Docket #0329 Date Filed: 09/06/2019

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
EMERGE ENERGY SERVICES LP, *et al.*,[1]	:	Case No. 19-11563 (KBO)
Debtors.	:	Jointly Administered

DEBTORS' OMNIBUS REPLY TO OBJECTIONS TO
DISCLOSURE STATEMENT AND DISCLOSURE STATEMENT MOTION

Emerge Energy Services LP and its debtor affiliates, as debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the "**Debtors**"), respectfully submit this omnibus reply (the "**Reply**") to the three objections (collectively, the "**Objections**") filed to the *Motion of the Debtors for Entry of an Order (I) Approving the Disclosure Statement, (II) Establishing the Voting Record Date, Voting Deadline and Other Dates, (III) Approving Procedures for Soliciting, Receiving and Tabulating Votes on the Plan and for Filing Objections to the Plan, (IV) Approving the Manner and Forms of Notice and Other Related Documents, and (V) Granting Related Relief* [Docket No. 247] (the "**Disclosure Statement Motion**") seeking, among other things, approval of the Disclosure Statement.[2]

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Emerge Energy Services LP (2937), Emerge Energy Services GP LLC (4683), Emerge Energy Services Operating LLC (2511), Superior Silica Sands LLC (9889), and Emerge Energy Services Finance Corporation (9875). The Debtors' address is 5600 Clearfork Main Street, Suite 400, Fort Worth, Texas 76109.

[2] Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Disclosure Statement Motion or the Disclosure Statement, as applicable.

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PRELIMINARY STATEMENT

1. In January 2018, HPS Investment Partners, LLC ("**HPS**") loaned the Debtors approximately $210 million pursuant to their Note Purchase Agreement. Less than one year later, the Debtors were in default of the Note Purchase Agreement. And as of the date hereof, the Debtors estimate that HPS will recover less than 40% of their original $210 million investment. Thus, if certain members of the Debtors' management believed that their lenders "have become more aggressive", that is because these lenders had every legal and business justification for doing so.

2. The objection of the Creditors Committee is replete with baseless and unfounded accusations and innuendo against HPS, Insight Equity, and the Special Restructuring Committee, all of which are without merit and have no bearing on whether the Disclosure Statement contains "adequate information" as required by section 1125 of the Bankruptcy Code. It took months of intense, arms' length negotiations among the Debtors, HPS, and Insight Equity (and their respective professionals) to reach agreement on a global restructuring as memorialized in the Restructuring Support Agreement and the Chapter 11 Plan that is (notwithstanding the Creditors Committee's rhetoric) typical and customary in distressed scenarios. It provides for a consensual debt-for-equity conversion by HPS and the other Noteholders (who are funding up to an additional $35 million of new capital to the Debtors), along with an upside sharing mechanism for general unsecured creditors (even though the Noteholders are substantially under-secured and, therefore, legally entitled to 100% of the value of the Debtors). The Chapter 11 Plan also includes consensual global releases that are typical and standard in this district (in particular by excluding causes of action arising from willful misconduct, actual fraud, or gross

negligence).[3] What occurred here was nothing more than the classic negotiation repeated in workout after workout and bankruptcy after bankruptcy between the principal creditors of a debtor and its equity holders over the future of the debtor, who would own it, and on what terms.

3. Recognizing that their constituents are not legally entitled to any value under the Debtors' Chapter 11 Plan, the Creditors Committee accuses HPS of, among other things, "exercising undue control over, and engaging in manipulative conduct with," the Debtors through their dominant and controlling position in the Debtors' debt structure. *See* Objection, Docket No. 277 at ¶ 1. Although they do not expressly state it, this is presumably to argue at some future date that HPS should be deemed an "insider" of the Debtors and/or that their claims should be equitably subordinated. These arguments are without merit and the Creditors Committee has no support in the controlling law. The case law is clear that, "[t]he mere exercise by a lender of financial control over a debtor incident to the debtor-creditor relationship does not make the lender an insider." *In re Krisch Realty Associates, L.P.*, 174 B.R. 914, 920 (Bankr. W.D. Va. 1994). "Simply because the Bank had financial power over the Debtor does not make the Bank an insider for that reason. The type of control alluded to by the Trustee was an incident of their debtor/creditor relationship." *In re Hartley*, 52 B.R. 679,690 (Bankr. N.D. Ohio 1985); *In re Huizar*, 71 B.R. 826, 831 (Bankr. W. D. Tex. 1987) (same); *In re Wescorp. Inc.*, 148 B.R. 161, 164 (D. Conn. 1992) (same).

4. According to the Creditors Committee, the smoking gun is HPS's role in hand-picking the two members of the Special Restructuring Committee (Mr. Eugene Davis &

[3] As just one example of the manufactured controversies of the Creditors Committee, they state that the Chapter 11 Plan "provides for the release of **all** claims (including derivative claims) of the Debtors and their estates in favor of the Prepetition Secured Parties, the Debtors' current and former officers and directors, Insight Equity and numerous related parties." *See* Objection, Docket No. 277 at ¶ 7 (emphasis added). They conveniently fail to mention the carve out for causes of action arising from willful misconduct, actual fraud, or gross negligence.

Mr. William Transier) and the parties' alleged attempt to cover up these matters. *See* Objection, Docket No. 277 at ¶ 24. As to the first point, it is axiomatic and non-controversial that the independent directors to the Special Restructuring Committee would be acceptable to the Debtors' under-secured lenders. What would the Creditors Committee expect to happen here – that the independent directors be unacceptable to the secured lenders? Mr. Davis and Mr. Transier are independent from and have no prior affiliation with HPS, and they are unquestionably qualified to fulfill their responsibilities as members of the Special Restructuring Committee. With respect to the latter point about an alleged lack of disclosure, this is another manufactured controversy. The Debtors publicly disclosed both the appointment of the Special Restructuring Committee members and their entry into the Restructuring Support Agreement by filing Form 8-Ks with the SEC. The Debtors also attached a copy of the Restructuring Support Agreement to the First Day Declaration, which expressly states that the two members of the Special Restructuring Committee must be acceptable to the Majority Noteholders.[4]

5. Finally, the Creditors Committee turns its attention to Insight Equity, whom they say is "equally culpable" here. *See* Objection, Docket No. 277 at ¶ 3. This assertion is curious at best since, only two paragraphs earlier in its objection, the Creditors Committee was ranting about the aggressive and controlling behavior of HPS. *See Id*. at ¶ 1. It seems that Insight Equity has transformed magically from helpless victim to apparent co-conspirator. But regardless of the mutually-exclusive aspersions directed at Insight Equity, they are all without merit.

[4] Even though these matters have nothing to do with "adequate information", the Debtors have nonetheless included additional disclosures in the Disclosure Statement as set forth more fully below.

6. In particular, the Creditors Committee asserts that Insight Equity improperly abdicated its power and fiduciary duties[5] by agreeing to a voting proxy with HPS. *See* Objection, Docket No. 277 at ¶ 7 & 24. But again, it is undeniable that stock pledges and voting proxies are routine and typical in secured loan structures. Emerge Energy Services LP, Emerge Energy Services Operating LLC, and Superior Silica Sands LLC each provided a voting proxy to HPS in connection with the original closing of the Note Purchase Agreement in January 2018. *See* Exhibit B attached hereto, Stock Pledge Agreement, Section 5 (Voting Rights). But because the General Partner (Emerge Energy Services GP LLC) was not a party to the Note Purchase Agreement and has an absolute veto power under the Debtors' organizational documents with respect to commencing a chapter 11 case, it is neither surprising nor controversial that a voting proxy would be required in connection with entry into the Restructuring Support Agreement. Otherwise, the General Partner could simply exercise its veto rights and the Restructuring Support Agreement would be rendered meaningless.[6]

7. In sum, the allegations of the Creditors Committee are without merit and irrelevant to the actual matter at hand: whether the Disclosure Statement contains adequate information, which the Debtors now turn to in detail below.

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[5] The Creditors Committee repeatedly refers to "fiduciary duties" of Insight Equity, the board of directors, the Special Restructuring Committee, and others. While it is premature to argue these issues at this time, the Debtors want the record to be clear that, in accordance with Delaware law governing limited partnerships, the Debtors' organizational documents restrict or eliminate the fiduciary duties that would otherwise be owed by the General Partner and its affiliates and generally replace them with contractual provisions of good faith. Since 2013, the replacement of fiduciary duties has been regularly disclosed by the Debtors in their prospectuses and annual reports filed with the SEC.

[6] For the convenience of the Court, a copy of the Debtors' organizational chart (which was attached to the First Day Declaration) is attached hereto as Exhibit E.

THE OBJECTIONS

8. The Objections to the Disclosure Statement and Disclosure Statement Motion were filed by (i) the Official Committee of Unsecured Creditors [Docket No. 277] (the "**Creditors Committee**"), (ii) Pownall Services, LLC [Docket No. 276] ("**Pownall**"), and (iii) the Securities and Exchange Commission [Docket No. 255] (the "**SEC**").

9. The arguments raised in the Objections can be grouped into two general categories: (i) objections with respect to the adequacy of the disclosure contained in the Disclosure Statement; and (ii) objections raising issues with respect to plan confirmation and the confirmability of the Debtors' proposed chapter 11 plan of reorganization (the "**Plan**"). A summary of the Objections and the Debtors' corresponding responses thereto is attached hereto as Exhibit A (the "**Objection Chart**").

10. Pursuant to section 1125 of the Bankruptcy Code, the question at hand is whether the Disclosure Statement enables a "hypothetical investor typical of the holders of claims or interest in the case" to cast an informed vote on the Plan. 11 U.S.C. § 1125(a)(1). The issue, therefore, is whether the information provided in the Disclosure Statement is "adequate" under this standard. In this inquiry, the Court is not required to consider specialized issues that a particular creditor may wish to raise with respect to a plan of reorganization, nor does this determination require a debtor to explain why its plan of reorganization is superior to other, hypothetical plans. *See* 11 U.S.C. § 1125(a)(1) ("[A]dequate information need not include such information about any other possible or proposed plan . . . ."). It likewise does not require either a valuation of the debtor or an appraisal of the debtor's assets. *See* 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a valuation of the debtor or an appraisal of the debtor's assets.").

11. Moreover, this determination does not require a plan proponent to clutter its disclosure statement with endless responses to a myriad of discovery requests. *See, e.g., In re Stanley Hotel, Inc.*, 13 B.R. 926, 933 (Bankr. D. Colo. 1981) ("[C]ompounding a disclosure statement for the sake of a lawyer's notion of completeness, or because some additional information might enhance one's understanding, may not always be necessary or desirable, and the length of a document should not be the test of its effectiveness.").

12. As detailed below and in the Objection Chart, the Debtors believe they have resolved or addressed the Objections that relate to the adequacy of disclosure by including certain additional language in the Disclosure Statement—even where the Debtors believe that the requested disclosure extends well beyond the scope of "adequate information" per section 1125 of the Bankruptcy Code. The Debtors also will continue to work toward consensual resolution of all the objectors' remaining disclosure-related Objections prior to the Disclosure Statement Hearing. As noted above, however, the applicable standard under section 1125 of the Bankruptcy Code is ultimately one of "adequate" disclosure—a standard that, as detailed below, the Debtors easily have satisfied.

13. The remaining issues raised by the Objections consist of confirmation objections. Such objections are premature and should not preclude the Court's approval of the Disclosure Statement. Questions regarding the Debtors' good faith, the unfair (or fair) discrimination among creditors per section 1129(b) of the Bankruptcy Code, feasibility, and the releases and exculpation provisions contemplated by the Plan, among other issues, are classic confirmation issues that are properly addressed in the context of plan confirmation.

14. For the reasons set forth herein and in the Disclosure Statement Motion, the Debtors respectfully submit that the Disclosure Statement provides adequate information in

satisfaction of the statutory requirements of section 1125 of the Bankruptcy Code. Accordingly, the Debtors respectfully request that the Court overrule the Objections on the merits, approve the Disclosure Statement, and enter the Disclosure Statement Order.

REPLY

I. THE DISCLOSURE STATEMENT PROVIDES ADEQUATE INFORMATION AS REQUIRED BY SECTION 1125(B) OF THE BANKRUPTCY CODE

15. Pursuant to section 1125 of the Bankruptcy Code, the proponent of a chapter 11 plan must provide holders of impaired claims and interests entitled to vote on a plan with "adequate information" regarding the plan. *See* 11 U.S.C. § 1125(a)(1). Section 1125(a)(1) of the Bankruptcy Code defines "adequate information" as:

> information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan[.]

11 U.S.C § 1125(a)(1).

16. The determination of whether a disclosure statement contains adequate information is made on a case-by-case basis, focusing on the unique facts and circumstances of each case. *See Oneida Motor Freight, Inc. v. United Jersey Bank* (*In re Oneida Motor Freight, Inc.*), 848 F.2d 414, 417 (3d Cir. 1988) ("From the legislative history of § 1125 we discern that adequate information will be determined by the facts and circumstances of each case."). In particular, courts have identified categories of information that generally should be included in a disclosure statement. *See In re Phoenix Petroleum Co.*, 278 B.R. 385, 393 (Bankr. E.D. Pa. 2001) (listing certain categories of information); *In re Scioto Valley Mortg. Co*., 88 B.R. 168, 170-71 (Bankr. S.D. Ohio 1988) (same).

17. In this case, the Disclosure Statement contains those categories of information necessary for creditors to make an informed decision, including:

- The Debtors' corporate history and structure, business operations, and prepetition capital structure and indebtedness (Art. III.A-C);
- Events leading up to the Chapter 11 Cases, including the Debtors' restructuring negotiations (Art. III.D);
- Significant events in the Chapter 11 Cases, including the Global Settlement[7] (Arts. IV, V.D);
- The classification and treatment of claims and interests under the Plan, including who is entitled to vote and how to vote on the Plan (Arts. V.B-C);
- How the Plan will be implemented and certain important effects of confirmation the Plan (Arts. V.D, V.F, VI)
- Releases contemplated by the Plan that are integral to the overall settlement of claims pursuant to the Plan (Art. V.I.2-3);
- The statutory requirements for confirming the Plan (Art. IV.C);
- Certain risk factors that holders of claims should consider before voting to accept or reject the Plan and information regarding alternatives to confirmation of the Plan (Arts. VII, VIII);
- Certain securities law matters with respect to the Plan (Art. IX); and
- Certain U.S. federal income tax consequences of the Plan (Art. X).

18. Therefore, the Disclosure Statement provides creditors with "adequate information" as that term is defined in section 1125(a)(1) of the Bankruptcy Code. Accordingly, the Debtors respectfully request that the Court overrule the Objections and find that the Disclosure Statement provides adequate information.

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[7] "Global Settlement" means that certain settlement incorporated into and described in Section 5.1 of the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and consistent in all respects with the Restructuring Support Agreement.

II. THE OBJECTIONS SHOULD BE OVERRULED BECAUSE THE DEBTORS HAVE ADDRESSED THE OBJECTIONS WITH RESPECT TO THE ADEQUACY OF INFORMATION IN THE DISCLOSURE STATEMENT

19. The Debtors believe that by including certain additional language, as summarized below and in the Objection Chart, they have addressed the Objections that relate to the adequacy of the disclosure. To the extent that any of the points raised in the Objections are not addressed by specific changes to the Disclosure Statement, the Debtors respectfully submit that the Objections should be overruled because the Debtors have provided "adequate" disclosure, even if the Creditors Committee or other objectors overstate the disclosure standard in an effort to force the Debtors to present a parade of arguments in support the Plan. Simply put, this level of disclosure is not required, and the Debtors respectfully submit, therefore, that the Disclosure Statement fully satisfies the requirements of section 1125 of the Bankruptcy Code.

A. The Creditors Committee

20. In response to the objection of the Creditors Committee, the Debtors have included additional information in the Disclosure Statement with the respect to, among other things, the forbearance agreements, the RSA, the events leading to the RSA, the Special Restructuring Committee, the voting proxy, the Debtors' facilities in Wisconsin, Texas, and Oklahoma, certain go-forward operational issues at these locations, and the MSHA action. *See* Disclosure Statement, pp. 2-10. But if, instead of seeking adequate disclosure, the Creditors Committee seeks to use the Disclosure Statement as a vehicle to take preemptive discovery about the RSA and events leadings to the RSA, the Debtors believe that the Creditors Committee misconstrues the purpose of a disclosure statement entirely. *See In re Applegate Prop., Ltd*., 133 B.R. 827, 829-30 (Bankr. W.D. Tex. 1991) ("[A] disclosure statement need not meet the extensive disclosure requirements of the securities laws for registration statements and the

like."); *In re Waterville Timeshare Grp.*, 67 B.R. 412, 413 (Bankr. D.N.H. 1986) ("overly technical and extremely numerous additions to a disclosure statement suggested by an objecting party may themselves be self-defeating in terms of the resulting clarity and understandability of the document to the average investor").

21. The Creditors Committee also seeks extensive information about the Debtors' assets and their valuation. But in enacting section 1125 of the Bankruptcy Code, Congress specifically provided that neither a valuation nor an appraisal of the Debtors' assets is required as part of a disclosure statement. 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a valuation of the debtor or an appraisal of the debtor's assets."). Where a debtor, as the Debtors did here, elects to include a valuation analysis, such debtor is not required to prove valuation in connection with the approval of its disclosure statement. *See In re Dakota Rail, Inc.*, 104 B.R. 138, 144 (Bankr. D. Minn. 1989) ("A formal appraisal of the debtor's properties is not required to meet the test of adequate disclosure."); *In re Keisler*, No. 08-34321, 2009 WL 1851413, at *5 (Bankr. E.D. Tenn. June 29, 2009) ("[V]aluation is not a necessary component in the determination of whether a disclosure statement contains adequate information . . . and the Debtors have adequately provided such information, disclosing that there is a dispute as to the value of the . . . stock and proposing alternative treatments depending upon the valuation[.]"). As a result, the valuation analysis attached as Exhibit E to the Disclosure Statement is not even required by the Bankruptcy Code and, as such, its mere inclusion exceeds the level of adequate information regarding the value of the Reorganized Debtors necessary for a disclosure statement.

22. Finally, the Debtors are also including a letter from the Creditors Committee (the "**UCC Letter**") in the Debtors' solicitation package which recommends that Holders of Class 6 Claims vote to reject the Plan (with certain proposed changes to make clear that the statements in the UCC Letter are assertions by the Creditors Committee only rather than findings of fact of this Court or admissions by the Debtors). A copy of the UCC Letter with the Debtors' proposed changes is attached hereto as Exhibit C. The Debtors will likewise include a letter in the solicitation package which recommends that Holders of Class 6 Claims vote to accept the Plan (the "**Debtors' Letter**") and that expressly states that Class 6 Claims will receive no recovery if they vote to reject the Plan. A copy of the Debtors' Letter is attached hereto as Exhibit D.

B. Pownall

23. In response to the Pownall objection, the Debtors have included additional information in the Disclosure Statement with respect to, among other things, the Debtors' facilities in Wisconsin, Texas, and Oklahoma, certain go-forward operational issues at these locations, mechanic's liens filed on the Debtors' properties, and the Plan's treatment of such claims as "Other Secured Claims". *See* Disclosure Statement, pp. 2-10.

24. As with the Creditors Committee objection, it is again important to note that a substantial portion of this additional disclosure is not even required under the Bankruptcy Code and the Disclosure Statement is not required to address specialized issues that a particular creditor may wish to raise with respect to a plan of reorganization. Accordingly, in so far as the Pownall objection argues that the Disclosure Statement does not contain sufficient information, the Debtors respectfully submit that the Disclosure Statement as amended contains "adequate information" as required under section 1125 of the Bankruptcy Code.

C. The Securities and Exchange Commission

25. In its objection, the SEC alleges that the form of Ballot sent to Holders of Class 9 Old Emerge LP Equity Interests is "deceptively written" and should be modified. While the Debtors dispute this assertion and believe the original form of ballot is typical in complex chapter 11 cases, the Debtors have nonetheless made the following changes to resolve this objection: (i) renaming the Ballot to an "Opt-Out Form"; (ii) adding new language in capitalized and bold font informing Holders of Class 9 Old Emerge LP Equity Interests of their non-voting status, the treatment of their equity interests, and the effect of not opting-out of the Third-Party Release; and (iii) providing additional instructions and information related to completion of the Opt-Out Form. *See* Disclosure Statement Order, Ex. 3-C.

III. THE PLAN IS CONFIRMABLE AND THE REMAINING OBJECTIONS SHOULD BE ADDRESSED AT CONFIRMATION

26. The remaining issues raised by the objectors, whether explicitly flagged as a "patently unconfirmable" issue or not, relate to the confirmability of the Plan and are inappropriate at this juncture. It is well established that, unless the disclosure statement "describes a plan of reorganization which is so fatally flawed that confirmation is ***impossible***" (*i.e.*, the plan is patently unconfirmable), the Court should approve a disclosure statement that otherwise adequately describes the chapter 11 plan at issue. *In re Cardinal Congregate I*, 121 B.R. 760, 764 (Bankr. S.D. Ohio 1990) (emphasis added); *see also In re Unichem Corp.*, 72 B.R. 95, 98 (Bankr. N.D. Ill.), *aff'd*, 80 B.R. 448 (N.D. Ill. 1987) (courts should disapprove the adequacy of a disclosure statement on confirmability grounds "where it is ***readily apparent*** that the plan accompanying the disclosure statement could ***never*** legally be confirmed") (emphasis added). "A plan is patently unconfirmable where (1) confirmation defects [cannot] be overcome by creditor voting results and (2) those defects concern matters upon which all material facts are

not in dispute or have been fully developed at the disclosure statement hearing." *In re Am. Capital Equip., LLC*, 688 F.3d 145, 154-55 (3d Cir. 2012) (internal quotations and citation omitted) (alteration in the original).

27. The Debtors agree that the Plan must comply with the confirmation requirements set forth in section 1129 of the Bankruptcy Code, and are prepared to demonstrate as much at the appropriate time—the confirmation hearing. Indeed, courts emphasize that objections related to compliance with section 1129 of the Bankruptcy Code do ***not*** rise to the level of making a plan "patently unconfirmable." *See, e.g., Cardinal Congregate I*, 121 B.R. at 763-64 (overruling objections to classification and treatment of claims, protection of security interests, and feasibility); *In re Monroe Well Serv., Inc.*, 80 B.R. 324, 333 (Bankr. E.D. Pa. 1987) (holding that objections bearing on confirmability must be limited to defects that could not be overcome by creditor voting results and must also concern matters upon which all material facts are not in dispute or have been fully developed). Thus, issues bearing on feasibility, class treatment, releases, and section 1129's other requirements are not properly raised in opposition to the Disclosure Statement.

28. Further, courts routinely approve disclosure statements despite the existence of disputed issues related to confirmation, which may require an evidentiary hearing. *See, e.g., In Quigley Co., Inc.*, 377 B.R. 110, 112 (Bankr. S.D.N.Y. 2007) (approving the disclosure statement while acknowledging that settlements with the debtors' non-debtor former parent "implicate several confirmation issues" regarding the rights and incentives of certain claimants under the proposed plan); *In re Hyatt*, 509 B.R. 707, 711 (Bankr. D.N.M. 2014) (approving the disclosure statement and finding that the "proposed classification scheme does not render the Plan patently unconfirmable as a matter of law" despite the fact that the debtor's

proposed classification scheme required "additional evidence that may be presented at a confirmation hearing[.]"). Indeed, courts caution that "care must be taken to ensure that the hearing on the disclosure statement does not turn into a confirmation hearing[.]" *In re Copy Crafters Quickprint, Inc*., 92 B.R. 973, 980 (Bankr. N.D.N.Y. 1988); *see also In re Monroe Well Serv., Inc*., 80 B.R. 324, 333 n. 10 (Bankr. E.D. Pa. 1987) (stating that deciding confirmation issues before solicitation may have a disenfranchising effect because the disclosure statement itself is not mailed to all creditors until after court approval is obtained).

29. The objectors will have ample opportunity to prosecute their confirmation objections in connection with the Confirmation Hearing, to the extent these issues remain disputed. Nevertheless, to aid the Court's analysis, the Debtors briefly address certain confirmation issues raised in the Objections with respect to the consensual releases to eliminate any doubt that such issues would render the Plan patently unconfirmable.[8]

A. The Form of Third Party Release and Opt-Out Mechanism Are Permissible

30. The third-party release is consensual and the opt-out mechanism is in accordance with applicable law. As set forth more fully below and in the Objection Chart, certain objectors argue that the opt-out mechanism is too onerous or does not conform to applicable law. Courts in this jurisdiction routinely approve third party releases where, as here, they are consensual. *See In re Indianapolis Downs, LLC*, 486 B.R. 286, 305-06 (Bankr. D. Del. 2013) (approving ballots that had an opt-out mechanism); *In re Spansion, Inc*., 426 B.R. 114, 144 (Bankr. D. Del. 2010) (same); *In re DBSD N. Am., Inc*., 419 B.R. 179, 218–19 (Bankr.

[8] For the avoidance of doubt, the Debtors reserve the right to respond to any and all objections asserted in the Objections in connection with confirmation of the Plan and otherwise.

S.D.N.Y. 2009), *aff'd*, No. 09 CIV. 10156 (LAK), 2010 WL 1223109 (S.D.N.Y. Mar. 24, 2010), *aff'd in part, rev'd in part*, 627 F.3d 496 (2d Cir. 2010) (finding that adequate notice of the proposed release was given to impaired creditors, and the ballots set forth the effect of abstaining without opting out of the release).

31. In this case, the Third Party Release is consensual as all parties-in-interest will have ample opportunity to evaluate and opt out of the Third Party Release by checking the opt-out box and returning their ballot. Courts in this district and others routinely approve consensual third party releases with similar opt out mechanisms. *See, e.g., In re EV Energy Partners*, L.P., Case No. 18-10814 (CSS) (Bankr. D. Del. May 17, 2018) (approving third-party releases with objection "opt-out" mechanic); *In re PES Holdings, LLC*, Case No. 18-10122 (KG) (Bankr. D. Del. Apr. 2, 2018) (same); *In Hexion Holdings LLC*, Case No. 19-10684 (KG) (Bankr. D. Del. July 25, 2019); *In re Panda Temple Power, LLC*, Case No. 17-10839 (LSS) (Bankr. D. Del. January 23, 2018); *In re Chaparral Energy, Inc.*, Case No. 16-11144 (LSS) (Bankr. D. Del. March 10, 2017).

B. <u>The Debtor and Third-Party Releases are Reasonable</u>

32. The Plan's release provisions are reasonable and appropriate. As set forth in the Objection Chart, certain Objectors argue that the Debtor release and third-party release are overly broad and contrary to applicable law. First, the Debtors have revised the Disclosure Statement to further describe the basis for the releases. *See* Disclosure Statement, page 50. Second, the Debtor Release easily meets the applicable standard because it is fair, reasonable, and in the best interests of the Debtors' estates. The breadth of the Debtor Release is consistent with those regularly approved in this jurisdiction (in particular by excluding causes of action arising from willful misconduct, actual fraud, or gross negligence). Third, the releases form an integral part of the global settlement contained in the Plan. Indeed, the releases were a critical

negotiated term of the Plan. Without the releases, the Debtors' key stakeholders would not have been willing to fund and otherwise support the consensual restructuring transactions contemplated by the Restructuring Support Agreement, support confirmation of the Plan, and enable the Debtors to emerge from bankruptcy as a viable company. The Debtors intend to establish the appropriateness of the releases at confirmation and, accordingly, the Court should overrule the Objections to the scope of the Debtor release and third party release as it relates to approval of the Disclosure Statement.

CONCLUSION

33. For the foregoing reasons, the Debtors respectfully submit that the Disclosure Statement should be approved because it clearly satisfies the requirements of section 1125 of the Bankruptcy Code and because the relief provided in the Disclosure Statement Order is fair, appropriate, and in the best interests of their chapter 11 estates. The Debtors respectfully request that the Court overrule the Objections and enter the Disclosure Statement Order.

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Dated: September 6, 2019
Wilmington, Delaware

/s/ Brett M .Haywood

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Exhibit A

TABLE SUMMARIZING DEBTORS' RESPONSES TO OBJECTIONS TO DISCLOSURE STATEMENT[1]

Objection	Debtors' Response
I. Securities and Exchange Commission [Docket No. 255]	
1. The Third-Party Release is not consensual and does not meet the standard for approval of non-consensual releases under Third Circuit law. The Third-Party Release needs to be opt-in as opposed to opt-out. *See* SEC Objection, P. 3, 6-9.	Any issue regarding the scope of the release provisions is a plan confirmation issue that the Debtors will address at the time of plan confirmation. Contrary to the arguments made in the SEC objection, the third party releases included in the Plan are consensual and opt-out mechanisms have been previously approved in this district. Moreover, the scope of the releases are consistent with those regularly approved in this jurisdiction (in particular by excluding causes of action arising from willful misconduct, actual fraud, or gross negligence). *See* Reply, ¶ 30-31.
2. The Plan's exculpation provision is not consensual and does not meet the applicable standard for approval of non-consensual exculpation. *See* SEC Objection, pp. 2-3, 9.	For the reasons set forth above regarding the Third Party Release, the SEC objection with regards to the Plan's exculpation provisions should similarly be overruled.

[1] Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the applicable Objection or Reply, as applicable. For the avoidance of doubt, the Debtors reserve the right to respond to any and all objections asserted in the Objections in connection with confirmation of the Plan and otherwise.

Objection	Debtors' Response
3. The Third-Party Release results in the "unequal treatment" of members of the same Class in violation of section 1123(a)(4) of the Bankruptcy Code. *See* SEC Objection, pp. 9-10.	Any issue regarding unequal treatment is a plan confirmation issue that the Debtors will address at the time of plan confirmation. In any event, this argument is without merit since all such class members will receive the same opportunity to opt out of the Third Party Release, which is all that is required under section 1123(a)(4) of the Bankruptcy Code.
4. The proposed form of Ballot sent to Holders of Class 9 Interests is "deceptively written" and should be modified. *See* SEC Objection, pp. 3, 10.	As detailed in the Reply, the Debtors dispute these assertions but nonetheless have made a number of changes to the proposed form of Ballot that adequately address the SEC's concerns. *See* Reply, ¶ 25.
II. Official Committee of Unsecured Creditors [Docket No. 277]	
1. The Disclosure Statement does not contain adequate information as required by section 1125 of the Bankruptcy Code, including information concerning the RSA, the creation and empowerment of the Special Restructuring Committee, and the involvement of HPS and Insight Equity in the same. *See* Creditors Committee's Objection, ¶¶ 24-26.	This objection is merely an attempt by the Creditors Committee to use the disclosure statement hearing as a discovery tool and to compel the Debtors to provide significantly more information than is required under the Bankruptcy Code. The Debtors have added additional details to the Disclosure Statement and believe it more than satisfies the "adequate information" requirements of Section 1125 of the Bankruptcy Code. *See* Disclosure Statement, pages 5-7.
2. The Disclosure Statement does not contain adequate information concerning the Debtors' go-forward post-emergence business plans for certain of its facilities, including facilities in Wisconsin, San Antonio, Texas, and Kingfisher, Oklahoma. *See* Creditors Committee's Objection, ¶¶ 27-28.	*See* answer # II.1 above. *See also* Disclosure Statement, pages 2-4, 10. Moreover, in enacting section 1125 of the Bankruptcy Code, Congress specifically provided that neither a valuation nor an appraisal of the Debtors' assets is required as part of a disclosure statement. 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a

Objection	Debtors' Response
	valuation of the debtor or an appraisal of the debtor's assets.").
3. The Disclosure Statement does not contain adequate information concerning plan valuation and feasibility, including the New Warrants, the Exit Facility Loan Documents, the New Second Lien Notes Agreement, and the New Management Incentive Program, *See* Creditors Committee's Objection, ¶¶ 29-32.	Any issue regarding plan valuation and feasibility is a plan confirmation issue that the Debtors will address at the time of plan confirmation. Moreover, as is typical in larger commercial chapter 11 cases, the Plan Supplement will provide additional information regarding these matters in advance of the Voting Deadline and the Plan Objection Deadline. These types of documents (which are not necessary for a Disclosure Statement to disclose adequate information) are typically provided in a plan supplement. *See, e.g., In re EV Energy Partners, L.P.*, Case No. 18-10814 (CSS) (Bankr. D. Del. May 8, 2018); *In re Charming Charlie Holdings Inc.*, Case No. 17-12906 (CSS) (Bankr. D. Del. Mar. 16, 2018); *In re PES Holdings, LLC*, Case No. 18-10122 (KG) (Bankr. D. Del. Mar. 12, 2018); *In re Panda Temple Power, LLC*, Case No. 17-10839 (LSS) (Bankr. D. Del. Dec. 14, 2017); *In re Emerald Oil, Inc.*, Case No. 16-10704 (KG) (Bankr. D. Del. Mar. 8, 2017); *In re Chaparral Energy, Inc.*, Case No. 16-11144 (LSS) (Bankr. D. Del. Feb. 6, 2017).
4. The Disclosure Statement does not contain adequate information concerning the justifications and the consideration paid or exchanged for the proposed releases embedded in the Plan and potential claims being released. *See* Creditors Committee's Objection, ¶¶ 33-35.	Any issue regarding the scope of the release provisions is a plan confirmation issue that the Debtors will address at the time of plan confirmation. In any event, the Disclosure Statement clearly provides sufficient information regarding the scope of the releases, which are also provided in each respective Ballot and in the Confirmation Hearing Notice.
5. The Disclosure Statement does not contain adequate information concerning strategic alternatives that the Debtors may or should have considered or sufficient information about the fiduciary duty out under the RSA. *See* Creditors Committee's Objection, ¶ 35.	These items are not required as part of the Disclosure Statement. Section 1125 of the Bankruptcy Code expressly provides that this type of information is not required as part of a disclosure statement. *See* 11 U.S.C. § 1125(a)(1) ("[A]dequate information need not include such information about any other possible or proposed plan . . . .").

Objection	Debtors' Response
6. The Plan is patently unconfirmable because the releases and exculpation provisions are improper and overbroad. *See* Creditors Committee's Objection, ¶¶ 41-48, 50-51.	Any issue regarding the scope of the release and exculpation provisions is a plan confirmation issue that the Debtors will address at the time of plan confirmation. Contrary to the arguments made in the objection, the releases and exculpation provisions included in the Plan are consistent with those regularly approved in this jurisdiction (in particular by excluding causes of action arising from willful misconduct, actual fraud, or gross negligence).
III. Pownall Services, LLC [Docket No. 276]	
1. The Disclosure Statement does not contain adequate information concerning the Debtors' valuation of the Oklahoma and Texas Plants. *See* Pownall Objection, ¶¶ 2, 16, 19.	In enacting section 1125 of the Bankruptcy Code, Congress specifically provided that neither a valuation nor an appraisal of the Debtors' assets is required as part of a disclosure statement. 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a valuation of the debtor or an appraisal of the debtor's assets.").
2. The Disclosure Statement does not contain adequate information concerning mechanic's liens filed on the Debtors' properties. *See* Pownall Objection, ¶¶ 1-2, 16-21.	The Debtors have added additional details to the Disclosure Statement and believe it more than satisfies the "adequate information" requirements of Section 1125 of the Bankruptcy Code. *See* Disclosure Statement, page 4.
3. The Disclosure Statement provides financial projections and a liquidation analysis that is too vague and speculative for parties-in-interest to make an informed decision regarding the Plan. *See* Pownall Objection, ¶¶ 16, 18-20, 23.	The Debtors disagree with this assertion. The financial projections and liquidation analysis provide more than sufficient detail and information for claimholders to vote on the Plan.
4. The Disclosure Statement does not contain adequate information concerning claims against the estate and the existence, likelihood,	The Debtors disagree with this assertion and do not believe additional information is required under section 1125 of the Bankruptcy Code. The

Objection	Debtors' Response
and possible success of non-bankruptcy litigation (including the Pownall adversary proceeding). *See* Pownall Objection, ¶¶ 2, 16, 21 23.	Disclosure Statement is not required to include specialized issues that a particular creditor (in this case Pownall) may wish to raise with respect to a plan of reorganization or its claims in particular.
5. The Plan is patently unconfirmable because no distribution to junior claims (*e.g.*, unsecured claims) may be made without payment of Pownall's allowed secured claim and any other allowed "Other Secured Claims" under the Plan. *See* Pownall Objection, ¶¶ 3, 25.	This assertion is incorrect as a matter of law. Holders of secured claims must generally be paid first <u>from the proceeds of their collateral</u>, with any deficiency claims being *pari passu* with general unsecured creditors. *See* 11 U.S.C. § 506(a). The treatment for Other Secured Claims in Class 2 is consistent with applicable law and such claims are Unimpaired.
6. The Plan is patently unconfirmable because the Plan must be revised to specify that an allowed claim of a mechanic's lien claimant includes attorneys' fees and interest, to the extent provided under applicable non-bankruptcy law. *See* Pownall Objection, ¶¶ 3, 26.	Any issue regarding payment of attorney fees and interest is a plan confirmation issue that the Debtors will address at the time of plan confirmation. In any event, the Plan already provides that Other Secured Claims in Class 2 are Unimpaired so all parties rights are reserved on this issue.
7. The Plan is patently unconfirmable because it seeks to reverse the established burden of proof on allowance of claims, which would allow the Debtors to pay nothing and reserve nothing for mechanic's liens that the Debtors subjectively dispute, and at the same time receive a full release of liens. *See* Pownall Objection, ¶¶ 3, 27.	These statements are false. In any event, these issues do not relate to "adequate information" of the Disclosure Statement and are more properly raised in connection with plan confirmation.

Exhibit B

Stock Pledge Agreement

EXECUTION VERSION

AMENDED AND RESTATED SECOND LIEN PLEDGE OF OWNERSHIP INTERESTS

THIS AMENDED AND RESTATED SECOND LIEN PLEDGE OF OWNERSHIP INTERESTS (hereinafter referred to as this "Pledge Agreement") is made as of January 5, 2018, by EMERGE ENERGY SERVICES OPERATING LLC, a Delaware limited liability company ("Emerge"), SUPERIOR SILICA SANDS LLC, a Texas limited liability company ("SSS"), the other issuers identified as Pledgors on the signature pages hereto (together with Emerge and SSS, the "Issuers"), EMERGE ENERGY SERVICES LP, a Delaware limited partnership ("Parent Guarantor"), each other Guarantor from time to time party hereto pursuant to Section 7.9 of the Note Purchase Agreement (as defined below) (such additional Guarantors, together with the Issuers and the Parent Guarantor, collectively, the "Pledgors" and each, individually, a "Pledgor"), to and in favor of HPS INVESTMENT PARTNERS, LLC, in its capacity as collateral agent for the Secured Parties (the "Agent").

WITNESSETH:

WHEREAS, this Pledge Agreement is an amendment and restatement of the Second Lien Pledge of Ownership Interests, dated as of April 12, 2017, among the Pledgors party thereto and U.S. Bank, National Association (the "Existing Pledge Agreement");

WHEREAS, pursuant to that certain Second Lien Note Purchase Agreement dated as of the date hereof (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Note Purchase Agreement"), the Noteholders have agreed to purchase Notes from the Issuers thereunder (as the same may be further amended, restated, increased or otherwise modified from time to time, the "Notes Facility");

WHEREAS, each Pledgor has reviewed or is a party to the Note Purchase Agreement and the Other Documents and is of the opinion that the Issuers' execution, delivery and performance of the Note Purchase Agreement and the Other Documents to which each Issuer is to be a party is in the best interest of each such Issuer and the other Pledgors, is necessary and convenient to the conduct, promotion and attainment of the business of each of the Issuers and the other Pledgors, and that each of the Issuers and the other Pledgors will benefit directly and indirectly from the execution and delivery of the Note Purchase Agreement and the Other Documents by the Persons party thereto;

WHEREAS, as an inducement to the Noteholders to provide the Notes Facility to the Issuers, each Pledgor has agreed to enter into and execute this Pledge Agreement hereby assigning, pledging, conveying, hypothecating, and granting and delivering to the Agent, for its benefit and the benefit of the other Secured Parties, as collateral security for the payment in full of all Obligations, a continuing first lien, pledge, assignment and security interest, subject only to Permitted Encumbrances that have priority as a matter of Applicable Law and Liens in favor of the Revolving Agent for the benefit of the "Secured Parties" (as defined in the Revolving Credit Agreement), in and to all of such Pledgor's rights, title and interests with respect to all (a) issued and outstanding Equity Interests and other ownership interests of, in and to the Persons identified as an issuer on Schedule 1 attached hereto (or any addendum thereto) and any other issuer of

Equity Interests that are held by any Pledgor, and any successors thereto, whether by merger or otherwise (referred to herein collectively as the "Pledgor Subsidiaries" and each a "Pledgor Subsidiary"), and all interests therein and/or relating thereto, including, without limitation, all options, warrants, rights and/or other commitments entitling such Pledgor to purchase or otherwise acquire any such Equity Interest or other ownership interests, and all certificates representing all such Equity Interest and other ownership interests and all distributions, profits and proceeds (including all "proceeds" as defined in the Uniform Commercial Code) from time to time received or receivable or otherwise distributed in respect of or in exchange for any or all of such interests, and (b) proceeds of any liquidation upon the dissolution of any Pledgor Subsidiary and winding up of the affairs of any Pledgor Subsidiary arising from such Pledgor's Equity Interest and other ownership interests of, in or to the Pledgor Subsidiary (the property and assets referred to in clauses (a) and (b) preceding, but excluding any Excluded Collateral, are hereinafter collectively referred to as "Interests"); and

WHEREAS, all capitalized words and terms used but not defined herein shall have the respective meanings and shall be construed herein as provided in the Note Purchase Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PROVISION OF THE NOTES FACILITY TO THE ISSUERS AND CERTAIN OF THEIR SUBSIDIARIES AND WITH THE KNOWLEDGE THAT THE AGENT AND THE OTHER SECURED PARTIES WOULD NOT PROVIDE THE FOREGOING BUT FOR THE PROMISES OF THE PLEDGORS HEREUNDER, EACH PLEDGOR HEREBY REPRESENTS, WARRANTS AND COVENANTS AS FOLLOWS:

1. Amendment and Restatement. This Pledge Agreement amends and restates the Existing Pledge Agreement. The obligations of the Pledgors under the Existing Pledge Agreement and the grant of security interest in the Collateral (as defined therein) by the Pledgors shall continue under this Pledge Agreement, and shall not be terminated, extinguished or annulled, but shall hereafter be governed by this Pledge Agreement. All references to the Existing Pledge Agreement in the Note Purchase Agreement or any Other Document (other than this Pledge Agreement) or other document or instrument delivered in connection therewith shall be deemed to refer to this Pledge Agreement and the provisions hereof. It is understood and agreed that the Existing Pledge Agreement is being amended and restated by entry into this Pledge Agreement on the date hereof. The Pledgors hereby agree that after giving effect to this Agreement and the transactions contemplated hereby, neither the modification of the Existing Pledge Agreement effected pursuant to this amendment and restatement nor the execution, delivery, performance or effectiveness of this Pledge Agreement (i) impairs the validity, effectiveness or priority of the Liens granted pursuant to this Pledge Agreement or any Other Document, and such Liens continue unimpaired with the same priority to secure repayment of all Obligations, whether heretofore or hereafter incurred; or (ii) requires that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens.

2. Grant of Security Interest. For value received, each Pledgor hereby assigns, pledges and grants to and in favor of the Agent for its benefit and the benefit of the Secured Parties, a continuing first priority security interest, subject only to Permitted Encumbrances that have priority as a matter of Applicable Law and, subject to the ABL/Term Intercreditor Agreement, Liens in favor of the Revolving Agent for the benefit of the "Secured Parties" (as

defined in the Revolving Credit Agreement), in and to all of the rights, titles and interests of such Pledgor in and to all Interests of such Pledgor in any Person, including the Pledgor Subsidiaries, whether now owned or existing or hereafter acquired or arising and wherever located, and all proceeds thereof (whether paid or payable), including, without limitation, all money and instruments relating to any of the foregoing (hereinafter collectively referred to as the "Pledged Collateral"; provided that Pledged Collateral shall not include any Excluded Collateral). Such assignment, pledge and grant is given and made as collateral security for the prompt and complete payment and performance when due of any and all Obligations as such term is defined in the Note Purchase Agreement (the foregoing being hereafter referred to as the "Obligations"); provided that Obligations for purposes of this Pledge Agreement shall not include any Obligations under Environmental Indemnity Agreements which by their terms are unsecured). Upon the occurrence and during the continuance of an Event of Default, the Agent, subject to the ABL/Term Intercreditor Agreement, shall have the right to receive all distributions, fees, compensation and other monies constituting or payable with respect to the Pledged Collateral and the same and the proceeds thereof shall be applied, along with other stated payments due under the Note Purchase Agreement, to the Obligations in accordance with Section 11.5 of the Note Purchase Agreement until the Obligations shall have been repaid in full.

3. Representations, Warranties and Covenants.

(a) Each Pledgor hereby represents, warrants and covenants to the Agent that: (i) the execution, delivery and performance of this Pledge Agreement (A) are within each Pledgor's corporate, limited liability company, limited partnership, partnership or other applicable powers, have been duly authorized by all necessary corporate, limited liability company, limited partnership, partnership or other applicable action, are not in contravention of the terms of each Pledgor's and Pledgor Subsidiary's Organizational Documents or other applicable documents relating to such Pledgor's or Pledgor Subsidiary's formation or to the conduct of such Pledgor's or Pledgor Subsidiary's business, (B) will not conflict with or violate (I) any Applicable Law, or (II) any Material Contract, (C) will not require the Consent of any Governmental Body or any other Person as of the Closing Date, all of which will have been duly obtained, made or compiled prior to the Closing Date and are in full force and effect and (D) will not result in the creation of any Lien except Permitted Encumbrances upon any asset of such Pledgor under the provisions of any Applicable Law, Organizational Document or Material Contract to which such Pledgor is a party or by which it or its property is a party or by which it may be bound; (ii) except for the liens and security interests granted to the Agent and Permitted Encumbrances, no other Person has a lien on, or security interest in, any of the Pledged Collateral, and no dispute, right of setoff, counterclaim or defense exists with respect to the Pledged Collateral; (iii) as of the date hereof, such Pledgor's rights, titles and interests in and to the issued and outstanding Equity Interests and other ownership interests of, in and to each of the Pledgor Subsidiaries held by it are accurately set forth on Schedule 1 hereto; (iv) this Pledge Agreement creates a legal, valid and enforceable pledge, collateral assignment and, upon delivery to the Agent of the certificates identified on Schedule 1 (or upon the filing of appropriate Uniform Commercial Code or PPSA financing statements describing the Pledged Collateral in the appropriate filing offices with respect to each Pledgor), perfected, first priority security interest in the Pledged Collateral, subject only to Permitted Encumbrances that have priority as a matter of Applicable Law and Liens in favor of the Revolving Agent for the benefit of the "Secured Parties" (as defined in the Revolving Credit Agreement), and there are no

restrictions upon the collateral assignment, pledge, transfer, conveyance or granting of a security interest in the Pledged Collateral; (v) subject to the ABL/Term Intercreditor Agreement, it will defend the Agent's rights, titles and interests created herein against the claims and demands of all Persons whomsoever; (vi) it shall not amend, modify, or waive any term or provision of its Organizational Documents or any Material Contract in a manner material and adverse to Agent or any other Secured Party, unless (A) required by Applicable Law or consented to by the Required Noteholders and (B) a copy of such amendment, modification or waiver has been provided to the Noteholders (for the avoidance of doubt, any amendment, modification or other change in the Partnership Agreement relating to dividends or distributions payable thereunder is hereby deemed material); provided, however, a Pledgor may amend its Organizational Documents to change its legal name, jurisdiction of organization or the location of its chief executive office or sole place of business so long as Agent has received (x) 30 days' prior written notice thereof (or such lesser notice period agreed to by the Required Noteholders) and (y) upon the effectiveness of such amendment, a copy of such amendment is filed with the applicable officer of the jurisdiction of formation of such Pledgor and any other documents or instruments (including financing statements) requested by the Agent or the Required Noteholders to maintain the perfection of Agent's liens on the Pledged Collateral; (vii) as of the Closing Date, each Organizational Document of each Pledgor Subsidiary in which such Pledgor owns an Interest in form delivered to the Noteholders embodies the entire agreement in existence relating to the matters governed thereby and there are no amendments or modifications thereto; (viii) except for the liens and security interests granted to the Agent and the Permitted Encumbrances, such Pledgor shall not grant a security interest in, assignment of, or pledge of any of the Pledged Collateral to any other Person; (ix) the Pledged Collateral is part of such Pledgor's rights to the Pledgor Subsidiaries in which it owns an Interest arising from such Pledgor's respective interests in such Pledgor Subsidiaries and the aggregate percentage interest in such Pledgor Subsidiaries held by such Pledgor will not decrease in the future (except as a result of the exercise of the Revolving Agent's rights under the Senior Lien Collateral Documents (as such term is defined in the ABL/Term Intercreditor Agreement), the Agent's rights and remedies hereunder and/or except as may be permitted in accordance with the terms of the Note Purchase Agreement; (x) it shall observe and perform all of its obligations imposed upon it under the Organizational Documents of the Pledgor Subsidiaries in which it owns an Interest; (xi) from time to time such Pledgor shall promptly execute, assign, endorse and deliver any and all documents necessary to maintain the Agent's assignment, pledge and security interest in the Pledged Collateral, including any renewals, replacements, additions, extensions and substitutions of original documents and such Pledgor shall perform all other acts or things as the Agent or the Required Noteholders may reasonably request in order to carry out the purpose of this Pledge Agreement; (xii) it shall furnish the Agent and the Noteholders with any information or writings which the Agent or the Required Noteholders may reasonably request concerning the Pledged Collateral; (xiii) it shall promptly notify in writing the Agent and the Noteholders of any material change in any fact or circumstances warranted or represented by such Pledgor in this Pledge Agreement or in any other writing furnished by such Pledgor to the Agent or the Noteholders in connection with the Pledged Collateral and/or the Obligations; (xiv) it shall promptly notify in writing the Agent and the Noteholders of any claim, action or proceeding affecting title to the Pledged Collateral, or any portion thereof or this Pledge Agreement or the security interest created hereby and, at the request of the Agent or the Required Noteholders, appear in and defend, at the Pledgor's own cost and expense, any such action or proceedings; and (xv) it shall promptly pay

to the Agent the amount of all court costs and reasonable attorneys' fees and expenses and the fees and expenses of agents and experts incurred by the Agent and/or any other Secured Party in connection with the exercise of its remedies with respect to the Pledged Collateral or the enforcement of Agent's rights hereunder.

(b) As of the date hereof, none of the Equity Interests issued by any Pledgor Subsidiary are evidenced by any certificates. Each Pledgor agrees that it shall not permit any Pledgor Subsidiary of such Pledgor to permit the issuance of or existence of certificates evidencing the Equity Interests issued by such Pledgor Subsidiary. Without the prior written consent of the Agent, no Pledgor will cause or permit the limited liability company interest or partnership interest of such Pledgor in any Pledgor Subsidiary that is a limited liability company or partnership to constitute a security governed by Article 8 of the Uniform Commercial Code of the jurisdiction in which such Pledgor Subsidiary is organized.

(c) Each Pledgor hereunder that is also a Pledgor Subsidiary agrees that, notwithstanding anything to the contrary set forth in the operating agreement, limited partnership agreement or other Organizational Documents of such Pledgor Subsidiary, no restriction upon any transfer of membership interests, limited liability company interests, limited partnership interests or other such Equity Interests, set forth therein shall apply, in any way, to the pledge by the applicable Pledgor hereunder of a security interest in and to its Equity Interests in such Pledgor Subsidiary to Agent or to any foreclosure upon or subsequent disposition of such Equity Interests by Agent. Any transferee or Agent with respect to such foreclosure or disposition shall automatically be admitted as a member, limited partner or other such owner of Equity Interests specified in the governing Organizational Documents of such Pledgor Subsidiary and shall have all of the rights that such Pledgor previously had with respect thereto.

(d) The operating agreement or limited partnership agreement (as applicable) of any Pledgor Subsidiary of any Pledgor formed or acquired after the Closing Date that is a limited liability company or a limited partnership, shall contain the following language (or language to the same effect): "Notwithstanding anything to the contrary set forth herein, no restriction upon any transfer of [applicable type of Equity Interests] set forth herein shall apply, in any way, to the pledge by any [applicable type of equity owner] of a security interest in and to its [applicable type of Equity Interests] to HPS Investment Partners, LLC , as agent, or its successors and assigns in such capacity (any such person, "Agent"), or to any foreclosure upon or subsequent disposition of such [applicable type of Equity Interests] by Agent. Any transferee or Agent with respect to such foreclosure or disposition shall automatically be admitted as a [applicable type of equity owner] of the Company and shall have all of the rights of the [applicable type of equity owner] that previously owned such [applicable type of Equity Interests]."

4. Distributions, Etc. If, prior to the Termination Date, any Pledgor shall become entitled to receive or shall receive any dividends, distributions or other amounts, whether in the form of additional Pledged Collateral, options, rights or otherwise, whether as an addition to, in substitution of or in exchange for any Pledged Collateral (other than, in each case, any dividends and distributions permitted by Section 7.5 of the Note Purchase Agreement), the same shall be paid to the Agent and employed, along with other stated payments due with respect to the Obligations under the Note Purchase Agreement, to pay down the Obligations until the

Termination Date shall have occurred. If and to the extent that any such dividends or distributions are not, or have not been, paid by any Pledgor Subsidiary or other obligor with respect thereto, the same are assigned to the Agent as additional collateral security for the payment and performance of the Obligations. On each date on which such Pledgor receives any dividends, distributions or other amounts of any kind, whether of money and/or property, of any Pledgor Subsidiary paid upon or in respect of any Pledged Collateral under any circumstances, including, without limitation, the liquidation or dissolution of any Pledgor Subsidiary, the sale or contribution or other transfer of any interest in any property or asset by any Pledgor Subsidiary, the repayment to such Pledgor of any loan made by such Pledgor to any Pledgor Subsidiary, the recapitalization or reclassification of the capital of any Pledgor Subsidiary or the reorganization thereof, or any other distribution of capital or income of any Pledgor Subsidiary (other than, in each case, any dividends and distributions permitted by Section 7.5 of the Note Purchase Agreement), such Pledgor shall immediately, subject to the ABL/Term Intercreditor Agreement, upon receipt of such money and/or property deliver the entire amount of such money and/or property in precisely the form received (except for the endorsement or the assignment by such Pledgor where necessary) to the Agent, which shall apply the proceeds thereof to the Obligations in such manner as the Required Noteholders may deem advisable and so direct.

Each Pledgor will cooperate with the Agent or its nominee in sending notice to require any Pledgor Subsidiary in which it owns an Equity Interest to make, subject to the ABL/Term Intercreditor Agreement, all distributions (other than any dividends and distributions permitted by Section 7.5 of the Note Purchase Agreement) to the Agent directly and exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any Pledged Collateral as if it were the absolute owner thereof.

Upon the occurrence and during the continuation of an Event of Default, subject to the ABL/Term Intercreditor Agreement and following written notice by Agent (acting at the direction of the Required Noteholders) to Issuer Representative: (a) all rights of a Pledgor to receive the dividends, distributions and interest payments which it would otherwise be authorized to receive and retain with respect to the Pledged Collateral shall cease and all such rights shall thereupon be vested in Agent which shall then have the sole right to receive and hold as Subsidiary Stock such dividends, distributions and interest payments; and (b) all dividends, distributions and interest payments which are received by any Pledgor contrary to the provisions of the foregoing clause (a) shall be received in trust for the benefit of Agent, shall be segregated from other property or funds of such Pledgor, and shall be forthwith paid over to Agent as Subsidiary Stock in the exact form received, to be held by Agent as Subsidiary Stock and as further collateral security for the Obligations.

5. Voting Rights. Upon the occurrence and during the continuance of an Event of Default, subject to the ABL/Term Intercreditor Agreement and following written notice by Agent (acting at the direction of the Required Noteholders) to Issuer Representative, all rights of a Pledgor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise with respect to the Pledged Collateral shall cease and all such rights shall thereupon become vested in Agent which shall then have the sole right to exercise such voting and other consensual rights. Notwithstanding any other provision of this Pledge Agreement, the Agent shall not be deemed to assume any contractual obligation of any Pledgor owing to any Person by

reason of this Pledge Agreement or a foreclosure by the Agent on the Pledged Collateral, and such obligations shall remain the obligations of such Pledgor.

6. Power of Attorney. Upon and during the continuance of an Event of Default and subject to the ABL/Term Intercreditor Agreement, Agent shall have the right (without obligation) to receive, endorse, assign and/or deliver in the name of Agent or any Pledgor any and all checks, drafts and other instruments for the payment of money relating to the Pledged Collateral, and each Pledgor hereby waives notice of presentment, protest and non-payment of any instrument so endorsed. Each Pledgor hereby constitutes Agent or Agent's designee as such Pledgor's attorney with power (without obligation) (i) to endorse such Pledgor's name upon any notes, acceptances, checks, drafts, money orders or other evidences of payment or Pledged Collateral upon and during the continuance of an Event of Default; (ii) to sign such Pledgor's name on any documents or instruments deemed necessary or appropriate by Agent or the Required Noteholders to preserve, protect, or perfect Agent's interest in the Pledged Collateral and to file same upon and during the continuance of an Event of Default; (iii) to exercise all of such Pledgor's rights and remedies with respect to the collection of any other Pledged Collateral upon and during the continuance of an Event of Default; (iv) to receive, open and dispose of all mail addressed to any Pledgor to the extent such actions are taken in connection with operation and administration of Pledgors' lockboxes or otherwise in connection with treasury management services; and (v) upon and during the continuance of an Event of Default, subject to the ABL/Term Intercreditor Agreement, to do all other acts and things necessary to carry out this Pledge Agreement. All acts of said attorney or designee are hereby ratified and approved, and said attorney or designee shall not be liable for any acts of omission or commission nor for any error of judgment or mistake of fact or of law, unless constituting willful misconduct or gross negligence (as determined by a court of competent jurisdiction in a final non-appealable judgment); this power being coupled with an interest is irrevocable at all times prior to the occurrence of the Termination Date. Agent shall have the right at any time following the occurrence and during the continuation of an Event of Default, subject to the ABL/Term Intercreditor Agreement, to change the address for delivery of mail addressed to any Pledgor to such address as Agent may designate, at the direction of the Required Noteholders, and to receive, open and dispose of all mail addressed to any Pledgor.

7. Financing Statements, Continuation Statements and Amendments. By its signature hereto, each Pledgor hereby authorizes Agent or its designee (without obligation) to file against such Pledgor, one or more financing, continuation or amendment statements pursuant to the Uniform Commercial Code or the PPSA, as applicable, in form and substance satisfactory to the Required Noteholders in their Permitted Discretion (which statements may have a description of collateral which is broader than that set forth herein).

8. Remedies Upon Event of Default. In addition to the Agent's express rights and remedies with regard to the Pledged Collateral or this Pledge Agreement as described above, in the event that any Event of Default shall occur and be continuing, the Agent (acting at the direction of the Required Noteholders and subject to the ABL/Term Intercreditor Agreement), without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Pledgors or any other Person (to all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Pledged

Collateral, or any part thereof, and/or may forthwith sell, assign, give option or options to purchase, contract to sell or otherwise dispose of and deliver the Pledged Collateral, or any part thereof, in one or more parcels at public or private sale or sales, at any exchange, broker's board or at any of the Agent's offices or elsewhere upon such terms and conditions as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk, with the right to the Agent upon any such sale or sales, public or private, to purchase the whole or any part of the Pledged Collateral so sold, free of any rights or equities of redemption in any Pledgor, which right or equity is hereby expressly waived or released. The Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Pledged Collateral or in any way relating to the rights of the Agent hereunder, including attorneys' fees and legal expenses and the fees and expenses of agents and experts, to the payment in whole or in part of the Obligations, and only after so paying over such net proceeds and after the payment by the Agent of any other amount required by any provision of law, including, without limitation, Section 9-615 of the Uniform Commercial Code, need the Agent account for the surplus, if any, to the Pledgors. Each Pledgor agrees that the Agent need not give more than ten (10) Business Days' prior written notice of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place and that such notice is reasonable notification of such matters. No notification need be given to any Pledgor if, upon the occurrence and during the continuance of an Event of Default, it has signed a statement renouncing or modifying any right to notification of sale or other intended disposition. In addition to the rights and remedies granted to it in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Obligations, the Agent shall have all the rights and remedies of a secured party under the Uniform Commercial Code as applicable.

9. No Disposition, etc. Other than as expressly permitted in the Note Purchase Agreement, without the prior written consent of the Required Noteholders, no Pledgor may sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Pledged Collateral, nor will any Pledgor create, incur or permit to exist any lien or security interest with respect to any of the Pledged Collateral, or any interest therein or part thereof, or any proceeds thereof, except for the lien and security interest provided for by this Pledge Agreement and Permitted Encumbrances. Other than as expressly permitted under the Note Purchase Agreement, each Pledgor agrees that it will not vote, consent or otherwise cause or enable any Pledgor Subsidiary in which it owns an Equity Interest to create or offer or issue units, shares or other interests constituting any ownership interests in any Pledgor Subsidiary in addition to or in exchange or substitution for those held by the Pledgors.

10. No Obligation of the Agent. The Agent shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability imposed on the Pledgors under or by reason of any Organizational Document of any Pledgor Subsidiary, and each Pledgor does hereby agree to indemnify the Agent for and to hold the Agent harmless of and from any and all liability, loss, damage, tax, judgment, suit, penalty, cost, or expense (including, without limitation, fees, costs and expenses of any counsel, experts and agents) which it may or might incur as a result of this Pledge Agreement or any such obligation, duty or liability or any action or claim relating thereto, except any liability, loss or damage resulting from the Agent's gross negligence or willful misconduct as determined by a court of

competent jurisdiction, not subject to appeal. Any Pledgor's failure to properly defend any such action or claim, or to properly pursue all rights and remedies relative to any such action or claim, in the reasonable opinion of the Agent and the Required Noteholders, shall entitle the Agent to defend such action or claim or pursue such rights or remedies in such Pledgor's place and stead. Should the Agent incur any such liability, loss or damage by reason of this Pledge Agreement or any such obligation, duty or liability, or in the defense of any such action or claim, the amount thereof; including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and the Pledgors shall reimburse the Agent therefor immediately upon demand, and, upon the failure of the Pledgors to do so, the Agent may declare all sums secured hereby immediately due and payable.

11. Termination of Pledge Agreement. The Agent shall have and hold the rights, titles and interests assigned to it hereunder, until the Termination Date.

12. Severability. If any part of this Pledge Agreement is contrary to, prohibited by, or deemed invalid under Applicable Law, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

13. Further Assurances. Each Pledgor agrees that at any time and from time to time, upon the written request of the Agent (at the direction of the Required Noteholders), such Pledgor will execute and deliver such further documents and do such further acts and things as the Agent or the Required Noteholders may reasonably request in order to effect the purposes of this Pledge Agreement and to protect and perfect the security interests granted hereunder.

14. Release of Pledged Collateral. The Agent may take (or release pursuant to Section 14.15 of the Note Purchase Agreement and subject to the ABL/Term Intercreditor Agreement) other security for the payment of the Obligations secured hereby; may release pursuant to Section 14.15 of the Note Purchase Agreement any party primarily or secondarily liable for any Obligations secured hereby; and may grant extensions, renewals or indulgences with respect to such Obligations pursuant to the Note Purchase Agreement without prejudice to any of its rights hereunder.

15. No Waiver of Rights. Nothing herein contained, and no act done or omitted by the Agent pursuant to the powers and rights granted it herein, shall be deemed to be a waiver by the Agent of its rights and remedies under this Pledge Agreement, any Organizational Document of any Pledgor Subsidiary, the Note Purchase Agreement or any Other Document, but this Pledge Agreement is made and accepted without prejudice to any of the rights and remedies possessed by the Agent under the terms hereof or thereof. The right of the Agent to collect the Obligations and to enforce any other security therefor held by it may be exercised by the Agent either prior to, simultaneously with or subsequent to any action taken by it hereunder.

16. Counterparts; Facsimile Signatures. This Pledge Agreement may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission shall be deemed to be an original signature hereto.

17. Notices. Any notice or request hereunder may be given to each Pledgor or the Agent in accordance with Section 16.6 of the Note Purchase Agreement.

18. Successors and Assigns. All of the terms, covenants, warranties and conditions contained in this Pledge Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that the Pledgors may not assign any of their indebtedness, liabilities or obligations hereunder.

19. Modification in Writing. This Pledge Agreement may not be amended, changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the amendment, change, waiver, discharge or termination is sought, subject to any consents required by Section 16.2(b) of the Note Purchase Agreement, provided that the Agent shall not be obligated to enter into any amendment, waiver or modification that affects Agent's rights, duties, obligations, immunities or indemnities.

20. Governing Law. This Pledge Agreement shall be governed by and construed in accordance with the laws of the State of New York applied to contracts to be performed wholly within the State of New York. Any judicial proceeding brought by or against any Pledgor with respect to any of the Obligations, this Pledge Agreement, the Other Documents or any related agreement may be brought in any court of competent jurisdiction in the State of New York, United States of America, and, by execution and delivery of this Pledge Agreement, each Pledgor accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Pledge Agreement. Each Pledgor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by registered mail (return receipt requested) directed to such Pledgor at the address for notices to be given to Issuer Representative set forth in Section 16.6 of the Note Purchase Agreement and service so made shall be deemed completed five (5) days after the same shall have been so deposited in the mails of the United States of America, or, at Agent's option, by service upon Issuer Representative which each Pledgor irrevocably appoints as such Pledgor's agent for the purpose of accepting service within the State of New York. Nothing herein shall affect the right to serve process in any manner permitted by law or shall limit the right of Agent or any Noteholder to bring proceedings against any Pledgor in the courts of any other jurisdiction. Each Pledgor waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens with respect to any action brought in the aforesaid courts.

21. Additional Pledgors. Each Person that is required to become a party to this Pledge Agreement pursuant to Section 7.9 of the Note Purchase Agreement shall become a Pledgor, with the same force and effect as if originally named as a Pledgor herein, for all purposes of this Pledge Agreement, upon execution and delivery by such Person of a written supplement substantially in the form of Annex A hereto. The execution and delivery of any instrument adding an additional Pledgor as a party to this Pledge Agreement shall not require the consent of any other Pledgor hereunder. The rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Pledgor as a party to this Pledge Agreement.

22. Intercreditor Agreement. Notwithstanding anything to the contrary contained in this Pledge Agreement, (i) the Liens and security interests granted to the Agent pursuant to this Pledge Agreement are expressly subject and subordinate to the Liens and security interests granted in favor of the Senior Lien Secured Parties (as defined in the ABL/Term Intercreditor Agreement), including Liens and security interests granted to the Revolving Agent and (ii) the exercise of any right or remedy in respect of the Liens and security interests by the Agent or any other secured party hereunder is subject to the limitations and provisions of the ABL/Term Intercreditor Agreement. Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, with respect to any Pledged Collateral, until the occurrence of the Discharge of Senior Lien Obligations, any obligation of any Pledgor hereunder with respect to the delivery or control of any Pledged Collateral, the notation of any lien on any document, the giving of any notice to any Person, the provision of voting rights or the obtaining of any consent of any Person shall be subject and subordinate to the rights of the Revolving Agent pursuant to the Senior Lien Collateral Documents (as such term is defined in the ABL/Term Intercreditor Agreement). To the extent that compliance by any Note Party with any actions specified in the immediately preceding sentence would (x) conflict with the exercise of or direction by the Revolving Agent of comparable rights, (y) require delivery of Pledged Collateral which can only be delivered to one Person or (z) be, under Applicable Law, prohibited or unable to be completed, then the applicable Pledgor shall not have to take any such actions so long as the applicable Pledgor is, with respect to clause (x), complying with the exercise of, or direction by, the Revolving Agent, with respect to clause (y), has delivered such collateral to the Revolving Agent or any of its agents, and, with respect to clause (z), only so long as Applicable Law would prevent such compliance. Any reference herein to the Lien of Agent being "first priority" or words of similar effect shall mean that such Lien is a first priority Lien, subject only to the prior Lien of the Revolving Agent and any Permitted Encumbrances that have priority by operation of law. In the event of any conflict between the terms of (i) the ABL/Term Intercreditor Agreement and this Agreement, the terms of the ABL/Term Intercreditor Agreement shall govern and control or (ii) the ABL/Term Intercreditor Agreement and the Junior Lien Intercreditor Agreement, the terms of the ABL/Term Intercreditor Agreement shall govern and control.

23. The Agent. Agent shall be entitled to the same rights, protections, immunities and indemnities as set forth in the Note Purchase Agreement, as if the provisions setting forth those rights, protections, immunities and indemnities are fully set forth herein. Agent shall not be responsible for, nor incur any liability with respect to, insuring the Collateral or the payment of taxes, charges or assessments upon the Collateral or otherwise as to the maintenance of Collateral. Agent shall be under no obligation or duty to take any action under this Agreement or any of the Note Purchase Agreement or Other Documents or otherwise if taking such action would subject Agent to a tax in any jurisdiction where it is not then subject to a tax or would require Agent to qualify to do business in any jurisdiction where it is not then so qualified.

[signature page follows]

IN WITNESS WHEREOF, the Pledgors have caused this Pledge Agreement to be duly executed and delivered, all on the day and year first above written.

PLEDGORS:

EMERGE ENERGY SERVICES OPERATING LLC

By:_____
Name: Warren B. Bonham
Title: Vice President

SUPERIOR SILICA SANDS LLC

By:_____
Name: Warren B. Bonham
Title: Vice President

EMERGE ENERGY SERVICES LP

By: EMERGE ENERGY SERVICES GP LLC, its General Partner

By:_____
Name: Warren B. Bonham
Title: Vice President

IN WITNESS WHEREOF, the Agent has caused this Pledge Agreement to be duly executed and delivered, all on the day and year first above written.

AGENT:

HPS INVESTMENT PARTNERS, LLC,
solely in its capacity as Agent and not in its individual capacity

By: _____
Name: Don Dimitrievich
Title: Managing Director

Each of the undersigned parties hereby acknowledges and consents to the terms and provisions of this Pledge Agreement, hereby covenanting and agreeing to abide by the terms hereof and hereby consents to the within Pledge Agreement.

PLEDGOR SUBSIDIARIES:

EMERGE ENERGY SERVICES OPERATING LLC

By: _____
Name: Warren B. Bonham
Title: Vice President

SUPERIOR SILICA SANDS LLC

By: _____
Name: Warren B. Bonham
Title: Vice President

Schedule 1

CERTIFICATE OF ISSUER

Issuer	Owner	Class of Equity Interest	Certificate No.	Number of Shares or Interests	Percentage of Outstanding Shares or Interests
Superior Silica Sands LLC	Emerge	membership	N/A	N/A	100%
Emerge Energy Services Operating LLC	Parent Guarantor	membership	N/A	N/A	100%

ANNEX A
TO THE PLEDGE AGREEMENT

SUPPLEMENT NO. [ ] dated as of [ ] (hereinafter referred to as this "Supplement") to the AMENDED AND RESTATED SECOND LIEN PLEDGE OF OWNERSHIP INTERESTS (the "Pledge Agreement"), dated as of January 5, 2018, by EMERGE ENERGY SERVICES OPERATING LLC, a Delaware limited liability company ("Emerge"), SUPERIOR SILICA SERVICES LLC, a Texas limited liability company ("SSS") the other issuers identified as Pledgors on the signature pages thereto (together with Emerge and SSS, the "Issuers"), EMERGE ENERGY SERVICES LP, a Delaware limited partnership ("Parent Guarantor"), each other Guarantor from time to time party thereto pursuant to Section 7.9 of the Note Purchase Agreement (as defined below) (such additional Guarantors, together with the Issuers and the Parent Guarantor, collectively, the "Pledgors" and each, individually, a "Pledgor"), to and in favor of HPS INVESTMENT PARTNERS, LLC, in its capacity as collateral agent for the Secured Parties (the "Agent").

A. Reference is made to the Second Lien Note Purchase Agreement, dated as of January 5, 2018 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Note Purchase Agreement").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Pledge Agreement or the Note Purchase Agreement, as applicable.

C. The Pledgors have entered into the Pledge Agreement in order to induce the Agent and the Noteholders to provide the Notes Facility to the Issuers.

D. Section 7.9 of the Note Purchase Agreement and Section 21 of the Pledge Agreement provide that additional Subsidiaries may become Subsidiary Pledgors under the Pledge Agreement by execution and delivery of an instrument in the form of this Supplement. Each undersigned Subsidiary (the "Additional Pledgors" and each an "Additional Pledgor") is executing this Supplement in accordance with the requirements of Section 7.9 of the Note Purchase Agreement and Section 21 of the Pledge Agreement to pledge to the Agent for the benefit of the Secured Parties the Additional Pledged Collateral (as defined below) and to become a Subsidiary Pledgor under the Pledge Agreement in order to induce the Noteholders to maintain the Notes Facility to the Issuers.

Accordingly, the Agent and each undersigned Additional Pledgor agree as follows:

SECTION 1. For value received, each Additional Pledgor by its signature hereby assigns, pledges and grants to and in favor of the Agent for its benefit and the benefit of the Secured Parties, a continuing first priority security interest, subject only to Permitted Encumbrances that have priority as a matter of Applicable Law and Liens in favor of the Revolving Agent for the benefit of the "Secured Parties" (as defined in the Revolving Credit Agreement), in and to all of the rights, titles and interests of such Additional Pledgor in and to all Interests of such Additional Pledgor in any Person, including the Pledgor Subsidiaries, whether now owned or existing or hereafter acquired or arising and wherever located, and all proceeds

thereof (whether paid or payable), including, without limitation, all money and instruments relating to any of the foregoing (hereinafter collectively referred to as the "Additional Pledged Collateral"; provided that Additional Pledged Collateral shall not include any Excluded Collateral). Such assignment, pledge and grant is given and made as collateral security for the prompt and complete payment and performance when due of any and all Obligations as such term is defined in the Note Purchase Agreement (the foregoing being hereafter referred to as the "Obligations"; provided that Obligations for purposes of this Supplement shall not include any Obligations under Environmental Indemnity Agreements which by their terms are unsecured). Subject to Section 22 of the Pledge Agreement, upon the occurrence and during the continuance of an Event of Default, the Agent shall have the right to receive all distributions, fees, compensation and other monies constituting or payable with respect to the Additional Pledged Collateral and the same and the proceeds thereof shall be applied, along with other stated payments due under the Note Purchase Agreement, to the Obligations in accordance with Section 11.5 of the Note Purchase Agreement until the Obligations shall have been repaid in full. For purposes of the Pledge Agreement, the Pledged Collateral shall be deemed to include the Additional Pledged Collateral.

SECTION 2. Each Additional Pledgor by its signature below becomes a Pledgor under the Pledge Agreement with the same force and effect as if originally named therein as a Pledgor, and each Additional Pledgor hereby agrees to all the terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder. Each reference to a "Subsidiary Pledgor" or a "Pledgor" in the Pledge Agreement shall be deemed to include each Additional Pledgor. The Pledge Agreement is hereby incorporated herein by reference.

SECTION 3.

(a) Each Additional Pledgor hereby represents, warrants and covenants to the Agent that: (i) the execution, delivery and performance of this Supplement (A) are within each Additional Pledgor's corporate, limited liability company, limited partnership, partnership or other applicable powers, have been duly authorized by all necessary corporate, limited liability company, limited partnership, partnership or other applicable action, are not in contravention of the terms of each Additional Pledgor's and Additional Pledgor Subsidiary's Organizational Documents or other applicable documents relating to such Additional Pledgor's or Additional Pledgor Subsidiary's formation or to the conduct of such Additional Pledgor's or Additional Pledgor Subsidiary's business, (B) will not conflict with or violate (I) any Applicable Law, or (II) any Material Contract, (C) will not require the Consent of any Governmental Body or any other Person as of the Closing Date, all of which will have been duly obtained, made or compiled prior to the Closing Date and are in full force and effect and (D) will not result in the creation of any Lien except Permitted Encumbrances upon any asset of such Additional Pledgor under the provisions of any Applicable Law, Organizational Document or Material Contract to which such Pledgor is a party or by which it or its property is a party or by which it may be bound; (ii) except for the liens and security interests granted to the Agent and the Permitted Encumbrances, no other Person has a lien on, or security interest in, any of the Additional Pledged Collateral, and no dispute, right of setoff, counterclaim or defense exists with respect to the Additional Pledged Collateral; (iii) as of the date hereof, such Additional Pledgor's rights, titles and interests in and to the issued and outstanding Equity Interests and other ownership interests of, in and to each of the Additional Pledgor Subsidiaries held by it are accurately set forth on Schedule 1

hereto; (iv) this Supplement creates a legal, valid and enforceable pledge, collateral assignment and, upon delivery to the Agent of the certificates identified on Schedule 1 (or upon the filing of appropriate Uniform Commercial Code or PPSA financing statements describing the Additional Pledged Collateral in the appropriate filing offices with respect to each Additional Pledgor), perfected, first priority security interest in the Additional Pledged Collateral, subject only to Permitted Encumbrances that have priority as a matter of Applicable Law and Liens in favor of the Revolving Agent for the benefit of the "Secured Parties" (as defined in the Revolving Credit Agreement), and there are no restrictions upon the collateral assignment, pledge, transfer, conveyance or granting of a security interest in the Additional Pledged Collateral; (v) subject to the ABL/Term Intercreditor Agreement, it will defend the Agent's rights, titles and interests created herein against the claims and demands of all Persons whomsoever; (vi) it shall not amend, modify, or waive any term or provision of its Organizational Documents or any Material Contract in a manner material and adverse to Agent or any other Secured Party, unless (A) required by Applicable Law or consented to by the Required Noteholders and (B) a copy of such amendment, modification or waiver has been provided to the Noteholders (for the avoidance of doubt, any amendment, modification or other change in the Partnership Agreement relating to dividends or distributions payable thereunder is hereby deemed material); provided, however, an Additional Pledgor may amend its Organizational Documents to change its legal name, jurisdiction of organization or the location of its chief executive office or sole place of business so long as Agent has received (x) 30 days' prior written notice thereof (or such lesser notice period agreed to by the Required Noteholders) and (y) upon the effectiveness of such amendment, a copy of such amendment is filed with the applicable officer of the jurisdiction of formation of such Additional Pledgor and any other documents or instruments (including financing statements) requested by the Agent or the Required Noteholders to maintain the perfection of Agent's liens on the Additional Pledged Collateral; (vii) as of the Closing Date, each Organizational Document of each Additional Pledgor Subsidiary in which such Additional Pledgor owns an Interest in form delivered to the Noteholders embodies the entire agreement in existence relating to the matters governed thereby and there are no amendments or modifications thereto; (viii) except for the liens and security interests granted to the Agent and the Permitted Encumbrances, such Additional Pledgor shall not grant a security interest in, assignment of, or pledge of any of the Additional Pledged Collateral to any other Person; (ix) the Additional Pledged Collateral is part of such Additional Pledgor's rights to the Additional Pledgor Subsidiaries in which it owns an Interest arising from such Additional Pledgor's respective interests in such Additional Pledgor Subsidiaries and the aggregate percentage interest in such Additional Pledgor Subsidiaries held by such Additional Pledgor will not decrease in the future (except as a result of the exercise of the Revolving Agent's rights under the Senior Lien Collateral Documents (as such term is defined in the ABL/Term Intercreditor Agreement), the Agent's rights and remedies hereunder and/or except as may be permitted in accordance with the terms of the Note Purchase Agreement and/or except as may be provided in the Organizational Documents); (x) it shall observe and perform all of its obligations imposed upon it under the Organizational Documents of the Additional Pledgor Subsidiaries in which it owns an Interest; (xi) from time to time such Additional Pledgor shall promptly execute, assign, endorse and deliver any and all documents necessary to maintain the Agent's assignment, pledge and security interest in the Additional Pledged Collateral, including any renewals, replacements, additions, extensions and substitutions of original documents and such Additional Pledgor shall perform all other acts or things as the Agent or the Required Noteholders may reasonably request in order to

carry out the purpose of this Supplement; (xii) it shall furnish the Agent and the Noteholders with any information or writings which the Agent or the Required Noteholders may reasonably request concerning the Additional Pledged Collateral; (xiii) it shall promptly notify the Agent and the Noteholders of any material change in any fact or circumstances warranted or represented by such Additional Pledgor in this Supplement or in any other writing furnished by such Additional Pledgor to the Agent or the Noteholders in connection with the Additional Pledged Collateral and/or the Obligations; (xiv) it shall promptly notify the Agent and the Noteholders of any claim, action or proceeding affecting title to the Additional Pledged Collateral, or any portion thereof or this Supplement or the security interest created hereby and, at the request of the Agent or the Required Noteholders, appear in and defend, at the Additional Pledgor's own cost and expense, any such action or proceedings; and (xv) it shall promptly pay to the Agent the amount of all court costs and reasonable attorneys' fees and expenses and the fees, costs and expenses of agents and experts, incurred by the Agent and/or any other Secured Party in connection with the exercise of its remedies with respect to the Additional Pledged Collateral or the enforcement of Agent's rights hereunder.

(b) As of the date hereof, none of the Equity Interests issued by any Additional Pledgor Subsidiary are evidenced by any certificates. Each Additional Pledgor agrees that it shall not permit any Additional Pledgor Subsidiary of such Additional Pledgor to permit the issuance of or existence of certificates evidencing the Equity Interests issued by such Additional Pledgor Subsidiary. Without the prior written consent of the Agent, no Additional Pledgor will cause or permit the limited liability company interest or partnership interest of such Additional Pledgor in any Additional Pledgor Subsidiary that is a limited liability company or partnership to constitute a security governed by Article 8 of the Uniform Commercial Code of the jurisdiction in which such Additional Pledgor Subsidiary is organized.

(c) Each Additional Pledgor hereunder that is also an Additional Pledgor Subsidiary agrees that, notwithstanding anything to the contrary set forth in the operating agreement, limited partnership agreement or other Organizational Documents of such Additional Pledgor Subsidiary, no restriction upon any transfer of membership interests, limited liability company interests, limited partnership interests or other such Equity Interests, set forth therein shall apply, in any way, to the pledge by the applicable Additional Pledgor hereunder of a security interest in and to its Equity Interests in such Additional Pledgor Subsidiary to Agent or to any foreclosure upon or subsequent disposition of such Equity Interests by Agent. Any transferee or Agent with respect to such foreclosure or disposition shall automatically be admitted as a member, limited partner or other such owner of Equity Interests specified in the governing Organizational Documents of such Additional Pledgor Subsidiary and shall have all of the rights that such Additional Pledgor previously had with respect thereto.

(d) The operating agreement or limited partnership agreement (as applicable) of any Additional Pledgor Subsidiary of any Additional Pledgor formed or acquired after the Closing Date that is a limited liability company or a limited partnership, shall contain the following language (or language to the same effect): "Notwithstanding anything to the contrary set forth herein, no restriction upon any transfer of [applicable type of Equity Interests] set forth herein shall apply, in any way, to the pledge by any [applicable type of equity owner] of a security interest in and to its [applicable type of Equity Interests] to HPS Investment Partners, LLC, as agent, or its successors and assigns in such capacity (any such person, "Agent"), or to

any foreclosure upon or subsequent disposition of such [applicable type of Equity Interests] by Agent. Any transferee or Agent with respect to such foreclosure or disposition shall automatically be admitted as a [applicable type of equity owner] of the Company and shall have all of the rights of the [applicable type of equity owner] that previously owned such [applicable type of Equity Interests]."

SECTION 4. This Supplement may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission shall be deemed to be an original signature hereto. A set of the copies of this Supplement signed by all the parties shall be lodged with the Agent. This Supplement shall become effective as to each Additional Pledgor when the Agent shall have received the counterparts of this Supplement that, when taken together, bear the signatures of such Additional Pledgor and the Agent.

SECTION 5. Except as expressly supplemented hereby, the Pledge Agreement shall remain in full force and effect.

SECTION 6. This Supplement shall be governed by and construed in accordance with the laws of the State of New York applied to contracts to be performed wholly within the State of New York. Any judicial proceeding brought by or against any Additional Pledgor with respect to any of the Obligations, this Supplement, the Other Documents or any related agreement may be brought in any court of competent jurisdiction in the State of New York, United States of America, and, by execution and delivery of this Supplement, each Additional Pledgor accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Supplement. Each Additional Pledgor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by registered mail (return receipt requested) directed to such Additional Pledgor at the address for notices to be given to Issuer Representative set forth in Section 16.6 of the Note Purchase Agreement and service so made shall be deemed completed five (5) days after the same shall have been so deposited in the mails of the United States of America, or, at Agent's option, by service upon Issuer Representative which each Additional Pledgor irrevocably appoints as such Additional Pledgor's agent for the purpose of accepting service within the State of New York. Nothing herein shall affect the right to serve process in any manner permitted by law or shall limit the right of Agent or any Noteholder to bring proceedings against any Additional Pledgor in the courts of any other jurisdiction. Each Additional Pledgor waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens with respect to any action brought in the aforesaid courts.

SECTION 7. If any part of this Supplement is contrary to, prohibited by, or deemed invalid under Applicable Law, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given effect so far as possible.

SECTION 8. Any notice or request hereunder may be given to each Additional Pledgor or the Agent in accordance with Section 16.6 of the Note Purchase Agreement.

SECTION 9. Notwithstanding anything to the contrary contained in this Supplement, (i) the Liens and security interests granted to the Agent pursuant to this Supplement are expressly subject and subordinate to the Liens and security interests granted in favor of the Senior Lien Secured Parties (as defined in the ABL/Term Intercreditor Agreement), including Liens and security interests granted to the Revolving Agent and (ii) the exercise of any right or remedy in respect of the Liens and security interests by the Agent or any other secured party hereunder is subject to the limitations and provisions of the ABL/Term Intercreditor Agreement. Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, with respect to any Additional Pledged Collateral, until the occurrence of the Discharge of Senior Lien Obligations, any obligation of any Additional Pledgor hereunder with respect to the delivery or control of any Additional Pledged Collateral, the notation of any lien on any document, the giving of any notice to any Person, the provision of voting rights or the obtaining of any consent of any Person shall be subject and subordinate to the rights of the Revolving Agent pursuant to the Senior Lien Collateral Documents (as such term is defined in the ABL/Term Intercreditor Agreement). To the extent that compliance by any Note Party with any actions specified in the immediately preceding sentence would (x) conflict with the exercise of or direction by the Revolving Agent of comparable rights, (y) require delivery of Additional Pledged Collateral which can only be delivered to one Person or (z) be, under Applicable Law, prohibited or unable to be completed, then the applicable Additional Pledgor shall not have to take any such actions so long as the applicable Additional Pledgor is, with respect to clause (x), complying with the exercise of, or direction by, the Revolving Agent, with respect to clause (y), has delivered such collateral to the Revolving Agent or any of its agents, and, with respect to clause (z), only so long as Applicable Law would prevent such compliance. Any reference herein to the Lien of Agent being "first priority" or words of similar effect shall mean that such Lien is a first priority Lien, subject only to the prior Lien of the Revolving Agent and any Permitted Encumbrances that have priority by operation of law. In the event of any conflict between the terms of (i) the ABL/Term Intercreditor Agreement and this Supplement, the terms of the ABL/Term Intercreditor Agreement shall govern and control or (ii) the ABL/Term Intercreditor Agreement and the Junior Lien Intercreditor Agreement, the terms of the ABL/Term Intercreditor Agreement shall govern and control.

[Signature Pages Follow]

IN WITNESS WHEREOF, each Additional Pledgor and the Agent have duly executed this Supplement to the Pledge Agreement as of the day and year first above written.

[NAME OF ADDITIONAL PLEDGOR]

By: _____
Name:
Title:

HPS INVESTMENT PARTNERS, LLC, solely in its capacity as Agent and not in its individual capacity

By: _____
Name:
Title:

Schedule 1

CERTIFICATE OF ISSUER

Issuer	Owner	Class of Equity Interest	Certificate No.	Number of Shares or Interests	Percentage of Outstanding Shares or Interests

Exhibit C

UCC Letter
(with the Debtors' proposed changes)

The Official Committee of Unsecured
Creditors of Emerge Energy Services LP, *et al*.
c/o Kilpatrick Townsend & Stockton LLP
The Grace Building, 1114 Avenue of the Americas
New York, NY, 10036-7703
and
Potter Anderson & Corroon LLP
1313 N. Market Street, 6th Floor,
Wilmington, DE 19801-6108

September [●], 2019

To: All Unsecured Creditors of Emerge Energy Services LP, *et al*.

Re: *In re Emerge Energy Services LP, et al.*, Case No. 19-11563 (KBO)[1]

The Official Committee of Unsecured Creditors (the "Committee") of Emerge Energy Services LP, *et al*. (the "Debtors") submits this letter to all unsecured creditors concerning their consideration of whether to vote in favor of the *First Amended Joint Plan of Reorganization for Emerge Energy Services LP and its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code* [Docket No. 268] (the "Plan").

BASED ON THE CURRENTLY KNOWN FACTS AND CIRCUMSTANCES AND THE INFORMATION PROVIDED BY THE DEBTORS AND THEIR PROFESSIONALS, THE COMMITTEE DOES NOT SUPPORT THE PLAN, INCLUDING THE PLAN'S TREATMENT OF UNSECURED CREDITORS OF THE DEBTORS, AND URGES ALL UNSECURED CREDITORS TO VOTE TO REJECT THE PLAN.

A. Background

On July 15, 2019, the Debtors filed voluntary petitions for relief under chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). The bankruptcy cases for these Debtors and debtors-in-possession are jointly administered under the bankruptcy case and style referenced above.

On July 30, 2019, the Office of the United States Trustee for Region 3 (the "U.S. Trustee") appointed a statutory committee of unsecured creditors pursuant to section 1102(a)(1) of the Bankruptcy Code.

The Committee has retained the following professionals: (i) Kilpatrick Townsend & Stockton LLP as its co-counsel; (ii) Potter Anderson & Corroon LLP as its co-counsel; (iii) Province, Inc. as its financial advisor; and (iv) Miller Buckfire & Co., LLC and Stifel Nicolaus & Co., Inc. as its investment banker. The members of the Committee have devoted a considerable amount of their own time working on these cases to protect the rights of all unsecured creditors.

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Emerge Energy Services LP (2937), Emerge Energy Services GP LLC (4683), Emerge Energy Services Operating LLC (2511), Superior Silica Sands LLC (9889), and Emerge Energy Services Finance Corporation (9875). The Debtors' address is 5600 Clearfork Main Street, Suite 400, Fort Worth, Texas 76109.

B. The Plan and Approval of the Disclosure Statement

On August 29, 2019, the Debtors filed the Plan and the *Disclosure Statement for the First Amended Joint Plan of Reorganization for Emerge Energy Services LP and its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code* [Docket No. 269] (the "Disclosure Statement"). The Plan is a plan of reorganization for the Debtors that implements the transactions contemplated by that certain restructuring support agreement (the "RSA") entered into by the Debtors, their Consenting Equity Holders, including Insight Equity Management Company LLC ("Insight Equity"), the Debtors' first lien Revolving Loan Lenders and the Debtors' second lien Noteholders (the "RSA"). *See* Docket No. 14. Specifically, the Plan contemplates, among other things, the payment in full of the Prepetition Credit Agreement Claims and the conversion of approximately $228 million of indebtedness related to the second lien Prepetition Notes Claims into 95% of the reorganized Debtors' equity. If the Plan is confirmed as currently presented, HPS Investment Partners, LLC ("HPS"), holder of the controlling majority of the Debtors' first and second lien Prepetition Debt Claims, will own substantially all of the reorganized Debtors' equity. **The Committee was not consulted in the formulation of the Plan or the RSA and both documents reflect only the input and views of the parties to the RSA.**

On August 30, 2019, the Committee filed its *Objection of the Official Committee of Unsecured Creditors to Debtors' Motion for Entry of an Order (I) Approving the Disclosure Statement, (II) Establishing the Voting Record Date, Voting Deadline and Other Dates, (III) Approving Procedures for Soliciting, Receiving and Tabulating Votes on the Plan and for Filing Objections to the Plan, (IV) Approving the Manner and Forms of Notice and Other Related Documents, and (V) Granting Related Relief* [Docket No. [●]].

A hearing was held on [●] 2019 to consider approval of the Disclosure Statement. On [●] 2019, the Court entered an order approving the Disclosure Statement over the objection of the Committee, establishing procedures for the solicitation and tabulation of votes to accept or reject the Plan, and establishing deadlines and procedures for filing objections to confirmation of the Plan. The hearing to confirm the Plan is currently scheduled for [●] 2019.

C. The Committee's Views

The Committee believes that

The Committee believes that the Plan does not preserve the rights and maximize value for all general unsecured creditors, nor does it preserve the rights and interests of all creditors to potentially valuable claims and causes of action. Rather than vigorously pursuing alternatives that may be more fair and beneficial to all creditors, the Debtors have dedicated their time and resources to confirming a plan that serves the interests of HPS and provides for HPS's ownership of a vast majority of the equity in the Reorganized Debtors.

The Committee believes that the Plan should not be confirmed because, among other reasons, it (i) was proposed as a result of undue control asserted by HPS, which approved a slate of candidates for the members of the Special Restructuring Committee, the committee of Emerge Energy Services GP LLC's Board of Directors that maintains decision-making authority over the Debtors' restructuring, (ii) inappropriately releases potentially valuable claims of the Debtors' estates against various insiders and other parties, (iii) offers creditors holding Class 6 General Unsecured Claims a *de minimis* recovery of only "[0.4-0.8]%", which recovery is comprised of 5.0% of New Limited Partnership Interests and New Warrants representing 10.0%

The Committee believes that

of the New Limited Partnership Interests, both subject to dilution, but only if Class 6 creditors vote to accept the plan, in violation of, among other code provisions, the best interests of creditors test; and (iv) provides inadequate or no consideration from HPS, the Debtors' former and current directors and officers, and other third parties, in return for the valuable releases being granted by unsecured creditors to such parties.

In light of the flaws and defects with respect to the Plan and the information the Committee has received to date, ~~the Committee believes that~~ alternate plan structures could result in higher or better recoveries to unsecured creditors. Accordingly, the Committee believes that the current Plan is **NOT** in the best interests of the Debtors' unsecured creditors.

In view of the foregoing, the Committee recommends that all unsecured creditors **vote against** the Plan by indicating your rejection of the Plan on the ballot that you will receive from the Debtors. **Your vote to REJECT the Plan is crucial regardless of the size of your claim.**

THERE IS ALWAYS A RISK THAT ALTERNATIVES TO THE PLAN COULD RESULT IN LOWER RECOVERIES FOR GENERAL UNSECURED CREDITORS THAN THOSE UNDER THE CURRENT PLAN. THE COMMITTEE DOES NOT GUARANTEE ANY PARTICULAR RESULT IN THE DEBTORS' BANKRUPTCY CASES. IF THE COURT OVERRULES ALL OBJECTIONS TO THE PLAN, CLASS 6'S VOTE TO REJECT THE PLAN IN ITS CURRENT FORM WOULD RESULT IN A WORSE RECOVERY.

Of course, before you cast your ballot, you should review the enclosed Plan, the Disclosure Statement and the exhibits to the Disclosure Statement in their entirety, and you may want to consult your own legal and financial professionals. This letter is not intended or offered as legal advice as to any specific claim or the treatment of such specific claim under the Plan. It has been prepared for informational purposes only.

By this letter, the Committee is expressing its opposition to the Plan; however, this letter does not necessarily reflect the views of any individual Committee member, each of which reserves any and all of its rights.

If you have any questions regarding voting procedures or otherwise, please contact counsel to the Committee, Todd C. Meyers at (404) 815-6482 or David M. Posner at (212) 775-8764.

Very truly yours,

The Official Committee of Unsecured Creditors of Emerge Energy Services LP, *et al.*

YOU ARE URGED TO CAREFULLY READ THE DISCLOSURE STATEMENT AND PLAN. THE DESCRIPTION OF THE PLAN IN THIS LETTER IS INTENDED TO BE ONLY A SUMMARY AND IS QUALIFIED IN ITS ENTIRETY BY THE PLAN AND THE DISCLOSURE STATEMENT.

THIS COMMUNICATION DOES NOT CONSTITUTE, AND SHALL NOT BE CONSTRUED AS, A SOLICITATION BY ANY INDIVIDUAL MEMBER OF THE COMMITTEE.

Exhibit D

Debtors' Letter

Emerge Energy Services LP
5600 Clearfork Main Street, Suite 400
Fort Worth, Texas 76109

September [ ], 2019

To all Holders[1] of Claims:

Emerge Energy Services LP and its affiliate debtors and debtors in possession (collectively, the "**Debtors**") are presenting the enclosed Solicitation Package for your consideration.

On September [ ], 2019, the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") entered the *Order (I) Approving the Disclosure Statement, (II) Establishing the Voting Record Date, Voting Deadline and Other Dates, (III) Approving Procedures for Soliciting, Receiving and Tabulating Votes on the Plan and for Filing Objections to the Plan, (IV) Approving the Manner and Forms of Notice and Other Related Documents, (V) Approving Procedures for Assumption of Contracts and Leases and Form and Manner of Assumption Notice, and (VI) Granting Related Relief* [Docket No.__] (the "**Solicitation Order**").

You have received this letter and the enclosed materials because you may be entitled to vote on the *First Amended Joint Plan of Reorganization for Emerge Energy Services LP and Its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code*, dated September [__], 2019 (the "**Plan**") as indicated on the Ballot that has been provided to you with this letter.

IMPORTANT: **YOU SHOULD READ THE DISCLOSURE STATEMENT AND PLAN PRIOR TO SUBMITTING YOUR BALLOTS IN RESPONSE TO THIS SOLICITATION**. **PLEASE SEE THE INSTRUCTIONS BELOW FOR OBTAINING THE DISCLOSURE STATEMENT AND PLAN**.

The Solicitation Package

The enclosed materials constitute the Solicitation Package and, in addition to this letter, consist of the following:

a. a notice of the Confirmation Hearing;

b. the Disclosure Statement

c. the Plan (which is attached as Exhibit A to the Disclosure Statement)

d. the Solicitation Order (excluding the exhibits thereto);

e. for Holders of Claims in voting Classes (*i.e.*, Holders of Claims in Classes 5 and 6), an appropriate form of Ballot, instructions on how to complete the Ballot and a

[1] Capitalized terms used but not otherwise defined herein have the meanings given to them in the Plan, the Disclosure Statement, or the Solicitation Order, as applicable.

pre-paid, pre-addressed Ballot return envelope and such other materials as the Bankruptcy Court may direct; and

f. a letter from the Creditors' Committee addressed to all general unsecured creditors (the "**Committee Letter**").

The Debtors recommend you vote to ACCEPT the Plan

The Plan will allow the Debtors to strengthen their balance sheet by converting over $200 million of prepetition indebtedness into equity interests in the Reorganized Debtors and enabling the Debtors to obtain new equity and debt capital upon emergence that will permit the Debtors to exit bankruptcy protection expeditiously and with sufficient liquidity to implement their business plan. If you are a creditor entitled to vote on the Plan, the Debtors urge you to vote to **ACCEPT** the Plan.

Response to Committee Letter

In the Committee Letter, the Creditors' Committee recommends that Holders of Claims entitled to vote should reject the Plan. The Debtors believe this recommendation is not in the best interests of any of their stakeholders and any Holder of a Claim considering this recommendation should be informed about the following potential consequences that could occur if you vote to reject the Plan and/or if the Plan is not confirmed. In particular, if Holders of Claims in Class 6 vote to reject the Plan, then the Debtors anticipate that such Holders of Class 6 Claims will not receive any property or distributions under the Plan.

Instructions for Obtaining the Disclosure Statement and Plan

To view, download and/or print copies of the Plan and Disclosure Statement free of charge, please visit the case website located at http://www.kccllc.net/emergeenergy and click on the Plan and Disclosure Statement tab, which contains links to all Plan-related documents referenced herein. You may also access the Plan and Disclosure Statement tab directly at http://www.kccllc.net/emergeenergy/document/list/4947.

If you have questions about the solicitation and voting process or the Debtors' Chapter 11 Cases generally, or would like to receive hard copies of the Plan, Disclosure Statement, or any other documents referenced herein, please contact Kurtzman Carson Consultants LLC by telephone at (877) 634-7165 (toll-free) or (424) 236-7221 (international callers) or by writing to Emerge Energy Services, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245.

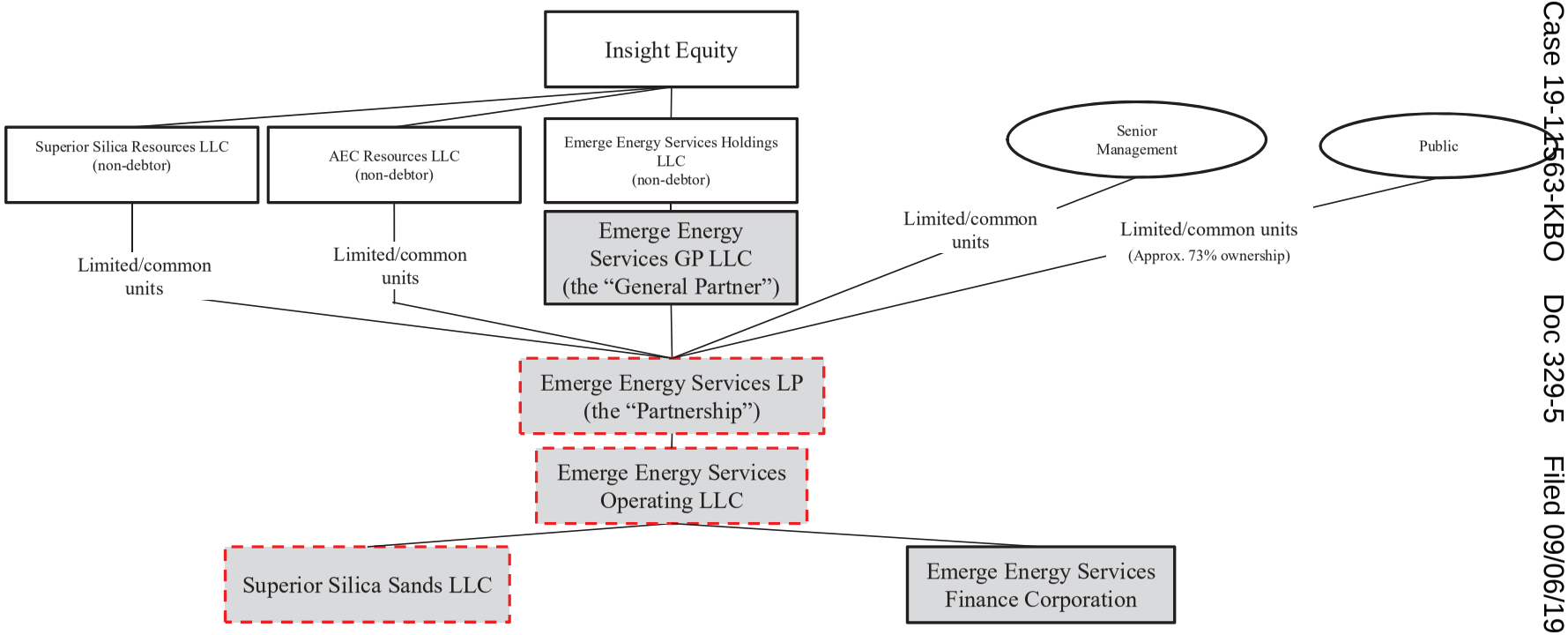
Very truly yours,

Emerge Energy Services LP

Exhibit E

Organizational Chart

Emerge Energy Services LP
Legal Structure Chart



= Chapter 11 filer

= Chapter 11 filer that is secured obligor on Revolver Loan and Secured Notes

All Chapter 11 filers are Delaware entities, except for Superior Silica Sands which is a Texas entity.