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ATTORNEYS FOR GARY B. HUMPHREYS, MARTIN W. ROBERTSON, GBH PROPERTIES LLC, GHMR II, LLC,
GHMR OPERATIONS, LLC, FUTURE NEW DEAL, LTD., M&J PARTNERSHIP, LTD., and LONESTAR PROSPECTS
HOLDING COMPANY, LLC

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re:	§	Case No. 20-42002-clm11
	§	
Vista Proppants and Logistics, LLC, et al. ¹	§	Chapter 11
	§	
Debtors.	§	Jointly Administered

**SUPPLEMENTAL OBJECTION TO AND MOTION TO CONTINUE HEARING ON
THE CONFIRMATION OF THE THIRD AMENDED JOINT PLAN OF
REORGANIZATION OF VISTA PROPPANTS AND LOGISTICS, LLC, ET AL.,
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

[Ref. Doc. No. 518]

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Martin Robertson (“MR”), Gary Humphreys (“GH”), GHMR Operations, LLC (“GMHR”), GBH Properties, LLC (“GBH”), GHMR II, LLC (“GHMR II”), M&J Partnership, Ltd. (“MJ”), Lonestar Prospects Holding Company, LLC (“LPH”) and Future New Deal, Ltd. (“FND”, and collectively the “Robertson/Humphreys Entities”) file this *Supplemental Objection to and Motion to Continue Hearing on the Confirmation of the Third Amended Joint Plan of*

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



Reorganization of Vista Proppants and Logistics, LLC, et al., Pursuant to Chapter of the Bankruptcy Code (“Supplemental Objection and Motion to Continue”). In support of the Supplemental Objection and Motion to Continue, Robertson/Humphreys Entities respectfully state as follows:

BACKGROUND

1. On June 9, 2020 (the “Petition Date”), the Debtors each filed a voluntary petition under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The chapter 11 cases (the “Chapter 11 Cases”) are pending before the Court.

2. On June 3, 2020, Debtors filed a *Joint Plan of Reorganization of Vista Proppants and Logistics, LLC, et al., pursuant to Chapter 11 of the Bankruptcy Code* [Dkt. No. 158] (“Initial Plan”). Article VB. of the Initial Plan provide as follows:

All indemnification provisions, consistent with applicable law, currently in place (whether in the by-laws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, employment contracts, or otherwise) for the directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of the Debtors, as applicable as of the Petition Date, shall be reinstated and remain intact, irrevocable, and shall survive the Effective Date on terms no less favorable to such current directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of the Debtors than the indemnification provisions in place prior to the Effective Date. Any indemnification obligations to Former Directors and Officers of the Debtors shall be terminated on the Effective Date and be of no further force and effect.

3. Exhibit A to the Initial Plan defines the term “Former Officers and Directors” as follows:

Former Directors and Officers means the former directors and officers of the Debtors who were no longer directors and officers of the Debtors as of the Petition Date.

Under this definition, Martin Robertson and Gary Humphrey are not included as Former Directors and Officers and would continue to be indemnified parties after the Effective Date.

4. On August 13, 2020, Debtors filed a *First Amended Joint Plan of Reorganization of Vista Proppants and Logistics, LLC et al.*, pursuant to Chapter 11 of the Bankruptcy code [Dkt. No. 381] (“First Amended Plan”). The First Amended Plan contained provision identical to Article VB and Exhibit A as cited above in the Initial Plan.

5. On August 18, 2020, Debtors filed a *Second Amended Joint Plan of Reorganization of Vista Proppants and Logistics, LLC et al.*, pursuant to Chapter 11 of the Bankruptcy Code [Dkt. No. 401] (“Second Amended Plan”). The Second Amended Plan contained provisions identical to Article VB and Exhibit A cited above in the Initial Plan.

6. On September 14, 2020, the Debtors filed a *Third Amended Plan of Reorganization of Vista Proppants and Logistics, et al.*, Pursuant to Chapter 11 of the Bankruptcy Code [Doc. No. 518] (the “Third Amended Plan”). The Third Amended Plan contains provisions identical to Article VB and Exhibit A cited above in the Initial Plan.

7. On the night of October 25, 2020, counsel for Messrs. Robertson and Humphreys received a draft of *Fourth Amended Joint Plan of Reorganization of Vista Proppants and Logistics, LLC et al.*, pursuant to Chapter 11 of the Bankruptcy Code (“Fourth Amended Plan”).

8. In the Fourth Amended Plan, for the first time Debtors revised the definition of “Former Officers and Directors” in Exhibit A as follows:

Former Directors and Officers means (i) Gary Humphreys, (ii) Marty Robertson, and (iii) the former directors and officers of the Debtors who were no longer directors and officers of the Debtors as of the Petition Date. Gary Humphreys and Marty Robertson shall be included within the defined term “Former Directors and Officers” or purposes of the Plan regardless of their status as officers or directors as of the Petition Date.

This effect of new definition excludes Messrs. Robertson and Humphreys as indemnified parties after the Effective Date.

9. Messrs. Robertson and Humphreys object to this revision of the Plan on the eve of confirmation which is a material and substantive change affecting their rights. Mssrs. Robertson and Humphreys request additional time to brief and respond to this change affecting their rights of indemnification.

WHEREFORE for all of the reasons stated herein, the Robertson/Humphreys Entities request additional time to respond to this material change in the Fourth Amended Plan, and for such other and further relief to which they may be entitled.

Respectfully submitted this 26th day of October 2020.

JACKSON WALKER LLP

By: /s/ Kenneth Stohner, Jr.

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**ATTORNEYS FOR MARTIN
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PROPERTIES, LLC, GHMR II, LLC AND
M&J PARTNERSHIP, LTD.**

CERTIFICATE OF SERVICE

I hereby certify that on October 26, 2020 a true and correct copy of the foregoing pleading was served via CM/ECF to all parties authorized to receive electronic notice in this case.

/s/ Kenneth Stohner, Jr.

Kenneth Stohner, Jr.