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

VISTA PROPPANTS AND LOGISTICS, \$ Case No. 20-42002-ELM-11 LLC, ET AL., 1 \$ Jointly Administered  MAALT, LP, \$ \$ Plaintiff, \$ \$ \$ Adversary No. 20-04064-elm	In re:	§	Chapter 11
VISTA PROPPANTS AND LOGISTICS,  LLC, ET AL.,  Debtors  Solution  MAALT, LP,  Plaintiff,  Solution  Solutio		§	
LLC, ET AL., <sup>1</sup> Debtors  S  MAALT, LP,  Plaintiff,  S  S  Plaintiff,  S  S  S  S  S  S  S  S  S  S  S  S  S	VISTA PROPPANTS AND LOGISTICS,		Case No. 20-42002-ELM-11
MAALT, LP,  Plaintiff,  \$  Plaintiff,	LLC, ET AL., <sup>1</sup>	§	
MAALT, LP,  Plaintiff,  \$  Plaintiff,		§	
MAALT, LP,  Plaintiff,  \$ \$ \$ \$ \$	Debtors	§	Jointly Administered
Plaintiff,   \$  Plaintiff,   \$  \$  \$  \$  \$  \$  \$  \$  \$  \$  \$  \$  \$		§	
<b>§</b>	MAALT, LP,	§	
<b>§</b>		§	
vs.   § Adversary No. 20-04064-elm	Plaintiff,	§	
vs. § Adversary No. 20-04064-elm		§	
Š	VS.	§	Adversary No. 20-04064-elm
8		§	·
SEQUITUR PERMIAN, LLC, § Removed from Cause No. CV19-003 in	SEQUITUR PERMIAN, LLC,	§	Removed from Cause No. CV19-003 in
§ the 51st Judicial District Court, Irion		§	the 51st Judicial District Court, Irion
Defendant. § County, Texas	Defendant.	§	County, Texas
<b>§</b>		§	•

## PLAINTIFF'S AND THIRD-PARTY DEFENDANT'S NOTICE OF STIPULATION

## TO THE HONORABLE EDWARD L. MORRIS:

Plaintiff, Maalt, LP and Vista Proppants and Logistics, LLC (together "Maalt"), submit the following Notice of Stipulation:

1. Maalt did not receive Sequitur Permian, LLC's statement of contentions, list of disputed facts until approximately 5:23 p.m. on June 4, 2021.<sup>2</sup> As a result, it did not have an

<sup>&</sup>lt;sup>2</sup> Maalt requested that Sequitur provide it with its contentions, disputed facts, stipulated facts, and disputed issues of law on May 24, 2021, and June 2, 2021, but did not receive anything until after business hours on Friday, June 4, 2021.



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

opportunity to determine which of those "disputed" facts could be stipulated to before the proposed Pretrial Order was submitted to the Court.

- 2. Maalt provides this notice to the Court of its stipulation to the following facts which are listed by Sequitur as "disputed" (numbered to correspond to the proposed Pretrial Order):
  - 1. Sequitur is in the crude oil production business.
  - 2. In May 2018, a differential existed in the price of crude oil in the Midland Basin versus the Gulf Coast that presented an arbitrage opportunity.
  - 3. In May 2018, Sequitur contacted Vista Proppants and Logistics, LLC ("Vista"), of which the Plaintiff Maalt, LP ("Maalt") (collectively, "Maalt") is an affiliate, about utilizing their transloading facility in Barnhart, Texas (the "Barnhart Terminal") to ship crude oil to the Gulf Coast by rail [as revised].
  - 4. During the May 2018 discussions, Sequitur made it clear that it was seeking to procure the services of the Terminal for the shipment of Sequitur's crude oil to take advantage of a steep discount as to the barrels sold in the Midland Basin as compared to those sold on the Gulf Coast.
  - 6. Maalt understood that Sequitur was inexperienced with rail transportation and securing rail cars to transport crude.
  - 8. On June 1, 2018, Sequitur and Vista entered into a Letter of Intent ("LOI") regarding the use of the Terminal to continue with their investigation into the feasibility of an agreement to lease the terminal to transport crude by rail.
  - 9. The LOI reflected the parties' intent, but not obligation, to enter into a Terminal Services Agreement ("TSA") for a term of September 2018 to December 2019 for Sequitur to utilize the Barnhart Terminal to ship crude by rail.
  - 10. Maalt introduced Sequitur to representatives of Jupiter Marketing & Trading LLC ("Jupiter").
  - 11. In June 2018, Jupiter entered into a contract to transload crude at another of Maalt's terminals in Pecos, Texas with an effective date of August 1, 2018.
  - 15. In August 2018, Sequitur traveled to Maalt's offices to execute the Terminal Services Agreement (the "TSA")

- 16. On the date of the meeting to execute the TSA, Jupiter representatives were present at Maalt's offices per the requests of Maalt.
- 17. Sequitur entered into the TSA with Maalt, with an effective date of August 6, 2018.
- 19. The TSA provided that for a Target Terminal Operations Commencement Date (the "Target Date") of September 1, 2018.
- 20. Phase I construction was not completed by the Target Date.

Respectfully submitted,

By: /s/ James Lanter
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ATTORNEYS FOR DEFENDANTS, MAALT, LP and DENETZ LOGISTICS, LLC

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on all counsel of record via the court's electronic filing and service system on June 7, 2021.

/s/	James Lanter	