, officer, agent, employee or Affiliate of the Loan Parties is aware of or has taken any action, directly or indirectly, that would result in a material violation by such Persons of the FCPA, including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; and, the Loan Parties and their Affiliates have conducted their business in material compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

Section 7.25. OFAC. No Loan Party, nor to the knowledge of any Loan Party, any director, officer, employee, agent, Affiliate of a Loan Party or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (a) currently the subject or target of any Sanctions or (b) located, organized or resident in a Designated Jurisdiction.

Section 7.26. Transactions with Affiliates. Since January 1, 2016, neither the Borrower nor any Subsidiary has sold, leased or otherwise transferred any property or assets to, or purchased, leased or otherwise acquired any property or assets from, or otherwise engaged in any other transactions with, any of its Affiliates, except the transactions listed on Schedule 9.15, which Schedule 9.15 includes all material terms and conditions of each such transaction.

Section 7.27. Winkler Facility; Tolar Facility.

(a) There has been no change to the Certified Winkler Compliance Report (or any change to the information set forth therein) since July 31, 2017, and the Borrower has no reasonable basis to believe that there will be any change thereto after the Effective Date. The Borrower has no knowledge of any fact or circumstance that would reasonably be expected to result in the Winkler Facility not being capable of operating at a production capacity of at least 2,000,000 tons/year (consistent with the specifications for the Winkler Facility set forth in the Certified Winkler Compliance Report) on or before September 30, 2018.

(b) The Borrower has no knowledge of any fact or circumstance that would reasonably be expected to result in the Tolar Facility not being capable of operating at a production capacity of at least 500,000 tons/year (consistent with the specifications for the Tolar Facility delivered to the Administrative Agent prior to the Effective Date) on or before March 31, 2018.

ARTICLE VIII
AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder and all other amounts payable under the Loan Documents then outstanding shall have been paid in full, the Borrower covenants and agrees with the Lenders that:

Section 8.01. Financial Statements; Other Information. The Borrower will furnish to the Administrative Agent and each Lender:

(a) Annual Financial Statements. As soon as available, but in any event not later than 120 days after the end of each fiscal year, Parent's audited consolidated and consolidating balance sheet and related consolidated and consolidating statements of operations, members' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, including consolidating information that summarizes in reasonable detail the differences between the information relating to Parent and the Consolidated Subsidiaries, on the one hand, and the information relating to Borrower and its consolidated Subsidiaries, on a standalone basis, all reported on by Deloitte & Touche LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that (i) such consolidated financial statements present fairly in all material respects the financial condition and results of operations of Parent and its Consolidated Subsidiaries on a consolidated and segment basis in accordance with GAAP consistently applied and (ii) such consolidating financial statements present fairly in all material respects the financial condition and results of operations of Parent and each of its Consolidated Subsidiaries on a consolidating basis in accordance with GAAP consistently applied.

(b) Quarterly Financial Statements. For each of the first three fiscal quarters of each fiscal year, as soon as available, but in any event not later than sixty (60) days after the end of each such fiscal quarter, Parent's consolidated and consolidating balance sheet and related consolidated and consolidating statements of operations, members' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of the corresponding period or periods of) the previous fiscal year, including consolidating information that summarizes in reasonable detail the differences between the information relating to Parent and the Consolidated Subsidiaries, on the one hand, and the information relating to Borrower and its consolidated Subsidiaries, on a standalone basis, all certified by one of Parent's Financial Officers

(i) in the case of any such consolidated financial statements, as presenting fairly in all material respects the financial condition and results of operations of Parent and its Consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied and (ii) in the case of any such consolidating financial statements, as presenting fairly in all material respects the financial condition and results of operations of Parent and its Consolidated Subsidiaries on a consolidating basis in accordance with GAAP consistently applied, in each case subject to normal year-end audit adjustments and the absence of footnotes.

(c) Certificate of Financial Officer - Compliance. Concurrently with any delivery of financial statements under Section 8.01(a) or Section 8.01(b), a certificate of a Financial Officer in substantially the form of Exhibit C hereto (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 9.01, (iii) stating whether the 5 MM Condition is satisfied as of the last day of the fiscal quarter most recently ended and, if the 5 MM Condition is satisfied as of such day, setting forth reasonably detailed calculations demonstrating compliance with the applicable components of the definition of 5 MM Condition, (iv) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements referred to in Section 7.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate, (v) setting forth a list of each Major Material Contract that is solely by and among Loan Parties or any amendment, consent or waiver to any such Major Material Contract (including, upon the request of Administrative Agent, attached thereto, a copy of such Major Material Contract or amendment, consent or waiver thereto, certified as being true, complete and correct), in each case to the extent not previously provided under Section 6.01(w) or this Section 8.01(c) and (vi) to the extent not otherwise disclosed pursuant to clause (v) above, setting forth a list of each transaction by and among any Loan Party and any Affiliate thereof or any amendment, consent or waiver to any such transaction (including, upon the request of Administrative Agent, attached thereto, a copy of the agreement in respect of such transaction or amendment, consent or waiver thereto, certified as being true, complete and correct) in each case involving payments or consideration in excess of $100,000 and not previously set forth on Schedule 9.15 or provided pursuant to this Section 8.01(c).

(d) Certificate of Financial Officer - Swap Agreements. Concurrently with any delivery of financial statements under Section 8.01(a) or Section 8.01(b), a certificate of a Financial Officer, in form and substance satisfactory to the Administrative Agent, setting forth as of a recent date, a reasonably detailed summary of the Swap Agreements to which any Loan Party is a party on such date.

(e) Certificate of Insurer - Insurance Coverage. Upon request from the Administrative Agent, a certificate of insurance coverage from each insurer evidencing that the Loan Parties are carrying the insurance required by Section 8.07, in form and substance satisfactory to the Administrative Agent, and, if requested by the Administrative Agent or any Lender, all copies of the applicable policies.

(f) Other Accounting Reports. Promptly upon receipt thereof, a copy of any "management letter" received by any of the Loan Parties by independent accountants that indicates, in the reasonable good faith judgment of the board of directors (or comparable governing body), as applicable, of the Borrower or any such other Loan Party, a material weakness in such Person's internal controls or procedures and the management's responses thereto.

(g) SEC and Other Filings. Promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any other Loan Party with the SEC, or with any national or foreign securities exchange.

(h) Notices Under Material Instruments. Promptly after the furnishing thereof, copies of any financial statement, report or notice furnished to or by any Person pursuant to the terms of any preferred stock designation or any indenture, loan or credit or other similar agreement constituting Material Indebtedness, other than this Agreement and not otherwise required to be furnished to the Lenders pursuant to any other provision of this Section 8.01.

(i) Lists of Purchasers. Promptly following the written request of the Administrative Agent, a list of all Persons purchasing material quantities of Finished Sand Inventory and other minerals from the Borrower or any other Loan Party.

(j) Notice of Sales of Sand Properties. In the event the Borrower or any other Loan Party intends to sell, transfer, assign or otherwise dispose of any Sand Properties or any Equity Interests in any Loan Party in accordance with Section 9.13, prior written notice of such disposition, the price thereof and the anticipated date of closing and any other details thereof reasonably requested by the Administrative Agent or any Lender.

(k) Notice of Casualty Events. Prompt written notice, and in any event within five Business Days, of the occurrence of any Casualty Event or the commencement of any action or proceeding that could reasonably be expected to result in a Casualty Event.

(l) Information Regarding Borrower and other Loan Parties. Prompt written notice, and in any event within thirty (30) days prior thereto (or such shorter period as may be approved by the Administrative Agent in its sole discretion), of any change (i) in the Borrower or any other Loan Party's corporate name or in any trade name used to identify such Person in the conduct of its business or in the ownership of its Properties, (ii) in the location of the Borrower's or any other Loan Party's chief executive office or principal place of business, (iii) in the Borrower's or any other Loan Party's identity or corporate structure or in the jurisdiction in which such Person is incorporated or formed, (iv) in the Borrower's or any other Loan Party's jurisdiction of organization or such Person's organizational identification number in such jurisdiction of organization, and (v) in the Borrower's or any other Loan Party's federal taxpayer identification number.

(m) Quarterly Production and Operating Reports. Within sixty (60) days after the end of each calendar quarter, the Borrower shall provide to the Administrative Agent and the Lenders (i) a report setting forth, for each Fiscal Quarter during the then current fiscal year to date, the volume of production and sales attributable to production (and the prices at which such sales were made and the revenues derived from such sales) for each such Fiscal Quarter from the Sand Properties of the Loan Parties, and setting forth all related Taxes attributable thereto and incurred for each such Fiscal Quarter and (ii) a copy of the operating report prepared by or received by management in the ordinary course of business for such period, in reasonable detail.

(n) Monthly Cash Flow and Operating Reports. Within thirty (30) days after the end of each calendar month, the Borrower shall provide to the Administrative Agent and the Lenders (i) a cash flow report reflecting cash receipts and expenditures during such month and (ii) a report on the operations of the Borrower and its Subsidiaries during such month consistent with those delivered to the Administrative Agent prior to the Amendment No. 1 Effective Date.

(o) Notices of Certain Changes. Promptly, but in any event within five (5) Business Days after the execution thereof (or such longer period as may be approved by the Administrative Agent in its sole discretion), copies of any amendment, modification or supplement to (i) any Organizational Document, any preferred stock designation or any other organic document of the Borrower or any

Subsidiary, and (ii) any Material Contract (other than any Material Contract that is solely by and among Loan Parties).

(p) Annual Budget and Updated Forecasted Financial Statements. Concurrently with any delivery of financial statements under Section 8.01(a), an annual budget of the Loan Parties in form and detail reasonably satisfactory to the Administrative Agent and forecasts prepared by management of the Borrower of consolidated balance sheets and income statements for the Loan Parties on a quarterly basis for the first year following the year for which such financial statements are then being delivered under Section 8.01(a) and on an annual basis for each year thereafter during the term of this Agreement.

(q) Capital Expenditure Plan. Concurrently with the delivery of financial statements under Section 8.01(a) and not later than the date that is six (6) months thereafter, a Capital Expenditure Plan as updated in accordance with this Agreement, accompanied by a Capital Expenditure Plan Certificate and a written narrative describing the updates or changes to the Capital Expenditure Plan since the previously delivered Capital Expenditure Plan.

(r) Communications with Other Lenders. Simultaneously with transmission thereof, copies of all notices, agreements, instruments, certificates, documents and information and other communications as any Loan Party may be required to furnish to the RCA Administrative Agent or any RCA Lender pursuant to the Revolving Credit Agreement or to any other lender or creditor.

(s) Major Material Contracts. Promptly, but in any event within five (5) Business Days after the execution thereof, written notice, and a copy certified as being true, complete and correct, of any Major Material Contract entered into by Borrower or any of its Subsidiaries after the Effective Date (other than any Major Material Contract that is solely by and among Loan Parties).

(t) Other Requested Information. Promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any other Loan Party (including, without limitation, any Plan and any reports or other information required to be filed with respect thereto under the Code or under ERISA), or compliance with the terms of this Agreement or any other Loan Document, as the Administrative Agent or any Lender may reasonably request.

Section 8.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

(a) the occurrence of any Default or any RCA Default;

(b) the occurrence of (i) any material breach or default under a Major Material Contract, together with a copy of any default noticed issued in connection therewith, or (ii) any material amendment, modification or termination of any such contract or agreement (other than any Major Material Contract that is solely by and among Loan Parties);

(c) the filing or commencement of, or the threat in writing of, any action, suit, proceeding, investigation or arbitration by or before any arbitrator or Governmental Authority against or affecting the Borrower, any other Loan Party or any of their respective Sand Properties not previously disclosed in writing to the Lenders or any material adverse development in any action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Lenders);

(d) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(e) entering into any Swap Agreement or the amendment, modification or termination of any Swap Agreement; and

(f) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section 8.02 shall be accompanied by a statement of a Responsible Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 8.03. Existence; Conduct of Business. The Borrower will, and will cause each Subsidiary to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business and maintain, if necessary, its qualification to do business in each other jurisdiction in which its Sand Properties are located or the ownership of its Properties requires such qualification; *provided* that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 9.12.

Section 8.04. Payment of Obligations. The Borrower will, and will cause each Subsidiary to, pay and discharge all its obligations, including Tax liabilities, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such other Loan Party has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect or result in the seizure or levy of any material Property of the Borrower or any other Loan Party.

Section 8.05. Performance of Obligations. The Borrower will pay the Loans according to the terms thereof, and the Borrower will, and will cause each Subsidiary to, do and perform every act and discharge all of its obligations to be performed and discharged by it under the Loan Documents and the Major Material Contracts, including, without limitation, this Agreement, at the time or times and in the manner specified, taking into consideration any grace periods therein. The Borrower will, and will cause each Subsidiary to, do and perform every act and discharge all of its Contractual Obligations (other than the Loan Documents and the Major Material Contracts), at the time or times and in the manner specified, taking into consideration any grace periods therein, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 8.06. Operation and Maintenance of Properties. The Borrower at its sole expense will, and will cause each Subsidiary to:

(a) operate its Sand Properties and other material Properties to be operated in a careful manner in accordance with the practices of the industry and in material compliance with all applicable contracts and agreements and in material compliance with all Governmental Requirements, including, without limitation, applicable Environmental Laws, and all other applicable laws, rules and regulations of every Governmental Authority from time to time constituted to regulate the development and operation of its Sand Properties and the production and sale of Finished Sand Inventory and other minerals therefrom;

(b) keep and maintain all Property material to the conduct of its business in good working order and condition (ordinary wear and tear excepted), preserve, maintain and keep in good repair and working order (ordinary wear and tear and obsolescence excepted) all of its material Sand

Properties and other material Properties, including, without limitation, all equipment, machinery and facilities;

(c) promptly pay and discharge, or make reasonable and customary efforts to cause to be paid and discharged, all rentals, royalties, expenses and indebtedness accruing under the leases or other agreements affecting or pertaining to its Sand Properties and do all other things necessary to keep materially unimpaired its rights with respect thereto and prevent any forfeiture thereof or default thereunder;

(d) promptly perform, or make reasonable and customary efforts to cause to be performed, in accordance with industry standards, the obligations required by each and all of the assignments, deeds, leases, sub-leases, contracts and agreements affecting its interests in its Sand Properties and other material Properties; and

(e) operate its Sand Properties and other material Properties or cause or make reasonable and customary efforts to cause the Sand Properties and other material Properties operated by any Person other than a Loan Party to be operated in accordance with the practices of the industry and in material compliance with all applicable contracts and agreements and in compliance in all material respects with all Governmental Requirements.

Section 8.07. Insurance. The Borrower will, and will cause each Subsidiary to, maintain, with financially sound and reputable insurance companies, insurance (a) in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations, (b) in accordance with all Governmental Requirements and (c) business interruption insurance in amounts and against such risks as are reasonably satisfactory to the Administrative Agent. Subject to Section 8.18, the loss payable clauses or provisions in said insurance policy or policies insuring any of the Collateral (excluding any business interruption insurance) shall be endorsed in favor of and made payable to the Administrative Agent as its interests may appear and such policies shall name the Administrative Agent and the Lenders as "additional insureds" and provide that the insurer will endeavor to give at least thirty (30) days prior notice of any cancellation to the Administrative Agent. Upon the Administrative Agent's request, the Loan Parties shall execute and deliver to the Administrative Agent collateral assignments, in form and substance satisfactory to the Administrative Agent, of each insurance policy maintained by the Loan Parties.

Section 8.08. Books and Records; Inspection Rights. The Borrower will, and will cause each Subsidiary to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. The Borrower will, and will cause each Subsidiary to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice and during normal business hours, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and, *provided* the Borrower receives advance written notice of any proposed meetings and is given an opportunity to participate in such discussions, with its independent accountants, all at such reasonable times and as often as reasonably requested; it being understood that, unless an Event of Default has occurred and is continuing or is reasonably anticipated, the Administrative Agent and the Lenders shall be limited to an aggregate of two (2) such visits or inspections per year.

Section 8.09. Compliance with Laws. The Borrower will, and will cause each Subsidiary to, comply in all material respects with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its Property.

Section 8.10. Environmental Matters.¶

(a) The Borrower will, and will cause each Subsidiary to, at its sole expense: (i) comply, and shall cause its Properties and operations and each other Loan Party and each other Loan Party's Properties and operations to comply in all material respects, with all applicable Environmental Laws; (ii) not Release or threaten to Release, and shall cause each Subsidiary not to Release or threaten to Release, any Hazardous Material on, under, about or from any of the Borrower's or any other Loan Party's Properties or any other property offsite the Property to the extent caused by the Borrower's or any other Loan Party's operations except in compliance with applicable Environmental Laws in all material respects; (iii) timely obtain or file, and shall cause each Subsidiary to timely obtain or file, all material Environmental Permits, if any, required under applicable Environmental Laws to be obtained or filed in connection with the operation or use of the Borrower's or any other Loan Party's Properties; and (iv) promptly commence and diligently prosecute to completion, and shall cause each other Loan Party to promptly commence and diligently prosecute to completion, any assessment, evaluation, investigation, monitoring, containment, cleanup, removal, repair, restoration, remediation or other remedial obligations (collectively, the "Remedial Work") in the event any Remedial Work is required or reasonably necessary under applicable Environmental Laws because of or in connection with the actual or suspected past, present or future Release or threatened Release of any Hazardous Material on, under, about or from any of the Borrower's or any other Loan Party's Properties.

(b) The Borrower will promptly, but in no event later than five Business Days after obtaining knowledge of the occurrence of a triggering event, notify the Administrative Agent and the Lenders in writing of any threatened action, investigation or inquiry by any Governmental Authority or any threatened demand or lawsuit by any Person against the Borrower or any Subsidiary or their respective Properties in connection with any Environmental Laws that, if adversely determined, could reasonably be expected to result in liability (whether individually or in the aggregate) in excess of $1,000,000, not fully covered by insurance (subject to normal deductibles).

(c) The Borrower will, and will cause each Subsidiary to, provide environmental assessments, audits and tests in accordance with the most current version of the American Society of Testing Materials standards upon request by the Administrative Agent and the Lenders, however, Borrower shall not be required to provide or conduct such work any more frequently than once every twelve (12) months in the absence of any Event of Default (or as otherwise required to be obtained by any Governmental Authority), or in connection with any future acquisitions of Sand Properties.

Section 8.11. Further Assurances.¶

(a) The Borrower at its sole expense will, and will cause each other Loan Party to, promptly execute and deliver to the Administrative Agent all such other documents, agreements and instruments reasonably requested by the Administrative Agent to comply with, cure any defects or accomplish the conditions precedent, covenants and agreements of the Borrower or any other Loan Party, as the case may be, in the Loan Documents or to further evidence and more fully describe the Collateral intended as security for the Indebtedness, or to correct any omissions in this Agreement or the Security Instruments, or to state more fully the obligations secured therein, or to perfect, protect or preserve any Liens created pursuant to this Agreement or any of the Security Instruments or the priority thereof, or to make any recordings, file any notices or obtain any consents, all as may be reasonably necessary or appropriate, in the reasonable discretion of the Administrative Agent, in connection therewith.

(b) The Borrower hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Mortgaged Property without the signature of the Borrower or any Guarantor where permitted by law. A carbon,

photographic or other reproduction of the Security Instruments or any financing statement covering the Mortgaged Property or any part thereof shall be sufficient as a financing statement where permitted by law. The Borrower acknowledges and agrees that any such financing statement may describe the Collateral as "all assets" of the Borrower and the Guarantors or words of similar effect as may be required by the Administrative Agent.

Section 8.12. Reserve Reports.

(a) On or before February 28 of each calendar year (commencing February 28, 2018), the Borrower shall furnish to the Administrative Agent (who shall promptly deliver a copy thereof to each Lender) a Reserve Report evaluating the Sand Properties of the Borrower and the Guarantors, in each case, as of the immediately preceding January 1. The Reserve Report shall be prepared by one or more Approved Engineers. In addition to the foregoing, the Borrower shall deliver to the Administrative Agent (who shall promptly deliver a copy thereof to each Lender) a Reserve Report when and as delivered all other times under the Revolving Credit Agreement.

(b) With the delivery of each Reserve Report, the Borrower shall provide to the Administrative Agent and each Lender a certificate from a Responsible Officer certifying that in all material respects: (i) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct, (ii) the Borrower or another Loan Party owns Marketable Title to the Sand Properties evaluated in such Reserve Report and such Properties are free of all Liens except for Liens permitted by Section 9.04, (iii) except as set forth on an exhibit to the certificate, on a net basis there are no prepayments in excess of the volume specified in Section 7.18 with respect to its Sand Properties evaluated in such Reserve Report which would require the Borrower or any other Loan Party to deliver Finished Sand Inventory or other minerals either generally or produced from such Sand Properties at some future time without then or thereafter receiving full payment therefor, (iv) none of their Sand Properties have been sold since the Effective Date except as set forth on an exhibit to the certificate, which certificate shall list all of its Sand Properties sold and in such detail as reasonably required by the Administrative Agent, (v) attached to the certificate is a list of all marketing agreements entered into subsequent to the later of the date hereof or the most recently delivered Reserve Report which the Borrower could reasonably be expected to have been obligated to list on Schedule 7.19 had such agreement been in effect on the date hereof and (vi) attached thereto is a schedule of the Sand Properties evaluated by such Reserve Report that are Mortgaged Properties.

Section 8.13. Title Information.

(a) On or before the delivery to the Administrative Agent and the Lenders of each Reserve Report required by Section 8.12, the Borrower will deliver updated title reports, applicable title endorsements to any loan policy of title insurance in favor of the Administrative Agent or the Lenders, and such other title information in form and substance acceptable to the Administrative Agent (collectively, the "**Title Information**") covering the Sand Properties evaluated by such Reserve Report that were not included in the immediately preceding Reserve Report, so that the Administrative Agent and the Lenders shall have received together with Title Information previously delivered to the Administrative Agent and the Lenders, satisfactory Title Information on all of the Sand Properties evaluated by such Reserve Report.

(b) If the Borrower has provided Title Information for additional Properties under Section 8.13(a), the Borrower shall, within ninety (90) days of notice from the Administrative Agent that material title defects or exceptions exist with respect to such additional Properties, either (i) cure any such material title defects or exceptions (including defects or exceptions as to priority) that do not constitute

Excepted Liens pursuant to Section 9.04, raised by such information, or (ii) deliver Title Information in form and substance acceptable to the Administrative Agent.

Section 8.14. Additional Collateral; Additional Guarantors.

(a) The Borrower shall cause each of its Subsidiaries to unconditionally guaranty, on a joint and several basis, the prompt payment and performance of the Indebtedness pursuant to the Guaranty Agreement and, in connection therewith, within fifteen (15) Business Days (or such later date as the Administrative Agent may agree in its sole discretion) following any acquisition or creation (or similar event) of a new Subsidiary following the Effective Date, the Borrower shall cause such Subsidiary, to (i) become a party to the Guaranty Agreement by executing and delivering an amendment or a supplement to the Guaranty Agreement in form and substance acceptable to the Administrative Agent, (ii) other than with respect to any Logistics Subsidiary Guarantor, become a party to the Security Agreement by executing and delivering an amendment or a supplement to the Security Agreement in form and substance acceptable to the Administrative Agent, (iii) become a party to the Pledge Agreement by executing and delivering an amendment or a supplement to the Pledge Agreement in form and substance acceptable to the Administrative Agent, and (iv) execute and deliver such other additional security documents, closing documents, certificates and legal opinions as shall reasonably be requested by the Administrative Agent.

(b) Within fifteen (15) Business Days (or such later date as the Administrative Agent may agree in its sole discretion) following any acquisition or creation (or similar event) of a new Subsidiary following the Effective Date, the Borrower shall, or shall cause the applicable Guarantor that owns Equity Interests in such Subsidiary to, execute and deliver an amendment or supplement to the Pledge Agreement to confirm the pledge all of the Equity Interests in such new Subsidiary. The Borrower and each Guarantor shall also deliver to the Administrative Agent, together with or prior to its delivery of the Pledge Agreement or any amendment or supplement thereto as set forth above, (A) original stock or equity certificates, if any, evidencing the Equity Interests in each Subsidiary owned by it, together with an appropriate undated stock power for each certificate duly executed in blank by the registered owner thereof or, if uncertificated, such other documents as may be reasonably required by the Administrative Agent to perfect the Lien therein by "control" in accordance with the applicable Uniform Commercial Code (including, without limitation, Sections 8-106, 9-106 and 9-314 thereof) and (B) such other additional security documents, closing documents, certificates and legal opinions as shall reasonably be requested by the Administrative Agent.

(c) Simultaneously with any Permitted Acquisition and/or acquisition of real property following the Effective Date, the Borrower shall, and shall cause each Subsidiary Guarantor (other than any Logistics Subsidiary Guarantor) to, grant to the Administrative Agent for the benefit of the Secured Parties a first priority Lien, as applicable, in all real and personal Property (including Equity Interests and other securities or interests) (*provided* that Excepted Liens of the type described in clauses (a) through (c) and (j) of the definition thereof may exist, but subject to the provisos at the end of such definition) acquired by the Borrower or any such Subsidiary Guarantor as part of such acquisition, and the Borrower or such Subsidiary Guarantor, as applicable, shall execute such documents, joinder agreements, financing statements, mortgages, agreements and instruments, and take all action (including obtaining and providing consents, title insurance, surveys and legal opinions) that may be required under applicable law or as the Administrative Agent may request, in order to grant, preserve, protect and perfect such Lien. All such Liens will be created and perfected by and in accordance with the provisions of mortgages, deeds of trust, security agreements and financing statements or other Security Instruments, all in form and substance reasonably satisfactory to the Administrative Agent and in sufficient executed (and acknowledged where necessary or appropriate) counterparts for recording purposes.

(d) Subject to the foregoing clauses (a) and (b), the Borrower will at all times cause the other tangible and intangible assets and Property of the Borrower and each Subsidiary Guarantor, including such assets and Property acquired after the Effective Date, to be subject to a Lien of the Security Instruments (which, in the case of the Logistics Subsidiary Guarantors, shall be limited to the Lien created under the Pledge Agreement).

(e) Notwithstanding any provision in any of the Loan Documents to the contrary, other than with respect to the Sand Hill Lease, the Lonestar Prop 50 Lease, the Tolar Lease and the Winkler Lease, no Building (as defined in the applicable Flood Insurance Regulations) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulations) owned by the Borrower or any other Loan Party, shall be included in the Mortgaged Property and no Building or Manufactured (Mobile) Home shall be encumbered by any Security Instrument; provided that (A) the Borrower's or any Subsidiary Guarantor's, as applicable, interests in all lands and minerals situated under any such Building or Manufactured (Mobile) Home shall be included in the Mortgaged Property and shall be encumbered by the Security Instruments and (B) the Borrower shall not, and shall not permit any Subsidiary Guarantor to, permit to exist any Lien on any Building or Manufactured (Mobile) Home except Excepted Liens; provided, further, that, upon written notice to the Borrower, the Administrative Agent may require the Borrower or any Subsidiary Guarantor to obtain flood insurance in such amounts as are required by the applicable Flood Insurance Regulations and at such time the previously excluded Building or Manufactured (Mobile) Home shall then be included in the Mortgaged Property and under the Security Instruments and the Borrower or such Subsidiary Guarantor shall execute and deliver such additional documents, instruments, agreements and financing statements as shall be necessary to evidence the same, at the Borrower's sole cost and expense.

(f) The Borrower will, and will cause each of the Non-Logistics Subsidiary Guarantors to, deliver to the Administrative Agent Blocked Account Control Agreements (in each case duly executed and delivered by the relevant Loan Party and relevant depository bank) covering such Deposit Accounts (other than Excluded Accounts (as such term is defined in the Security Agreement)) as shall be necessary to ensure that the aggregate balance of all Deposit Accounts (other than Excluded Accounts) not subject to a Blocked Account Control Agreement at any given time is less than $500,000.

Section 8.15. ERISA Compliance. The Borrower will promptly furnish and will cause the other Loan Parties and any ERISA Affiliate to promptly furnish to the Administrative Agent (i) promptly after the filing thereof with the United States Secretary of Labor or the IRS, copies of each annual and other report with respect to each Pension Plan or any trust created thereunder, and (ii) immediately upon becoming aware of the occurrence of any ERISA Event or any non-exempt "prohibited transaction," as described in Section 406 of ERISA or in Section 4975 of the Code, in connection with any Plan or Pension Plan or any trust created thereunder that could reasonably be expected to result in liability of the Borrower and the other Loan Parties in an aggregate amount exceeding $2,000,000 (when taken together with all other such ERISA Events and prohibited transactions that have occurred within the preceding twelve (12) months), a written notice signed by the President or the principal Financial Officer, the Subsidiary or the ERISA Affiliate, as the case may be, specifying the nature thereof, what action the Borrower, such other Loan Party or the ERISA Affiliate is taking or proposes to take with respect thereto, and, when known, any action taken or proposed by the IRS, the Department of Labor or the PBGC with respect thereto.

Section 8.16. Development of Sand Properties.

(a) For the fiscal year ending December 31, 2017, the Borrower will, and will cause each Subsidiary to, make Capital Expenditures on its Sand Properties consistent with the terms of the Capital Expenditure Plan (spending the budgeted amounts set forth therein), in a Lien-free manner

(subject to Liens permitted under this Agreement and the Borrower's right to contest as set forth hereunder) and to the extent otherwise permitted hereunder and, without limitation of the foregoing, produce and/or sell Finished Sand Inventory and other minerals from the Sand Hill Lease, the Lonestar Prop 50 Lease, the Tolar Lease and the Winkler Lease, in each case, to the extent necessary to keep such lease in effect without reduction or termination for failure to develop or other similar circumstances. For each fiscal year thereafter, the Loan Parties collectively may, subject to compliance with the other provisions of this Agreement, make Capital Expenditures on the Sand Properties in an aggregate amount that is the greater of (x) the amount set forth in the Capital Expenditure Plan and (y) $20,000,000.

(b) If the Borrower desires to make any change to the Capital Expenditure Plan or is required to update the Capital Expenditure Plan pursuant to the terms hereof, it shall submit a revised Capital Expenditure Plan, along with a written narrative describing such changes and a Capital Expenditure Plan Certificate, to the Administrative Agent for its review, but in any case the Borrower shall submit a Capital Expenditure Plan no less than once yearly. Any revised Capital Expenditure Plan submitted to the Administrative Agent shall not be considered the current Capital Expenditure Plan until such time as the Administrative Agent shall have consented to such revised plan in the exercise of its reasonable discretion, which consent shall not be unreasonably withheld, delayed or conditioned. The Administrative Agent shall use reasonable efforts to respond to any such request within ten (10) Business Days after submission by the Borrower.

Section 8.17. Non-voting Observer. The Administrative Agent may in its discretion from time to time designate an employee or advisor to act as its non-voting representative (the "**Observer**") to attend meetings (including via teleconference) of the members, board of managers or board of directors (or other similar managing body) (a "**Managing Body**") of the Borrower and/or any other Loan Party, or any committees thereof of such Loan Parties; provided that (i) such Observer shall only be entitled to attend the portions of such meetings that relate to the financial condition or business operations of such Loan Parties or any Indebtedness of such Loan Parties, (ii) no such Observer shall be entitled to vote on any matter presented to such Managing Bodies of such Loan Parties, (iii) each Observer shall agree to maintain the confidentiality of all information so provided in accordance with the terms of Section 12.11, (iv) such Observer shall not constitute a member of the Managing Body, (v) the Observer shall not actively engage in discussions at the meetings of the Managing Body except as the Managing Body may invite comment and (iv) the applicable Loan Party shall have the right to withhold information or exclude such Observer from any meeting or portion thereof if, in the reasonable opinion of the Loan Party's Managing Body or its counsel, (A) access to such information or attendance at such meeting will adversely affect the attorney-client privilege between any Loan Party and its counsel, (B) access to such information or attendance at such meeting will result in disclosure of trade secrets or conflict with other business purposes, (C) the Administrative Agent or any Lender would have a material conflict of interest with respect to such information or (D) access to such information or attendance at such meeting relates to any personnel matters or individual compensation matters for persons other than the officers of such Loan Parties. Each of Parent, the Borrower and each other Loan Party shall, give timely advance notice to such Observer of all meetings of its Managing Body or any committees thereof and all proposals to such body for action without a board meeting, and any materials withheld in accordance with the proviso above, allow such Observer to attend such meetings and, subject to the limitations described above, provide such Observer with copies of all written materials distributed to such managing body in connection with such meetings or proposals for action without a meeting. The Observer must disclose to such Loan Parties all employment, consulting, directorship, advisory, investment and other similar relationships he or she may have with the Administrative Agent, or any Lender. If the Loan Parties reasonably determine that the Observer has or later develops a material affiliation with a third party that engages in the sand mining business as its principal business activity, the Loan Parties may object to the appointment of the Observer, or the continued service of a person as the Observer, in which case, the Administrative Agent may designate another person as a replacement.

Section 8.18. Post-Closing Obligations. The Borrower shall deliver, or cause to be delivered, the items described on Schedule 8.18 within the time periods set forth therein (or such longer period as may be approved by the Administrative Agent in its sole discretion).

Section 8.19. Certificate of Inclusion. The Borrower and the Loan Parties shall comply with the terms and requirements in all material respects of the Certificate of Inclusion, including implementing and maintaining the conservation measures and/or land management actions as set forth in the Candidate Conservation Agreement with Assurances Component of the Texas Conservation Plan for the Dunes Sagebrush Lizard.

ARTICLE IX
NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder and all other amounts payable under the Loan Documents then outstanding have been paid in full, the Borrower covenants and agrees with the Lenders that:

Section 9.01. Financial Covenants.

(a) Fixed Charge Coverage Ratio. The Borrower shall maintain a Fixed Charge Coverage Ratio at all times of at least 1.50:1.00.

(b) Consolidated Leverage Ratio. The Borrower shall maintain a Consolidated Leverage Ratio as at the last day of each Reference Period of not more than the amount set forth below for each Reference Period ending on the last day of each quarter set forth below:

Quarter Ending	**2017**	**2018**	**2019**	**2020**
March 31	N/A	4.00:1.00	3.00:1.00	2.50:1.00
June 30	N/A	3.75:1.00	2.75:1.00	2.50:1.00
September 30	N/A	3.50:1.00	2.75:1.00	2.50:1.00
December 31	4.00:1.00	3.25:1.00	2.50:1.00	2.50:1.00

(c) Reserve Coverage Ratio. The Borrower shall maintain a Reserve Coverage Ratio as of the last day of each Reference Period of not less than the following: (i) for each Reference Period ending during the fiscal year ending December 31, 2017, 9.0:1.0 and (ii) for each Reference Period ending thereafter, 10.0:1.0.

(d) Right to Cure Certain Events of Default.

(i) In the event that the Borrower fails to comply with Section 9.01(b), then the Borrower shall have ten (10) Business Days after the date the financial statements relating to the last period tested in such covenant are required to be delivered pursuant to Section 8.01 (the "**Cure Period**") to cure such failure by receiving a Specified Equity Contribution and, at the election of the Required Lenders, (A) recalculating such covenant on a pro-forma basis as if such Specified Equity Contribution had been applied to Consolidated Total Debt on the last day of the

relevant Reference Period or (B) prepaying the Loans in an amount equal to such Specified Equity Contribution;

(ii) The Borrower may cure such covenant defaults as provided by the preceding clause (i) any number of times prior to the Maturity Date. If, after giving effect to the foregoing recalculations, the Borrower shall then be in compliance with the requirements of Section 9.01(b), the Borrower shall be deemed to have satisfied the requirements of Section 9.01(b) as of the relevant earlier required date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of any Section 9.01(b) that had occurred shall be deemed cured for purposes of this Agreement and the other Loan Documents. Any calculation of the covenant set forth in Section 9.01(b) will give effect to all Specified Equity Contributions made during the relevant period, in each case as provided above.

(iii) As used herein, "Specified Equity Contribution" means, in relation to a Cure Period, an amount equal to, without duplication, the amount of any capital contributions made in cash to, or any proceeds from the issuance of Equity Interests in the Borrower (other than Disqualified Capital Stock) permitted under Section 9.13 received by, the Borrower during such Cure Period for purposes of curing an Event of Default as set forth in this Section 9.01(d)(iii), which amount shall not exceed the minimum dollar amount necessary to cure the applicable Event of Default.

Section 9.02. Debt Incurrence. The Borrower will not, and will not permit any Subsidiary to, incur, create or assume any Debt under the Revolving Credit Agreement, any Incremental Loan or any 2018 Incremental Loan unless the Borrower is in pro forma compliance with this Agreement, including the financial covenants set forth in Section 9.01.

Section 9.03. Debt. The Borrower will not incur, create, assume or suffer to exist any Debt, and will not permit any Subsidiary to, incur, create, assume or suffer to exist any Debt, except:

(a) the Indebtedness;

(b) accounts payable and accrued expenses, liabilities or other obligations to pay the deferred purchase price of Property or services, from time to time incurred in the ordinary course of business which are not greater than sixty (60) days past the date of invoice or delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(c) Debt under Capital Leases or other equipment financing arrangements incurred by the Borrower or any Subsidiary Guarantor for mobile excavation equipment, automobiles, trucks, rental equipment or other equipment or personal Property which may be used (i) for purposes of excavation or other similar uses on the Sand Properties or (ii) for transportation and logistics, in an aggregate amount (for all Debt incurred under this clause (c)) not to exceed $35,000,000 in the aggregate at any one time outstanding;

(d) Debt associated with bonds or surety obligations required by Governmental Requirements in connection with the operation of the Sand Properties in the ordinary course of business;

(e) endorsements of negotiable instruments for collection in the ordinary course of business;

(f) subject to compliance with Section 9.02, Debt incurred by the Borrower or any Non-Logistics Subsidiary Guarantor under the Revolving Credit Agreement (and guarantees by the Borrower or any Non-Logistics Subsidiary of such Debt) in an aggregate principal amount not to exceed $60,000,000 at any time outstanding; provided that (i) if after giving pro forma effect to the incurrence of any such Debt, the aggregate principal amount of all Debt outstanding under the Revolving Credit Agreement would not exceed $40,000,000, the Consolidated Leverage Ratio as of the last day of the most recent Reference Period for which financial statements are available (giving pro forma effect to the incurrence of such Debt assuming that such Debt was incurred on the last day of such Reference Period) shall be less than 3.50:1.00 (in the event the last day of such Reference Period is on or before September 30, 2018) or 3.00:1.00 (in the event the last day of such Reference Period is after September 30, 2018), and (ii) if after giving pro forma effect to the incurrence of any such Debt, the aggregate principal amount of all Debt outstanding under the Revolving Credit Agreement would exceed $40,000,000, the Consolidated Leverage Ratio as of the last day of the most recent Reference Period for which financial statements are available (giving pro forma effect to the incurrence of such Debt assuming that such Debt was incurred on the last day of such Reference Period) shall be less than 2.00:1.00;

(g) Debt of MAALT Specialized Bulk incurred under any working capital facility not to exceed in the aggregate at any time outstanding an amount equal to $1,000,000;

(h) Debt and obligations owing under Swap Agreements to the extent permitted under Section 9.19;

(i) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business; *provided*, however, that such Indebtedness is extinguished within two Business Days of its incurrence;

(j) unsecured Debt of any Loan Party assumed or incurred in connection with any Permitted Acquisition which is subordinated to the Indebtedness; provided that (A) the subordination provisions of such Debt are reasonably satisfactory in all respects to the Administrative Agent and the Required Lenders, (B) the terms of such Debt shall not provide for any maturity, amortization, sinking fund payment, mandatory redemption or other required repayment or repurchase of such Indebtedness (other than any required offer to repay or repurchase (x) with asset sale proceeds pursuant to customary arrangements providing that the Borrower or such other Loan Party, as the case may be, (in lieu of making such offer) repay Indebtedness under this Agreement or (y) pursuant to "change of control" provisions that are no more restrictive than the analogous provisions contained in this Agreement), in each case prior to six months after the Maturity Date, (C) the covenants and events of default relating to such Debt shall be less restrictive than those contained in this Agreement and (D) the aggregate principal amount of such Debt shall not exceed in the aggregate at any time outstanding an amount equal to $5,000,000;

(k) Debt existing on the date hereof and set forth in Schedule 9.03 and extensions, renewals and replacements of any such Debt and any refinancings, modifications, renewals and extensions of any such Debt; *provided* that (i) the principal amount of such Debt shall not be increased from that amount outstanding at the time of such refinancing, renewal or extension, (ii) the maturity of such Debt shall not be shortened and (iii) the terms relating to collateral (if any) and subordination (if any) of any such refinancing, modification, renewing or extending Debt, and of any agreement entered into and of any instrument issued in connection therewith, are not less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Debt being so refinanced, modified, renewed or extended; and

(l) other Debt in an aggregate amount not to exceed $1,000,000 at any time outstanding; *provided* that such Debt shall be unsecured; and

(m) unsecured Debt arising from intercompany loans and advances owed by a Loan Party to another Loan Party (in either case, other than Parent) which is subordinated to the Indebtedness on terms that are reasonably satisfactory in all respects to the Administrative Agent and the Required Lenders; *provided* that any such intercompany loans and advances shall be subject to the limitations set forth in Section 9.06(g).

Section 9.04. Liens.¶ The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any of its Properties (now owned or hereafter acquired), except:

(a) Liens securing the payment of Indebtedness;

(b) Subject to the Required Intercreditor Agreement Terms (whether or not there is an Intercreditor Agreement), Liens under the RCA Loan Documents securing (i) Debt permitted by Section 9.03(f) and (ii) RCA Hedge Obligations, together with any Debt, as described in clauses (e) and (f) of the definition of Debt, in respect thereof;

(c) Excepted Liens;

(d) Liens securing Capital Leases (and other equipment financing arrangements) permitted by Section 9.03(c), but only on the Property under such lease (or equipment financing arrangement);

(e) any Lien on any property or asset of any Loan Party or any Subsidiary existing on the date hereof and set forth in Schedule 9.04; *provided* that (i) such Lien shall not apply to any property or asset of such Loan Party or Subsidiary other than such property or assets subject to such Lien on the date hereof and (ii) such Lien shall secure only those obligations which it secures on the date hereof, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof; and

(f) Liens on any property or asset of MAALT Specialized Bulk securing Debt incurred under Section 9.03(g).

Section 9.05. Restricted Payments.¶ The Borrower will not, and will not permit any Subsidiary to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except that, so long as no Default or Event of Default exists or would result therefrom:

(a) the Borrower may declare and pay dividends with respect to its Equity Interests payable solely in additional units or shares of its Equity Interests (other than Disqualified Capital Stock);

(b) Subsidiaries of the Borrower may declare and pay dividends to Loan Parties ratably with respect to the ownership of their Equity Interests;

(c) the Borrower may make a distribution to Parent on any Tax Distribution Date equal to the Tax Distribution Amount;

(d) Vista Sand and the Borrower may consummate the Proppants To Go Distribution on the Effective Date; provided that, prior to the effectiveness of the Proppants To Go Distribution, the

Borrower shall have delivered to the Administrative Agent a certificate of a Responsible Officer certifying that Proppants To Go owns no Property other than a U.S. Department of Transportation license number described in such certificate and the right to use the name "Proppants To Go";

(e) the Borrower may make distributions on the Effective Date necessary to consummate the Specified Equity Transactions in an amount not to exceed $85,000,000; and

(f) the Borrower may make distributions to Parent in order to enable Parent to pay management fees not to exceed $3,000,000 in the aggregate during any calendar year to (i) GBH Properties LLC, a Texas limited liability company on account of services provided to and on behalf of the Borrower and its Subsidiaries pursuant to that certain Management Services Agreement, dated as of May 1, 2017, among GBH Properties LLC, Parent and Gary B. Humphreys and (ii) M&J Partnership, Ltd., a Texas limited partnership on account of services provided to and on behalf of the Borrower and its Subsidiaries pursuant to that certain Management Services Agreement, dated as of May 1, 2017, among M&J Partnership, Ltd., Parent and Martin W. Robertson.

Section 9.06. Investments and Loans. The Borrower will not, and will not permit any Subsidiary to, make or permit to remain outstanding any Investments in or to any Person or any intercompany loans, except that the foregoing restriction shall not apply to:

(a) Investments as of the Effective Date which are disclosed to the Lenders in Schedule 9.06;

(b) accounts receivable arising in the ordinary course of business and promissory notes received in settlement of any such accounts receivable;

(c) direct obligations of the United States or any agency thereof, or obligations guaranteed by the United States or any agency thereof, in each case maturing within one year from the date of creation thereof;

(d) commercial paper maturing within one year from the date of creation thereof having a rating of at least P-1 or A-1 from either Moody's or S&P, respectively;

(e) deposits maturing within one year from the date of creation thereof with, including certificates of deposit issued by, any Lender or any office located in the United States of any other bank or trust company which is organized under the laws of the United States or any state thereof, has capital, surplus and undivided profits aggregating at least $1,000,000 (as of the date of such bank or trust company's most recent financial reports) and has a short term deposit rating of no lower than A1 or P1, as such rating is set forth from time to time, by S&P or Moody's, respectively;

(f) deposits in money market funds investing not less than 90% of their assets in Investments described in Section 9.06(c), Section 9.06(d) or Section 9.06(e);

(g) Investments (i) made by the Borrower in or to any of the other Loan Parties (other than Parent or any Logistics Subsidiary Guarantor), including any Person who, contemporaneously with the making of such Investment, becomes a Non-Logistics Subsidiary Guarantor, (ii) made by any Loan Party in or to the Borrower or any other Loan Party (other than Parent or any Logistics Subsidiary Guarantor), (iii) made by the Borrower or any other Loan Party in or to any Logistics Subsidiary Guarantor in an aggregate amount at any time outstanding not to exceed $10,000,000 or constituting trade credit arising in the ordinary course of business and not involving Debt for borrowed money, and (iv) made by any Logistics Subsidiary Guarantor in or to any other Logistics Subsidiary Guarantor;

(h) loans or advances made by a Loan Party to its officers and employees on an arm's-length basis, including payroll, commission, travel, and entertainment expenses, relocation costs and similar purposes, in each instance, in the ordinary course of business consistent with past practices, up to a maximum of $250,000 in the aggregate at any one time outstanding;

(i) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(j) Investments in any new Subsidiary to the extent such Subsidiary becomes a Non-Logistics Subsidiary Guarantor hereunder and executed and delivers all collateral documents required hereunder;

(k) repurchases of Equity Interests held by directors, employees, consultants, or former directors, employees, or consultants (or their transferees, estates, or beneficiaries under their estates) to the extent permitted by Section 9.05 and not to exceed $3,000,000 per fiscal year; provided that, at the time of such repurchase, the Consolidated Leverage Ratio for the most recent Reference Period does not exceed 2.50:1.00;

(l) repurchases of Equity Interests deemed to occur upon the exercise of stock or similar options to the extent such Equity Interests represent all or a portion of the exercise price of those options;

(m) any endorsement of a check or other medium of payment for deposit or collection through normal banking channels or similar transaction in the ordinary course of business;

(n) extensions of trade credit in the ordinary course of business and not to exceed thirty (30) days in duration;

(o) guaranties constituting Debt permitted under Section 9.03;

(p) transactions permitted by Section 9.12;

(q) [Reserved]; and

(r) other Investments not to exceed $500,000 in the aggregate at any time outstanding.

Section 9.07. Nature of Business; No International Operations.

(a) The Borrower will not permit Vista Sand to allow any material change to be made in the character of its business as a Finished Sand Inventory or other minerals production company.

(b) The Borrower will not permit any of the Logistics Subsidiaries to (i) own any Sand Properties or Finished Sand Inventory or (ii) conduct any business operations other than those related to providing transload terminals, transportation of supplies, storage of products and logistics monitoring.

(c) The Borrower will not, and will not permit any Subsidiary to, own, acquire or make any other expenditure (whether such expenditure is capital, operating or otherwise) in or related to, any Sand Properties not located within the geographical boundaries of the United States.

Section 9.08. Limitation on Leases. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or suffer to exist any obligation for the payment of rent or hire of real or personal, Property of any kind whatsoever under leases or lease agreements (including, without limitation, the Sand Hill Lease, the Lonestar Prop 50 Lease, the Tolar Lease, or the Winkler Lease) which would cause the aggregate amount of all payments made by the Borrower and the other Loan Parties pursuant to all such leases or lease agreements, including, without limitation, any residual payments at the end of any lease, to exceed $76,500,000 in any period of twelve consecutive calendar months, excluding any Capital Leases permitted under Section 9.03(c).

Section 9.09. Proceeds of Loans.

(a) The Borrower will not permit the proceeds of the Existing Loans or the New Loans, together with the proceeds of the Specified Equity Transactions, to be used for any purpose other than (i) to refinance existing Debt of the Loan Parties, (ii) to make the distributions and purchases of equity interests contemplated by the Specified Equity Transactions, (iii) to pay fees, commissions and expenses incurred in connection with the Transactions, (iv) subject to the requirements of Section 9.23, to fund Capital Expenditures of the Loan Parties, including construction of the Tolar Facility or a Winkler Facility, (v) to fund any Tax Distribution Amount caused by the foregoing and (vi) to provide working capital for general corporate purposes (including Investments and entering into Swap Agreements to the extent permitted hereunder).

(b) The Borrower will not permit the proceeds of any Incremental Loan to be used for any purpose other than the development of the Tolar Facility and the Winkler Facility and to provide working capital for general corporate purposes (but in no event shall the proceeds of any Incremental Loan be used to fund the Specified Equity Transactions).

(c) The Borrower will not permit the proceeds of any 2018 Incremental Loans to be used for any purpose other than (i) to refinance existing Debt of the Loan Parties, including Indebtedness relating to the Existing Loans, New Loans and Incremental Loans and Debt incurred under the Revolving Credit Agreement, (ii) to pay fees, commissions and expenses incurred in connection with the Amendment No. 1 Transactions, (iii) subject to the requirements of Section 9.23, to fund Capital Expenditures of the Loan Parties necessary for the completion of construction of Phase I and Phase II of the Winkler Facility (with Phase I providing for production capacity of at least 3,000,000 tons/year and Phase II providing for production capacity of at least 2,000,000 tons/year) and (iv) to provide working capital for general corporate purposes (including Investments and entering into Swap Agreements to the extent permitted hereunder).

(d) Neither the Borrower, any other Loan Party, or any Person acting on behalf of the Borrower or any other Loan Party will take any action which might cause any of the Loan Documents to violate Regulations T, U or X or any other regulation of the Board or to violate Section 7 of the Securities Exchange Act of 1934 or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect. If requested by the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 or such other form referred to in Regulation U, Regulation T or Regulation X of the Board, as the case may be.

Section 9.10. ERISA Compliance. The Borrower will not, and will not permit any Subsidiary to, at any time, except as would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect:

(a) engage in, or permit any ERISA Affiliate to engage in, any transaction or, with respect to subsection (c) of Section 502 of ERISA, omit to take any action, in each case in connection with which the Borrower, or any other Loan Party could be subjected to either a civil penalty assessed pursuant to subsections (c), (i) or (l) of Section 502 of ERISA or a Tax imposed by Chapter 43 of Subtitle D of the Code;

(b) terminate, or permit any ERISA Affiliate to terminate, any Pension Plan in a manner, or take any other action with respect to any Pension Plan, which could result in any liability of the Borrower or any other Loan Party to the PBGC;

(c) fail to make, or permit any ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any Plan or Pension Plan, agreement relating thereto or applicable law, the Borrower, any other Loan Party or any ERISA Affiliate is required to pay as contributions thereto;

(d) permit the actuarial present value of the benefit liabilities under any Pension Plan maintained by the Borrower, any other Loan Party or any ERISA Affiliate to exceed the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA) of such Pension Plan allocable to such benefit liabilities such that a determination would result that any Pension Plan is, or is expected to be, in "at risk" status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code);

(e) incur a liability (whether direct or indirect) to or on account of a Pension Plan or Multiemployer Plan under Section 515, 4062, 4063, 4064, 4201 or 4204 of ERISA; or

(f) contribute to or assume an obligation to contribute to any "employee welfare benefit plan", as defined in Section 3(1) of ERISA, including, without limitation, any such plan maintained to provide benefits to former employees of such entities (other than in accordance with Section 4980B of the Code or any similar State law), that may not be terminated by the applicable Loan Party in its sole discretion at any time without any material liability.

Section 9.11. Sale or Discount of Receivables. Except for receivables obtained by the Loan Parties out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, the Borrower will not, and will not permit any Subsidiary to, discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

Section 9.12. Mergers, Etc. The Borrower will not, and will not permit any Subsidiary to, merge into or with or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its Property to any other Person (whether now owned or hereafter acquired) (any such transaction, a "consolidation") or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), terminate or discontinue its business; *provided* that so long as no Default has occurred and is continuing, or would result after giving effect thereto, (a) any Wholly-Owned Subsidiary of the Borrower may merge or consolidate with any other Wholly-Owned Subsidiary of the Borrower, *provided*, that if any such merger or consolidation involves (x) a Wholly-Owned Subsidiary that is a Guarantor and another Wholly-Owned Subsidiary that is not a Guarantor, the Wholly-Owned Subsidiary that is a Guarantor shall be the surviving Person or (y) a Wholly-Owned Subsidiary that is a Non-Logistics Subsidiary Guarantor and another Wholly-Owned Subsidiary that is not a Non-Logistics

Subsidiary Guarantor, the Wholly-Owned Subsidiary that is a Non-Logistics Subsidiary Guarantor shall be the surviving Person , (b) the Borrower may merge or consolidate with any Wholly-Owned Subsidiary of the Borrower so long as the Borrower is the surviving Person and (c) subject to the limitations in clause (a) above, any Wholly-Owned Subsidiary of the Borrower may merge into the Person such Wholly-Owned Subsidiary was formed to acquire in connection with a Permitted Acquisition.

Section 9.13. Sale of Properties. The Borrower will not, and will not permit any Subsidiary to, sell, assign, convey or otherwise transfer any Property except for:

(a) the sale of Finished Sand Inventory or other minerals in the ordinary course of business on ordinary terms; *provided* that no contract for the sale of Finished Sand Inventory or other minerals (solely to the extent not involving consideration having a fair market value in excess of $3,000,000 in the aggregate, not including the Barnhart Contract) shall obligate the Borrower or any of its Subsidiaries to deliver Finished Sand Inventory or other minerals at a future date without receiving full payment therefor within ninety (90) days after delivery;

(b) any such transfer permitted under Section 9.11 or the proviso to Section 9.12;

(c) the sale or issuance of any Equity Interest in a Subsidiary to any Loan Party;

(d) the issuance of Equity Interests (other than Disqualified Capital Stock) in the Borrower for cash;

(e) the sale or issuance of any Subsidiary's Equity Interests to the Borrower or any Wholly-Owned Subsidiary that is a Guarantor;

(f) the sale or transfer of equipment that is no longer necessary for the business of the Loan Party or is replaced by equipment of at least comparable value and use;

(g) licensing and cross-licensing arrangements involving any technology or other intellectual property of Borrower or any Subsidiary in the ordinary course of business;

(h) the abandonment of any rights, franchises, licenses, or intellectual property that any Borrower reasonably determines are no longer useful in its business or commercially desirable; and

(i) the sale or other disposition (including Casualty Events and events that would, but for their magnitude, constitute Casualty Events) of Properties not regulated by Section 9.13(a) to (h) having a fair market value not to exceed $1,000,000 in the aggregate during any twelve (12)-month period.

Section 9.14. Environmental Matters. The Borrower will not, and will not permit any Subsidiary to, cause or permit any of its Property to be in violation of, or do anything which will subject any such Property to a Release or threatened Release of Hazardous Materials, exposure to any Hazardous Materials, or to any Remedial Work, under any Environmental Laws, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to such Property.

Section 9.15. Transactions with Affiliates. The Borrower will not, and will not permit any Subsidiary to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except transactions that are otherwise permitted under this Agreement and are upon fair and

reasonable terms no less favorable to it than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

Section 9.16. Subsidiaries. The Borrower will not, and will not permit any Subsidiary to, create or acquire any additional Subsidiary unless such subsidiary is a Wholly-Owned Subsidiary and the Borrower gives written notice to the Administrative Agent of such creation or acquisition and complies with Section 8.14. The Borrower shall not, and shall not permit any Subsidiary to, sell, assign or otherwise dispose of any Equity Interests in any Subsidiary except in compliance with Section 9.13. Neither the Borrower nor any Subsidiary shall have any Subsidiary that is a Foreign Subsidiary.

Section 9.17. Negative Pledge Agreements; Dividend Restrictions. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or suffer to exist any contract, agreement or understanding which in any way (a) prohibits or restricts the granting, conveying, creation or imposition of any Lien on any of its Property in favor of the Administrative Agent and the Secured Parties or (b) restricts any Subsidiary from paying dividends or making distributions to the Borrower or any Guarantor, or which requires the consent of or notice to other Persons in connection therewith; provided that (i) clause (a) of the foregoing shall not apply to restrictions in the Revolving Credit Agreement and the Intercreditor Agreement with respect to granting Liens of higher or equal priority to the Liens securing the RCA Obligations, (ii) with respect to the Logistics Subsidiary Guarantors, clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by Section 9.03(c) if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (iii) clause (b) of the foregoing shall not apply to restrictions substantially no more restrictive than those in Section 9.05.

Section 9.18. Prepayments. The Borrower will not, and will not permit any Subsidiary to, allow prepayments with respect to the Sand Properties of the Borrower or any other Loan Party that would require the Borrower or such other Loan Party to deliver Finished Sand Inventory or other minerals at some future time without then or thereafter receiving full payment therefor; provided that the Loan Parties may permit a prepayment with respect to the delivery of Finished Sand Inventory or other minerals at some future time at a discount no greater than $5 per ton of Finished Sand Inventory, provided further that (x) the aggregate amount of such prepayments do not exceed $15,000,000 in the aggregate and (y) the transactions giving rise to such prepayments do not result in any Loan Party incurring Debt (excluding, in the case of this clause (ii), obligations arising under contracts for the purchase or sale of Finished Sand Inventory).

Section 9.19. Swap Agreements.

(a) The Borrower will not, and will not permit any Subsidiary to, enter into any Swap Agreements with any Person other than Swap Agreements intended to hedge existing or anticipated interest rate risk incurred in respect of Debt permitted pursuant to Section 9.03.

(b) In no event shall any Swap Agreement contain any requirement, agreement or covenant for a Loan Party to post collateral or margin to secure their obligations under such Swap Agreement or to cover market exposures, except to the extent of Liens granted under the RCA Loan Documents.

(c) The Borrower will not, and will not permit any Subsidiary to, incur or permit to exist any speculative Swap Agreements or any Swap Agreements in respect of commodities or exchange rate risk.

Section 9.20. Marketing Activities. The Borrower will not, and will not permit any Subsidiary to, engage in marketing activities for any Finished Sand Inventory or other minerals or enter into any contracts related thereto other than contracts for the sale of Finished Sand Inventory or other minerals scheduled or reasonably estimated to be produced from their proved or probable Sand Properties during the period of such contract consistent with the most recently delivered Reserve Report and Capital Expenditure Plan and any subsequent developments.

Section 9.21. Sale and Leaseback. The Borrower shall not, and shall not permit any Subsidiary to, enter into any arrangement, directly or indirectly, with any Person whereby it shall sell or transfer any Property, whether now owned or hereafter acquired, and thereafter rent or lease such Property which it intends to use for substantially the same purpose or purposes as the Property being sold or transferred.

Section 9.22. Amendments to Organizational Documents; Changes in Fiscal Year End.

(a) The Borrower shall not, and shall not permit any Subsidiary to, amend, supplement or otherwise modify (or permit to be amended, supplemented or modified) its Organizational Documents in any manner that would be adverse to the Lenders in any material respect.

(b) The Borrower shall not, and shall not permit any Subsidiary to, change the last day of its fiscal year from December 31 of each year, or the last days of the first three fiscal quarters in each of its fiscal years from March 31, June 30 and September 30 of each year, respectively

Section 9.23. Capital Expenditures. The Borrower shall not, and shall not permit any Subsidiary to, commit to make any Capital Expenditure, except (a) pursuant to the Capital Expenditure Plan; or (b) maintenance Capital Expenditures of the Loan Parties in the ordinary course of business not exceeding $16,000,000 in any fiscal year; *provided* that (i) up to fifty percent (50%) (and with respect to Tolar Facility and Winkler Facility for the fiscal year ending December 31, 2017, one hundred percent (100%)) of any such amount referred to in (a) or (b) above, if not so expended in the fiscal year for which it is permitted, may be carried over for expenditure in the next succeeding fiscal year, (ii) Capital Expenditures made during any fiscal year shall be deemed made, first, in respect of amounts permitted for such fiscal year as provided above and second, in respect of amounts carried over from the prior fiscal year pursuant to clause (i) above and (iii) upon consummation of Pecos Facility Acquisition in accordance with the terms of this Agreement, the current Capital Expenditure Plan shall be deemed revised to increase the Capital Expenditures set forth therein by $13,000,000.

Section 9.24. Sanctions. The Borrower shall not, and shall not permit any Subsidiary to, directly or indirectly, use the proceeds of any Borrowing, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Administrative Agent, or otherwise) of Sanctions.

Section 9.25. Amendment to RCA Loan Documents. No Loan Party may amend, supplement or otherwise modify (including pursuant to a waiver, consent or otherwise) any document, instrument or agreement relating to the Revolving Credit Agreement, except any such amendments, supplements or modifications that are permitted by the Intercreditor Agreement and do not adversely affect any right, privilege or interest of the Administrative Agent or the Lenders under the Loan Documents or in the Collateral securing the Indebtedness. Without the prior written consent of the Required Lenders, the Borrower will not enter into any amendment of the RCA Loan Documents that, (a) in the reasonable determination of the Administrative Agent or the Required Lenders, amends any covenant set forth

therein, (b) increases the applicable margin for any interest rate under the Revolving Credit Agreement in the aggregate for all such increases under any other amendments to the RCA Loan Documents, results in an increase of such applicable margin by more than 200 basis points or (c) extends the maturity date of the RCA Obligations by more than six months.

Section 9.26. Other Amendments. Neither the Borrower nor any Subsidiary may (a) amend, supplement modify, or otherwise change, or permit any amendment, supplement, modification or other change to (pursuant to a waiver or otherwise), the terms and conditions of the Major Material Contracts in any manner that would add to or increase the amounts payable by any Loan Party thereunder or (b) otherwise amend, supplement or otherwise modify the terms and conditions of the Major Material Contracts, except to the extent that any such amendment, supplement, modification or change could not reasonably be expected to (i) adversely affect the interests of the Administrative Agent or the Lenders or (ii) have a Material Adverse Effect.

Section 9.27. Repurchase Agreements. The Borrower will not, and will not permit any Subsidiary to, enter into any agreement pursuant to which it sells, transfers or otherwise disposes of any Property and agrees to purchase such Property at a future date, whether on demand, at a date certain, or upon the occurrence of any contingency or contingencies.

ARTICLE X EVENTS OF DEFAULT; REMEDIES

Section 10.01. Events of Default. The occurrence of one or more of the following events shall constitute an "**Event of Default**":

(a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof, by acceleration or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in Section 10.01(a)) payable under any Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) Business Days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower or any other Loan Party in or in connection with any Loan Document or any amendment or modification of any Loan Document or waiver under such Loan Document, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 8.01(h), Section 8.01(l), Section 8.02, Section 8.03, Section 8.13, Section 8.14, Section 8.15, Section 8.16, Section 8.17, Section 8.18 or in Article IX of this Agreement;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 10.01(a), Section 10.01(b) Section 10.01(c) or Section 10.01(d)) or any other Loan Document, and such failure shall continue unremedied for a period of thirty (30) days after the earlier to occur of (i) notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender) or (ii) a Responsible Officer of the Borrower or such other Loan Party otherwise becoming aware of such default;

(f) any Loan Party shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable;

(g) (i) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or (ii) any event or condition that enables or permits (after giving effect to all applicable notice and cure periods) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the Redemption thereof or any offer to Redeem to be made in respect thereof, prior to its scheduled maturity or require the Borrower or any other Loan Party to make an offer in respect thereof;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any other Loan Party or its debts, or of a substantial part of its assets, under any Debtor Relief Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any other Loan Party or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) any Loan Party shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 10.01(h), (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any other Loan Party or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing; or any equityholder of the Borrower shall make any request or take any action for the purpose of calling a meeting of the equityholders of the Borrower to consider a resolution to dissolve and wind-up the Borrower's affairs;

(j) any Loan Party shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) (i) one or more final, non-appealable judgments for the payment of money in an aggregate amount in excess of $1,000,000 (to the extent not covered by independent third party insurance provided by insurers of the highest claims paying rating or financial strength as to which the insurer does not dispute coverage and is not subject to an insolvency proceeding) or (ii) any one or more final, non-appealable non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, shall be rendered against any Loan Party or any combination thereof and the same shall remain undischarged for a period of sixty (60) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Loan Party to enforce any such judgment;

(l) the Loan Documents after delivery thereof shall for any reason, except to the extent permitted by the terms thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with their terms against any Loan Party thereto, or shall be repudiated by any of them, or cease to create a valid and perfected Lien of the priority required thereby on any material part of the Collateral purported to be covered thereby, except to the extent permitted by the terms of this Agreement, or the Borrower or any other Loan Party or any of their Affiliates shall so state in writing;

(m) a Change in Control shall occur;

(n) (i) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding $1,500,000 for all periods, or (ii) there shall exist an amount of Unfunded Pension Liabilities in respect of any one or more Pension Plans that could reasonably be expected to have a Material Adverse Effect;

(o) an "Event of Default" (as defined in the Revolving Credit Agreement), or any other or additional "Event of Default" which may be added to or otherwise be included or exist after the Effective Date in the Revolving Credit Agreement, shall occur and be continuing;

(p) any Major Material Contract EOD occurs;

(q) any Non-Compete Agreement shall for any reason, except to the extent permitted by the terms thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with its terms against any party thereto or shall be materially breached or repudiated by any of them; or

(r) (i) the Intercreditor Agreement shall for any reason, except to the extent permitted by the terms thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with its terms against the Borrower or any party thereto or shall be repudiated by any of them, or (ii) any Security Instrument shall cease to create a valid and perfected Lien of the priority required thereby on any of the Collateral purported to be covered thereby, or the Borrower or any other Loan Party or any of their Affiliates shall so state in writing.

Section 10.02. Remedies.¶

(a) In the case of an Event of Default other than one described in Section 10.01(h), Section 10.01(i) or Section 10.01(j), at any time thereafter during the continuance of such Event of Default, the Administrative Agent may, and at the request of the Required Lenders, shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with the Applicable Premium, accrued interest thereon and all fees and other obligations of the Borrower and the Guarantors accrued hereunder and under the other Loan Documents, shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor; and in case of an Event of Default described in Section 10.01(h), Section 10.01(i) or Section 10.01(j), the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and the other obligations of the Borrower and the Guarantors accrued hereunder and under the other Loan Documents, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor.

(b) In the case of the occurrence of an Event of Default, the Administrative Agent and the Lenders will have all other rights and remedies available at law and equity.

(c) All proceeds realized from the liquidation or other disposition of Collateral or otherwise received after maturity of the Loans, whether by acceleration or otherwise, shall be applied:

(i) *first*, to payment or reimbursement of that portion of the Indebtedness constituting fees, expenses and indemnities payable to the Administrative Agent in its capacity as such;

(ii) *second*, pro rata to payment or reimbursement of that portion of the Indebtedness constituting fees, expenses and indemnities payable to the Lenders;

(iii) *third*, pro rata to payment of accrued interest on the Loans;

(iv) *fourth*, pro rata to payment of principal outstanding on the Loans;

(v) *fifth*, pro rata to any other Indebtedness; and

(vi) *sixth*, any excess, after all of the Indebtedness shall have been indefeasibly paid in full in cash, shall be paid to the Borrower or as otherwise required by any Governmental Requirement.

ARTICLE XI
THE ADMINISTRATIVE AGENT

Section 11.01. Appointment and Authority.¶

(a) Each of the Lenders hereby irrevocably appoints ARCC to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article XI are solely for the benefit of the Administrative Agent and the Lenders, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by the Borrower, the Guarantors and the Lessor to secure any of the Indebtedness, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent", and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 11.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Security Instruments, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article XI and Article XII (including Section 12.03(c)), as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents.

Section 11.02. Rights as a Lender.¶ The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the

Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 11.03. Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law;

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity;

(d) shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 10.02 and Section 12.02) or (ii) in the absence of its own gross negligence or willful misconduct, as determined by a court of competent jurisdiction by a final and nonappealable judgment (the Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower or a Lender; and

(e) shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Security Instruments, (v) the value or the sufficiency of any Collateral, or (v) the satisfaction of any condition set forth in Article VI or elsewhere herein or in any other Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 11.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent,

statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 11.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 11.06. Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a financial institution with an office in the United States, or an Affiliate of any such financial institution with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "**Resignation Effective Date**"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) With effect from the Resignation Effective Date, (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any Collateral held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such Collateral until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than as provided in Section 12.05 with respect to Section 5.02 and other than any rights to indemnity payments or other amounts owed to the retiring Administrative Agent as of the Resignation Effective Date), and the retiring

Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 11.06). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 11.07. Non-Reliance on Administrative Agent, Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each such Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrower or any of the other Loan Parties of this Agreement, the Loan Documents or any other document referred to or provided for herein or to inspect the Properties or books of the Borrower or the other Loan Parties. Each party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

Section 11.08. Administrative Agent May File Proofs of Claim; Credit Bidding. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Indebtedness that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 12.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, if the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 12.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment

or composition affecting the Indebtedness or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender or in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Indebtedness (including accepting some or all of the Collateral in satisfaction of some or all of the Indebtedness pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar laws in any other jurisdictions to which a Loan Party is subject, (b) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Indebtedness owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Indebtedness with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (ii) to adopt documents providing for the governance of the acquisition vehicle or vehicles (*provided* that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 12.02(b), (iii) the Administrative Agent shall be authorized to assign the relevant Indebtedness to any such acquisition vehicle pro rata by the Lenders, as a result of which each of the Lenders shall be deemed to have received a pro rata portion of any Equity Interests and/or debt instruments issued by such an acquisition vehicle on account of the assignment of the Indebtedness to be credit bid, all without the need for any Secured Party or acquisition vehicle to take any further action, and (iv) to the extent that Indebtedness that is assigned to an acquisition vehicle is not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Indebtedness assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Indebtedness shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Indebtedness that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

Section 11.09. Collateral and Guaranty Matters. Without limiting the provision of Section 11.10, the Lenders irrevocably authorize the Administrative Agent, at its option and in its discretion:

(a) to release any Lien on any Property granted to or held by the Administrative Agent under any Loan Document (i) upon termination of the Commitments and payment in full of all Indebtedness, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document to a Person that is not the Borrower or a Guarantor, or (iii) if approved, authorized or ratified in writing in accordance with Section 12.02; and

(b) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 9.04(d).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Property, or to release any Guarantor from its obligations under the Guaranty Agreement pursuant to this Section 11.09. In each case as specified in this Section 11.09, the Administrative Agent will, at the Borrower's expense, execute and deliver to the Borrower, Guarantors or Lessor, as applicable, such documents as such Person may reasonably request to evidence the release of such item of Property from the assignment and security interest granted under the Security Instruments or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty Agreement, in each case in accordance with the terms of the Loan Documents and this Section 11.09.

The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by the Borrower, any Guarantor or the Lessor in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

Section 11.10. Action by Administrative Agent. The Administrative Agent shall have no duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) and in all cases the Administrative Agent shall be fully justified in failing or refusing to take any discretionary action or exercise any discretionary power hereunder or under any other Loan Documents unless it shall (a) receive written instructions from the Required Lenders or the Lenders, as applicable, (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions as aforesaid and any action taken or failure to act pursuant thereto by the Administrative Agent shall be binding on all of the Lenders. If a Default has occurred and is continuing, then the Administrative Agent shall take such action with respect to such Default as shall be directed by the Required Lenders, *provided* that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement, the Loan Documents or applicable law. The Administrative Agent shall not be liable to any Lender for any action taken or not taken by it with the consent or at the request of the Required Lenders or the Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02), and otherwise the Administrative Agent shall not be liable for any action taken or not taken by it hereunder or under any other Loan Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith INCLUDING ITS OWN ORDINARY NEGLIGENCE, except for its own gross negligence or willful misconduct.

ARTICLE XII
MISCELLANEOUS

Section 12.01. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 12.01(b)), all notices and other communications provided for

herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, as follows:

(i) if to the Borrower, to it at 4413 Carey Street, Fort Worth, Texas 76119, Attention: Martin Robinson, Facsimile No. (817) 563-3555, with a copy to Haynes and Boone, LLP, 2323 Victory Ave., Suite 700, Dallas, Texas, 75129, Attn: Paul Amiel, Facsimile No. (214) 200-0555, E-mail: paul.amiel@haynesboone.com;

(ii) if to the Administrative Agent, to it at 245 Park Avenue, 44th Floor, New York, NY 10167, Attn: General Counsel, Facsimile No. (212) 750-1777, E-mail: arccgeneralcounsel@aresmgmt.com, with a copy to Sidley Austin LLP, 1000 Louisiana, Suite 6000, Houston, TX 77027, Attn: Herschel Hamner, Facsimile No. (713) 495-7799, E-mail: hhamner@sidley.com; and

(iii) if to any other Lender, to its at its address (or facsimile number) set forth on Annex I hereto.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications (including e-mail, FpML Messaging, and Internet or intranet websites pursuant to procedures approved by the Administrative Agent); *provided* that the foregoing shall not apply to notices pursuant to Article II, Article III, Article IV and Article V unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 12.02. Waivers; Amendments.¶

(a) No failure on the part of the Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege, or any abandonment or discontinuance of steps to enforce such right, power or privilege, under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any of the Loan Documents preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Administrative Agent and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by Section 12.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time.

(b) Subject to the last sentence of the definition of "LIBO Rate", neither this Agreement nor any provision hereof nor any other Loan Document nor any provision thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by

the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; *provided* that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, or reduce any other Indebtedness hereunder or under any other Loan Document, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment or prepayment of the principal amount of any Loan, or any interest thereon, or any fees payable hereunder, or any other Indebtedness hereunder or under any other Loan Document, or reduce the amount of, waive or excuse any such payment, or postpone or extend the Maturity Date, without the written consent of each Lender affected thereby, (iv) change Section 4.01(b) or Section 4.01(c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) waive or amend Article 6, Section 8.14 or Section 10.02(c) or change the definition of the terms "Domestic Subsidiary," "Foreign Subsidiary," or "Subsidiary," without the written consent of each Lender, (vi) waive or amend Section 11.10 without the written consent of each Lender affected thereby, (vii) release any Guarantor (except as set forth in the Guaranty Agreement) or release all or substantially all of the Collateral, without the written consent of each Lender, or (viii) change any of the provisions of this Section 12.02(b) or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or under any other Loan Documents or make any determination or grant any consent hereunder or any other Loan Documents, without the written consent of each Lender; *provided further* that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any other Agent hereunder or under any other Loan Document without the prior written consent of the Administrative Agent or such other Agent, as the case may be. Notwithstanding the foregoing, any supplement to Schedule 7.14 (Loan Parties and Subsidiaries) shall be effective simply by delivering to the Administrative Agent a supplemental schedule clearly marked as such and, upon receipt, the Administrative Agent will promptly deliver a copy thereof to the Lenders. Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

(c) The Borrower will not, and will not permit Parent or any of the Borrower's Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Lender for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of any Loan Document unless such consideration is offered to be paid and is paid to all Lenders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement (it being understood that this provision shall not apply to (i) arrangement fees or other consideration payable to any financial institution acting as an arranger (or similar role) for any such consent, waiver or amendment or (ii) any consideration payable to the Administrative Agent in its capacity as such).

Section 12.03. Expenses, Indemnity; Damage Waiver.¶

(a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including, without limitation, the reasonable and documented fees, charges and disbursements of counsel and other outside consultants for the Administrative Agent, the reasonable and documented travel, photocopy, mailing, courier, telephone and other similar expenses, including all Syndtrak (or similar service) expenses, and the reasonable and documented cost of environmental assessments and audits and surveys and appraisals, in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration (both before and after the execution hereof and including advice of counsel to the Administrative Agent as to the rights and duties of the Administrative Agent and the Lenders with respect

thereto) of this Agreement, the Intercreditor Agreement and the other Loan Documents and any amendments, modifications or waivers of or consents related to the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented costs, expenses, Taxes, assessments and other charges incurred by the Administrative Agent or any Lender in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Instrument or any other document referred to therein and (iii) if a Default has occurred, all documented out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement or any other Loan Document, including its rights under this Section 12.03, or in connection with the Loans made, including, without limitation, all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans; *provided* that all Lenders shall be represented by the same legal counsel (which may be a law firm engaged by the Lenders or attorneys employed by a Lender or a combination of the foregoing) selected by the Lenders; *provided*, that if such legal counsel determines in good faith that representing all such Lenders would or could result in a conflict of interest under Laws or ethical principles applicable to such legal counsel or that a defense or counterclaim is available to a Lender that is not available to all such Lenders, then to the extent reasonably necessary to avoid such a conflict of interest or to permit unqualified assertion of such a defense or counterclaim, each affected Lender shall be entitled to separate representation by legal counsel selected by that Lender and reasonably acceptable to Borrower; and *provided* further that the Administrative Agent shall at all times be entitled to representation by separate legal counsel (which may be a law firm or attorneys employed by the Administrative Agent or a combination of the foregoing).

(b) THE BORROWER SHALL INDEMNIFY THE ADMINISTRATIVE AGENT AND EACH LENDER, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN "INDEMNITEE") AGAINST, AND DEFEND AND HOLD EACH INDEMNITEE HARMLESS FROM, ANY AND ALL LOSSES, CLAIMS, DAMAGES, PENALTIES, LIABILITIES AND RELATED EXPENSES, INCLUDING THE REASONABLE FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE, INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (i) THE EXECUTION OR DELIVERY OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OR THE PARTIES TO ANY OTHER LOAN DOCUMENT OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR BY ANY OTHER LOAN DOCUMENT (*PROVIDED* THAT THE INDEMNIFICATION IN THIS CLAUSE (i) SHALL NOT EXTEND TO DISPUTES SOLELY BETWEEN OR AMONG THE ADMINISTRATIVE AGENT, THE LENDERS OR THEIR RESPECTIVE AFFILIATES), (ii) THE FAILURE OF THE BORROWER OR ANY OTHER LOAN PARTY TO COMPLY WITH THE TERMS OF ANY LOAN DOCUMENT, INCLUDING THIS AGREEMENT, OR WITH ANY GOVERNMENTAL REQUIREMENT, (iii) ANY INACCURACY OF ANY REPRESENTATION OR ANY BREACH OF ANY WARRANTY OR COVENANT OF THE BORROWER OR ANY GUARANTOR SET FORTH IN ANY OF THE LOAN DOCUMENTS OR ANY INSTRUMENTS, DOCUMENTS OR CERTIFICATIONS DELIVERED IN CONNECTION THEREWITH, (iv) ANY LOAN OR THE USE OF THE PROCEEDS THEREFROM, (v) ANY OTHER ASPECT OF THE LOAN DOCUMENTS, (vi) THE OPERATIONS OF THE BUSINESS OF THE BORROWER AND THE OTHER LOAN PARTIES BY THE BORROWER AND THE OTHER LOAN PARTIES, (vii) ANY ASSERTION THAT THE LENDERS WERE NOT ENTITLED TO RECEIVE THE PROCEEDS RECEIVED PURSUANT TO THE SECURITY INSTRUMENTS, (viii) ANY ENVIRONMENTAL LAW APPLICABLE TO THE BORROWER OR ANY OTHER LOAN PARTY REGARDING ANY OF THEIR PROPERTIES OR OPERATIONS, INCLUDING, THE PRESENCE, GENERATION,

STORAGE, RELEASE, THREATENED RELEASE, USE, TRANSPORT, DISPOSAL, ARRANGEMENT FOR DISPOSAL OR TREATMENT OF HAZARDOUS MATERIALS ON OR AT ANY OF THEIR PROPERTIES OR AT ANY OTHER PROPERTY TO WHICH HAZARDOUS MATERIALS GENERATED BY THE BORROWER, ANY OTHER LOAN PARTY OR THEIR OPERATIONS WERE OR ARE SENT FOR DISPOSAL, (ix) THE BREACH OR NON-COMPLIANCE BY THE BORROWER OR ANY OTHER LOAN PARTY WITH ANY ENVIRONMENTAL LAW APPLICABLE TO THE BORROWER OR ANY OTHER LOAN PARTY, (x) THE PAST OWNERSHIP BY THE BORROWER OR ANY OTHER LOAN PARTY OF ANY OF THEIR PROPERTIES OR PAST ACTIVITY ON ANY OF THEIR PROPERTIES WHICH, THOUGH LAWFUL AND FULLY PERMISSIBLE AT THE TIME, COULD RESULT IN PRESENT LIABILITY, (xi) THE PRESENCE, USE, RELEASE, STORAGE, TREATMENT, DISPOSAL, GENERATION, THREATENED RELEASE, TRANSPORT, ARRANGEMENT FOR TRANSPORT OR ARRANGEMENT FOR DISPOSAL OF HAZARDOUS MATERIALS ON OR AT ANY OF THE PROPERTIES OWNED OR OPERATED BY THE BORROWER OR ANY OTHER LOAN PARTY, OR ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE BORROWER OR ANY OF THE OTHER LOAN PARTIES OR AT ANY OTHER PROPERTY TO WHICH HAZARDOUS MATERIALS GENERATED BY THE BORROWER, ANY OTHER LOAN PARTY OR THEIR OPERATIONS WERE OR ARE SENT FOR DISPOSAL, (xii) ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE BORROWER OR ANY OF THE OTHER LOAN PARTIES, OR (xiii) ANY OTHER ENVIRONMENTAL, HEALTH OR SAFETY CONDITION IN CONNECTION WITH THE LOAN DOCUMENTS, OR (xiv) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, AND SUCH INDEMNITY SHALL EXTEND TO EACH INDEMNITEE NOTWITHSTANDING THE SOLE OR CONCURRENT NEGLIGENCE OF EVERY KIND OR CHARACTER WHATSOEVER, WHETHER ACTIVE OR PASSIVE, WHETHER AN AFFIRMATIVE ACT OR AN OMISSION INCLUDING, WITHOUT LIMITATION, ALL TYPES OF NEGLIGENT CONDUCT IDENTIFIED IN THE RESTATEMENT (SECOND) OF TORTS OF ONE OR MORE OF THE INDEMNITEES OR BY REASON OF STRICT LIABILITY IMPOSED WITHOUT FAULT ON ANY ONE OR MORE OF THE INDEMNITEES; *PROVIDED* THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES (A) ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE OR (B) ARE IN RESPECT OF ANY PROPERTY FOR ANY OCCURRENCE ARISING FROM THE ACTS OR OMISSIONS OF THE ADMINISTRATIVE AGENT OR ANY LENDER DURING THE PERIOD AFTER WHICH SUCH PERSON, ITS SUCCESSORS OR ASSIGNS HAVE OBTAINED TITLE AND POSSESSION OF SUCH PROPERTY BY FORECLOSURE OR DEED IN LIEU OF FORECLOSURE; BUT EXCLUDING ANY OCCURRENCE REGARDING ANY VIOLATION OF ENVIRONMENTAL LAW FIRST OCCURRING BEFORE SUCH PERIOD AND ANY HAZARDOUS MATERIAL OR ENVIRONMENTAL CONDITION FIRST PRESENT ON THE PROPERTY BEFORE SUCH PERIOD.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under Section 12.03(a) or (b), each Lender severally agrees to pay to the Administrative Agent such Lender's ratable share, based on the aggregate Commitments (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such.

(d) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, the Amendment No. 1 Transactions, any Loan or the use of the proceeds thereof.

(e) All amounts due under this Section 12.03 shall be payable not later than 10 Business Days after written demand therefor accompanied by appropriate documentation thereof.

Section 12.04. Successors and Assigns.¶

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 12.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in Section 12.04(c)) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Subject to the conditions set forth in Section 12.04(b)(i), any Lender may assign to one or more Persons all or a portion of its interests, rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it), with notice to the Borrower and the Administrative Agent (failure to provide or delay in providing such notice shall not invalidate such assignment).

(i) Assignments shall be subject to the following additional conditions:

(A) the Borrower shall have consented to such assignment, such consent not to be unreasonably withheld, conditioned or delayed; *provided* that no such consent of the Borrower shall be required (1) if an Event of Default has occurred and is continuing, (2) such assignment is to an Eligible Assignee; *provided further* that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof, or (3) in the circumstances described in the Fee Letter;

(B) the Administrative Agent shall have consented to such assignment, such consent not to be unreasonably withheld, conditioned or delayed; *provided* that no such consent of the Administrative Agent shall be required if such assignment is to an Eligible Assignee;

(C) except in the case of (1) an assignment to an assignee that is a Lender immediately prior to giving effect to such assignment or an Affiliate of a Lender or (2) an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent)

shall not be less than $5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, *provided* that no such consent of the Borrower shall be required if the assignee is an Eligible Assignee or if an Event of Default has occurred and is continuing;

(D) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(E) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500;

(F) the assignee, if it shall not already be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(G) in no event may any Lender assign all or a portion of its rights and obligations under this Agreement to the Borrower, any Affiliate of the Borrower or a natural person.

(ii) Subject to Section 12.04(b)(iii) and the acceptance and recording thereof, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 5.01, Section 5.02 and Section 12.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.04(c).

(iii) The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. In connection with any changes to the Register, if necessary, the Administrative Agent will reflect the revisions on Annex I and forward a copy of such revised Annex I to the Borrower and each Lender. For the avoidance of doubt, the foregoing provisions are intended to comply with the registration requirements in United States Treasury Regulations Section 5f.103-1(c), or any successor provisions thereof, so that any payments made on a Loan or Note are considered to be paid on a debt instrument issued in "registered form" pursuant to such regulations, and all parties hereto shall construe the provisions of this Credit Agreement to ensure that the Loans or Notes will be considered to have been so issued.

(iv) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 12.04(b) and any written consent to such assignment required by Section 12.04(b), the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 12.04(b).

(c) (1) Any Lender may, without the consent of the Borrower, sell participations to one or more banks or other Person (other than the Borrower, any Affiliate of the Borrower or a natural person) (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and (D) if the Participant or, if the Participant is a partnership, one or more direct or indirect partners of such Participant are claiming the portfolio interest exemption, such Participant may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 or Exhibit F-3, as applicable. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the proviso to Section 12.02 that affects such Participant. In addition such agreement must provide that the Participant be bound by the provisions of Section 12.03. Subject to Section 12.04(c)(ii), the Borrower agrees that each Participant shall be entitled to the benefits of Section 5.01, and Section 5.02 (in each case, without duplication of any benefits afforded the Lender granting such participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.04(b). Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register. For the avoidance of doubt, the foregoing provisions are intended to comply with the registration requirements in United States Treasury Regulations Section 5f.103-1(c), or any successor provisions thereof, so that any payments made on a Participant's interest are considered to be paid on a debt instrument issued in "registered form" pursuant to such regulations, and all parties hereto shall construe (and shall cause any participants to construe) the provisions of this Credit Agreement to ensure that any participant's interest will be considered to have been so issued.

(ii) A Participant shall not be entitled to receive any greater payment under Section 5.01 or Section 5.02 than the applicable Lender would have been entitled to receive with

respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 5.02 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 5.02(f) as though it were a Lender.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including, without limitation, any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank, and this Section 12.04 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Notwithstanding any other provisions of this Section 12.04, no transfer or assignment of the interests or obligations of any Lender or any grant of participations therein shall be permitted if such transfer, assignment or grant would require the Borrower and the Guarantors to file a registration statement with the SEC or to qualify the Loans under the "Blue Sky" laws of any state.

Section 12.05. Survival; Revival; Reinstatement.¶

(a) All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Section 5.01 (subject to Section 5.01(d)), Section 5.02 (subject to the proviso in the last sentence of Section 5.02(c)) and Section 12.03 (for a period of two years after the Maturity Date) and Article XI shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement, any other Loan Document or any provision hereof or thereof; *provided* that any time limitation on the survival of any provision hereunder shall be tolled for any claims filed prior to the expiration of such time limitation until two months after final, non-appealable adjudication of any such claim.

(b) To the extent that any payments on the Indebtedness or proceeds of any Collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Indebtedness so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement and each Loan Document shall continue in full force and effect. In such event, each Loan Document shall be automatically reinstated and the Borrower shall take such action as may be reasonably requested by the Administrative Agent and the Lenders to effect such reinstatement.

Section 12.06. Counterparts; Integration; Effectiveness.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

(b) This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof.

(c) **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES**.

(d) Except as provided in Section 6.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission (e.g. .pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 12.07. Severability. Any provision of this Agreement or any other Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 12.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations (of whatsoever kind) at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any of and all the obligations of the Borrower or any other Loan Party owed to such Lender now or hereafter existing under this Agreement or any other Loan Document, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations may be unmatured. The rights of each Lender under this Section 12.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender or its Affiliates may have.

Section 12.09. GOVERNING LAW; JURISDICTION; CONSENT TO SERVICE OF PROCESS.

(a) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THE LOAN DOCUMENTS SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF

THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EITHER CASE LOCATED IN NEW YORK COUNTY, NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HEREBY ACCEPTS FOR ITSELF AND (TO THE EXTENT PERMITTED BY LAW) IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS. THIS SUBMISSION TO JURISDICTION IS NON-EXCLUSIVE AND DOES NOT PRECLUDE A PARTY FROM OBTAINING JURISDICTION OVER ANOTHER PARTY IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) EACH PARTY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO IT AT THE ADDRESS SPECIFIED IN Section 12.01 OR SUCH OTHER ADDRESS AS IS SPECIFIED PURSUANT TO Section 12.01 (OR ITS ASSIGNMENT AND ASSUMPTION), SUCH SERVICE TO BECOME EFFECTIVE THIRTY (30) DAYS AFTER SUCH MAILING. NOTHING HEREIN SHALL AFFECT THE RIGHT OF A PARTY OR ANY HOLDER OF A LOAN TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANOTHER PARTY IN ANY OTHER JURISDICTION.

(d) EACH PARTY HEREBY (i) IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN; (ii) IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES; (iii) CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OR AGENT OR COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND (iv) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS Section 12.09.

Section 12.10. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 12.11. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, partners, funding sources, administrators, employees and agents, including accountants, legal counsel and other advisors and sub-advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; *provided* that, subject to the Borrower's obligation to reimburse expenses under

Section 12.03, it shall use commercially reasonable efforts to seek to obtain confidential treatment of such Information; *provided further*, that it shall not be liable for failure to obtain such confidential treatment, (d) to any other party to this Agreement or any other Loan Document, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 12.11, to (i) any assignee of or Participant or investor in, or any prospective assignee of or Participant or investor in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any Swap Agreement relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 12.11 or (ii) becomes available to the Administrative Agent or any Lender on a nonconfidential basis from a source other than the Borrower. For the purposes of this Section 12.11, "**Information**" means all information received from the Borrower or any other Loan Party relating to the Borrower or any other Loan Party and their businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any other Loan Party; *provided* that, in the case of information received from the Borrower or any other Loan Party after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 12.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Notwithstanding anything herein to the contrary, "Information" shall not include, and the Borrower, the other Loan Parties, the Administrative Agent, each Lender and the respective Affiliates of each of the foregoing (and the respective partners, directors, officers, employees, agents, advisors and other representatives of the aforementioned Persons), and any other party, may disclose to any and all Persons, without limitation of any kind (a) any information with respect to the United States federal and state income tax treatment of the transactions contemplated hereby and any facts that may be relevant to understanding the United States federal or state income tax treatment of such transactions ("**tax structure**"), which facts shall not include for this purpose the names of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, or any pricing terms or other nonpublic business or financial information that is unrelated to such tax treatment or tax structure, and (b) all materials of any kind (including opinions or other tax analyses) that are provided to the Borrower, the Administrative Agent or such Lender relating to such tax treatment or tax structure.

Section 12.12. Interest Rate Limitation. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America, the State of Texas or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in any of the Loan Documents or any agreement entered into in connection with or as security for the Loans, it is agreed as follows: (i) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender under any of the Loan Documents or agreements or otherwise in connection with the Loans shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (ii) in the event that the maturity of the Loans is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if

any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Indebtedness (or, to the extent that the principal amount of the Indebtedness shall have been or would thereby be paid in full, refunded by such Lender to the Borrower). All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (A) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.12 and (B) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.12. To the extent that Chapter 303 of the Texas Finance Code is relevant for the purpose of determining the Highest Lawful Rate applicable to a Lender, such Lender elects to determine the applicable rate ceiling under such Chapter by the weekly ceiling from time to time in effect. Chapter 346 of the Texas Finance Code does not apply to the Borrower's obligations hereunder.

Section 12.13. EXCULPATION PROVISIONS. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; THAT IT HAS IN FACT READ THIS AGREEMENT AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS AGREEMENT; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

Section 12.14. No Third Party Beneficiaries. This Agreement, the other Loan Documents, and the agreement of the Lenders to make Loans are solely for the benefit of the Borrower, and no other Person (including, without limitation, any other Loan Party, any obligor, contractor, subcontractor, supplier or materialsman) shall have any rights, claims, remedies or privileges hereunder or under any other Loan Document against the Administrative Agent or any Lender for any reason whatsoever. Except as specified in Section 11.10 and Section 12.03, there are no third party beneficiaries.

Section 12.15. USA Patriot Act Notice. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Act**"), it is required to obtain, verify and record information that identifies the Borrower,

which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

Section 12.16. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that: (a)(i) no fiduciary, advisory or agency relationship between the Borrower and its Subsidiaries and the Administrative Agent or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether the Administrative Agent or any Lender has advised or is advising the Borrower or any Subsidiary on other matters; (ii) the arranging and other services regarding this Agreement provided by the Administrative Agent and the Lenders are arm's-length commercial transactions between the Borrower and its Subsidiaries, on the one hand, and the Administrative Agent and the Lenders, on the other hand; (iii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate; and (iv) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b)(i) the Administrative Agent and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Subsidiaries, or any other Person; (ii) none of the Administrative Agent nor the Lenders has any obligation to the Borrower or any of its Subsidiaries with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of the Borrower and its Subsidiaries, and none of the Administrative Agent nor the Lenders has any obligation to disclose any of such interests to the Borrower or its Subsidiaries. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 12.17. Electronic Execution of Assignments and Certain Other Documents. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, Borrowing Request Notices, amendments, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; *provided* that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

Section 12.18. Intercreditor Agreement. The Lenders acknowledge the obligations of the Loan Parties under the RCA Loan Documents, which are secured by Liens on assets of the Loan Parties, and that the relative Lien priorities and other creditor rights of the secured parties thereunder and the Secured Parties are as set forth in the Intercreditor Agreement. Each Lender hereby acknowledges that it has received a copy of the Intercreditor Agreement and hereby (a) irrevocably consents to the subordination and equalization, as applicable, of the Liens on the Collateral on the terms set forth in the Intercreditor

Agreement, (b) agrees that such Lender will be bound by the provisions of the Intercreditor Agreement as if it were a signatory thereto and will take no actions contrary to the provisions of the Intercreditor Agreement and (c) agrees that such Lender shall not have any right of action whatsoever against the Administrative Agent as a result of any action taken by the Administrative Agent pursuant to this Section or in accordance with the terms of the Intercreditor Agreement. Each Lender hereby further irrevocably authorizes and directs the Administrative Agent (i) to take such actions as shall be required to release Liens on the Collateral in accordance with the terms of the Intercreditor Agreement and (ii) to enter into such amendments, supplements or other modifications to the Intercreditor Agreement in connection with any extension, renewal, refinancing or replacement of any secured indebtedness as are reasonably acceptable to the Administrative Agent to give effect thereto, in each case on behalf of such Lender and without any further consent, authorization or other action by such Lender. The Administrative Agent shall have the benefit of the provisions of Article XI with respect to all actions taken by it pursuant to this Section or in accordance with the terms of the Intercreditor Agreement to the full extent thereof.

Section 12.19. Effect of Amendment and Restatement.

(a) The parties hereto agree that:

(i) on the Effective Date, the Indebtedness (as defined herein) represents, among other things, the amendment, consolidation, and modification of the "Indebtedness" (as defined in the Existing Credit Agreement), as assumed by the Borrower;

(ii) Parent, the Borrower, the other Loan Parties, the Administrative Agent and the Lenders acknowledge that, effective as of the Effective Date, all interest, fees, expenses and other "Indebtedness" (as defined in the Existing Credit Agreement) that remain unpaid and outstanding as of the Effective Date will be assumed by the Borrower and remain outstanding and payable under this Agreement and the other Loan Documents. The Borrower acknowledges that all Indebtedness outstanding as of the Effective Date constitutes valid and binding obligations of the Borrower without offset, counterclaim, defense, or recoupment of any kind, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditor's rights generally;

(iii) on the Effective Date, the Existing Credit Agreement will be amended and restated in its entirety by this Agreement and the Existing Credit Agreement will thereafter be of no further force and effect, but this Agreement does not, and is not in any way intended to, constitute a novation of the obligations and liabilities existing under the Existing Credit Agreement or to evidence payment of all or any portion of such obligations and liabilities; and

(iv) the terms and conditions of this Agreement and the Administrative Agent's and the Lenders' rights and remedies under this Agreement and the other Loan Documents apply to all of the "Indebtedness" (as defined in the Existing Credit Agreement) incurred under the Existing Credit Agreement that is continued under this Agreement;

(b) Each Loan Party hereby reaffirms the Liens granted pursuant to the Security Instruments to the Administrative Agent for the benefit of the Secured Parties, which Liens will continue in full force and effect during the term of this Agreement and any renewals thereof and will continue to secure the Indebtedness.

(c) On and after the Effective Date, (i) all references to the Existing Credit Agreement in the Loan Documents (other than this Agreement) will be deemed to refer to the Existing Credit Agreement as amended and restated by this Agreement; (ii) all references to any

section (or subsection) of the Existing Credit Agreement in any Loan Document (but not in this Agreement) will be deemed amended, *mutatis mutandis*, to refer to the corresponding provisions of this Agreement; and (iii) except as the context otherwise requires, on or after the Effective Date all references in this Agreement to this Agreement (including for purposes of indemnification and reimbursement of fees) will be deemed to be references to the Existing Credit Agreement as amended and restated by this Agreement.

(d) The amendment and restatement effected by this Agreement is limited as written and is not a consent to any other amendment, restatement, or waiver or other modification, whether or not similar, and, except as expressly provided in this Agreement or in any other Loan Document, all terms and conditions of the Loan Documents remain in full force and effect unless otherwise specifically amended by this Agreement or by any other Loan Document.

Section 12.20. Cashless Settlement.

(a) Notwithstanding anything to the contrary contained in this Agreement, any Lender may exchange, continue, or rollover all or a portion of its Loans or Commitments in connection with any refinancing, extension, loan modification, or similar transaction permitted by this Agreement pursuant to a cashless settlement mechanism approved by the Borrower, Administrative Agent, and such Lender.

[*SIGNATURES BEGIN NEXT PAGE*]

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER: VPROP OPERATING, LLC

By: Vista Proppants and Logistics, LLC, its sole member

By: _____

Name: Gary B. Humphreys
Title: Chief Executive Officer

PARENT: VISTA PROPPANTS AND LOGISTICS, LLC

By: _____

Name: Gary B. Humphreys
Title: Chief Executive Officer

ADMINISTRATIVE AGENT:

ARES CAPITAL CORPORATION, as Administrative Agent and Lender

By: _____

Name:
Title:

LENDERS:

ARES CAPITAL CORPORATION, as a Lender

By: _____

Name:

Title:

ANNEX I

EXISTING LOANS, NEW COMMITMENTS, INCREMENTAL COMMITMENTS AND 2018 INCREMENTAL COMMITMENTS

Lender	Existing Loan Amount	New Commitment	Incremental Commitment	2018 Incremental Commitment
Ares Capital Corporation 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**$15,204,388.66**	**$35,351,225.74**	**$28,311,484.29**	**$75,000,000.00**
Ares Capital CP Funding LLC* c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**$75,698,991.87**	**-**	**-**	
AC American Fixed Income IV, L.P. c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**$15,150,563.42**	**$13,164,996.10**	**$10,962,271.46**	**-**
Federal Insurance Company c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-	**$10,100,375.61**	**$7,928,786.28**	**$8,352,918.00**	**-**

1777				
Ares Centre Street Partnership, L.P. c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**$10,100,375.61**	**-**	**-**	**-**
Ares Jasper Fund Holdings, LLC c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**-**	**$12,036,839.75**	**-**	**-**
Ares ND Credit Strategies Fund LLC c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**-**	**$6,018,419.88**	**-**	**-**
Ares Credit Strategies Insurance Dedicated Fund Series Interests of the SALI Multi-Series Fund, L.P. c/o Ares Capital Corporation,	**-**	**$496,870.25**	**-**	**-**

Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777				
SC ACM Private Debt Fund L.P. c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	-	**$5,248,460.35**	**$4,779,619.97**	-
Great American Insurance Company c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	-	**$1,253,837.47**	-	-
Great American Life Insurance Company c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	-	**$3,761,512.42**	-	-
CION Investment Corporation 3 Park Avenue, 36th Floor New York, NY 10016 Attn: Gregg Bresner	-	-	**$3,734,856.97**	-

Facsimile No. (212) 418-4739				
Premia LVI Ltd. c/o Ares Capital Corporation, Administrative Agent 245 Park Avenue, 44th Floor New York, NY 10167 Attn: General Counsel Facsimile No. (212) 750-1777	**-**	**-**	**$4,010,082.19**	**-**
TOTAL	**$126,254,695.19**	**$85,260,948.25**	**$60,151,232.88**	**$75,000,000.00**

*Partial assignment from Ares Capital Corporation after the Existing Loan was made.

EXHIBIT B

SCHEDULES

[Attached]

Schedule 7.14(b)

CAPITALIZATION

VPROP Operating, LLC

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
Vista Proppants and Logistics, LLC	LLC Membership Interest	100%

Vista Proppants and Logistics, LLC

Owner	Type of Equity Interest	Percentage Ownership of Common Units
Lonestar Prospects Holding Company, L.L.C.	LLC Membership Interest – Common Units	52.79%
Gary Humphreys	LLC Membership Interest – Common Units	1.06%
Future New Deal, Ltd	LLC Membership Interest – Common Units	6.31%
Martin Robertson	LLC Membership Interest – Common Units	1.06%
M&J Partnership, Ltd.	LLC Membership Interest – Common Units	6.31%
Timothy Probert	LLC Membership Interest – Common Units	0.05%
FR Sand Holdings LLC	LLC Membership Interest – Common Units	30.60%
Ares Credit Strategies	LLC Membership Interest – Common Units	0.01%
Ares ND Credit Strategies Fund LLC	LLC Membership Interest – Common Units	0.05%
Ares Jasper Fund, L.P.	LLC Membership Interest – Common Units	0.00%
ARCC VS Corp.	LLC Membership Interest – Common Units	1.77%
Owner	**Type of Equity Interest**	**Percentage Ownership of Class A Units**
GHMR Operations, L.L.C.	Class A Units	100%

Lonestar Prospects, Ltd.

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
Lonestar Prospects Management, L.L.C.	General Partnership Interest	1%
VPROP Operating, LLC.	Limited Partnership Interest	99%

MAALT, L.P.

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
Denetz Logistics, L.L.C.	General Partnership Interest	1%
VPROP Operating, LLC	Limited Partnership Interest	99%

Maalt Specialized Bulk, LLC

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
VPROP Operating, LLC	LLC Membership Interest	100%

Lonestar Prospects Management, L.L.C.

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
VPROP Operating, LLC	LLC Membership Interest	100%

Denetz Logistics, L.L.C.

Owner	Type of Equity Interest	Percentage Ownership of Equity Interest
VPROP Operating, LLC	LLC Membership Interest	100%

Schedule 7.23

MATERIAL CONTRACTS

Major Material Contracts

1. Lease Agreement by and between Sand Hill Land and Cattle, LLC and Lonestar Prospects, Ltd., d/b/a Vista Sand, dated as of April 14, 2011, as amended by the First Amendment thereto dated as of April 1, 2012, the Second Amendment thereto dated as of January 1, 2014, the Third Amendment thereto dated as of September 18, 2014 and the Fourth Amendment thereto dated as of November 4, 2015.

2. Supply Agreement dated as of July 1, 2012, by and between James Hardie Building Products Inc. and Vista Sand, Ltd., as amended by the Amendment to Supply Agreement, dated as of February 26, 2013 and Second Amendment to Supply Agreement dated as of April 1, 2016.

3. Lease Agreement dated as of December 1, 2014 by and between GHMR Operations, LLC and Lonestar Prospects, Ltd., d/b/a Vista Sand.

4. Silica Sand Lease and Mining Agreement dated as of August 27, 2015 by and between Lonestar Prop 50, LLC and Lonestar Prospects, Ltd., d/b/a Vista Sand.

5. Sand Purchase Agreement dated as of August 1, 2016 by and between Lonestar Prospects, Ltd., d/b/a Vista Sand and Keane Frac, LP

6. 2017 Sand Purchase Agreement dated as of January 1, 2017 by and between EOG Resources, Inc. and Lonestar Prospects, Ltd., d/b/a Vista Sand.

7. Sand Purchase Agreement dated as of February 1, 2017 by and between Apache Corporation and Lonestar Prospects, Ltd. d/b/a Vista Sand.

8. Lease Agreement dated as of April 28, 2017, by and between Hogg Ranch, LLC and Lonestar Prospects, Ltd., as amended by the First Amendment thereto dated as of April 28, 2017.

9. Natural Gas Purchase and Sale Agreement dated as of May 1, 2017, by and between Marabou Energy Management, LLC, as seller and Lonestar Prospects, Ltd., as buyer.

10. Interconnect Agreement Hogg Delivery Meter Station Pin No. 49715 dated as of June 12, 2017, by and between El Paso Natural Gas Company, L.L.C., as company and Lonestar Prospects, Ltd., as connecting party.

11. Transmission/Substation Facility Extension Agreement dated as of July 14, 2017 by and between Lonestar Prospects, Ltd. d/b/a Vista Sand, as customer and Oncor Electric Delivery Company LLC, as company.

12. Master Sand Supply Agreement dated June 9, 2017 by and between EP Energy E&P Company, L.P. and Lonestar Prospects, Ltd., d/b/a Vista Sand.

13. Lease Agreement dated as of October 20, 2014 by and between Penske Truck Leasing Co., L.P. and Maalt Specialized Bulk L.L.C.

14. Master Supply Agreement for Proppant between Vista Sand and Schlumberger Technology Corporation dated as of January 1, 2018.

15. Master Purchase Agreement between Vista Sand and Encana Oil & Gas (USA) Inc. dated as of February 9, 2018

16. General Conditions of the Contract for Construction between Vista Sand and CCC Group, Inc. dated as of July 17, 2017.

Material Contracts

1. Master Purchase Agreement, dated and effective November 3, 2011, between Halliburton Energy Services, Inc. and Lonestar Prospects, Ltd., d/b/a Vista Sand, as amended by that certain Railcar Policy and Release Agreement, dated and effective as of October 24, 2016, between Halliburton Energy Services, Inc. and Lonestar Prospects, Ltd., d/b/a Vista Sand.

2. Natural Gas Pipeline Construction Agreement dated as of March 31, 2017 by and between Marabou Superior Pipeline, LLC, as MSP and Lonestar Prospects, Ltd., dba Vista Sand, as customer.

3. Agency Agreement dated as of June 1, 2017 by and between Lonestar Prospects, Ltd., dba Vista Sand, as customer and Marabou Midstream Services, LP, as agent.

Schedule 8.01

CAPITAL EXPENDITURE PLAN

Total:

Time Period	Capital Budget ($, MM)
11/01/2017 to 12/31/2017	79.9
FY2018	171.4
FY2019	43.5
FY2020	43.5

Tolar and West Texas Winkler Facility

Time Period	Capital Budget ($, MM)
11/01/2017 to 12/31/2017	70.5
FY2018	129.4
FY2019	16.5
FY2020	16.5

Other Operations

Time Period	Capital Budget ($, MM)
10/01/2017 to 12/31/2017	3.4
FY2018	30.0
FY2019	15.0
FY2020	15.0

Maintenance

Time Period	Capital Budget ($, MM)
10/01/2017 to 12/31/2017	6.0
FY2018	12.0
FY2019	12.0
FY2020	12.0

Schedule 9.15

TRANSACTIONS WITH AFFILIATES

Agreements entered into prior to FY2016, but under which transactions are currently active

1. Transloading and Storage Services Agreement, by and between MAALT, L.P. and Lonestar Prospects, Ltd., dated as of June 9, 2014, amended as of May 19, 2015
2. Amendment, Supplement and Release Agreement, by and among EOG Resources, Inc., Lonestar Prospects, Ltd., and MAALT, L.P., dated as of May 14, 2015
3. Lease Agreement, by and between GHMR Operations, LLC and Lonestar Prospects, Ltd., dated as of December 1, 2014
4. Lease Agreement by and between GBH Properties, LLC and Maalt Specialized Bulk LLC, dated as of September 1, 2011, concerning buildings and land located at 4413 Carey Street, Fort Worth, TX 76119

FY 2016

5. Cost of Sales.
    a. As of December 31, 2016, cost of sales includes $13,454,000 of expense paid to related party MAALT, LP.
    b. Transloading and Storage Services Agreement (Big Lake), by and between MAALT, L.P. and Lonestar Prospects, Ltd., dated as of April 1, 2016.
    c. Transloading and Storage Services Agreement (Fort Stockton), by and between MAALT, L.P. and Lonestar Prospects, Ltd., dated as of February 1, 2016.
    d. In 2016, Lonestar Prospects, Ltd. began using a D6TLGP (serial # HTZ00286) owned by GHMR. Lonestar Prospects, Ltd. pays GHMR a monthly rental fee of $10,810 for use of this equipment.
    e. During 2016 and 2017, Lonestar Prospects, Ltd. hosted numerous marketing events for customers at property owned by Martin Robertson. Martin Robertson was reimbursed the cost incurred to host such events.
    f. During 2016 and 2017, Lonestar Prospects, Ltd. utilized an aircraft owned by Gary Humphreys for various business purposes, including, but not limited to, trips to inspect potential mine sites and customer and vendor visits. Gary Humphreys was paid a fixed hourly rate for Lonestar Prospects, Ltd.'s use of the aircraft.
6. Partners Expenses. Lonestar Prospects, Ltd. has an informal consulting agreement with the partners. As of December 31, 2016, Lonestar Prospects, Ltd. paid the partners $1,250,000 related to this agreement. Lonestar Prospects, Ltd. anticipates paying partners approximately $167,000 per month for consulting services.
7. RYCut. Lonestar Prospects, Ltd. paid RYCut, a related construction company, $162,000.
8. Royalty Expense: For the years ended December 31, 2016 and 2015, Lonestar Prospects, Ltd. paid the partners approximately $1,194,000 and $490,000 related to a lease agreement for reserves located in Tolar, Texas. The lease provides for minimum royalty payments of approximately $463,000 per year until 2019 or for so long after as material is sold and removed from the leased premises and/or the royalty is to the lessor under the lease.
9. Leases.
    a. Lease Agreement, dated May 1, 2016, between GMHR Operations, LLC ("Landlord") and Maalt Specialized Bulk, LLC ("Tenant"), concerning building and land located at 1415 S. BI 35 D, Dilley, Frio County, Texas.

b. Lease Agreement, dated May 1, 2016, between GMHR Operations, LLC ("Landlord") and MAALT, L.P. ("Tenant"), concerning building and land located at 869 County Rd. 108, Sweetwater, TX.
c. Lease Agreement, dated May 1, 2016, between GMHR Operations, LLC ("Landlord") and MAALT, L.P. ("Tenant"), concerning building and land located at 1415 S. BI 35 D, Dilley, Frio County, Texas.
d. Commercial Trailer Lease, dated May 1, 2016 between GMHR Operations, LLC ("Lessor") and Maalt Specialized Bulk, LLC ("Lessee").
e. Lease Agreement, dated May 1, 2016 between GMHR Operations, LLC ("Landlord") and Maalt Specialized Bulk, LLC ("Tenant"), concerning building and land located at 48539 S. CR 182 Gage, OK.

FY 2017

1. Royalty Expenses. As of December 31, 2017, Lonestar Prospects, Ltd. has made $1,677,000 in minimum royalty payments to GHMR in relation to the Tolar lease.
2. Pecos Construction. GHMR Operations, LLC completed construction of the Pecos facility in August 2017. There is an option to assign/sale to MAALT, L.P. at cost plus 20%.
3. EOG Expenses. Lonestar Prospects, Ltd. paid MAALT, L.P. $3 per ton passing through Dilley per the Amendment, Supplement and Release Agreement, by and among EOG Resources, Inc., Lonestar Prospects, Ltd., and MAALT, LP, dated as of May 14, 2015. This was ultimately a pass through transaction with the $3 per ton being ultimately owed to GHMR Operations, LLC.
4. Management Fees. VPROP Operating, LLC, Lonestar Prospects, Ltd., MAALT, L.P. and Maalt Specialized Bulk, LLC each make distributions to their respective equityholders with respect to management fees benefitting such Loan Parties and payable by Vista Proppants and Logistics, LLC pursuant to its management agreements, not to exceed $3,000,000 in the aggregate during any calendar year.
5. Letter Agreement among EOG Resources, Inc., Vista Sands, MAALT, L.P., and GHMR Operations, LLC, dated as of February 13, 2017.
6. Assignment, Assumption Agreement and Bill of Sale by and between GHMR Operations, LLC and EOG Resources, Inc., dated effective as of January 15, 2017.
7. Contract Take Over Request (Contract Number: 230010683) requesting transfer of Contract from EOG Resources, Inc. to GHMR Operations, LLC, dated as of February 13, 2017.
8. Transloading and Storage Services Agreement between MAALT, L.P. and Lonestar Prospects, Ltd.(Barnhart), entered into as of April 2017.
9. Assignment and Assumption Agreement and Bill of Sale by and between GHMR Operations, LLC ("Assignor") and MAALT, L.P. ("Assignee"), dated as of March 20, 2017.
10. Lease Agreement, dated July 1, 2017 between GHMR Operations, LLC ("Landlord") and MAALT, L.P. ("Tenant"), concerning land and improvements located in Reeves County, Texas (Pecos West).
11. Lease Agreement, dated December 1, 2017 between Lonestar Prospects, Ltd. ("Tenant") and GHMR Operations, LLC ("Landlord"), concerning lease of land and building located at 1017 N. Doris Ave., Monohans, TX for a 5-year term at $10,000 per month.

FY 2018

1. Lease Agreement, dated January 1, 2018 between Lonestar Prospects, Ltd.("Tenant") and GHMR Operations, LLC ("Landlord"), concerning lease of land and building located at 1701 Colony Ct., Tolar TX for a 5-year term at $5,000 per month.
2. Accounts Receivable. As of March 31, 2018, related parties receivables total $267,000.
3. Accounts Payable. As of March 31, 2018, related parties payables total $443,000.

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

[Attached]

FORM OF COMPLIANCE CERTIFICATE

The undersigned hereby certifies that he/she is the Financial Officer of VPROP Operating, LLC, a Delaware limited liability company (the "**Borrower**"), and that as such he/she is authorized to execute this certificate on behalf of the Borrower. With reference to the Amended and Restated Senior Secured Credit Agreement dated as of November 9, 2017 as amended by that certain Amendment No. 1 to Amended and Restated Senior Secured Credit Agreement, dated as of May 4, 2018, (together with all amendments, restatements, supplements or other modifications thereto being the "**Credit Agreement**") among the Borrower, Ares Capital Corporation, as Administrative Agent, and the Persons party thereto as "lenders", the undersigned represents and warrants (in the above capacity on behalf of the Borrower) the following information to be true and correct:

The Borrower and each other Loan Party has performed and complied with all agreements, covenants and conditions contained in the Credit Agreement and in the other Loan Documents to which it is a party required to be performed or complied with by it prior to or at the time of delivery hereof[, except as specifically set forth below].

As of the date hereof, no Default has occurred *[or specify Default and describe the details thereof and any action taken or proposed to be taken with respect thereto]*.

Attached hereto are the detailed computations demonstrating compliance with Section 8.16 [fiscal year only], Section 9.01, Section 9.03(f), Section 9.06(k) and Section 9.23 of the Credit Agreement as of the end of the [fiscal quarter][fiscal year] and Reference Period ending [_____].

As of the last day of the fiscal quarter most recently ended, the 5 MM Condition is *[not]* satisfied *[and, if the 5 MM Condition is satisfied as of such day, attached hereto are detailed calculations demonstrating compliance with the applicable components of the definition of 5 MM Condition]*.

No change in GAAP or the application thereof that is applicable to the Borrower has occurred since the date of the audited financial statements referred to in Section 7.04 of the Credit Agreement *[or specify change in GAAP and the effect of such change on the financial statements accompanying this certificate]*.

Attached hereto is a list of each Major Material Contract that is solely by and among Loan Parties or any amendment, consent or waiver to any such Major Material Contract. *[Attached hereto is a copy of such Major Material Contract or amendment, consent or waiver thereto, certified as being true, complete and correct.]*[1]

Attached hereto is a list of each transaction by and among any Loan Party and any Affiliate thereof or any amendment, consent or waiver to any such transaction in excess of $100,000 and not previously set forth on Schedule 9.15. *[Attached hereto is a copy of the agreement(s) in*

[1] If requested by the Administrative Agent, to the extent not previously provided

respect of such transaction or amendment, consent or waiver thereto, certified as being true, complete and correct.][2]

Attached hereto is a reasonably detailed summary of the Swap Agreements to which any Loan Party is a party on the date hereof.

Capitalized terms used but not defined herein have the respective meanings given to them in the Credit Agreement.

[Signature page follows]

[2] If requested by the Administrative Agent

EXECUTED AND DELIVERED as of the day first set forth above.

VPROP Operating, LLC a Delaware limited liability company
By: **Vista Proppants and Logistics, LLC**, a Delaware limited liability company, its sole member

_____
Name:
Title:

Plains Ex. 5

Execution Version

AMENDED AND RESTATED INTERCREDITOR AGREEMENT

by and among

PLAINSCAPITAL BANK,

as Revolving Lender,

ARES CAPITAL CORPORATION,

as Term Agent,

and

THE LOAN PARTIES PARTY HERETO

Effective as of November 9, 2017

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AMENDED AND RESTATED INTERCREDITOR AGREEMENT

This **AMENDED AND RESTATED INTERCREDITOR AGREEMENT** (as amended, supplemented, restated, amended and restated, or otherwise modified from time to time pursuant to the terms hereof, this "**Agreement**") dated as of November 9, 2017, is by and among (a) **PLAINSCAPITAL BANK**, in its capacity as Lender (together with its successors and assigns in such capacity, the "**Revolving Lender**") for the Revolving Secured Parties (as defined below), (b) **ARES CAPITAL CORPORATION**, in its capacity as administrative agent (together with its successors and assigns in such capacity, the "**Term Agent**") for the Term Secured Parties (as defined below) and (c) each of the Persons which are signatories to this Agreement as a Loan Party (as defined below).

RECITALS

A. Lonestar Prospects, Ltd. (in its capacity as borrower under the Revolving Credit Agreement referred to below, the "**Revolving Borrower**") has entered into that certain Loan Agreement, dated as of April 14, 2011 (as amended by the First Amendment dated as of December 12, 2011, the Second Amendment dated as of June 14, 2012, the Third Amendment dated as of December 28, 2013, the Fourth Amendment dated as of June 14, 2013, the Fifth Amendment dated as of September 23, 2013, the Sixth Amendment dated as of January 13, 2014, the Seventh Amendment dated as of April 14, 2014, the Eighth Amendment dated as of September 3, 2015 and the Ninth Amendment dated as of August 14, 2017, and as may be further amended, restated, amended and restated, supplemented, renewed or otherwise modified from time to time, together with any other agreements pursuant to which any of the Indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, the "**Revolving Credit Agreement**") with the Revolving Lender, pursuant to which, among other things, the Revolving Lender has agreed to make loans and provide extensions of credit from time to time to the Revolving Borrower.

B. Lonestar Prospects, Ltd. (the "**Existing Term Borrower**"), the lenders party thereto, and the Term Agent entered into that certain Senior Secured Credit Agreement dated as of March 1, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "**Existing Term Loan Agreement**").

C. On even date herewith, VPROP Operating, LLC, a Delaware limited liability company (the "**Term Borrower**") assumed the obligations of the Existing Term Borrower and, executed an Amended and Restated Senior Secured Credit Agreement (as may be amended, restated, amended and restated, supplemented, renewed or otherwise modified from time to time, together with any other agreements pursuant to which any of the Indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, the "**Term Loan Agreement**") by and among the Term Borrower, the Term Agent and the Persons party thereto as "lenders" (the "**Term Lenders**"), pursuant to which the Term Lenders agreed to amend and restate the terms of the Existing Term Loan Agreement and make certain extensions of credit to the Term Borrower for the purposes set forth therein.

D. The Revolving Guarantors (as defined below) have guaranteed, among other things, the payment and performance of the Revolving Borrower's obligations under the Revolving Documents (as defined below), and the Term Guarantors (as defined below) have guaranteed, among other things, the payment and performance of the Term Borrower's obligations under the Term Documents (as defined below).

E. To secure the obligations of the Revolving Loan Parties (as defined below) under and in connection with the Revolving Documents, the Revolving Loan Parties have granted to the Revolving Lender (for the benefit of the Revolving Secured Parties) Liens on the Common Collateral (as defined below).

F. To secure the obligations of the Term Loan Parties (as defined below) under and in connection with the Term Documents, the Term Loan Parties have granted to the Term Agent (for the benefit of the Term Secured Parties) Liens on the Common Collateral.

G. On May 18, 2016, the Term Agent, the Revolving Borrower and each of the other signatories party thereto entered into that certain Intercreditor Agreement, dated as of May 18, 2016 and made effective as of November 2, 2015, by and among the Revolving Lender, the Term Agent, the Revolving Borrower and each of the other signatories party thereto (the "Existing Intercreditor Agreement").

H. Each of the Revolving Lender (on behalf of the Revolving Secured Parties) and the Term Agent (on behalf of the Term Secured Parties) and each of the Revolving Loan Parties and the Term Loan Parties, desires to amend and restate the Existing Intercreditor Agreement on the terms set forth in this Agreement in order to agree to the relative priority of Liens on the Common Collateral and certain other rights, priorities and interests as provided herein.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1.
DEFINITIONS

Section 1.1. UCC Definitions. The following terms which are defined in the Uniform Commercial Code are used herein as so defined: Accounts, Commodity Accounts, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, Investment Property, Payment Intangibles, Proceeds, Promissory Notes, Records, Securities Accounts, Security, and Security Entitlements.

Section 1.2. Other Definitions. Subject to Section 1.1, as used in this Agreement, the following terms shall have the meanings set forth below:

"**Affiliate**" shall mean, any Person which, directly or indirectly, Controls, is Controlled by or is under common Control with any Person.

"**Agent(s)**" means, individually, the Revolving Lender or the Term Agent and, collectively, means both the Revolving Lender and the Term Agent.

"**Agreement**" shall have the meaning assigned to that term in the introduction to this Agreement.

"**Bankruptcy Code**" shall mean Title 11 of the United States Code, as now or hereafter in effect or any successor thereto.

"**Business Day**" shall mean any day that is not a Saturday, Sunday or other day on which commercial banks in Houston, Texas or New York, New York are authorized or required by law to remain closed (or are in fact closed).

"**Capital Stock**" shall mean, any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"**Cash Management Agreement**" shall mean any agreement or document pursuant to which a Revolving Cash Management Affiliate provides or agrees to provide any Cash Management Services.

"**Cash Management Services**" shall mean cash management services, including treasury, depository, overdraft, credit or debit card, electronic funds transfer or other cash management arrangements.

"**Common Collateral**" shall mean all Property that is both Revolving Collateral and Term Collateral.

"**Control**" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "**Controlling**" and "**Controlled**" have meanings correlative thereto.

"**Control Collateral**" shall mean any Common Collateral consisting of any Certificated Security (as defined in Section 8-102 of the Uniform Commercial Code), Investment Property, Deposit Account, Instruments and any other Collateral (a) as to which a Lien may be perfected through possession or control by the secured party, or any agent therefor or (b) subject to a landlord waiver, bailee waiver, freight forwarder agreement, or similar collateral agreement.

"**Copyright License**" shall mean any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by any Loan Party or that such Loan Party otherwise has the right to license, or granting any right to any Loan Party under any Copyright now or hereafter owned by any third party, and all rights of such Loan Party under any such agreement.

"**Copyrights**" shall mean all of the following now owned or hereafter acquired by or assigned to any Loan Party: (a) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether as author, assignee, transferee or otherwise, whether registered or unregistered and whether published or unpublished, (b) all registrations and applications for registration of any such copyright in the United States or any other country,

including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office and all (i) rights and privileges arising under applicable law with respect to such Loan Party's use of such copyrights, (ii) reissues, renewals, continuations and extensions thereof and amendments thereto, (iii) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present or future infringements thereof.

"**Credit Documents**" shall mean the Revolving Documents and the Term Documents.

"**Debtor Relief Laws**" shall mean the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

"**DIP Financing**" shall have the meaning set forth in Section 6.1(a).

"**Discharge of Revolving Obligations**" shall mean (a) the payment in full in cash of all outstanding Revolving Obligations, (b) with respect to amounts available to be drawn under outstanding Letters of Credit (or indemnities, guarantees or other undertakings issued pursuant thereto in respect of outstanding Letters of Credit), the cancellation of such Letters of Credit or the delivery or provision of money, cash collateral or backstop letters of credit in respect thereof in compliance with the terms of any Revolving Credit Agreement, (c) with respect to any other unmatured or contingent Revolving Obligations (excluding unknown and unasserted contingent indemnity claims against any Revolving Secured Party which may be asserted after the date upon which Discharge of the Revolving Obligations occurs; but including reasonably anticipated out- of-pocket costs and expenses (including fees, costs and expenses of counsel to the Revolving Secured Parties) of the Revolving Secured Parties), delivery of cash collateral or other credit support in an amount reasonably determined by (and on terms reasonably satisfactory to) the Revolving Lender with respect to such Revolving Obligations to be held by the Revolving Lender for a period of time reasonably determined by the Revolving Lender with respect to such unmatured or contingent Revolving Obligations (and subject to the application of such cash collateral or other credit support to such Revolving Obligations when matured or otherwise due), and (d) the termination of all commitments to extend credit under the Revolving Documents. If, at any time prior to or simultaneously with the occurrence of the Discharge of Revolving Obligations, the Loan Parties enter into (x) any refinancing of the Revolving Obligations, which refinancing is permitted under the terms of this Agreement or (y) Revolving DIP Financing provided by the Revolving Lender to one or more Loan Parties and such Revolving DIP Financing is entered into in accordance with Section 6.1, then, in each case, the Discharge of Revolving Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement.

"**Discharge of Term Obligations**" shall mean (a) the payment in full in cash of all outstanding Term Obligations and (b) with respect to any other unmatured or contingent Term Obligations (excluding unknown and unasserted contingent indemnity claims against any Term Secured Party which may be asserted after the date upon which Discharge of the Term Obligations occurs; but including reasonably anticipated out-of-pocket costs and expenses (including fees, costs and expenses of counsel to the Term Secured Parties) of the Term Secured Parties), delivery

of cash collateral or other credit support in an amount reasonably determined by (and on terms reasonably satisfactory to) the Term Agent with respect to such Term Obligations to be held by the Term Agent for a period of time reasonably determined by the Term Agent with respect to such unmatured or contingent Term Obligations (and subject to the application of such cash collateral or other credit support to such Term Obligations when matured or otherwise due). If, at any time prior to or simultaneously with the occurrence of the Discharge of Term Obligations, the Loan Parties enter into (x) any refinancing of the Term Obligations, which refinancing is permitted under the terms of this Agreement or (y) Term DIP Financing in accordance with Section 6.1, then, in each case, the Discharge of Term Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement.

"**Domain Names**" shall mean all Internet domain names and associated URL addresses in or to which any Loan Party now or hereafter has any right, title or interest.

"**Enforcement Notice**" shall mean a written notice delivered by either the Revolving Lender or the Term Agent to the other announcing that an Enforcement Period has commenced.

"**Enforcement Period**" shall mean the period of time following the receipt by either the Revolving Lender or the Term Agent of an Enforcement Notice from the other and continuing until the earliest of (a) in case of an Enforcement Period commenced by the Term Agent, the Discharge of Term Obligations, (b) in the case of an Enforcement Period commenced by the Revolving Lender, the Discharge of Revolving Obligations, or (c) the Revolving Lender or the Term Agent (as applicable) terminates, or agrees in writing to terminate, the Enforcement Period.

"**Event of Default**" shall mean an "Event of Default" as defined in the Revolving Credit Agreement or the Term Loan Agreement, as applicable.

"**Excess Revolving Obligations**" shall mean (a) Revolving Obligations constituting the aggregate outstanding principal amount of loans, outstanding amount of any Letters of Credit made, issued or incurred pursuant to the Revolving Documents and the amount of the Revolving Obligations in respect of the Swap Obligations in excess of the sum of (x) the Maximum Revolving Facility Amount plus (y) any interest, fees or reimbursement obligations accrued on or with respect to such amounts (other than interest, fees, indemnities and reimbursement obligations added to the loan account) and (b) Revolving Obligations in respect of Cash Management Services in an aggregate amount in excess of $2,000,000.

"**Excess Term Obligations**" shall mean Term Obligations constituting the aggregate outstanding principal amount of loans made pursuant to the Term Documents in excess of the sum of (a) the Maximum Term Loan Facility Amount plus (y) any interest (in cash or in kind), fees or reimbursement obligations accrued on or with respect to such amounts.

"**Exercise of Any Secured Creditor Remedies**" or "**Exercise of Secured Creditor Remedies**" shall mean, except as otherwise provided in the final sentence of this definition:

(a) the taking by any Secured Party of any action to enforce or realize upon any Lien in the Common Collateral, including the institution of any foreclosure proceedings, whether judicial or non-judicial, under applicable law relating to the foreclosure of mortgages, deeds of

trust or personal property Liens, or the noticing of any public or private sale pursuant to Article 9 of the Uniform Commercial Code or other applicable law;

(b) the exercise by any Secured Party of any right or remedy provided to a secured creditor on account of a Lien in the Common Collateral under any of the Credit Documents or under applicable law, in an Insolvency Proceeding or otherwise, including the election to retain any of the Common Collateral in satisfaction of a Lien;

(c) the taking of any action by any Secured Party or the exercise of any right or remedy by any Secured Party in respect of the collection on, set off against, marshaling of, injunction respecting or foreclosure on the Common Collateral or the Proceeds thereof, except ordinary course netting and setoff arrangements in connection with periodic settlements but not (i) termination payments with respect to Secured Rate Contracts between any Revolving Loan Party or any Subsidiary thereof and any Revolving Swap Affiliate and (ii) ordinary course offsets of fees and expenses of account banks, chargebacks and collections of checks and similar arrangements in connection with Cash Management Agreements between any Revolving Loan Party or any Subsidiary thereof and any Revolving Cash Management Affiliates;

(d) the appointment on the application of a Secured Party, of a receiver, receiver and manager, interim receiver or receiver-manager of all or part of the Common Collateral;

(e) the sale, lease, license, or other disposition of all or any portion of the Common Collateral by private or public sale conducted by a Secured Party or any other means at the direction of a Secured Party permissible under applicable law;

(f) the exercise of any other right of a secured creditor under Part 6 of Article 9 of the Uniform Commercial Code or under provisions of similar effect under other applicable law in respect of the Common Collateral; and

(g) the exercise by a Secured Party of any voting rights relating to any Capital Stock included in the Common Collateral.

For the avoidance of doubt, none of the following shall be deemed to constitute an Exercise of Secured Creditor Remedies: (i) acceleration by the relevant Secured Parties of the maturity of the Revolving Obligations or the Term Obligations, as the case may be, (ii) the filing of a proof of claim in any Insolvency Proceeding or seeking adequate protection, (iii) the reduction of advance rates or sub-limits by the Revolving Lender or (iv) the imposition or adjustment of reserves by the Revolving Lender or other limitations on availability provided under the Revolving Credit Agreement.

"**Finished Sand Inventory**" shall mean all Inventory that constitutes a fracturing proppant for completing oil and gas wells that has been processed through the Loan Parties' wet plant and dry plant and otherwise meets the standards for purchase under a Major Material Contract, in each case, from time to time in effect

"**Governmental Authority**" shall mean any foreign, federal, state, provincial, regional, local, municipal or other government, or any department, commission, board, bureau, agency, public authority or instrumentality thereof, or any court or arbitrator.

"**Guarantor**" shall mean any of the Revolving Guarantors or Term Guarantors.

"**Indebtedness**" shall have the meaning assigned to the term "Debt" in the Term Loan Agreement.

"**Insolvency Event of Default**" shall mean (a) any Revolving Event of Default resulting from an Insolvency Proceeding being commenced by, or filed against, any Loan Party, and (b) any Term Event of Default resulting from an Insolvency Proceeding being commenced by, or filed against, any Loan Party.

"**Insolvency Proceeding**" shall mean (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, administration, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case covered by clauses (a) and (b) undertaken under any Debtor Relief Laws.

"**Intellectual Property**" shall mean all intellectual and similar property of every kind and nature now owned or hereafter acquired by any Loan Party, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, Trade Secrets, Domain Names, confidential and proprietary information, including, without limitation, all trade secrets, technology, ideas, know how, and formulae and customer lists, any and all intellectual property rights in computer software and computer software products (including, without limitation, source codes, object codes, data and related documentation) and any and all design rights owned or used by such Loan Party.

"**Lender(s)**" means individually, the Revolving Lender or the Term Lenders and collectively means all of the Revolving Lender and the Term Lenders.

"**Letter of Credit**" shall have the meaning assigned to that term in the Revolving Credit Agreement.

"**License**" means any Patent License, Trade Secret License, Trademark License, Copyright License or other license or sublicense agreement to which any Loan Party is a party.

"**Lien**" shall mean any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to (a) the lien or security interest arising from a deed of trust, mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes or (b) production payments and the like payable out of Sand Properties. The term "**Lien**" shall include easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations, in each case, where the effect is to secure an obligation owed to, or a claim by, a Person other than the owner of the Property. For the purposes of this Agreement, each Loan Party shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement, or leases under a financing lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person in a transaction intended to create a financing.

"**Lien Priority**" shall mean with respect to any Lien of the Revolving Secured Parties or the Term Secured Parties in the Common Collateral, the order of priority of such Lien as specified in Section 2.1.

"**Loan Parties**" shall mean the Revolving Loan Parties and the Term Loan Parties.

"**Major Material Contract**" shall have the meaning assigned to that term in the Term Loan Agreement, as in effect on the date hereof.

"**Maximum Revolving Facility Amount**" shall mean, on any date of determination thereof, an amount equal to (a) the cap amounts, as applicable, set forth in Section 9.03(f) of the Term Loan Agreement, as in effect on the date hereof, and (b) all permanent reductions of the commitments to extend credit under the Revolving Documents.

"**Maximum Term Loan Facility Amount**" shall mean the principal amount of $400,000,000 plus any additional principal amount as a result of the payment of interest in kind.

"**Party**" shall mean the Revolving Lender or the Term Agent, and "**Parties**" shall mean both the Revolving Lender and the Term Agent.

"**Patent License**" shall mean any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a Patent, now or hereafter owned by any Loan Party or that any Loan Party otherwise has the right to license, is in existence, or granting to any Loan Party any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, is in existence, and all rights of any Loan Party under any such agreement.

"**Patents**" shall mean all of the following now owned or hereafter acquired by any Loan Party: (a) all letters patent of the United States or the equivalent thereof in any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or the equivalent thereof in any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in any other country and (b)(i) rights and privileges arising under applicable law with respect to such Loan Party's use of any patents, (ii) inventions and improvements described and claimed therein, (iii) reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and amendments thereto, (iv) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or future infringements thereof, (v) rights corresponding thereto throughout the world, and (vi) rights to sue for past, present or future infringements thereof.

"**Person**" shall mean an individual, corporation, limited liability company, partnership, limited liability partnership, trust, other unincorporated association, business, or other legal entity, and any Governmental Authority.

"**Priority Collateral**" shall mean the Revolving Priority Collateral or the Term Priority Collateral, as applicable.

"**Property**" shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"**Purchasing Creditors**" shall have the meaning set forth in Section 5.4(b).

"**Purchase Date**" shall have the meaning set forth in Section 5.4(c).

"**Purchase Notice**" shall have the meaning set forth in Section 5.4(a).

"**Remedy Standstill Period**" shall mean (a) with respect to a Term Loan Event of Default, the period commencing on the date of the Revolving Lender's receipt of written notice from the Term Agent that a Term Loan Event of Default has occurred and is continuing and that the Term Agent intends to commence the Exercise of Secured Creditor Remedies, and ending on earlier to occur of (i) the date which is ninety (90) days (or, with respect to a Specified Event of Default, sixty (60) days, or (subject to Section 6.2 hereof) with respect to an Insolvency Event of Default, zero (0) days) after receipt of such notice and (ii) the date on which the Discharge of Revolving Obligations has occurred, and (b) with respect to a Revolving Event of Default, the period commencing on the date of the Term Agent's receipt of written notice from the Revolving Lender that a Revolving Event of Default has occurred and is continuing and that the Revolving Lender intends to commence the Exercise of Secured Creditor Remedies, and ending on the earlier to occur of (i) the date which is ninety (90) days (or, with respect to a Specified Event of Default, sixty (60) days, or (subject to Section 6.2 hereof) with respect to an Insolvency Event of Default, zero (0) days) after receipt of such notice and (ii) the date on which the Discharge of Term Obligations has occurred. Such written notice from the Term Agent to the Revolving Lender, or from the Revolving Lender to the Term Agent, as the case may be, shall reference this Agreement, declare a "**Remedy Standstill Period**" to commence and certify either that (i) the obligations under the Term Loan Agreement or the Revolving Credit Agreement, as the case may be, are then due and payable in full (whether as a result of acceleration hereof or otherwise) in accordance with the terms of the Term Loan Agreement or the Revolving Credit Agreement, as the case may be or (ii) that an Event of Default under the Term Loan Agreement or the Revolving Credit Agreement has occurred and is continuing.

"**Revolving Cash Management Affiliate**" shall mean the Revolving Lender or any Affiliate of the Revolving Lender that provides or arranges any Cash Management Services to or for any of the Revolving Loan Parties or any of their respective Subsidiaries with the obligations of such Revolving Loan Parties or such Subsidiaries thereunder being secured by one or more Revolving Collateral Documents, together with their respective successors, assigns and transferees.

"**Revolving Borrower**" shall have the meaning assigned to such term in the recitals to this Agreement.

"**Revolving Collateral**" means all rights, title and interest in any and all Property, whether now owned or hereafter acquired by any Revolving Loan Party, in which a Lien is granted or purported to be granted to any Revolving Secured Party as security for any Revolving Obligation, wherever located.

"**Revolving Collateral Documents**" shall mean all "Security Documents" as defined in the Revolving Credit Agreement, and all other security agreements, mortgages, deeds of trust and other security documents executed and delivered in connection with the Revolving Documents, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Revolving Credit Agreement**" shall have the meaning assigned to such term in the recitals to this Agreement and shall include any other agreement extending the maturity of, consolidating, restructuring, refunding, replacing or refinancing all or any portion of the Revolving Obligations, in each case including pursuant to any Revolving DIP Financing provided by the Revolving Lender, in accordance with the terms hereof, whether by the same or any other agent, lender or group of lenders.

"**Revolving DIP Financing**" shall have the meaning assigned to such term in Section 6.1(a).

"**Revolving Documents**" shall mean the Revolving Credit Agreement, the Revolving Collateral Documents, each of the other "Loan Documents" under and as defined the Revolving Credit Agreement, all Secured Rate Contracts between any Revolving Loan Party or any Subsidiary thereof and any Revolving Swap Affiliate, all Revolving Cash Management Agreements between any Revolving Loan Party or any Subsidiary thereof and any Revolving Cash Management Affiliate, those other ancillary agreements as to which the Revolving Lender is a party or a beneficiary and all other related agreements, instruments, documents and certificates, now or hereafter executed by or on behalf of any Revolving Loan Party or any of its respective Subsidiaries or Affiliates, and/or delivered to the Revolving Lender, in connection with any of the foregoing or the Revolving Credit Agreement, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof.

"**Revolving Event of Default**" shall mean an Event of Default as defined in the Revolving Credit Agreement.

"**Revolving Guarantors**" shall mean each of the Guarantors under and as defined in the Revolving Credit Agreement.

"**Revolving Lender**" shall have the meaning assigned to that term in the introduction to this Agreement and shall include any assigned and successor thereto as well as any Person designated as the "**Agent**", "**Administrative Agent**" or "**Collateral Agent**" (or similar role) under any Revolving Credit Agreement.

"**Revolving Loan Parties**" collectively, the Revolving Borrower, the Revolving Guarantors, any grantor or pledger party under any Revolving Collateral Documents and each other direct or indirect Subsidiary or parent of the Revolving Borrower or any of its Affiliates that is now or hereafter becomes a party to any Revolving Document.

"**Revolving Obligations**" shall mean all obligations (including all Secured Obligations as defined in the Revolving Credit Agreement) of every nature of each Revolving Loan Party or any Subsidiary thereof from time to time owed to the Revolving Secured Parties, or any of them, under

any Revolving Document (including any Revolving DIP Financing provided by any of the Revolving Lender), whether for principal, interest (including interest which, but for the filing of an Insolvency Proceeding with respect to such Revolving Loan Party, would have accrued on any Revolving Obligation), reimbursement of amounts drawn under (or, without duplication of any other amount, any requirement to provide cash collateral for) letters of credit (including Letters of Credit), payments for early termination of Secured Rate Contracts and all other Swap Obligations and other amounts owing in respect of Secured Rate Contracts, all amounts owing in respect of any Cash Management Services, fees, expenses, indemnification or otherwise, and all other amounts owing or due under the terms of the Revolving Documents, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Revolving Documents or after the commencement of any Insolvency Proceeding with respect to any Revolving Loan Party whether or not the Revolving Lender's or any Revolving Secured Party's claim therefor is allowed or allowable as a claim in such Insolvency Proceeding.

"**Revolving Priority Account**" means any Deposit Accounts, Securities Accounts or Commodity Accounts that are intended to solely contain Proceeds of the Revolving Priority Collateral (it being understood that any property in such Deposit Accounts, Securities Accounts or Commodity Accounts that is not Proceeds of Revolving Priority Collateral shall not be Revolving Priority Collateral solely by virtue of being on deposit in any such Deposit Account, Securities Account or Commodity Account).

"**Revolving Priority Collateral**" shall mean all Common Collateral consisting of the following (including for the avoidance of doubt, any such assets that, but for the application of Section 552 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws), would be Revolving Priority Collateral):

(1) all Accounts, other than Accounts which constitute identifiable Proceeds of Term Priority Collateral;

(2) all Finished Sand Inventory;

(3) all (x) Revolving Priority Accounts that constitute Deposit Accounts and lockboxes and money and all cash, cash equivalents, checks, funds and other evidences of payments held therein, (y) Revolving Priority Accounts that constitute Securities Accounts, Security Entitlements, Securities and other assets and amounts credited to such a Securities Account and (z) Revolving Priority Accounts that constitute Commodity Accounts and commodity contracts and all other assets and amounts credited thereto; provided, however, that subject to Section 3.2, to the extent that identifiable Proceeds of Term Priority Collateral are deposited in any such Revolving Priority Accounts, such identifiable proceeds shall be treated as Term Priority Collateral;

(4) any and all General Intangibles (other than Intellectual Property) relating to any of the foregoing; and

(5) subject to Section 2.1(b) hereof, any and all Proceeds of any of the foregoing.

"**Revolving Recovery**" shall have the meaning set forth in Section 5.3(a).

"**Revolving Remedies Exercise Date**" shall mean the date following the Remedy Standstill Period and identified in the prior written notice delivered by the Revolving Lender to the Term Agent as provided in Section 2.3.

"**Revolving Secured Parties**" shall mean, collectively, the Revolving Lender, the Revolving Swap Affiliates, the Revolving Cash Management Affiliates and each other holder from time to time of the Revolving Obligations.

"**Revolving Swap Affiliate**" shall mean the Revolving Lender or any Affiliate of the Revolving Lender that enters into a Secured Rate Contract permitted under Section 9.19 of the Term Loan Agreement, in its capacity as a party to such Secured Rate Contract, together with their respective successors, assigns and transferees.

"**Sand Interests**" means all rights, titles, interests and estates now or hereafter acquired in and to real property which contains or may contain minerals appropriate for extraction and processing into Finished Sand Inventory, and rights to excavate, produce or recover such minerals, including any lease, mineral leases, fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature, in each case with respect to such minerals. Unless otherwise indicated herein, each reference to the term "**Sand Interests**" shall mean Sand Interests of the Loan Parties.

"**Sand Properties**" means (a) Sand Interests; (b) all operating agreements, contracts and other agreements, including production sharing contracts and agreements, which relate to any of the Sand Interests or the production, sale, purchase, exchange or processing of minerals from or attributable to such Sand Interests; (c) all minerals in and under and which may be produced and saved or attributable to the Sand Interests, including all work in process and Finished Sand Inventory extracted from and/or processed from the Sand Interests and in storage, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Sand Interests; (d) all tenements, hereditaments, appurtenances and Properties in any manner appertaining, belonging, affixed or incidental to the Sand Interests and (e) all Properties, rights, titles, interests and estates described or referred to above, including any and all Property, real or personal, now owned or hereinafter acquired and situated upon, used, held for use or useful in connection with the operating, working or development of any of such Sand Interests or Property and including any and all buildings, structures, plants, compressors, pumps, conveyors, dryers, silos and other storage facilities, transloading equipment, rail equipment, infrastructure, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, mobile excavation equipment, automobiles, trucks, rental equipment or other personal Property which may be on such premises for the purpose of excavation, processing, transport, storage or for other similar uses, surface leases, rights-of-way, easements and servitudes together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

"**Secured Parties**" shall mean the Revolving Secured Parties and the Term Secured Parties.

"**Secured Rate Contract**" shall mean swap agreements (as such term is defined in Section 101 of the Bankruptcy Code) and any other agreements or arrangements designed to provide protection against fluctuations in interest rates.

"**Specified Event of Default**" shall mean (a) any Revolving Event of Default under Section 9(a)(1), any breach of any covenant under Section 6 of the Revolving Credit Agreement that is a negative covenant, or any breach of any financial covenant under Section 7 of the Revolving Credit Agreement, and (b) any Term Event of Default under Section 10.01(a), 10.01(b) or 10.01(d) (with respect to Section 9.01, 9.02, 9.03, 9.04, 9.05 or 9.06 referenced therein) of the Term Loan Agreement.

"**Subsidiary**" means, with respect to any Person (the "**parent**") at any date, (a) any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as (b) any other Person of which (i) Capital Stock representing more than 50% of the equity or more than 50% of the ordinary voting power (irrespective of whether or not at the time Capital Stock of any other class or classes in such Person shall have or might have voting power by reason of the happening of any contingency) are or, (ii) in the case of a partnership, any general partnership interests are, in each case, as of such date, owned, controlled or held.

"**Swap Obligations**" shall mean the aggregate amount of the swap termination value and any and all other obligations under, or with respect to, Secured Rate Contracts.

"**Term Agent**" shall have the meaning assigned to that term in the introduction to this Agreement and shall include any successor thereto as well as any Person designated as the "Agent", "Administrative Agent" or "Collateral Agent" (or similar role) under any Term Loan Agreement.

"**Term Borrower**" shall have the meaning assigned to such term in the recitals to this Agreement.

"**Term Collateral**" means all rights, title and interest in any and all Property, whether now owned or hereafter acquired by any Term Loan Party, in which a Lien is granted or purported to be granted to any Term Secured Party as security for any Term Obligation, wherever located.

"**Term Collateral Documents**" shall mean all "Security Instruments" as defined in the Term Loan Agreement, and all other security agreements, mortgages, deeds of trust and other security documents executed and delivered in connection with any Term Loan Agreement, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Term DIP Financing**" shall have the meaning assigned to such term in Section 6.1(b).

"**Term Documents**" shall mean the Term Loan Agreement, the Term Collateral Documents, each of the other "Loan Documents" under and as defined the Term Loan Agreement,

those other ancillary agreements as to which any Term Secured Party is a party or a beneficiary and all other related agreements, instruments, documents and certificates, now or hereafter executed by or on behalf of any Term Loan Party or any of its respective Subsidiaries or Affiliates, and delivered to the Term Agent, in connection with any of the foregoing or any Term Loan Agreement, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof.

"**Term Guarantors**" shall mean the collective reference to each of the Guarantors as defined in the Term Loan Agreement.

"**Term Lenders**" shall mean, collectively, the Lenders (as such term is defined in the Term Loan Agreement).

"**Term Loan Agreement**" shall have the meaning assigned to that term in the recitals to this Agreement and shall include any other agreement extending the maturity of, consolidating, restructuring, refunding, replacing or refinancing all or any portion of the Term Obligations in accordance with the terms hereof, whether by the same or any other agent, lender or group of lenders and whether or not increasing the amount of any Indebtedness that may be incurred thereunder, in each case including pursuant to any Term DIP Financing provided by any of the Term Secured Parties in accordance with the terms hereof, whether by the same or any other agent, lender or group of lenders.

"**Term Loan Event of Default**" shall mean an Event of Default as defined in the Term Loan Agreement.

"**Term Loan Parties**" shall mean collectively, the Term Borrower, the Term Guarantors, any grantor or pledgor party under any Term Collateral Documents and each other direct or indirect subsidiary or parent of the Term Borrower or any of its affiliates that is now or hereafter becomes a party to any Term Document.

"**Term Loan Priority Accounts**" means any Deposit Accounts, Securities Accounts or Commodity Accounts that, subject to Section 2.1(b), are intended to solely contain Proceeds of the Term Priority Collateral.

"**Term Loan Remedies Exercise Date**" shall mean the date following the Remedy Standstill Period and identified in the prior written notice delivered by the Term Agent to the Revolving Lender as provided in Section 2.3.

"**Term Obligations**" shall mean all obligations of every nature of each Term Loan Party from time to time owed to the Term Secured Parties or any of them, under any Term Document (including any Term DIP Financing provided by any of the Term Secured Parties), whether for principal, interest (in cash or in kind) (including interest which, but for the filing of an Insolvency Proceeding with respect to such Term Loan Party, would have accrued on any Term Obligation), prepayment premium, fees, expenses, indemnification or otherwise, and all other amounts owing or due under the terms of the Term Documents, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Term Documents or

after the commencement of any Insolvency Proceeding with respect to any Term Loan Party whether or not the Term Agent's or any Term Secured Party's claim therefor is allowed or allowable as a claim in such Insolvency Proceeding.

"**Term Priority Collateral**" shall mean all Common Collateral, other than Revolving Priority Collateral, wherever located.

"**Term Recovery**" shall have the meaning set forth in Section 5.2(b).

"**Term Secured Parties**" shall mean, collectively, the Term Agent, the Term Lenders, and each other holder from time to time of the Term Obligations. For the avoidance of doubt, the Term Secured Parties shall include all "Secured Parties" as defined in the Term Loan Agreement.

"**Trade Secret License**" shall mean any and all agreements, whether written or oral, providing for the grant by or to any Loan Party of any right in or to Trade Secrets, to the extent that a grant of a security interest in such Trade Secret License is not prohibited by applicable law or the applicable Trade Secret License.

"**Trade Secrets**" shall mean with respect to any Loan Party, all of such Loan Party's right, title and interest in and to all United States and foreign trade secrets, including know how, processes, formulae, compositions, designs, and confidential business and technical information, and all rights of any kind whatsoever accruing thereunder or pertaining thereto, including (a) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including payments under all licenses, non-disclosure agreements and memoranda of understanding entered into in connection therewith, and damages and payments for past or future misappropriations thereof, and (b) the right to sue or otherwise recover for past, present or future misappropriations thereof.

"**Trademark License**" shall mean any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned by any Loan Party or that any Loan Party otherwise has the right to license, or granting to any Loan Party any right to use any Trademark now or hereafter owned by any third party, and all rights of any Loan Party under any such agreement.

"**Trademarks**" shall mean all of the following now owned or hereafter acquired by any Loan Party: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers and designs, now existing or hereafter adopted, acquired or assigned to, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof and (b) any and all (i) rights and privileges arising under applicable law with respect to such Loan Party's use of any trademarks, (ii) reissues, continuations, extensions and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, (iv) all goodwill associated therewith and all assets, rights and

interests that uniquely reflect or embody such goodwill, (iv) all goodwill associated therewith and all assets, rights and interests that uniquely reflect or embody such goodwill, (v) rights corresponding thereto throughout the world and (vi) rights to sue for past, present and future infringements thereof.

"**Uniform Commercial Code**" shall mean the Uniform Commercial Code as the same may, from time to time, be in effect in the State of New York; provided that to the extent that the Uniform Commercial Code is used to define any term in any security document and such term is defined differently in differing Articles of the Uniform Commercial Code, the definition of such term contained in Article 9 shall govern; provided, further, that, to the extent that personal property security laws as enacted and in effect in any foreign jurisdiction contains and is used to define terms which are defined in the Uniform Commercial Code and mentioned in Section 1.1 hereof, and such term is defined differently in such foreign personal property security laws, the definition of such term contained in the Uniform Commercial Code shall govern to the extent of any conflict or inconsistency; and provided further that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, publication or priority of, or remedies with respect to, Liens of any Party is governed by the Uniform Commercial Code or foreign personal property security laws as enacted and in effect in a jurisdiction other than the State of New York, the term "**Uniform Commercial Code**" will mean the Uniform Commercial Code or such foreign personal property security laws as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

"**Use Period**" means the period commencing on the date that either (x) the Revolving Lender (or a Revolving Loan Party acting with the consent of the Revolving Lender) commences the liquidation and sale of the Revolving Priority Collateral in a manner as provided in Section 3.6 (having theretofore furnished the Term Agent with an Enforcement Notice) or (y) the Revolving Lender receives a written notice from the Term Agent expressly notifying the Revolving Lender of the commencement of the Use Period (having theretofore furnished the Revolving Lender with an Enforcement Notice) and ending, in each case, ninety (90) days thereafter; provided that the Use Period shall terminate upon the completion of the sale, disposition, or other transfer by or with the consent of the Revolving Lender (including any sale, disposition, or other transfer by any Revolving Loan Party, any agent, receiver, interim receiver or receiver-manager of any Revolving Loan Party or any agent of the Revolving Lender (including any receiver, receiver manager or interim receiver)) of all Revolving Priority Collateral and the completion of the collection of all Revolving Priority Collateral; and provided, further, that as to each real estate location constituting Term Priority Collateral where Revolving Priority Collateral is located, the completion of the sale, disposition, or other transfer of all Revolving Priority Collateral at such location shall terminate the Use Period of the Revolving Secured Parties solely with respect to such real estate location. Notwithstanding the foregoing, if any stay or other order that prohibits any of the Revolving Lender, the other Revolving Secured Parties or any Revolving Loan Party (with the consent of the Revolving Lender) from commencing and continuing the Exercise of Any Secured Creditor Remedies or to liquidate and sell or otherwise transfer the Revolving Priority Collateral has been entered by a court of competent jurisdiction, such 90-day period shall be tolled during the pendency of any such stay or other order and the Use Period shall be so extended.

Section 1.3. Rules of Construction. Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the term "including" is not limiting and shall be deemed to be followed by the phrase "without limitation," and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Article, section, subsection, clause, schedule and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement to any agreement, instrument, or document shall include all alterations, amendments, changes, restatements, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, restatements, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth in this Agreement); provided that any terms used herein which are defined by reference to the Revolving Credit Agreement or the Term Loan Agreement and are subject to the modification restrictions set forth in Section 5.2 of this Agreement shall mean such terms as defined in the Revolving Credit Agreement as of the date hereof or the Term Loan Agreement as of the date hereof, as the case may be, without giving effect to any modifications or amendments thereto except to the extent that such definitions have been modified or amended in accordance with this Agreement; and provided further that any such modifications or amendments shall be deemed to be automatically incorporated herein by reference. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any reference herein to the repayment in full of an obligation shall mean the payment in full in cash of such obligation, or in such other manner as may be approved in writing by the requisite holders or representatives in respect of such obligation. No provision of this Agreement shall be interpreted or construed against any Person solely because such Person or its legal representative drafted such provision.

ARTICLE 2.
LIEN PRIORITY

Section 2.1. Priority of Liens.

(a) Notwithstanding (i) the date, time, method, manner, or order of grant, attachment, or perfection of any Liens granted to the Revolving Lender or the Revolving Secured Parties in respect of all or any portion of the Common Collateral or of any Liens granted to the Term Agent or the Term Secured Parties in respect of all or any portion of the Common Collateral and regardless of how any such Lien was acquired (whether by grant, statute, operation of law, subrogation or otherwise), (ii) the order or time of filing or recordation of any document or instrument for perfecting the Liens in favor of the Revolving Lender or the Term Agent (or Revolving Secured Parties or Term Secured Parties) in any Common Collateral, (iii) any provision of the Uniform Commercial Code, Debtor Relief Laws or any other applicable law, or of the Revolving Documents or the Term Documents, (iv) whether the Revolving Lender or the Term Agent, in each case, either directly or through agents, holds possession of, or has control over, all or any part of the Common Collateral, (v) the date on which the Revolving Obligations or the Term Obligations are advanced or made available to the Loan Parties, the Revolving Lender, on behalf of itself and the Revolving Secured Parties, and the Term Agent, on behalf of itself and the Term Secured Parties, and (vi) the fact that any such Liens in favor of the Revolving Lender or the Term

Agent (or Revolving Secured Parties or Term Secured Parties) are (A) subordinated (to the extent permitted hereunder) to any Lien securing any obligation of any Loan Party other than the applicable Revolving Obligations or Term Obligations, as the case may be, or (B) otherwise subordinated, voided, avoided, invalidated or lapsed, hereby agree that:

(1) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Term Obligations shall in all respects be junior and subordinate to all Liens granted to the Revolving Lender and the Revolving Secured Parties in the Revolving Priority Collateral to secure all or any portion of the Revolving Obligations (other than the Excess Revolving Obligations);

(2) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Revolving Obligations (other than the Excess Revolving Obligations) shall in all respects be senior and prior to all Liens granted to the Term Agent or any Term Secured Party in the Revolving Priority Collateral to secure all or any portion of the Term Obligations;

(3) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Excess Revolving Obligations shall in all respects be junior and subordinate to all Liens granted to the Term Agent or any Term Secured Party in the Revolving Priority Collateral to secure all or any portion of the Term Obligations (other than the Excess Term Obligations);

(4) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Term Obligations (other than Excess Term Obligations) shall in all respects be senior and prior to all Liens granted to the Revolving Lender and the Revolving Secured Parties in the Revolving Priority Collateral to secure all or any portion of the Excess Revolving Obligations;

(5) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Excess Term Obligations shall in all respects be junior and subordinate to all Liens granted to the Revolving Lender and the Revolving Secured Parties in the Revolving Priority Collateral to secure all or any portion of the Excess Revolving Obligations;

(6) any Lien in respect of all or any portion of the Revolving Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Excess Revolving Obligations shall in all respects be senior and prior to all Liens granted to the Term Agent or any Term Secured Party in the Revolving Priority Collateral to secure all or any portion of the Excess Term Obligations;

(7) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Revolving Obligations shall in all respects be junior and subordinate to all Liens granted to the Term Agent and the Term Secured Parties in the Term Priority Collateral to secure all or any portion of the Term Obligations (other than the Excess Term Obligations);

(8) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Term Obligations (other than the Excess Term Obligations) shall in all respects be senior and prior to all Liens granted to the Revolving Lender or any Revolving Secured Party in the Term Priority Collateral to secure all or any portion of the Revolving Obligations;

(9) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Excess Term Obligations shall in all respects be junior and subordinate to all Liens granted to the Revolving Lender or any Revolving Secured Party in the Term Priority Collateral to secure all or any portion of the Revolving Obligations (other than Excess Revolving Obligations);

(10) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Revolving Obligations (other than Excess Revolving Obligations) shall in all respects be senior and prior to all Liens granted to the Term Agent and the Term Secured Parties in the Term Priority Collateral to secure all or any portion of the Excess Term Obligations;

(11) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Revolving Lender or any Revolving Secured Party that secures all or any portion of the Excess Revolving Obligations shall in all respects be junior and subordinate to all Liens granted to the Term Agent and the Term Secured Parties in the Term Priority Collateral to secure all or any portion of the Excess Term Obligations; and

(12) any Lien in respect of all or any portion of the Term Priority Collateral now or hereafter held by or on behalf of the Term Agent or any Term Secured Party that secures all or any portion of the Excess Term Obligations shall in all respects be senior and prior to all Liens granted to the Revolving Lender or any Revolving Secured Party in the Term Priority Collateral to secure all or any portion of the Excess Revolving Obligations.

(b) Each of the Loan Parties hereby covenants and agrees, upon the request of the Term Agent or the Revolving Lender, that it shall (1) promptly (and in any event no later than 30 days after the date of such request) establish separate Term Loan Priority Accounts and Revolving Priority Accounts and segregate the proceeds of the Term Priority Collateral and the proceeds of the Revolving Priority Collateral and (2) thereafter, deposit proceeds of the Term Priority Collateral only into such Term Loan Priority Accounts and deposit proceeds of the Revolving

Priority Collateral only into the Revolving Priority Accounts; provided, however, notwithstanding anything to the contrary in the foregoing and the definition of "Revolving Priority Collateral," after any such request, but prior to the existence of any Revolving Loan Event of Default, in the event the aggregate balance of cash, cash equivalents and other assets and amounts in the Revolving Priority Accounts at the close of the last Business Day of any calendar week exceeds $8,000,000, the Loan Parties and the Revolving Lender, on behalf of itself and the Revolving Secured Parties, hereby agree to take any actions necessary to ensure that such excess amount shall be automatically transferred to one or more Term Loan Priority Accounts within three (3) Business Days thereafter and the amounts so transferred shall constitute the Term Priority Collateral.

Section 2.2. Waiver of Right to Contest Liens.

(a) The Term Agent, for and on behalf of itself and the Term Secured Parties, agrees that it and they shall not (and hereby waives any right to) take any action to contest or challenge (or assist or support any other Person in contesting or challenging), directly or indirectly, whether or not in any proceeding (including in any Insolvency Proceeding), the validity, priority, enforceability, or perfection of the Liens of the Revolving Lender and the Revolving Secured Parties in respect of the Common Collateral or the provisions of this Agreement. The Term Agent, for itself and on behalf of the Term Secured Parties, agrees that none of the Term Agent or the Term Secured Parties will take any action that would interfere with any Exercise of Secured Creditor Remedies undertaken by the Revolving Lender or any Revolving Secured Party under the Revolving Documents with respect to the Revolving Priority Collateral. The Term Agent, for itself and on behalf of the Term Secured Parties, hereby waives any and all rights it or the Term Secured Parties may have as a junior lien creditor or otherwise to contest, protest, object to, or interfere with the manner in which the Revolving Lender seeks to enforce its Liens in any Revolving Priority Collateral. The foregoing shall not be construed to prohibit the Term Agent from enforcing the provisions of this Agreement.

(b) The Revolving Lender, for and on behalf of itself and the Revolving Secured Parties, agrees that it and they shall not (and hereby waives any right to) take any action to contest or challenge (or assist or support any other Person in contesting or challenging), directly or indirectly, whether or not in any proceeding (including in any Insolvency Proceeding), the validity, priority, enforceability, or perfection of the Liens of the Term Agent or the Term Secured Parties in respect of the Common Collateral or the provisions of this Agreement. Except to the extent expressly set forth in this Agreement, the Revolving Lender, for itself and on behalf of the Revolving Secured Parties, agrees that neither the Revolving Lender or the Revolving Secured Parties will take any action that would interfere with any Exercise of Secured Creditor Remedies undertaken by the Term Agent or any Term Secured Party under the Term Documents with respect to the Term Priority Collateral. The Revolving Lender, for itself and on behalf of the Revolving Secured Parties, hereby waives any and all rights it or the Revolving Secured Parties may have as a junior lien creditor or otherwise to contest, protest, object to, or interfere with the manner in which the Term Agent or any Term Secured Party seeks to enforce its Liens in any Term Priority Collateral. The foregoing shall not be construed to prohibit the Revolving Lender from enforcing the provisions of this Agreement.

(c) Notwithstanding anything to the contrary herein contained, none of the Parties hereto waives any claim that it may have against a Secured Party on the grounds that any sale,

transfer, or other disposition, or collection, of the Common Collateral by the Secured Party was not commercially reasonable to the extent required by the Uniform Commercial Code, any Debtor Relief Law or any other applicable law.

Section 2.3. Remedies Standstill.

(a) Following the occurrence of any Term Loan Event of Default and until the expiration of the Remedy Standstill Period, the Term Agent may not commence or continue the Exercise of Any Secured Creditor Remedies in respect of the Revolving Priority Collateral; provided, however, nothing contained herein shall impair the Term Agent's and the Term Secured Parties' rights to take, in the event that the Revolving Lender has declined to take such protective actions within a reasonable time period after the written request by the Term Agent to the Revolving Lender to do so, any actions (including the commencement of legal proceedings, but excluding the commencement of an involuntary bankruptcy proceeding against any Loan Party) that the Term Agent or such Term Secured Party deems necessary to protect and preserve, but not to realize or foreclose on, the Revolving Priority Collateral. After the expiration of the Remedy Standstill Period, and upon five (5) Business Days prior written notice to the Revolving Lender (which notice may be delivered to the Revolving Lender during the Remedy Standstill Period but in no event more than ten (10) days prior to the expiration thereof), the Term Agent may take, for the benefit of the Term Secured Parties, one or more of the following actions in respect of the Term Loan Event of Default that was the subject of the notice giving rise to such Remedy Standstill Period at the same or different times:

(1) the Exercise of Any Secured Creditor Remedies with respect to the Revolving Priority Collateral (including, without limitation, foreclosure upon and taking possession of the Revolving Priority Collateral); provided, however, that until the Discharge of Revolving Obligations has occurred, the Term Agent will not commence or continue the Exercise of Any Secured Creditor Remedies or seek or continue remedies under the Term Documents on account of the Revolving Priority Collateral so long as the Revolving Lender is diligently pursuing in good faith the exercise of its enforcement rights and remedies against all or a material portion of the Revolving Priority Collateral; and

(2) exercise any and all other remedies under the Term Documents and applicable law available to the Term Secured Parties with respect to the Revolving Priority Collateral, including the notification of account debtors or other Persons obligated on Revolving Priority Collateral of the assignment of any Loan Party's accounts receivable to the Revolving Lender and the Term Agent, all subject to the first proviso in Section 2.3(a)(1) above.

(b) Following the occurrence of any Revolving Event of Default and until the expiration of the Remedy Standstill Period, the Revolving Lender may not commence or continue the Exercise of Any Secured Creditor Remedies in respect of the Term Priority Collateral; provided, however, nothing contained herein shall impair the Revolving Lender's and the Revolving Secured Parties' rights to take, in the event that the Term Agent has declined to take such protective actions within a reasonable time period after the written request by the Revolving Lender to the Term Agent to do so, any actions (including the commencement of legal proceedings, but excluding the commencement of an involuntary bankruptcy proceeding against any Loan

Party) that the Revolving Lender or such Revolving Secured Party deems necessary to protect and preserve, but not to realize or foreclose on, the Term Priority Collateral. After the expiration of the Remedy Standstill Period, and upon five (5) Business Days prior written notice to the Term Agent (which notice may be delivered to the Term Agent during the Remedy Standstill Period but in no event more than ten (10) days prior to the expiration thereof), the Revolving Lender may take, for the benefit of the Revolving Secured Parties, one or more of the following actions in respect of the Revolving Event of Default that was the subject of the notice giving rise to such Remedy Standstill Period at the same or different times:

(1) the Exercise of Any Secured Creditor Remedies with respect to the Term Priority Collateral (including, without limitation, foreclosure upon and taking possession of the Term Priority Collateral); provided, however, that until the Discharge of Term Obligations has occurred, the Revolving Lender will not commence or continue the Exercise of Any Secured Creditor Remedies or seek or continue remedies under the Revolving Documents on account of the Term Priority Collateral so long as the Term Agent is diligently pursuing in good faith the exercise of its enforcement rights and remedies against all or a material portion of the Term Priority Collateral; and

(2) the exercise of any and all other remedies under the Revolving Documents and applicable law available to the Revolving Secured Parties with respect to the Term Priority Collateral, including the notification of account debtors or other Persons obligated on Term Priority Collateral of the assignment of any Loan Party's accounts receivable to the Term Agent and the Revolving Lender, all subject to the proviso in Section 2.3(b)(1) above.

(c) All Proceeds of Revolving Priority Collateral received by the Term Agent shall be turned over to the Revolving Lender for prompt application in accordance with Section 4.1(b) hereof, or, to the extent that the Term Agent is entitled to apply such Proceeds to the Term Obligations pursuant to the terms of Section 4.1(b), applied promptly by the Term Agent in accordance with Section 4.1(b). This Section 2.3 shall not be construed to in any way limit or impair the rights of the Term Agent to join (but not control or object to in any way) any foreclosure or other Exercise of Secured Creditor Remedies with respect to the Common Collateral initiated by the Revolving Lender, so long as it does not delay or interfere in any material respects with the exercise by the Revolving Secured Parties of their respective rights as provided in this Agreement.

(d) All Proceeds of Term Priority Collateral received by the Revolving Lender shall be turned over to the Term Agent for prompt application in accordance with Section 4.1(c) hereof, or, to the extent that the Revolving Lender is entitled to apply such Proceeds to the Revolving Obligations pursuant to the terms of Section 4.1(c), applied promptly by the Revolving Lender in accordance with Section 4.1(c). This Section 2.3 shall not be construed to in any way limit or impair the rights of the Revolving Lender to join (but not control or object to in any way) any foreclosure or other Exercise of Secured Creditor Remedies with respect to the Common Collateral initiated by the Term Agent, so long as it does not delay or interfere in any material respects with the exercise by the Term Secured Parties of their respective rights as provided in this Agreement.

(e) Nothing contained herein shall impair the Term Agent's or any Term Secured Party's rights (i) to exercise any remedies against any of the Loan Parties or the Common

Collateral (other than any remedies against any Revolving Priority Collateral) pursuant to the Term Documents; (ii) to accelerate any of the Term Obligations; (iii) to make demand upon any Loan Party or any other Person liable on the Term Obligations; (iv) to institute a lawsuit to collect its debt, (v) to exercise any of its rights or remedies with respect to the Revolving Priority Collateral as and when permitted by Section 2.3(a), (vi) to file a claim or statement of interest with respect to the Term Obligations; (vii) to take any action (not adverse to the priority and perfection status of, and validity and value of, the Liens of the Revolving Lender, or the rights of the Revolving Lender to exercise remedies in respect thereof) in order to create, perfect, preserve or protect its Lien on the Common Collateral subject to the other terms of this Agreement; (viii) to file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Term Secured Parties, including, without limitation, any claims secured by the Common Collateral, if any, in each case not otherwise in contravention of the terms of this Agreement; (ix) to exercise any rights or remedies available to unsecured creditors or file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Loan Parties arising under the Term Documents, any Insolvency Proceeding or applicable non-bankruptcy law, in each case, not otherwise prohibited by the terms of this Agreement; and (x) to vote on any plan of reorganization, arrangement or compromise or any proposal, file any proof of claim, make other filings and make any arguments and motions in any Insolvency Proceeding that are, in each case, not otherwise prohibited by the terms of this Agreement.

(f) Nothing contained herein shall impair the Revolving Lender's or any Revolving Secured Party's rights (i) to exercise any remedies against any of the Loan Parties or the Common Collateral (other than any remedies against any Term Priority Collateral) pursuant to the Revolving Documents; (ii) to accelerate any of the Revolving Obligations; (iii) to make demand upon any Loan Party or any other Person liable on the Revolving Obligations; (iv) to institute a lawsuit to collect its debt, (v) to exercise any of its rights or remedies with respect to the Term Priority Collateral as and when permitted by Section 2.3(b), (vi) to file a claim or statement of interest with respect to the Revolving Obligations; (vii) to take any action (not adverse to the priority and perfection status of, and validity and value of, the Liens of the Term Agent, or the rights of the Term Agent to exercise remedies in respect thereof) in order to create, perfect, preserve or protect its Lien on the Common Collateral subject to the other terms of this Agreement; (viii) to file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Revolving Secured Parties, including, without limitation, any claims secured by the Common Collateral, if any, in each case not otherwise in contravention of the terms of this Agreement; (ix) to exercise any rights or remedies available to unsecured creditors or file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Loan Parties arising under the Revolving Documents, any Insolvency Proceeding or applicable non-bankruptcy law, in each case, not otherwise prohibited by the terms of this Agreement; and (x) to vote on any plan of reorganization, arrangement or compromise or any proposal, file any proof of claim, make other filings and make any arguments and motions in any Insolvency Proceeding that are, in each case, not otherwise prohibited by the terms of this Agreement.

Section 2.4. Release of Liens.

(a) In the event of (A) any private or public sale of all or any portion of the Revolving Priority Collateral in connection with any Exercise of Secured Creditor Remedies by the Revolving Lender or by the Loan Parties with the consent of the Revolving Lender after the occurrence and during the continuance of an Event of Default, or (B) any sale, transfer or other disposition of all or any portion of the Revolving Priority Collateral, so long as such sale, transfer or other disposition is then (i) permitted by the Revolving Documents or consented to by the requisite Revolving Lender and (ii) permitted by the Term Documents or consented by the requisite Term Lenders, the Term Agent agrees, on behalf of itself and the Term Secured Parties, that such sale, transfer or other disposition will be free and clear of the Liens on such Revolving Priority Collateral securing the Term Obligations, and the Term Agent's and the Term Secured Parties' Liens with respect to the Revolving Priority Collateral so sold, transferred, or disposed shall terminate and be automatically released without further action concurrently with, and to the same extent as, the release of the Revolving Secured Parties' Liens on such Revolving Priority Collateral; provided that, for the avoidance of doubt, the Term Secured Parties' Liens in respect of the Proceeds of such Revolving Priority Collateral so sold, transferred, or disposed shall continue to exist to the same extent, and with the same relative priorities, as the Revolving Secured Parties' Liens on such Proceeds; and provided, further, that to the extent Proceeds are required to be applied to the obligations under the terms of the Revolving Credit Agreement, such Proceeds shall be applied in accordance with Section 4.1(b). In furtherance of, and subject to, the foregoing, the Term Agent agrees that, upon the written request of the Revolving Lender delivered to the Term Agent, it will promptly (and in any event within five (5) days thereafter) execute any and all Lien releases or other documents reasonably requested by the Revolving Lender in connection therewith. The Term Agent hereby appoints the Revolving Lender and any officer or duly authorized person of the Revolving Lender, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney to be exercised if the Term Agent does not take such action within five (5) days after such written notice, in the place and stead of the Term Agent and in the name of the Term Agent or in the Revolving Lender's own name, from time to time, in the Revolving Lender's sole discretion, for the purposes of carrying out the terms of this paragraph, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this paragraph, including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

(b) In the event of (A) any private or public sale of all or any portion of the Term Priority Collateral in connection with any Exercise of Secured Creditor Remedies by the Term Agent or by the Loan Parties with the consent of the Term Agent after the occurrence and during the continuance of an Event of Default, or (B) any sale, transfer or other disposition of all or any portion of the Term Priority Collateral, so long as such sale, transfer or other disposition is then (i) permitted by the Term Documents or consented to by the requisite Term Lenders and (ii) permitted by the Revolving Documents or consented to by the requisite Revolving Lender, the Revolving Lender agrees, on behalf of itself and the Revolving Secured Parties, that such sale, transfer or disposition will be free and clear of the Liens on such Term Priority Collateral securing the Revolving Obligations and the Revolving Lender's and the Revolving Secured Parties' Liens with respect to the Term Priority Collateral so sold, transferred, or disposed shall terminate and be automatically released without further action concurrently with, and to the same extent as, the release of the Term Secured Parties' Liens on such Term Priority Collateral; provided that, for the avoidance of doubt, the Revolving Lender's and the Revolving Secured Parties' Liens in respect

of the Proceeds of such Term Priority Collateral so sold, transferred, or disposed shall continue to exist to the same extent, and with the same relative priorities, as the Term Secured Parties' Liens on such Proceeds; and provided, further, that (i) to the extent Proceeds are required to be applied to the obligations under the terms of the Term Loan Agreement, such Proceeds shall be applied in accordance with Section 4.1(c) and (ii) the Term Priority Collateral so sold, transferred or otherwise disposed of shall be subject to the use and access rights granted to the Revolving Lender and the other Revolving Secured Parties (and their agents and designees) pursuant to Section 3.6 hereof. In furtherance of, and subject to, the foregoing, the Revolving Lender agrees that, upon the written request of the Term Agent delivered to the Revolving Lender, it will promptly (and in any event within five (5) days thereafter) execute any and all Lien releases or other documents reasonably requested by the Term Agent in connection therewith. The Revolving Lender hereby appoints the Term Agent and any officer or duly authorized person of the Term Agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney to be exercised if the Revolving Lender does not take such action within five (5) days after such written notice, in the place and stead of the Revolving Lender and in the name of the Revolving Lender or in the Term Agent's own name, from time to time, in the Term Agent's sole discretion, for the purposes of carrying out the terms of this paragraph, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this paragraph, including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

Section 2.5. [Reserved].

Section 2.6. Waiver of Marshalling.

(a) Until the Discharge of Revolving Obligations, the Term Agent, on behalf of itself and the Term Secured Parties, agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshalling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to the Revolving Priority Collateral or any other similar rights a junior secured creditor may have under applicable law.

(b) Until the Discharge of Term Obligations, the Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshalling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to the Term Priority Collateral or any other similar rights a junior secured creditor may have under applicable law.

ARTICLE 3.
ACTIONS OF THE PARTIES

Section 3.1. Certain Actions Permitted. The Term Agent and the Revolving Lender may make such demands or file such claims in respect of the Term Obligations or the Revolving Obligations, as applicable, as are necessary to prevent the waiver or bar of such claims under applicable statutes of limitations or other statutes, court orders, or rules of procedure at any time.

Nothing in this Agreement shall prohibit the receipt by the Term Agent or any Term Secured Party of the payments of interest, principal and other amounts owed in respect of the Term Obligations so long as such receipt is not the direct or indirect result of the exercise by the Term Agent or any Term Secured Party of rights or remedies as a secured creditor (including set-off) with respect to Revolving Priority Collateral or enforcement in contravention of this Agreement of any Lien held by any of them. Nothing in this Agreement shall prohibit the receipt by the Revolving Lender or any Revolving Secured Party of the payments of interest, principal and other amounts owed in respect of the Revolving Obligations so long as such receipt is not the direct or indirect result of the exercise by the Revolving Lender or any Revolving Secured Party of rights or remedies as a secured creditor (including set-off) with respect to Term Priority Collateral or enforcement in contravention of this Agreement of any Lien held by any of them.

Section 3.2. **Agent for Perfection**. The Revolving Lender, for and on behalf of itself and each Revolving Secured Party, and the Term Agent, for and on behalf of itself and each Term Secured Party, as applicable, each acknowledge and agree to hold all Control Collateral in its respective possession, custody, or control (or in the possession, custody, or control of agents or bailees for either, including, without limitation, landlords, freight forwarders and other bailees) as agent for the benefit of, and on behalf of, the other solely for the purpose of perfecting the security interest granted to each in such Common Collateral, subject to the terms and conditions of this Section 3.2. None of the Revolving Lender, the Revolving Secured Parties, the Term Agent, or the Term Secured Parties, as applicable, shall have any obligation whatsoever to the others to assure that the Common Collateral is genuine or owned by any Loan Party or any other Person or to preserve rights or benefits of any Person. The duties or responsibilities of the Revolving Lender and the Term Agent under this Section 3.2 are and shall be limited solely to holding or maintaining control of the Control Collateral as agent for the other Party for purposes of perfecting the Lien held by the Term Agent or the Revolving Lender, as applicable. The Revolving Lender is not and shall not be deemed to be a fiduciary of any kind for the Term Secured Parties or any other Person. Without limiting the generality of the foregoing, the Revolving Secured Parties shall not be obligated to see to the application of any Proceeds of the Term Priority Collateral deposited into the Term Priority Loan Accounts or be answerable in any way for the misapplication thereof. The Term Agent is not and shall not be deemed to be a fiduciary of any kind for the Revolving Secured Parties, or any other Person. Without limiting the generality of the foregoing, the Term Secured Parties shall not be obligated to see to the application of any Proceeds of the Revolving Priority Collateral deposited into the Revolving Priority Accounts or be answerable in any way for the misapplication thereof. It is that intention of the Parties that (i) subject to Section 2.1(b) hereof, only proceeds of Term Priority Collateral shall be deposited by the Loan Parties in the Term Loan Priority Accounts and that the Loan Parties shall not deposit proceeds of Term Priority Collateral in bank accounts that constitute Revolving Priority Collateral and (ii) only proceeds of the Revolving Priority Collateral shall be deposited by the Loan Parties in the Revolving Priority Accounts and that the Loan Parties shall not deposit proceeds of Revolving Priority Collateral in bank accounts that constitute Term Priority Collateral.

Section 3.3. **Sharing of Information and Access; Notices of Default**.

(a) In the event that the Revolving Lender shall, in the exercise of its rights under the Revolving Collateral Documents or otherwise, receive possession or control of any books and records of any Term Loan Party which contain information identifying or pertaining to the Term

Priority Collateral, the Revolving Lender shall, upon request from the Term Agent and as promptly as practicable thereafter, either make available to the Term Agent such books and records for inspection and duplication or provide to the Term Agent copies thereof. In the event that the Term Agent shall, in the exercise of its rights under the Term Collateral Documents or otherwise, receive possession or control of any books and records of any Revolving Loan Party which contain information identifying or pertaining to any of the Revolving Priority Collateral, the Term Agent shall, upon request from the Revolving Lender and as promptly as practicable thereafter, either make available to the Revolving Lender such books and records for inspection and duplication or provide the Revolving Lender copies thereof.

(b) Each Agent shall give to the other Agent concurrently with the giving thereof to any Loan Party (a) a copy of any written notice by such Agent of a Revolving Event of Default or a Term Loan Event of Default, as the case may be, or a written notice of demand for payment from any Loan Party and (b) a copy of any written notice sent by such Agent to any Loan Party stating such Agent's intention to exercise any material enforcement rights or remedies against such Loan Party, including written notice pertaining to any foreclosure on all or any material part of its Liens or other judicial or non-judicial remedy in respect thereof, and any legal process served or filed in connection therewith; provided that the failure of any Agent to give such required notice shall not result in any liability to such Agent or affect the enforceability of any provision of this Agreement, including the relative priorities of the Liens of the Agents and Secured Parties as provided herein, and shall not affect the validity or effectiveness of any such notice as against any Loan Party or of any action taken pursuant to such notice or in relation to the events giving rise thereto; provided, further, that the foregoing shall not in any way impair any claims that any Agent may have against the other Agent as a result of any failure of such Agent to provide any notice in connection with a foreclosure against the Common Collateral by such Agent as required under applicable law.

Section 3.4. Insurance. Proceeds of Common Collateral include insurance proceeds and, therefore, the Lien Priority shall govern the ultimate disposition of casualty insurance proceeds. The Revolving Lender and the Term Agent shall each be named as additional insured or loss payee, as applicable, with respect to all insurance policies relating to the Common Collateral. Prior to the Discharge of Revolving Obligations, the Revolving Lender shall have the sole and exclusive right, as against the Term Agent, to adjust settlement of insurance claims in a commercially reasonable manner in the event of any covered loss, theft or destruction of Revolving Priority Collateral. Prior to the Discharge of Term Obligations, the Term Agent shall have the sole and exclusive right, as against the Revolving Lender, to adjust settlement of insurance claims in a commercially reasonable manner in the event of any covered loss, theft or destruction of Term Priority Collateral. If any insurance claim includes both Revolving Priority Collateral and Term Priority Collateral, the insurer will not settle such claim separately with respect to Revolving Priority Collateral and Term Priority Collateral, and if the Parties are unable after negotiating in good faith to agree on the settlement for such claim, either Party may apply to a court of competent jurisdiction to make a determination as to the settlement of such claim, and the court's determination shall be binding upon the Parties. All Proceeds of such insurance shall be remitted to the Revolving Lender or the Term Agent, as the case may be, and each of the Term Agent and Revolving Lender shall cooperate (if necessary) in a reasonable manner in effecting the payment of insurance proceeds in accordance with Section 4.1 hereof.

Section 3.5. **No Additional Rights For the Loan Parties Hereunder**. Except as provided in Section 3.6, if any Revolving Secured Party or Term Secured Party shall enforce its rights or remedies in violation of the terms of this Agreement, the Loan Parties shall not be entitled to use such violation as a defense to any action by any Revolving Secured Party or Term Secured Party, nor to assert such violation as a counterclaim or basis for set off or recoupment against any Revolving Secured Party or Term Secured Party.

Section 3.6. **Inspection and Access Rights**. (a) Without limiting any rights the Revolving Lender or any other Revolving Secured Party may otherwise have under applicable law or by agreement, in the event of any liquidation (including, without limitation, by means of a sale pursuant to Section 363 of the Bankruptcy Code) of the Revolving Priority Collateral (or any other Exercise of Any Secured Creditor Remedies by the Revolving Lender) and whether or not the Term Agent or any other Term Secured Party has commenced and is continuing the Exercise of Any Secured Creditor Remedies of the Term Agent, the Revolving Lender or any other Person (including any Revolving Loan Party or any agent thereof) acting with the consent, or on behalf, of the Revolving Lender, shall have the right (on a rent free and royalty free basis) (i) to access Revolving Priority Collateral that (x) is stored or located in or on, (y) has become an accession with respect to (within the meaning of Section 9-335 of the Uniform Commercial Code or other applicable law), or (z) has been commingled with (within the meaning of Section 9-336 of the Uniform Commercial Code or other applicable law), Term Priority Collateral, and (ii) during the Use Period, shall have the right to use and access all of the Term Priority Collateral (including, without limitation, Equipment, Fixtures, Intellectual Property and Real Estate, but excluding cash proceeds of Term Priority Collateral) and all information which is stored or located in or on the Term Loan Priority Collateral in order to assemble, inspect, copy or download information stored on, take actions to perfect its Lien on, complete a production run of Inventory, take possession of, move, prepare and advertise for sale, sell (by public auction or private sale, whether in bulk, in lots or to customers in the ordinary course of business or otherwise and which sale may include augmented Inventory), store, collect or otherwise deal with the Revolving Priority Collateral, in each case without the involvement of or interference by any Term Secured Party or liability to any Term Secured Party; provided, however, that the expiration of the Use Period shall be without prejudice to the sale or other disposition of the Revolving Priority Collateral in accordance with this Agreement and applicable law. The Term Agent may not sell, assign or otherwise transfer the related Term Priority Collateral, unless the purchaser, assignee or transferee thereof agrees to be bound by the provisions of this Section 3.6. In addition, during the Use Period, the Revolving Lender and the Revolving Secured Parties shall have the right to access and copy (or otherwise duplicate, including download) Term Priority Collateral consisting of Books and Records (which shall include, without limitation, all books, databases, customer lists, engineer drawings and records, whether tangible or electronic) which contain any information relating to any Revolving Priority Collateral (collectively, "**Related Books and Records**"). Without regard to the expiration of the Use Period, the Revolving Lender shall have the right to utilize all such Related Books and Records which the Revolving Lender has copied or otherwise duplicated until the completion of the sale, disposition, collection, or other transfer by, or with the consent of, the Revolving Lender (including any sale, disposition or other transfer by any Loan Party, any agent, receiver, interim receiver or receiver-manager of any Loan Party or any agent of the Revolving Agent (including any receiver, receiver manager or interim receiver)) of all Revolving Priority Collateral.

(b) In furtherance of the Revolving Lender's rights under Section 3.6(a), prior to the earlier of the Discharge of the Revolving Obligations or the termination of the Use Period, the Term Agent (i) shall, to the extent permitted by law, permit the Revolving Lender and its agents or representatives at the Revolving Lender's option to use, on a nonexclusive, royalty free basis, any of the Intellectual Property as is or may be necessary for the Revolving Lender to sell or otherwise liquidate the Revolving Priority Collateral or to collect or otherwise realize on any Revolving Priority Collateral and (ii) hereby grants, to the extent it has the rights to do so, to the Revolving Lender (which may be sublicensed to its agents, which sublicense shall be subject to the terms of this Agreement) a nonexclusive, irrevocable, royalty-free, worldwide license to use any and all Intellectual Property as is or may be reasonably necessary to sell or otherwise liquidate the Revolving Priority Collateral or to collect or otherwise realize on any Revolving Priority Collateral. The Term Agent (i) acknowledges and consents to the grant to the Revolving Lender by the Loan Parties on the date hereof of a continuing, non-exclusive royalty-free license for such use at any time prior to the Discharge of the Revolving Obligations (the "**Effective Date License**") and (ii) agrees that its Liens on the Term Priority Collateral shall be subject to the Effective Date License. Furthermore, the Term Agent agrees that, in connection with any foreclosure sale conducted by the Term Agent (or by the Loan Parties at the direction, or with the consent of, the Term Agent) in respect of the Intellectual Property, (x) any notice required to be given by the Term Agent in connection with such foreclosure shall contain an acknowledgement that the Term Agent's Lien is subject to the Effective Date License, and (y) the Term Agent shall deliver a copy of the Effective Date License to any purchaser at such foreclosure and provide written notice to such purchaser that the Term Agent's Lien and the purchaser's rights in such transferred Common Collateral are subject to the Effective Date License, and any such purchaser shall acknowledge in writing that it is subject to the Effective Date License in all respects.

(c) During the period of actual occupation, use and/or control by the Revolving Secured Parties and/or the Revolving Lender (or their respective employees, agents, advisers and representatives) of any Term Priority Collateral, the Revolving Secured Parties and the Revolving Lender shall be obligated (a) to reimburse the Term Secured Parties for any reasonable out-of-pocket costs and expenses incurred by the Term Secured Party in respect of maintaining the Intellectual Property and operating the Term Priority Collateral during the Use Period (including out-of-pocket utility expenses and taxes incurred during the Use Period); and (b) to repair at their expense any physical damage (but not any diminution in value) to such Term Priority Collateral resulting from such occupancy, use or control, and to leave such Term Priority Collateral in substantially the same condition as it was at the commencement of such occupancy, use or control, ordinary wear and tear excepted. The Revolving Lender and the Revolving Secured Parties agree not to disable or terminate the use of any domain names or URLs or to use the Intellectual Property in a manner that infringes upon third party rights or would adversely affect the value of the Intellectual Property, provided, however, that it is acknowledged and agreed that the use of the Intellectual Property in connection with a liquidation or collection of the Revolving Priority Collateral conducted in a commercially reasonable manner shall not be deemed to adversely affect the value of the Intellectual Property. Notwithstanding the foregoing, in no event shall the Revolving Secured Parties or the Revolving Lender have any liability to the Term Secured Parties and/or to the Term Agent pursuant to this Section 3.6 as a result of any condition (including any environmental condition, claim or liability) on or with respect to the Term Priority Collateral existing prior to the date of the exercise by the Revolving Secured Parties (or the Revolving Lender, as the case may be) of their rights under this Section 3.6 and the Revolving Secured Parties

shall have no duty or liability to maintain the Term Priority Collateral in a condition or manner better than that in which it was maintained prior to the use thereof by the Revolving Secured Parties, or for any diminution in the value of the Term Priority Collateral that results from ordinary wear and tear resulting from the use of the Term Priority Collateral by the Revolving Secured Parties in the manner and for the time periods specified under this Section 3.6. Without limiting the rights granted in this Section 3.6, the Revolving Secured Parties and the Revolving Lender shall (without incurring any cost or expense) cooperate with the Term Secured Parties and/or the Term Agent in connection with any efforts made by the Term Secured Parties and/or the Term Agent to sell the Term Priority Collateral.

(d) The Revolving Secured Parties shall (i) use the Term Priority Collateral in accordance with applicable law, (ii) to the extent not otherwise in effect, maintain adequate insurance for damage to property and liability to persons, including property and liability insurance and (iii) indemnify the Term Secured Parties from any claim, loss, damage, cost or liability arising directly from the Revolving Secured Parties' use of the Term Priority Collateral (except for (x) those arising from the gross negligence or willful misconduct of any Term Secured Party or (y) any diminution in value of Term Priority Collateral as a result of the sale of disposition of Revolving Priority Collateral).

(e) The Term Agent and the other Term Secured Parties shall use commercially reasonable efforts to not hinder or obstruct the Revolving Lender and the other Revolving Secured Parties from exercising the rights described in Section 3.6 hereof.

(f) Subject to the terms hereof, the Term Agent may advertise and conduct public auctions or private sales of the Term Priority Collateral without notice to any Revolving Secured Party, the involvement of or interference by any Revolving Secured Party or liability to any Revolving Secured Party as long as, in the case of an actual sale, the respective purchaser assumes, acknowledges and agrees in writing to the obligations of the Term Agent and the Term Secured Parties under this Section 3.6.

Section 3.7. Tracing of and Priorities in Proceeds. The Revolving Lender, for itself and on behalf of the Revolving Secured Parties, and the Term Agent, for itself and on behalf of the Term Secured Parties, further agree that prior to an issuance of any notice of Exercise of Any Secured Creditor Remedies by such Secured Party (unless an Insolvency Event of Default then exists), any Proceeds of Common Collateral, whether or not deposited in Deposit Accounts subject to control agreements, which are used by any Loan Party to acquire other property which is Common Collateral shall not (solely as between the Agents and the Lenders) be treated as Proceeds of Common Collateral for purposes of determining the relative priorities in the Common Collateral which was so acquired.

Section 3.8. Payments Over.

(a) So long as the Discharge of Term Obligations has not occurred, any Term Priority Collateral or Proceeds thereof not constituting Revolving Priority Collateral received by the Revolving Lender or any other Revolving Secured Party in contravention of Section 4.1(c) in connection with the exercise of any right or remedy (including set off) relating to the Term Priority Collateral shall be segregated and held in trust and forthwith paid over to the Term Agent for the

benefit of the Term Secured Parties in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The Term Agent is hereby authorized to make any such endorsements as agent for the Revolving Lender or any such other Revolving Secured Parties. This authorization is coupled with an interest and is irrevocable until such time as this Agreement is terminated in accordance with its terms.

(b) So long as the Discharge of Revolving Obligations has not occurred, any Revolving Priority Collateral or Proceeds thereof not constituting Term Priority Collateral received by the Term Agent or any Term Secured Parties in contravention of Section 4.1(b) in connection with the exercise of any right or remedy (including set off) relating to the Revolving Priority Collateral shall be segregated and held in trust and forthwith paid over to the Revolving Lender for the benefit of the Revolving Secured Parties in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The Revolving Lender is hereby authorized to make any such endorsements as agent for the Term Agent or any such Term Secured Parties. This authorization is coupled with an interest and is irrevocable until such time as this Agreement is terminated in accordance with its terms.

ARTICLE 4.
APPLICATION OF PROCEEDS

Section 4.1. Application of Proceeds.

(a) **Revolving Nature of Revolving Obligations**. The Term Agent, for and on behalf of itself and the Term Secured Parties, expressly acknowledges and agrees that (i) the Revolving Credit Agreement includes a revolving commitment, that in the ordinary course of business the Revolving Lender will apply payments and make advances thereunder, and that no application of any Common Collateral or the release of any Lien pursuant to Section 2.4 by the Revolving Lender upon any portion of the Revolving Priority Collateral in connection with a permitted disposition by the Revolving Loan Parties under any Revolving Credit Agreement shall constitute the Exercise of Secured Creditor Remedies under this Agreement; (ii) the amount of the Revolving Obligations that may be outstanding at any time or from time to time may be increased or reduced and subsequently reborrowed, and that the terms of the Revolving Obligations may be modified, extended or amended from time to time, and that the aggregate amount of the Revolving Obligations may be increased, replaced or refinanced, in each event, without notice to or consent by the Term Secured Parties and without affecting the provisions hereof; provided, however, that the aggregate outstanding principal amount of loans, outstanding amount of letters of credit made, issued or incurred pursuant to the Revolving Documents and the amount of the Revolving Obligations in respect of Cash Management Services and the Swap Obligations shall not be increased to exceed the Maximum Revolving Facility Amount; and (iii) all Revolving Priority Collateral received by the Revolving Lender may be applied, reversed, reapplied, credited, or reborrowed, in whole or in part, to the Revolving Obligations at any time; provided, however, that from and after the date on which the Revolving Lender (or any Revolving Secured Party) or the Term Agent (or any Term Secured Party) commences the Exercise of Any Secured Creditor Remedies, all amounts received by the Revolving Lender shall be applied as specified in this Section 4.1 (but without any requirement that the commitments under the Revolving Documents be reduced or the amount of the loans (other than with respect to any permanent repayment in respect of Revolving Term Loans) and letters of credit available to the Revolving Borrower be

permanently reduced as a result of such application). The Lien Priority shall not be altered or otherwise affected by any such amendment, modification, supplement, extension, repayment, reborrowing, increase, replacement, renewal, restatement or refinancing of either the Revolving Obligations or the Term Obligations, or any portion thereof.

(b) **Application of Proceeds of Revolving Priority Collateral**. The Revolving Lender and the Term Agent hereby agree that all Revolving Priority Collateral and all other Proceeds thereof, received by either of them (i) in connection with any Exercise of Secured Creditor Remedies with respect to the Revolving Priority Collateral, or (ii) in connection with the sale, transfer or other disposition of all or any portion of the Revolving Priority Collateral under Section 2.4(a) or Section 6.4, in each case, shall be applied,

first, to the payment of reasonable costs and expenses of the Revolving Lender in connection with such Exercise of Secured Creditor Remedies,

second, to the payment of the Revolving Obligations (other than the Excess Revolving Obligations) in accordance with the Revolving Documents until the Discharge of Revolving Obligations (other than the Excess Revolving Obligations) shall have occurred;

third, to the payment of the Term Obligations (other than the Excess Term Obligations) in accordance with the Term Documents until the Discharge of Term Obligations (other than the Excess Term Obligations) shall have occurred,

fourth, to the payment of the Excess Revolving Obligations in accordance with the Revolving Documents until the Discharge of Revolving Obligations shall have occurred,

fifth, to the payment of Excess Term Obligations in accordance with the Term Documents until the Discharge of Term Obligations shall have occurred; and

sixth, the balance, if any, to the Loan Parties or as a court of competent jurisdiction may direct.

(c) **Application of Proceeds of Term Priority Collateral**. The Revolving Lender and the Term Agent hereby agree that all Term Priority Collateral and all Proceeds thereof, received by either of them (i) in connection with any Exercise of Secured Creditor Remedies with respect to the Term Priority Collateral, or (ii) in connection with the sale, transfer or other disposition of all or any portion of the Term Priority Collateral under Section 2.4(b) or Section 6.4, in each case, shall be applied,

first, to the payment of reasonable costs and expenses of the Term Agent in connection with such Exercise of Secured Creditor Remedies,

second, to the payment of the Term Obligations (other than the Excess Term Obligations) in accordance with the Term Documents until the Discharge of Term Obligations (other than the Excess Term Obligations) shall have occurred,

third, to the payment of the Revolving Obligations (other than the Excess Revolving Obligations) in accordance with the Revolving Documents until the Discharge of Revolving Obligations (other than the Excess Revolving Obligations) shall have occurred,

fourth, to the payment of Excess Term Obligations in accordance with the Term Documents until the Discharge of Term Obligations shall have occurred,

fifth, to the payment of the Excess Revolving Obligations in accordance with the Revolving Documents until the Discharge of Revolving Obligations shall have occurred, and

sixth, the balance, if any, to the Loan Parties or as a court of competent jurisdiction may direct.

(d) **Limited Obligation or Liability**. In exercising remedies, whether as a secured creditor or otherwise, the Revolving Lender shall have no obligation or liability to the Term Agent or to any Term Secured Party, and the Term Agent shall have no obligation or liability to the Revolving Lender or any Revolving Secured Party, regarding the adequacy of any Proceeds or for any action or omission, except solely for an action or omission that breaches the express obligations undertaken by each Party under the terms of this Agreement. Notwithstanding anything to the contrary herein contained, none of the Parties hereto waives any claim that it may have against a Secured Party on the grounds that any sale, transfer or other disposition by the Secured Party was not commercially reasonable as required by the Uniform Commercial Code or other applicable law.

(e) **Turnover of Collateral After Discharge**. Upon the Discharge of Revolving Obligations, the Revolving Lender shall deliver to the Term Agent or shall execute such documents as the Term Agent may reasonably request (at the expense of the relevant Loan Parties) to enable the Term Agent to have control over any Control Collateral still in the Revolving Lender's possession, custody, or control in the same form as received with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct. Upon the Discharge of Term Obligations, the Term Agent shall deliver to the Revolving Lender or shall execute such documents as the Revolving Lender may reasonably request (at the expense of the relevant Loan Parties) to enable the Revolving Lender to have control over any Control Collateral still in the Term Agent's possession, custody or control in the same form as received with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct.

Section 4.2. Specific Performance. Each of the Revolving Lender and the Term Agent is hereby authorized to demand specific performance of this Agreement, whether or not any Loan Party shall have complied with any of the provisions of any of the Credit Documents, at any time when the other Party shall have failed to comply with any of the provisions of this Agreement applicable to it. Each of the Revolving Lender, for and on behalf of itself and the Revolving Secured Parties, and the Term Agent, for and on behalf of itself and the Term Secured Parties, hereby irrevocably waives any defense based on the adequacy of a remedy at law that might be asserted as a bar to such remedy of specific performance.

ARTICLE 5.
INTERCREDITOR ACKNOWLEDGEMENTS AND WAIVERS

Section 5.1. Notice of Acceptance and Other Waivers.

(a) All Revolving Obligations at any time made or incurred by Revolving Loan Party shall be deemed to have been made or incurred in reliance upon this Agreement, and the Term Agent, on behalf of itself and the Term Secured Parties, hereby waives notice of acceptance, or proof of reliance by the Revolving Lender or any Revolving Secured Party of this Agreement, and notice of the existence, increase, renewal, extension, accrual, creation, or non-payment of all or any part of the Revolving Obligations. All Term Obligations at any time made or incurred by any Revolving Loan Party shall be deemed to have been made or incurred in reliance upon this Agreement, and the Revolving Lender, on behalf of itself and the Revolving Secured Parties, hereby waives notice of acceptance, or proof of reliance, by the Term Agent or any Term Secured Party of this Agreement, and notice of the existence, increase, renewal, extension, accrual, creation, or non-payment of all or any part of the Term Obligations.

(b) None of the Revolving Lender, any Revolving Secured Party, or any of their respective Affiliates, directors, officers, employees, or agents shall be liable for failure to demand, collect, or realize upon any of the Common Collateral or any Proceeds, or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Common Collateral or Proceeds thereof or to take any other action whatsoever with regard to the Common Collateral or any part or Proceeds thereof, except as specifically provided in this Agreement. If the Revolving Lender or any Revolving Secured Party honors (or fails to honor) a request by the Revolving Borrower for an extension of credit pursuant to any Revolving Credit Agreement or any of the other Revolving Documents, whether the Revolving Lender or any Revolving Secured Party has knowledge that the honoring of (or failure to honor) any such request would constitute a default under the terms of any Term Loan Agreement or any other Term Document or an act, condition, or event that, with the giving of notice or the passage of time, or both, would constitute such a default, or if the Revolving Lender or any Revolving Secured Party otherwise should exercise any of its contractual rights or remedies under any Revolving Documents (subject to the terms and conditions hereof), neither the Revolving Lender nor any Revolving Secured Party shall have any liability whatsoever to the Term Agent or any Term Secured Party as a result of such action, omission, or exercise (so long as any such exercise does not breach the terms and provisions of this Agreement). The Revolving Lender and the Revolving Secured Parties shall be entitled to manage and supervise their loans and extensions of credit under any Revolving Credit Agreement and any of the other Revolving Documents as they may, in their sole discretion, deem appropriate, and may manage their loans and extensions of credit without regard to any rights or interests that the Term Agent or any of the Term Secured Parties have in the Common Collateral, except as otherwise expressly set forth in this Agreement. The Term Agent, on behalf of itself and the Term Secured Parties, agrees that neither the Revolving Lender nor any Revolving Secured Party shall incur any liability as a result of a sale, lease, license, application, or other disposition of all or any portion of the Common Collateral or Proceeds thereof, pursuant to the Revolving Documents, so long as such disposition is conducted in accordance with mandatory provisions of applicable law and does not breach the provisions of this Agreement.

(c) None of the Term Agent, any Term Secured Party or any of their respective Affiliates, directors, officers, employees, or agents shall be liable for failure to demand, collect, or realize upon any of the Common Collateral or any Proceeds, or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Common Collateral or Proceeds thereof

or to take any other action whatsoever with regard to the Common Collateral or any part or Proceeds thereof, except as specifically provided in this Agreement. If the Term Agent or any Term Secured Party honors (or fails to honor) a request by the Term Borrower for an extension of credit pursuant to any Term Loan Agreement or any of the other Term Documents, whether the Term Agent or any Term Secured Party has knowledge that the honoring of (or failure to honor) any such request would constitute a default under the terms of any Revolving Credit Agreement or any other Revolving Document or an act, condition, or event that, with the giving of notice or the passage of time, or both, would constitute such a default, or if the Term Agent or any Term Secured Party otherwise should exercise any of its contractual rights or remedies under the Term Documents (subject to the terms and conditions hereof), neither the Term Agent nor any Term Secured Party shall have any liability whatsoever to the Revolving Lender or any Revolving Secured Party as a result of such action, omission, or exercise (so long as any such exercise does not breach the terms and provisions of this Agreement). The Term Agent and the Term Secured Parties shall be entitled to manage and supervise their loans under the Term Documents as they may, in their sole discretion, deem appropriate, and may manage their loans without regard to any rights or interests that the Revolving Lender or any Revolving Secured Party has in the Common Collateral, except as otherwise expressly set forth in this Agreement. The Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees that none of the Term Agent or the Term Secured Parties shall incur any liability as a result of a sale, lease, license, application, or other disposition of all or any portion of the Common Collateral or any part or Proceeds thereof, pursuant to the Term Documents, so long as such disposition is conducted in accordance with mandatory provisions of applicable law and does not breach the provisions of this Agreement.

Section 5.2. <u>Modifications to Revolving Documents and Term Documents</u>.

(a) The Revolving Lender and the Revolving Secured Parties may at any time and from time to time and without the consent of or notice to the Term Agent or any Term Secured Party, without incurring any liability to the Term Agent or any Term Secured Party and without impairing or releasing any rights or obligations hereunder or otherwise, amend, restate, amend and restate, supplement, modify, waive, substitute, renew, refinance, or replace any or all of the Revolving Documents; <u>provided</u>, <u>however</u>, that without the consent of the Term Agent, the Revolving Secured Parties shall not amend, restate, amend and restate, supplement, modify, waive, substitute, renew, refinance or replace (including in connection with any Revolving DIP Financing provided by any of the Revolving Secured Parties) any or all of the Revolving Documents to:

(1) increase the applicable margin for any interest rate, in the aggregate for all such increases under any other amendments, restatements, supplements, modifications, waivers, substitutions, renewals, refinancing or replacement to or of the Revolving Documents, by more than 2.00% per annum; <u>provided</u> that the foregoing (i) shall include, for purposes of such limitation, a change to a component of applicable margin or the interest rate floor if the result of such change is to cause the overall yield to increase by more than 2.00% per annum, (ii) shall not include any increase occurring because of fluctuations in underlying rate indices (including, without limitation, the LIBOR rate or prime rate) under the Revolving Credit Agreement, and (iii) shall not include any increase by more than 5.00% in connection with a Revolving Loan Event of Default;

(2) change any conditions, covenants, defaults or events of default thereunder that expressly restricts any Loan Party from making payments of the Term Obligations that would otherwise be permitted under the Revolving Documents as in effect on the date hereof;

(3) increase the sum of the then outstanding aggregate principal amount of the Revolving Obligations and any Revolving DIP Financing in excess of the amount of the Maximum Revolving Facility Amount; or

(4) extend the scheduled maturity of the Revolving Obligations under any other amendments, restatements, supplements, modifications, waivers, substitutions, renewals, refinancing or replacement to or of the Revolving Documents, by more than thirteen months from the current maturity of August 14, 2018, and by more than thirteen months in connection with each subsequent maturity; provided, however, that Revolving Lender and Revolving Borrower will not enter into any extension of the maturity if Revolving Lender has been advised in writing by Term Agent that a Term Loan Event of Default has occurred and while the Term Loan Event of Default is continuing.

(b) The Term Agent and the Term Secured Parties may at any time and from time to time and without consent of or notice to the Revolving Secured Parties, without incurring any liability to the Revolving Secured Parties and without impairing or releasing any rights or obligations hereunder or otherwise, amend, restate, amend and restate, supplement, modify, waive, substitute, renew, refinance or replace any or all of the Term Documents; provided, however, that without the consent of the Revolving Lender, the Term Agent and the Term Secured Parties shall not amend, restate, amend and restate, supplement, modify, waive, substitute, renew, refinance or replace (including in connection with any Term DIP Financing provided by any of the Term Secured Parties) any or all of the Term Documents to:

(1) change any conditions, covenants, defaults or events of default thereunder that expressly restricts any Loan Party from making payments of the Revolving Obligations that would otherwise be permitted under the Term Documents as in effect on the date hereof; or

(2) increase the aggregate outstanding principal amount of the Term Obligations and any Term DIP Financing in excess of the amount of the Maximum Term Facility Amount.

(c) Subject to Sections 5.2(a) and (b) above, the Revolving Obligations and the Term Obligations may be refinanced, in whole or in part, in each case, without notice to, or the consent (except to the extent a consent is required to permit the refinancing transaction under any Revolving Document or any Term Document) of the Revolving Lender, the Revolving Secured Parties, the Term Agent or the Term Secured Parties, as the case may be, all without affecting the Lien Priorities provided for herein or the other provisions hereof, provided, however, that the holders of such refinancing Indebtedness (or an authorized agent or trustee on their behalf) bind themselves in writing to the terms of this Agreement pursuant to such documents or agreements (including amendments or supplements to this Agreement) as the Revolving Lender or the Term Agent, as the case may be, shall reasonably request and in form and substance reasonably

acceptable to the Revolving Lender or the Term Agent, as the case may be, and any such refinancing transaction shall be in accordance with any applicable provisions of both the Revolving Documents and the Term Documents (to the extent such documents survive the refinancing).

Section 5.3. Reinstatement and Continuation of Agreement.

(a) If the Revolving Lender or any Revolving Secured Party is required in any Insolvency Proceeding or otherwise to turn over or otherwise pay to the estate of any Loan Party or any other Person any payment made in satisfaction of all or any portion of the Revolving Obligations (an "**Revolving Recovery**"), then the Revolving Obligations shall be reinstated to the extent of such Revolving Recovery. If this Agreement shall have been terminated prior to such Revolving Recovery, this Agreement shall be reinstated in full force and effect in the event of such Revolving Recovery, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the Parties from such date of reinstatement, but such reinstatement shall not impose an obligation on the Term Agent or Term Secured Parties to disgorge payments previously made, including from the Proceeds of Revolving Priority Collateral. All rights, interests, agreements, and obligations of the Revolving Lender, the Term Agent, the Revolving Secured Parties, and the Term Secured Parties under this Agreement shall remain in full force and effect and shall continue irrespective of the commencement of, or any discharge, confirmation, conversion, or dismissal of, any Insolvency Proceeding by or against any Loan Party or any other circumstance which otherwise might constitute a defense available to, or a discharge of any Loan Party in respect of the Revolving Obligations or the Term Obligations. No priority or right of the Revolving Lender or any Revolving Secured Party shall at any time be prejudiced or impaired in any way by any act or failure to act on the part of any Loan Party or by the noncompliance by any Person with the terms, provisions, or covenants of any of the Revolving Documents, regardless of any knowledge thereof which the Revolving Lender or any Revolving Secured Party may have.

(b) If the Term Agent or any Term Secured Party is required in any Insolvency Proceeding or otherwise to turn over or otherwise pay to the estate of any Loan Party, or any other Person any payment made in satisfaction of all or any portion of the Term Obligations (a "**Term Recovery**"), then the Term Obligations shall be reinstated to the extent of such Term Recovery. If this Agreement shall have been terminated prior to such Term Recovery, this Agreement shall be reinstated in full force and effect in the event of such Term Recovery, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the Parties from such date of reinstatement, but such reinstatement shall not impose an obligation on the Revolving Lender or Revolving Secured Parties to disgorge payments previously made, including from Proceeds of Term Priority Collateral. All rights, interests, agreements, and obligations of the Revolving Lender, the Term Agent, the Revolving Secured Parties, and the Term Secured Parties under this Agreement shall remain in full force and effect and shall continue irrespective of the commencement of, or any discharge, confirmation, conversion, or dismissal of, any Insolvency Proceeding by or against any Loan Party or any other circumstance which otherwise might constitute a defense available to, or a discharge of any Loan Party in respect of the Revolving Obligations or the Term Obligations. No priority or right of the Term Agent or any Term Secured Party shall at any time be prejudiced or impaired in any way by any act or failure to act on the part of any Loan Party or by the noncompliance by any Person with the terms, provisions, or covenants

of any of the Term Documents, regardless of any knowledge thereof which the Term Agent or any Term Secured Party may have.

Section 5.4. Term Purchase Option of Revolving Obligations.

(a) Notwithstanding anything in this Agreement to the contrary, on or at any time after (i) the acceleration of the Revolving Obligations or (ii) the commencement of an Insolvency Proceeding with respect to any of the Loan Parties, the Term Secured Parties shall have the right, at their sole option and election (but will not be obligated) (with each Term Secured Parties having a ratable right to make the purchase, with each Term Secured Party's right to purchase being automatically proportionately increased by the amount not purchased by another Term Secured Party), upon prior written notice to the Revolving Lender (a "**Purchase Notice**"), to purchase all (but not less than all) of the Revolving Obligations (including unfunded commitments) pursuant to this Section 5.4 that are outstanding on the date of such purchase.

(b) Within three Business Days after the receipt of such Purchase Notice, the Revolving Lender will deliver to the Term Agent a statement of the amount of Revolving Obligations then outstanding and the amount of the cash collateral requested by the Revolving Lender to be delivered pursuant to clause (d) below. The right to purchase provided for in this Section 5.4 will expire unless, within 10 Business Days after the receipt by the Term Agent of such statement from the Revolving Lender, the Term Agent delivers to the Revolving Lender an irrevocable commitment of the applicable Term Secured Parties committing to such purchase (the "**Purchasing Creditors**") to purchase all (but not less than all) of the Revolving Obligations (including unfunded commitments) and to otherwise complete such purchase on the terms set forth under this Section 5.4.

(c) On the date specified by the Term Agent (on behalf of the Purchasing Creditors) in such irrevocable commitment (which shall not be less than five Business Days nor more than 20 Business Days, after the receipt by the Revolving Lender of such irrevocable commitment), the Purchasing Creditors shall purchase all (but not less than all) of the Revolving Obligations (including unfunded commitments) pursuant to this Section 5.4 (the date of such purchase, the "**Purchase Date**").

(d) On the Purchase Date, the Revolving Lender and the other Revolving Secured Parties shall, subject to any required approval of any Governmental Authority then in effect, if any, sell to the Purchasing Creditors all (but not less than all) of the Revolving Obligations (including unfunded commitments). On such Purchase Date, the Purchasing Creditors shall (i) pay to the Revolving Lender, for the benefit of the Revolving Secured Parties, as directed by the Revolving Lender, in immediately available funds the full amount (at par) of all Revolving Obligations then outstanding (for the avoidance of doubt, such payment amount excludes the amount of unfunded commitments) together with all accrued and unpaid interest and fees and other amounts thereon in accordance with the applicable Revolving Documents or other applicable documents; provided that in the case of Swap Obligations that constitute Revolving Obligations, the Purchasing Creditors shall cause the applicable Secured Rate Contracts to be assigned and novated or, if such Secured Rate Contracts have been terminated, such purchase price shall include an amount equal to the sum of any unpaid amounts then due in respect of such Swap Obligations, calculated using the market quotation method and after giving effect to any netting arrangements;

(ii) furnish cash collateral in connection with any issued and outstanding Letters of Credit issued under the Revolving Credit Agreement in an amount not to exceed 103% of the maximum amount to be drawn under such Letters of Credit, which cash collateral shall be (x) held by the Revolving Lender as security solely to reimburse the issuers of such Letters of Credit that become due and payable after the Purchase Date and any fees and expenses incurred in connection with such Letters of Credit and (y) returned to the Term Agent (except as may otherwise be required by applicable law or any order of any court or other Governmental Authority) promptly after the expiration or termination from time to time of all payment contingencies affecting such Letters of Credit; and (iii) agree to reimburse the Revolving Secured Parties for any loss, cost, damage or expense resulting from the granting of provisional credit for any checks, wire or ACH transfers that are reversed or not final or other payments provisionally credited to the Revolving Obligations under the Revolving Credit Agreement and as to which the Revolving Lender and Revolving Secured Parties have not yet received final payment as of the Purchase Date. Such purchase price shall be remitted by wire transfer in immediately available funds to such bank account of the Revolving Lender (for the benefit of the Revolving Secured Parties) as the Revolving Lender shall have specified in writing to the Term Agent. Interest and fees shall be calculated to but excluding the Purchase Date if the amounts so paid by the Purchasing Creditors to the bank account designated by the Revolving Lender are received in such bank account prior to 1:00 p.m., Texas time, and interest shall be calculated to and including such Purchase Date if the amounts so paid by the Purchasing Creditors to the bank account designated by the Revolving Lender are received in such bank account after 1:00 p.m., Texas time.

(e) Any purchase pursuant to the purchase option set forth in this Section 5.4 shall, except as provided below, be expressly made without representation or warranty of any kind by the Revolving Lender or the other Revolving Secured Parties as to the Revolving Obligations, the collateral or otherwise, and without recourse to the Revolving Lender and the other Revolving Secured Parties as to the Revolving Obligations, the collateral or otherwise, except that the Revolving Lender and each of the Revolving Secured Parties, as to itself only, shall represent and warrant only as to (i) the amount of the Revolving Obligations being sold by it, (ii) that such Person has not created any Lien on, or sold any participation in, any Revolving Obligations being sold by it, and (iii) that such Person has the right to assign the Revolving Obligations being assigned by it and its assignment agreement has been duly authorized by it. The Loan Parties irrevocably, by their execution of this Agreement, authorize and consent to the Revolving Lender and the other Revolving Secured Parties assigning the Revolving Obligations to the Purchasing Creditors as provided in this Section 5.4.

(f) In connection with any purchase of Revolving Obligations pursuant to this Section 5.4, each Revolving Lender and Revolving Lender agrees to enter into and deliver to the Purchasing Creditors on the Purchase Date, as a condition to closing, an assignment agreement in a form reasonably acceptable to each Agent and, at the expense of the Loan Parties, the Revolving Lender and each other Revolving Lender shall deliver all possessory collateral (if any), together with any necessary endorsements and other documents (including any applicable stock powers or bond powers), then in its possession or in the possession of its agent or bailee, or turn over control as to any pledged collateral, Deposit Accounts or Securities Accounts of which it or its agent or bailee then has control, as the case may be, to any Person designated by the Revolving Lender to act as the successor Revolving Lender and otherwise take such actions as may be reasonably appropriate to effect an orderly transition to any Person designated by the Term Agent to act as

the successor Revolving Lender. Upon the consummation of the purchase of the Revolving Obligations pursuant to this Section 5.4, the Revolving Lender (and all other agents under the Revolving Credit Agreement) shall be deemed to have resigned as an "agent" or "administrative agent" or "collateral agent" (or any similar role) for the Revolving Secured Parties under the Revolving Documents.

(g) Notwithstanding the foregoing purchase of the Revolving Obligations by the Purchasing Creditors, the Revolving Secured Parties shall retain all contingent indemnification obligations and other obligations under the Revolving Documents which by their express terms would survive any repayment of the Revolving Obligations.

ARTICLE 6.
INSOLVENCY PROCEEDINGS

Section 6.1. DIP Financing.

(a) If the Revolving Borrower or any Revolving Guarantor shall be subject to any Insolvency Proceeding at any time prior to the Discharge of Revolving Obligations, and the Revolving Lender or the Revolving Secured Parties shall seek to provide the Revolving Borrower or any Revolving Guarantor with, or consent to a third party providing, any financing under Section 364 of the Bankruptcy Code or consent to any order for the use of cash collateral constituting Revolving Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) (each, an "**Revolving DIP Financing**"), with such Revolving DIP Financing to be secured by all or any portion of the Revolving Priority Collateral (including assets that, but for the application of Section 552 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws) would be Revolving Priority Collateral), then the Term Agent, on behalf of itself and the Term Secured Parties, agrees that it will raise no objection and will not support any objection to such Revolving DIP Financing or use of cash collateral or to the Liens securing the same on the grounds of a failure to provide "**adequate protection**" for the Liens of the Term Agent on Revolving Priority Collateral securing the Term Obligations (and will not request any adequate protection solely as a result of such Revolving DIP Financing or use of cash collateral that is Revolving Priority Collateral except as permitted by Section 6.3(c)(i)), so long as (i) the Term Agent retains its Lien on the Revolving Priority Collateral to secure the Term Obligations (in each case, including Proceeds thereof arising after the commencement of the case under any Debtor Relief Laws) and, as to the Term Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the subject Debtor Relief Laws and any Lien on the Term Priority Collateral securing such Revolving DIP Financing is junior and subordinate to the Lien of the Term Agent on the Term Priority Collateral, (ii) the aggregate principal amount of loans and letter of credit accommodations outstanding under any such Revolving DIP Financing, together with, but without duplication, the aggregate outstanding principal amount of loans and outstanding amount of letters of credit made, issued or incurred pursuant to the Revolving Documents and the amount of the Revolving Obligations in respect of the Swap Obligations does not exceed the Maximum Revolving Facility Amount; and (iii) such Revolving DIP Financing shall not require the Loan Parties to seek confirmation of a specific plan of reorganization for which all or

substantially all of the material terms are set forth in the documentation evidencing such Revolving DIP Financing.

(b) If the Term Borrower or any Term Guarantor shall be subject to any Insolvency Proceeding at any time prior to the Discharge of Term Obligations, and the Term Agent or the Term Secured Parties shall seek to provide the Term Borrower or any Term Guarantor with, or consent to a third party providing, any financing under Section 364 of the Bankruptcy Code or consent to any order for the use of cash collateral constituting Revolving Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) (each, a "**Term DIP Financing**" and together with the Revolving DIP Financing, the "**DIP Financing**"), with such Term DIP Financing to be secured by all or any portion of the Term Priority Collateral (including assets that, but for the application of Section 552 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws) would be Term Priority Collateral), then the Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees that it will raise no objection and will not support any objection to such Term DIP Financing or use of cash collateral or to the Liens securing the same on the grounds of a failure to provide "adequate protection" for the Liens of the Revolving Lender on Revolving Priority Collateral securing the Revolving Obligations (and will not request any adequate protection solely as a result of such Term DIP Financing or use of cash collateral that is Term Priority Collateral except as permitted by Section 6.3(c)(i)), so long as (i) the Revolving Lender retains its Lien on the Term Priority Collateral to secure the Revolving Obligations (in each case, including Proceeds thereof arising after the commencement of the case under any Debtor Relief Laws) and, as to the Revolving Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the case under the subject Debtor Relief Laws and any Lien on the Revolving Priority Collateral securing such Term DIP Financing is junior and subordinate to the Lien of the Revolving Lender on the Revolving Priority Collateral, (ii) the aggregate principal amount of loans outstanding under any such Term DIP Financing, together with, but without duplication, the aggregate outstanding principal amount of loans incurred pursuant to the Term Documents does not exceed the Maximum Term Facility Amount; and (iii) such Term DIP Financing shall not require the Loan Parties to seek confirmation of a specific plan of reorganization for which all or substantially all of the material terms are set forth in the documentation evidencing such Term DIP Financing.

(c) All Liens in respect of the Revolving Obligations or the Term Obligations, as the case may be, granted to the Revolving Lender, the Revolving Secured Parties, the Term Agent or the Term Secured Parties in any Insolvency Proceeding, whether as adequate protection or otherwise, are intended by the Parties to be and shall be deemed to be subject to the Lien Priority and the other terms and conditions of this Agreement, in each case, subject to any court order approving the financing of, or use of cash collateral by, any Loan Party or any other court order affecting the rights and interests of the parties hereto not in conflict with the terms hereof.

(d) The Term Agent and the Term Secured Parties hereby agree that they shall not offer to provide any DIP Financing to the Loan Parties in any Insolvency Proceeding or endorse the provision of any DIP Financing to the Loan Parties in any Insolvency Proceeding pursuant to which Liens that are senior or pari passu in priority to the Liens securing the Revolving Obligations are granted on the Revolving Priority Collateral. The Revolving Lender and the Revolving

Secured Parties hereby agree that they shall not offer to provide any DIP Financing to the Loan Parties in any Insolvency Proceeding or endorse the provision of any DIP Financing to the Loan Parties in any Insolvency Proceeding pursuant to which Liens that are senior or pari passu in priority to the Liens securing the Term Obligations are granted on the Term Priority Collateral.

(e) Each Agent, on behalf of the applicable Secured Parties, hereby agrees and acknowledges that any consent or waiver of, or departure from, the terms of this Agreement (or other similar agreement in replacement or substitution of this Agreement) in respect of or in connection with any DIP Financing or use of cash collateral in any Insolvency Proceeding of any Loan Party provided by any of them in favor of any other Person (including any Revolving Secured Party which is also an affiliate of any Term Secured Party or Term Secured Party which is also an affiliate of any Revolving Secured Party, as applicable) shall automatically (and with no further action on behalf of any Person) run in favor of all Revolving Secured Parties or Term Secured Parties, as applicable, in all respects, and the Term Agent and the Revolving Lender agrees to provide written notice to the other Agent of any such consent or waiver of, or departure from, the terms of this Agreement and the details thereof.

(f) If any Revolving Loan Party shall be subject to any Insolvency Proceeding at any time prior to the Discharge of Revolving Obligations and the Revolving Loan Parties request the use of cash collateral in such Insolvency Proceeding, the Revolving Lender, on behalf of the Revolving Secured Parties, agrees that no Revolving Secured Party shall give its consent to any order for the use of cash collateral constituting Revolving Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) that is not stated to be subject to compliance with the Maximum Revolving Facility Amount (including that the order authorizing the use of such cash collateral shall provide that such cash collateral usage shall not result in the outstanding loans and letters of credit outstanding under the Revolving Credit Agreement exceeding the Maximum Revolving Facility Amount). The Term Agent, for and on behalf of the Term Secured Parties, agree that the no Revolving Secured Party has any obligation to object to any order for the use of cash collateral constituting Revolving Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) that is not stated to be subject to compliance with the Maximum Revolving Facility Amount.

(g) If any Term Loan Party shall be subject to any Insolvency Proceeding at any time prior to the Discharge of Term Obligations and the Term Loan Parties request the use of cash collateral in such Insolvency Proceeding, the Term Agent, on behalf of the Term Secured Parties, agrees that no Term Secured Party shall give its consent to any order for the use of cash collateral constituting Term Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) that is not stated to be subject to compliance with the Maximum Term Facility Amount (including that the order authorizing the use of such cash collateral shall provide that such cash collateral usage shall not result in the outstanding loans outstanding under the Term Credit Agreement exceeding the Maximum Term Facility Amount). The Revolving Lender, for and on behalf of the Revolving Secured Parties, agree that the no Term Secured Party has any obligation to object to any order for the use of cash

collateral constituting Term Priority Collateral under Section 363 of the Bankruptcy Code (or any similar provision of any foreign Debtor Relief Laws or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) that is not stated to be subject to compliance with the Maximum Term Facility Amount.

Section 6.2. **Relief From Stay**. Until the Discharge of Revolving Obligations has occurred, the Term Agent, on behalf of itself and the Term Secured Parties, agrees not to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of any portion of the Revolving Priority Collateral without the Revolving Lender's express written consent. Until the Discharge of Term Obligations has occurred, the Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees not to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of any portion of the Term Priority Collateral without the Term Agent's express written consent.

Section 6.3. **No Contest; Adequate Protection**.

(a) The Term Agent, on behalf of itself and the Term Secured Parties, agrees that, prior to the Discharge of Revolving Obligations, none of them shall contest (or support any other Person contesting) (i) any request by the Revolving Lender or any Revolving Secured Party for adequate protection of its interest in the Common Collateral in compliance with the terms of this Agreement, (ii) any proposed provision of Revolving DIP Financing by the Revolving Lender and/or some or all of the Revolving Secured Parties consistent with Section 6.1, or (iii) any objection by the Revolving Lender or any Revolving Secured Party to any motion, relief, action, or proceeding based on a claim by the Revolving Lender or any Revolving Secured Party that its interests in the Common Collateral are not adequately protected (or any other similar request under any law applicable to an Insolvency Proceeding), so long as (x) any Liens granted to the Revolving Lender as adequate protection of its interests are subject to this Agreement and (y) any payments with respect to such adequate protection are not made with the Proceeds of Term Priority Collateral.

(b) The Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees that, prior to the Discharge of Term Obligations, none of them shall contest (or support any other Person contesting) (i) any request by the Term Agent or any Term Secured Party for adequate protection of its interest in the Common Collateral in compliance with the terms of this Agreement, (ii) any proposed provision of Term DIP Financing by the Term Agent and/or some or all of the Term Secured Parties consistent with Section 6.1, or (iii) any objection by the Term Agent or any Term Secured Party to any motion, relief, action or proceeding based on a claim by the Term Agent or any Term Secured Party that its interests in the Common Collateral are not adequately protected (or any other similar request under any law applicable to an Insolvency Proceeding), so long as (x) any Liens granted to the Term Agent as adequate protection of its interests are subject to this Agreement and (y) any payments with respect to such adequate protection are not made with the Proceeds of Revolving Priority Collateral.

(c) In any Insolvency Proceeding:

(i) in the event that the Revolving Lender, on behalf of itself or any of the Revolving Secured Parties, is granted adequate protection with respect to the Revolving Priority Collateral in the form of additional collateral (even if such collateral is not of a type which would

otherwise have constituted Revolving Priority Collateral), then the Revolving Lender, on behalf of itself and the Revolving Secured Parties, agrees that the Term Agent, on behalf of itself or any of the Term Secured Parties, may seek or request (and the Revolving Secured Parties will not oppose such request) adequate protection with respect to its interests in such Common Collateral in the form of a Lien on the same additional collateral, which Lien will be subordinated to the Liens securing the Revolving Obligations on the same basis as the other Liens of the Term Agent on Revolving Priority Collateral; and

(ii) in the event that the Term Agent, on behalf of itself or any of the Term Secured Parties, is granted adequate protection in respect of Term Priority Collateral in the form of additional collateral (even if such collateral is not of a type which would otherwise have constituted Term Priority Collateral), then the Term Agent, on behalf of itself and the Term Secured Parties, agrees that the Revolving Lender on behalf of itself or any of the Revolving Secured Parties, may seek or request (and the Term Secured Parties will not oppose such request) adequate protection with respect to its interests in such Common Collateral in the form of a Lien on the same additional collateral, which Lien will be subordinated to the Liens securing the Term Obligations on the same basis as the other Liens of the Revolving Lender on Term Priority Collateral.

(d) Nothing herein shall limit the rights of (A) the Term Agent or the Term Secured Parties from seeking adequate protection with respect to their rights in the Term Priority Collateral in any Insolvency Proceeding (including adequate protection in the form of a cash payment, periodic cash payments or otherwise) and (B) the Revolving Lender or the Revolving Secured Parties from seeking adequate protection with respect to their rights in the Revolving Priority Collateral in any Insolvency Proceeding (including adequate protection in the form of a cash payment, periodic cash payments or otherwise).

(e) Neither the Term Agent nor any Term Secured Party shall oppose or seek to challenge any claim by the Revolving Lender or any Revolving Secured Party for allowance in any Insolvency Proceeding of Revolving Obligations consisting of post-petition interest, fees or expenses to the extent of the value of the Lien securing any Revolving Secured Party's claim, without regard to the existence of the Lien of the Term Agent on behalf of the Term Secured Parties on the Revolving Priority Collateral.

(f) Neither the Revolving Lender nor any other Revolving Secured Party shall oppose or seek to challenge any claim by the Term Agent or any Term Secured Party for allowance in any Insolvency Proceeding of Term Obligations consisting of post-petition interest, fees or expenses to the extent of the value of the Lien securing any Term Secured Party's claim, without regard to the existence of the Lien of the Revolving Lender on behalf of the Revolving Secured Parties on the Term Priority Collateral.

Section 6.4. **Asset Sales**. The Term Agent agrees, on behalf of itself and the Term Secured Parties, that it will not oppose any sale consented to by the Revolving Lender of any Revolving Priority Collateral pursuant to Section 363(f) of the Bankruptcy Code (or any similar provision under the law applicable to any Insolvency Proceeding or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) so long as the Proceeds of such sale are applied in accordance with this Agreement. The Revolving Lender

agrees, on behalf of itself and the Revolving Secured Parties, that it will not oppose any sale consented to by the Term Agent of any Term Priority Collateral pursuant to Section 363(f) of the Bankruptcy Code (or any similar provision under the law applicable to any Insolvency Proceeding or under a court order in respect of measures granted with similar effect under any foreign Debtor Relief Laws) so long as the Proceeds of such sale are applied in accordance with this Agreement. If requested by the Revolving Lender or the Term Agent, as the case may be, in connection with such sale, the other Agent shall affirmatively consent to such a sale or disposition.

Section 6.5. **Separate Grants of Security and Separate Classification**. Each Term Secured Party and each Revolving Secured Party acknowledges and agrees that (i) the grants of Liens pursuant to the Revolving Collateral Documents and the Term Collateral Documents constitute two separate and distinct grants of Liens and (ii) because of, among other things, their differing rights in the Common Collateral, the Term Obligations are fundamentally different from the Revolving Obligations and must be separately classified in any plan of reorganization (or other plan of similar effect under any Debtor Relief Laws) proposed or adopted in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the Revolving Secured Parties and the Term Secured Parties in respect of the Common Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then the Revolving Secured Parties and the Term Secured Parties hereby acknowledge and agree that all distributions shall be made as if there were separate classes of Revolving Obligation claims and Term Obligation claims against the Loan Parties, with the effect being that, to the extent that the aggregate value of the Revolving Priority Collateral or Term Priority Collateral is sufficient (for this purpose ignoring all claims held by the other Secured Parties), the Revolving Secured Parties or the Term Secured Parties, respectively, shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest that is available from each pool of Priority Collateral for each of the Revolving Secured Parties and the Term Secured Parties, respectively, before any distribution is made in respect of the claims held by the other Secured Parties from such Priority Collateral, with such other Secured Parties hereby acknowledging and agreeing to turn over to the Revolving Secured Parties and the Term Secured Parties, as the case may be, amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the aggregate recoveries.

Section 6.6. **Enforceability**. This Agreement shall be applicable, as to Common Collateral and the proceeds thereof in existence before the commencement of any Insolvency Proceeding, both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The relative rights of the Secured Parties in or to any distributions from or in respect of any such Common Collateral or proceeds of such Common Collateral, shall continue after the commencement of any Insolvency Proceeding. All references herein to any Loan Party shall be deemed to apply to any debtor in possession, any trustee, receiver, receiver manager, interim receiver or monitor for such Loan Party. Any reference to Agent or Secured Parties shall be deemed to apply to any agent or secured parties under any DIP Financing. Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code or any other applicable provisions of any other Debtor Relief Law.

Section 6.7. **Revolving Obligations Unconditional**. All rights of the Revolving Lender hereunder, and all agreements and obligations of the Term Agent and the Loan Parties (to the extent applicable) hereunder, shall remain in full force and effect irrespective of any change in the time, place or manner of payment of, or in any other term of, all or any portion of the Revolving Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any Revolving Document in accordance with the terms hereof.

Section 6.8. **Term Obligations Unconditional**. All rights of the Term Agent hereunder, all agreements and obligations of the Revolving Lender and the Loan Parties (to the extent applicable) hereunder, shall remain in full force and effect irrespective of any change in the time, place or manner of payment of, or in any other term of, all or any portion of the Term Obligations, or any amendment, waiver or other modification, whether by course of conduct or otherwise, or any refinancing, replacement, refunding or restatement of any Term Document in accordance with the terms hereof.

Section 6.9. **Reorganization Securities**. Subject to the ability of the Revolving Secured Parties and the Term Secured Parties, as applicable, to support or oppose confirmation or approval of any plan of reorganization, compromise or arrangement or a proposal as provided herein, if, in any Insolvency Proceeding, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization compromise or arrangement or a proposal, both on account of Revolving Obligations and on account of Term Obligations, then, to the extent the debt obligations distributed on account of the Revolving Obligations and on account of the Term Obligations are secured by Liens upon the same property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan or proposal and will apply with like effect to the debt obligations so distributed, to the Liens securing such debt obligations and the distribution of Proceeds thereof.

Section 6.10. **Rights as Unsecured Creditors**. Except as expressly provided in this Agreement, nothing contained herein shall affect the rights or claims of any Agent or any Secured Party as an unsecured creditor in any Insolvency Proceeding, and the Agents and the Secured Parties shall retain all such rights and claims.

ARTICLE 7.
MISCELLANEOUS

Section 7.1. **Rights of Subrogation**. The Term Agent, for and on behalf of itself and the Term Secured Parties, agrees that no payment to the Revolving Lender or any Revolving Secured Party pursuant to the provisions of this Agreement shall entitle the Term Agent or any Term Secured Party to exercise any rights of subrogation in respect thereof until the Discharge of Revolving Obligations shall have occurred. Following the Discharge of Revolving Obligations, the Revolving Lender agrees to execute such documents, agreements, and instruments as the Term Agent or any Term Secured Party may reasonably request to evidence the transfer by subrogation to any such Person of an interest in the Revolving Obligations resulting from payments to the Revolving Lender by such Person, so long as all costs and expenses (including all reasonable legal fees and disbursements) incurred in connection therewith by the Revolving Lender are paid by such Person upon request for payment thereof. The Revolving Lender, for and on behalf of itself

and the Revolving Secured Parties, agrees that no payment to the Term Agent or any Term Secured Party pursuant to the provisions of this Agreement shall entitle the Revolving Lender or any Revolving Secured Party to exercise any rights of subrogation in respect thereof until the Discharge of Term Obligations shall have occurred. Following the Discharge of Term Obligations, the Term Agent agrees to execute such documents, agreements, and instruments as the Revolving Lender or any Revolving Secured Party may reasonably request to evidence the transfer by subrogation to any such Person of an interest in the Term Obligations resulting from payments to the Term Agent by such Person, so long as all costs and expenses (including all reasonable legal fees and disbursements) incurred in connection therewith by the Term Agent are paid by such Person upon request for payment thereof.

Section 7.2. **Further Assurances**. The Parties will, at the expense of the Loan Parties, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that either Party may reasonably request, in order to protect any right or interest granted or purported to be granted hereby or to enable the Revolving Lender or the Term Agent to exercise and enforce its rights and remedies hereunder; provided, however, that no Party shall be required to pay over any payment or distribution, execute any instruments or documents, or take any other action referred to in this Section 7.2, to the extent that such action would contravene any law, order or other legal requirement or any of the terms or provisions of this Agreement, and in the event of a controversy or dispute, such Party may interplead any payment or distribution in any court of competent jurisdiction, without further responsibility in respect of such payment or distribution under this Section 7.2.

Section 7.3. **Representations**. The Term Agent represents and warrants to the Revolving Lender that it has the requisite power and authority under the Term Documents to enter into, execute, deliver, and carry out the terms of this Agreement on behalf of itself and the Term Secured Parties and that this Agreement shall be binding obligations of the Term Agent and the Term Secured Parties, enforceable against the Term Agent and the Term Secured Parties in accordance with its terms. The Revolving Lender represents and warrants to the Term Agent that it has the requisite power and authority under the Revolving Documents to enter into, execute, deliver, and carry out the terms of this Agreement on behalf of itself and the Revolving Secured Parties and that this Agreement shall be binding obligations of the Revolving Lender and the Revolving Secured Parties, enforceable against the Revolving Lender and the Revolving Secured Parties in accordance with its terms.

Section 7.4. **Amendments**. No amendment or waiver of any provision of this Agreement nor consent to any departure by any Party hereto shall be effective unless it is in a written agreement executed by the Term Agent and the Revolving Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that this Agreement may be amended from time to time, without the consent of either Agent, to add additional Loan Parties, whereupon such Person will be bound by the terms hereof to the same extent as if it had executed and delivered this Agreement as of the date hereof.

Section 7.5. **Addresses for Notices**. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telecopied, sent electronically in PDF or similar format or sent by overnight express courier service or United States mail and shall be deemed to have been given when

delivered in person or by courier service, upon receipt of a telecopy or electronic transmission or five (5) days after deposit in the United States mail (certified, with postage prepaid and properly addressed). For the purposes hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this Section) shall be as set forth below or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

Revolving Lender: PlainsCapital Bank
801 Houston Street
Fort Worth, Texas 76102
Attention: Keeton Moore
Fax: 877-379-6244
Electronic Mail: kmoore@plainscapital.com

With a copy to counsel

for Revolving Lender:

Paul D. Bradford
Harris, Finley & Bogle, P.C.
777 Main Street, Suite 1800
Fort Worth, Texas 76102
Fax: 817-332-6121
Electronic Mail: pbradford@hfblaw.com

Term Agent: Ares Capital Corporation
245 Park Avenue, 44th Floor
New York, NY 10167
Attention: General Counsel
Fax: 212-750-1777
Electronic Mail: arccgeneralcounsel@aresmgmt.com

With a copy to counsel

for the Term Agent:

Herschel Hamner
Sidley Austin LLP
1000 Louisiana, Suite 6000
Houston, TX 77027
Fax: (713) 495-7799
Electronic Mail: hhamner@sidley.com

Section 7.6. **No Waiver; Remedies**. No failure on the part of any Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 7.7. **Continuing Agreement, Transfer of Secured Obligations**. This Agreement is a continuing agreement and shall (a) remain in full force and effect until the Discharge of Revolving Obligations and the Discharge of Term Obligations shall have occurred, (b) be binding upon the Parties and their successors and assigns, and (c) inure to the benefit of and be enforceable by the Parties and their respective successors, transferees and assigns. Nothing herein is intended, or shall be construed to give, any other Person any right, remedy or claim under, to or in respect of this Agreement or any Common Collateral. All references to any Loan Party shall include any Loan Party as debtor-in-possession and any receiver, interim receiver, receiver-manager, monitor or trustee for such Loan Party in any Insolvency Proceeding. Without limiting the generality of the foregoing clause (c), the Revolving Lender, any Revolving Secured Party, the Term Agent, or any Term Secured Party may assign or otherwise transfer all or any portion of the Revolving Obligations or the Term Obligations, as applicable, to any other Person (other than any Loan Party or any Affiliate of any Loan Party and any Subsidiary of any Loan Party), and such other Person shall thereupon become vested with all the rights and obligations in respect thereof granted to the Revolving Lender, the Term Agent, any Revolving Secured Party, or any Term Secured Party, as the case may be, herein or otherwise. The Revolving Secured Parties and the Term Secured Parties may continue, at any time and without notice to the other parties hereto, to extend credit and other financial accommodations, lend monies and provide Indebtedness to, or for the benefit of, any Loan Party on the faith hereof.

Section 7.8. **Governing Law; Entire Agreement**. The validity, performance, and enforcement of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York (excluding the laws applicable to conflicts or choice of law (other than the New York General Obligations Law §5-1401)). This Agreement constitutes the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes any prior agreements, written or oral, with respect thereto.

Section 7.9. **Counterparts**. This Agreement may be executed in any number of counterparts, and it is not necessary that the signatures of all Parties be contained on any one counterpart hereof, each counterpart will be deemed to be an original, and all together shall constitute one and the same document. Delivery of an executed signature page of this Agreement by facsimile or electronic transmission (including.pdf format) shall be as effective as delivery of a manually executed counterpart hereof.

Section 7.10. **No Third Party Beneficiaries**. This Agreement is solely for the benefit of the Revolving Lender, the Revolving Secured Parties, the Term Agent and the Term Secured Parties. No other Person (including any Loan Party or any Affiliate of any Loan Party, or any Subsidiary of any Loan Party) shall be deemed to be a third party beneficiary of this Agreement.

Section 7.11. **Headings**. The headings of the articles and sections of this Agreement are inserted for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

Section 7.12. **Severability**. If any of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement and shall not invalidate the Lien Priority or the application of Proceeds and other priorities set forth in this Agreement.

Section 7.13. VENUE; JURY TRIAL WAIVER.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT ANY Revolving SECURED PARTY OR ANY TERM SECURED PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, ANY TERM DOCUMENTS, OR ANY Revolving DOCUMENTS AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(b) EACH PARTY HERETO HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY HERETO REPRESENTS THAT IT HAS REVIEWED THIS WAIVER AND IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(c) EACH PARTY TO THIS AGREEMENT IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 7.5. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 7.14. Intercreditor Agreement. This Agreement is the "Intercreditor Agreement" referred to in the Term Loan Agreement. Nothing in this Agreement shall be deemed to subordinate the obligations due to (i) any Revolving Secured Party to the obligations due to any Term Secured Party or (ii) any Term Secured Party to the obligations due to any Revolving Secured Party (in each case, whether before or after the occurrence of an Insolvency Proceeding), it being the intent of the Parties that this Agreement shall effectuate a subordination of Liens but not a subordination of Indebtedness.

Section 7.15. No Warranties or Liability. The Term Agent and the Revolving Lender acknowledge and agree that neither has made any representation or warranty with respect to the

execution, validity, legality, completeness, collectability or enforceability of any other Revolving Document or any Term Document. Except as otherwise provided in this Agreement, the Term Agent and the Revolving Lender will be entitled to manage and supervise their respective extensions of credit to any Loan Party in accordance with law and their usual practices, modified from time to time as they deem appropriate.

Section 7.16. Conflicts. In the event of any conflict between the provisions of this Agreement and the provisions of any Revolving Document or any Term Document, the provisions of this Agreement shall govern.

Section 7.17. Information Concerning Financial Condition of the Loan Parties. Each of the Term Agent and the Revolving Lender hereby assumes responsibility for keeping itself informed of the financial condition of the Loan Parties and all other circumstances bearing upon the risk of nonpayment of the Revolving Obligations or the Term Obligations. The Term Agent and the Revolving Lender hereby agree that no party shall have any duty to advise any other party of information known to it regarding such condition or any such circumstances. In the event the Term Agent or the Revolving Lender, in its sole discretion, undertakes at any time or from time to time to provide any information to any other party to this Agreement, (a) it shall be under no obligation (i) to provide any such information to such other party or any other party on any subsequent occasion except as required pursuant to Section 3.3, (ii) to undertake any investigation not a part of its regular business routine, or (iii) to disclose any other information, or (b) it makes no representation as to the accuracy or completeness of any such information and shall not be liable for any information contained therein, and (c) the Party receiving such information hereby to hold the other Party harmless from any action the receiving Party may take or conclusion the receiving Party may reach or draw from any such information, as well as from and against any and all losses, claims, damages, liabilities, and expenses to which such receiving Party may become subject arising out of or in connection with the use of such information.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the Revolving Lender, for and on behalf of itself and the Revolving Secured Parties, and the Term Agent, for and on behalf of itself and the Term Secured Parties, have caused this Agreement to be duly executed and delivered as of the date first above written.

PLAINSCAPITAL BANK,
in its capacity as the Revolving Lender

By: _____
Name: Keeton Moore
Title: Senior Vice President

ARES CAPITAL CORPORATION, in its capacity as the Term Agent

By:_____
Name: Mitchell Goldstein
Title: Authorized Signatory

VPROP OPERATING, LLC, a Delaware limited liability company, as a Loan Party

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

By: _____
Name: Gary Humphreys
Title: Manager

Address:
4313 Carey Street
Fort Worth, Texas 76119
Attention: Martin Robinson
Facsimile No. 817-563-3555

VISTA PROPPANTS AND LOGISTICS, LLC,
a Delaware limited liability company,
as a Loan Party

By: _____
Name: Gary Humphreys
Title: Manager

MAALT SPECIALIZED BULK, LLC,
a Texas limited liability company,
as a Loan Party

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

Name: Gary Humphreys
Title: Manager

DENETZ LOGISTICS, L.L.C.,
a Texas limited liability company,
as a Loan Party

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

Name: Gary Humphreys
Title: Manager

MAALT, L.P.,
a Texas limited partnership,
as a Loan Party

By: Denetz Logistics, L.L.C.,
a Texas limited liability company,
its general partner

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

Name: Gary Humphreys
Title: Manager

LONESTAR PROSPECTS, LTD.,
a Texas limited partnership,
as a Loan Party

By: Lonestar Prospects Management, L.L.C.,
a Texas limited liability company,
its general partner

By: VPROP Operating, LLC,
a Delaware limited liability company,
its sole member

By: Vista Proppants and Logistics, LLC,
a Delaware limited liability company,
its sole member

By: _____
Name: Gary Humphreys
Title: Manager

LONESTAR PROSPECTS MANAGEMENT, L.L.C., a Texas limited liability company, as a Loan Party

By: VPROP Operating, LLC, a Delaware limited liability company, its sole member

By: Vista Proppants and Logistics, LLC, a Delaware limited liability company, its sole member

By: _____
Name: Gary Humphreys
Title: manager