



ENTERED  
07/13/2020

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

----- X  
In re: : Chapter 11  
: :  
HI-CRUSH INC., *et al.*,<sup>1</sup> : Case No. 20-33495 (DRJ)  
: :  
Debtors. : (Jointly Administered)  
: :  
----- X

**ORDER (I) AUTHORIZING THE DEBTORS TO CONTINUE  
THEIR CUSTOMER PROGRAMS AND (II) GRANTING RELATED RELIEF**

**[Relates to Motion at Docket No. 16 ]**

Upon the motion (the “**Motion**”)<sup>2</sup> of the Debtors for an Order (i) authorizing the Debtors to continue their Customer Programs and (ii) granting related relief; and the Court having reviewed the Motion and the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and all objections, if any, to entry of this Order having

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Hi-Crush Inc. (0530), OnCore Processing LLC (9403), Hi-Crush Augusta LLC (0668), Hi-Crush Whitehall LLC (5562), PDQ Properties LLC (9169), Hi-Crush Wyeville Operating LLC (5797), D & I Silica, LLC (9957), Hi-Crush Blair LLC (7094), Hi-Crush LMS LLC, Hi-Crush Investments Inc. (6547), Hi-Crush Permian Sand LLC, Hi-Crush Proppants LLC (0770), Hi-Crush PODS LLC, Hi-Crush Canada Inc. (9195), Hi-Crush Holdings LLC, Hi-Crush Services LLC (6206), BulkTracer Holdings LLC (4085), Pronghorn Logistics Holdings, LLC (5223), FB Industries USA Inc. (8208), PropDispatch LLC, Pronghorn Logistics, LLC (4547), and FB Logistics, LLC (8641). The Debtors’ address is 1330 Post Oak Blvd, Suite 600, Houston, Texas 77056.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



been withdrawn, resolved, or overruled; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in the Order, it is hereby

**ORDERED THAT:**

1. The Debtors are authorized, but not directed, to continue, enforce, renew, replace, modify, implement new and/or terminate existing Customer Programs and any other customer practices as they deem appropriate, in consultation with counsel to the Ad Hoc Group, without further application to the Court, including making all payments, honoring all discounts and credits, satisfying all obligations, and permitting and effecting all setoffs in connection therewith, in each case whether related to the prepetition period or the postpetition period.

2. The Debtors are authorized to enforce any Minimum Purchase Agreements in the ordinary course of business.

3. Nothing in the Motion or this Order, or the Debtors' payment of any claims pursuant to this Order, shall be construed as: (i) an admission as to the validity of any claim against any Debtor or the existence of any lien against the Debtors' properties; (ii) a waiver of the Debtors' rights to dispute any claim or lien on any grounds; (iii) a promise to pay any claim; (iv) an implication or admission that any particular claim would constitute an allowed claim; (v) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; or (vi) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Order. Nothing contained in this Order shall be deemed to increase, decrease, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

4. Nothing in this Order or the Motion shall be construed as prejudicing any rights the Debtors may have to dispute or contest the amount of or basis for any claims asserted against the Debtors in connection with any Customer Programs.

5. Notwithstanding anything to the contrary contained herein, (i) any payment made, or to be made, or authorization contained hereunder shall be subject to the requirements imposed on the Debtors under any order approving a postpetition financing facility or any order regarding the use of cash collateral approved by this Court in these Chapter 11 Cases (collectively, the “**DIP Orders**”), and (ii) to the extent there is any inconsistency between the terms of the DIP Orders and any action taken or proposed to be taken hereunder, the terms of the DIP Orders shall control. For the avoidance of doubt, the Debtors are not authorized to make any payments pursuant to this Order except as permitted by the Budget (as defined in the DIP Orders).

6. The contents of the Motion satisfy the requirements of Bankruptcy Rules 6003(b) and 6004(a).

7. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Order shall be effective and enforceable immediately upon entry hereof.

8. The Debtors shall maintain a matrix/schedule of payments related to the Customer Programs made pursuant to this Order, including the following information: (a) the names of the payee; (b) the date and amount of the payment; (c) the category or type of payment; and (d) the Debtor or Debtors that made the payment. The Debtors shall provide a copy of such matrix/schedule to the U.S. Trustee, the Ad Hoc Group, and any statutory committee appointed in these chapter 11 cases 30 days beginning upon entry of this Order.

9. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Order.

10. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

**Signed: July 13, 2020.**



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**DAVID R. JONES**  
**UNITED STATES BANKRUPTCY JUDGE**

United States Bankruptcy Court  
Southern District of TexasIn re:  
Hi-Crush Inc.  
DebtorCase No. 20-33495-drj  
Chapter 11**CERTIFICATE OF NOTICE**

District/off: 0541-4

User: emiller  
Form ID: pdf002Page 1 of 2  
Total Noticed: 3

Date Rcvd: Jul 14, 2020

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jul 16, 2020.

db +Hi-Crush Inc., 1330 Post Oak Blvd., Suite 600, Houston, TX 77056-3166  
 cr +Howard County Tax Office, et al, c/o Laura J. Monroe,  
 Perdue, Brandon, Fielder, Collins & Mott, PO Box 817, Lubbock, TX 79408-0817  
 op +Kurtzman Carson Consultants LLC, 222 N Pacific Coast Highway, 3rd Floor,  
 El Segundo, CA 90245-5614

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.  
NONE. TOTAL: 0

\*\*\*\*\* BYPASSED RECIPIENTS (undeliverable, \* duplicate) \*\*\*\*\*  
 cr Ad Hoc Group of Holders  
 cr CIT Bank, N.A.  
 cr Cantor Fitzgerald Securities, as DIP Term Loan Age  
 cr Chevron U.S.A. Inc.  
 cr JPMORGAN CHASE BANK, N.A.  
 cr Trinity Industries Leasing Co.

TOTALS: 6, \* 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.  
USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

**I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.****Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.**

Date: Jul 16, 2020

Signature: /s/Joseph Speetjens**CM/ECF NOTICE OF ELECTRONIC FILING**

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on July 13, 2020 at the address(es) listed below:

Ashley L. Harper on behalf of Debtor Hi-Crush Inc. ashleyharper@HuntonAK.com  
 Cristina Walton Liebolt on behalf of Creditor JPMORGAN CHASE BANK, N.A.  
 Cristina.liebolt@stblaw.com  
 Daniel Latham Biller on behalf of Creditor JPMORGAN CHASE BANK, N.A. Daniel.biller@stblaw.com  
 Edward L Ripley on behalf of Creditor Chevron U.S.A. Inc. eripley@andrewsmyers.com  
 Elisha Graff on behalf of Creditor JPMORGAN CHASE BANK, N.A. egraff@stblaw.com  
 Evan Gershbein on behalf of Other Prof. Kurtzman Carson Consultants LLC  
 ECFpleadings@kccllc.com, ecfpleadings@kccllc.com  
 Hector Duran, Jr on behalf of U.S. Trustee US Trustee Hector.Duran.Jr@usdoj.gov  
 John F Higgins, IV on behalf of Creditor Ad Hoc Group of Holders jhiggins@porterhedges.com,  
 emoreland@porterhedges.com; eliana-garfias-8561@ecf.pacerpro.com; mwebb@porterhedges.com  
 John F Higgins, IV on behalf of Creditor Cantor Fitzgerald Securities, as DIP Term Loan Agent  
 jhiggins@porterhedges.com,  
 emoreland@porterhedges.com; eliana-garfias-8561@ecf.pacerpro.com; mwebb@porterhedges.com  
 Laura J Monroe on behalf of Creditor Howard County Tax Office, et al lmbkr@pbfcm.com,  
 kroberson@ecf.inforuptcy.com  
 Michael L. Schein on behalf of Creditor CIT Bank, N.A. mschein@vedderprice.com  
 Omar Jesus Alaniz on behalf of Creditor Trinity Industries Leasing Co.  
 omar.alaniz@bakerbotts.com, omar-alaniz-2648@ecf.pacerpro.com  
 Stephen Douglas Statham on behalf of U.S. Trustee US Trustee stephen.statham@usdoj.gov  
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Inc. TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Services LLC TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor PropDispatch LLC TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Holdings LLC TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Investments Inc.  
 TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor FB Logistics, LLC TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor Hi-Crush Permian Sand LLC  
 TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor Pronghorn Logistics, LLC  
 TadDavidson@HuntonAK.com  
 Timothy Alvin Davidson, II on behalf of Debtor PDQ Properties LLC TadDavidson@HuntonAK.com

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Form ID: pdf002

Page 2 of 2  
Total Noticed: 3

Date Rcvd: Jul 14, 2020

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

Timothy Alvin Davidson, II	on behalf of Debtor	OnCore Processing LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Pronghorn Logistics Holdings, LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Augusta LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush LMS LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush PODS LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	D & I Silica, LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Whitehall LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	BulkTracer Holdings LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Wyeville Operating LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Proppants LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	FB Industries USA Inc. TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Blair LLC TadDavidson@HuntonAK.com
Timothy Alvin Davidson, II	on behalf of Debtor	Hi-Crush Canada Inc. TadDavidson@HuntonAK.com
US Trustee	USTPRegion07.HU.ECF@USDOJ.GOV	

TOTAL: 36