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

	Х	
In re:	:	Chapter 11
	:	
HI-CRUSH PERMIAN SAND LLC, et al., <sup>1</sup>	:	Case No. 20-33505 (DRJ)
	:	(Jointly Administered)
Reorganized Debtors.	:	(Formerly Jointly Administered under Lead
-	:	Case: Hi-Crush Inc., Case No. 20-33495) <sup>2</sup>
	v	

## REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 80 (BRUSH'S LAWN CARE AND SNOW REMOVAL, LLC)

This is an Objection to your claim. This objection asks the Court to reclassify the claim that you filed in this bankruptcy case. If you do not file a response within 30 days after the objection was served on you, your claim may be reclassified without a hearing.

A hearing will be conducted on this matter on May 14, 2021 at 9:30 am (Prevailing Central Time) in Courtroom 400, 4th floor, United States Bankruptcy Court for the Southern District of Texas, 515 Rusk Street, Houston, Texas 77002. You may participate in the hearing by audio/video connection.

Audio communication will be by use of the Court's regular dial-in facility. You may access the facility at (832) 917-1510. You will be responsible for your own long-distance charges. Once connected, you will be asked to enter the conference room number. Judge Jones' conference room number is 205691.

You may view video via GoToMeeting. To use GoToMeeting, the Court recommends that you download the free GoToMeeting application. To connect, you should enter the meeting Code "JudgeJones" in the GoToMeeting app or click the link on Judge Jones' home page on

<sup>&</sup>lt;sup>2</sup> On December 11, 2020, the Court entered the *Final Decree Closing Certain of the Chapter 11 Cases* [Case No. 20-33495, Docket No. 505], which closed each Reorganized Debtor's case except for Hi-Crush Permian Sand LLC, Case No. 20-33505, and directed that all further filings be made in that case.



<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these cases, along with the last four digits of each Reorganized 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 Reorganized Debtors' address is 1330 Post Oak Blvd, Suite 600, Houston, Texas 77056.

the Southern District of Texas website. Once connected, click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of the hearing. To make your electronic appearance, go to the Southern District of Texas website and select "Bankruptcy Court" from the top menu. Select "Judges' Procedures," then "View Home Page" for Judge Jones. Under "Electronic Appearance" select "Click here to submit Electronic Appearance". Select the case name, complete the required fields and click "Submit" to complete your appearance.

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at https://ecf.txsb.uscourts.gov/ within 30 days from the date this objection was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

The above-captioned reorganized debtors (collectively, the "Debtors" or "Reorganized

Debtors," as applicable) respectfully state the following in support of this claim objection (the

"<u>Objection</u>"):

### **Relief Requested**

1. By this Objection, the Reorganized Debtors seek entry of an order (the "<u>Order</u>"), substantially in the form attached hereto, reclassifying the Disputed Claim (as defined below) as a general unsecured claim because the Disputed Claim seeks payment for services rendered by a company and not wages earned by an individual. For the avoidance of doubt, the Reorganized Debtors are not disputing the amount or validity of the Disputed Claim and are not seeking to disallow the Disputed Claim at this time.

### JURISDICTION AND VENUE

2. The United States Bankruptcy Court for the Southern District of Texas (the "<u>Court</u>") has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157, and this Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

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3. The bases for the relief requested herein are sections 105(a) and 502(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "<u>Bankruptcy Code</u>"), rule 3007 of the Federal Rules of Bankruptcy Procedure (the "<u>Bankruptcy Rules</u>"), rule 3007-1(b) of the Bankruptcy Local Rules for the Southern District of Texas, and the Procedures for Complex Cases in the Southern District of Texas.

#### BACKGROUND

4. On July 12, 2020 (the "<u>Petition Date</u>"), the Debtors filed voluntary petitions for relief in this Court commencing cases (the "<u>Chapter 11 Cases</u>") under chapter 11 of the Bankruptcy Code. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Chapter 11 Cases, is set forth in detail in the *Declaration of J. Philip McCormick, Jr., Chief Financial Officer of the Debtors, in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 24]<sup>3</sup> (the "First Day Declaration"), filed on the Petition Date.

5. On August 15, 2020, the Debtors filed their Joint Plan of Reorganization for Hi-Crush Inc. and Its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code [Docket No. 289] (as may be amended, modified, or supplemented, the "<u>Plan</u>"). On September 23, 2020, the Court entered the Findings of Fact, Conclusions of Law and Order Confirming the Plan of Reorganization for Hi-Crush Inc. and Its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code [Docket No. 420] (the "<u>Confirmation Order</u>").

6. The Plan provides that the Reorganized Debtors are authorized to object to scheduled claims and proofs of claim and interests. *See* Plan Article VIII. On October 9, 2020,

<sup>&</sup>lt;sup>3</sup> All references to "Docket No." refer to the docket in the former lead case of Hi-Crush Inc., Case No. 20-33495 unless otherwise indicated.

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the Plan was substantially consummated, and the Effective Date (as defined in the Plan) occurred. See Notice of (I) Effective Date of the Joint Plan or Reorganization for Hi-Crush Inc. and its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code and (II) Establishing Deadline for the Filing of Administrative Claims Against the Debtors [Docket No. 452] (the "<u>Notice of Effective</u> <u>Date</u>").

7. On August 11, 2020, the Debtors filed their respective schedules of assets and liabilities ("<u>Schedules</u>") and statements of financial affairs, pursuant to Bankruptcy Rule 1007. *See* Docket Nos. 231-274.

8. On July 13, 2020, the Court entered the Order (I) Establishing (A) Bar Dates and (B) Related Procedures for Filing Proofs of Claim, (II) Approving the Form and Manner of Notice Thereof and (III) Granting Related Relief [Docket No. 88] (the "<u>Bar Date Order</u>") pursuant to which the Court, among other things, established August 16, 2020, at 5:00 p.m. (prevailing Central Time) (the "<u>General Bar Date</u>"), as the deadline for all non-governmental entities<sup>4</sup> holding or wishing to assert a "claim" (as defined in section 101(15) of the Bankruptcy Code).

#### THE DISPUTED CLAIM

9. On July 30, 2020, Brush's Lawn Care and Snow Removal, LLC (the "<u>Claimant</u>") filed Claim No. 80 (the "<u>Disputed Claim</u>"), a copy of which is attached as <u>Exhibit A</u>. The Disputed Claim seeks payment of \$6,530.45 as a priority claim under section 507(a)(4) of the Bankruptcy Code for wages, salaries, or commissions earned within 180 days of the Petition Date.

10. The Reorganized Debtors and their advisors, including Alvarez & Marsal North America, LLC ("<u>A&M</u>"), have been working diligently to review the proofs of claim filed in these

<sup>&</sup>lt;sup>4</sup> The deadline for all governmental units asserting a "claim" (as defined in section 101(15) of the Bankruptcy Code) against the Reorganized Debtors that arose on or prior to the Petition Date to file written proof of such claim was January 8, 2021, at 5:00 p.m. (prevailing Central Time) (together with the General Bar Date, the "<u>Bar Dates</u>").

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cases, including any supporting documentation filed together with any proof of claim. As set forth herein and in the declaration of Jeffrey Sielinski, Senior Director, A&M (the "<u>Sielinski</u> <u>Declaration</u>"), attached as <u>Exhibit B</u>, the Reorganized Debtors have thoroughly reviewed their books and records and have determined that the Disputed Claim should be reclassified as a general unsecured claim.

11. The basis of the Disputed Claim is lawn care services provided by the Claimant. As shown on the face of the Disputed Claim, the Claimant is an LLC providing services to clients such as the Reorganized Debtors. The Claimant is not an individual employed by the Reorganized Debtors who earns wages, salaries, or commissions from the Reorganized Debtors. The Claimant is an entity who provided services to the Reorganized Debtors prior to the Petition Date and invoiced the Reorganized Debtors for those services. As a result, the Disputed Claim should be reclassified as a general unsecured claim.

### **BASIS FOR RELIEF**

12. Section 502(a) of the Bankruptcy Code provides, in pertinent part, as follows: "[a] claim or interest, proof of which is filed under section 501 of [the Bankruptcy Code], is deemed allowed, unless a party in interest . . . objects." 11 U.S.C. § 502. Section 507(a) of the Bankruptcy Code provides for priority for a claim for "wages, salaries, or commissions, including vacation, severance, and sick leave pay earned by an individual." 11 U.S.C. § 507(a)(4).

13. As set forth in Bankruptcy Rule 3001(f), a properly executed and filed proof of claim constitutes *prima facie* evidence of the validity and the amount of the claim under section 502(a) of the Bankruptcy Code. *See, e.g., In re Jack Kline Co., Inc.,* 440 B.R. 712, 742 (Bankr. S.D. Tex. 2010). A proof of claim loses the presumption of *prima facie* validity under Bankruptcy Rule 3001(f) if an objecting party refutes at least one of the allegations that are essential to the claim's legal sufficiency. *See In re Fidelity Holding Co., Ltd.,* 837 F.2d 696, 698 (5th Cir. 1988).

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Once such an allegation is refuted, the burden reverts to the claimant to prove the validity of its claim by a preponderance of the evidence. *Id.* Despite this shifting burden during the claim objection process, "the ultimate burden of proof always lies with the claimant." *In re Armstrong*, 347 B.R. 581, 583 (Bankr. N.D. Tex. 2006) (citing *Raleigh v. Ill. Dep't of Rev.*, 530 U.S. 15 (2000)).

14. For the reasons set forth above, as supported by the Sielinski Declaration, the Reorganized Debtors respectfully respect that the Court enter an Order sustaining this Objection and reclassifying the Disputed Claim as a general unsecured claim. Failure to do so could result in the Claimant receiving an unwarranted recovery from the Reorganized Debtors—to the detriment of legitimate creditors.

### **RESERVATION OF RIGHTS**

15. This Objection is without prejudice to the rights of the Reorganized Debtors or any other party in interest to object to the Disputed Claim on any grounds whatsoever, and the Reorganized Debtors expressly reserve all further substantive or procedural objections they may have.

### [*Remainder of page intentionally left blank*]

Dated: April 8, 2021 Houston, Texas Respectfully Submitted,

/s/ Philip M. Guffy

Timothy A. ("Tad") Davidson II (TX Bar No. 24012503) Joseph P. Rovira (TX Bar No. 24066008) Ashley Harper (TX Bar No. 24065272) Philip M. Guffy (TX Bar No. 24113705) **HUNTON ANDREWS KURTH LLP** 600 Travis Street, Suite 4200 Houston, Texas 77002 Tel: 713-220-4200 Fax: 713-220-4285 Email: pguffy@HuntonAK.com taddavidson@HuntonAK.com josephrovira@HuntonAK.com

-and-

George A. Davis (admitted *pro hac vice*) Keith A. Simon (admitted *pro hac vice*) David A. Hammerman (admitted pro hac vice) Annemarie V. Reilly (admitted *pro hac vice*) Hugh K. Murtagh (admitted pro hac vice) **LATHAM & WATKINS LLP** 885 Third Avenue New York, New York 10022 Tel: 212-906-1200 Fax: 212-751-4864 Email: george.davis@lw.com keith.simon@lw.com david.hammerman@lw.com annemarie.reilly@lw.com hugh.murtagh@lw.com

Counsel for the Reorganized Debtors

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## **CERTIFICATE OF SERVICE**

I certify that on April 8, 2021, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

<u>/s/ Philip M. Guffy</u> Philip M. Guffy

## <u>Exhibit A</u>

**Proof of Claim** 

Page 2 of 10 Claim #80 Date Filed: 7/30/2020

Fill in this information to identify the case:			
Debtor	Hi-Crush Whitehall LLC		
United States Bankruptcy Court for the: Southern		District of Texas (State)	
Case number	20-33498		

# Official Form 410 Proof of Claim

04/19

2033495200715034808000466

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Pa	art 1: Identify the Clai	m			
1.	Who is the current creditor?	BRUSHS       LAWN       CARE       AND       SNOW       REMOVAL         Name of the current creditor (the person or entity to be paid for this claim)       Other names the creditor used with the debtor			
2.	Has this claim been acquired from someone else?	No Yes. From whom?			
3.	Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent?         BRUSHS LAWN CARE AND SNOW REMOVAL         22856 N MAIN ST         ETTRICK, WI 54627         Contact phone       6085250222         Contact email       jadamb@msn.com         Uniform claim identifier for electronic payments in chapter 13 (if you use	Where should payments to the creditor be sent? (if different)         Josh Brush         Po Box 97         Ettrick, Wisconsin 54627         Contact phone <u>6085250222</u> Contact email       jadamb@msn.com         one):		
4.	Does this claim amend one already filed?	<ul><li>No</li><li>Yes. Claim number on court claims registry (if known)</li></ul>	Filed on		
5.	Do you know if anyone else has filed a proof of claim for this claim?	<ul> <li>No</li> <li>Yes. Who made the earlier filing?</li> </ul>			

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Ρ	art 2: Give Information At	bout the Claim as of the Date the Case Was Filed		
6.	6. Do you have any number No you use to identify the			
	debtor?	Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor:		
7.	How much is the claim?	. Does this amount include interest or other charges?		
		Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).		
8.	What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.		
		Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).		
		Limit disclosing information that is entitled to privacy, such as health care information.		
		Services Performed		
9.		No		
	secured?	Yes. The claim is secured by a lien on property.		
		Nature or property:		
		Real estate: If the claim is secured by the debtor's principle residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> .		
		Motor vehicle		
		Other. Describe:		
		Basis for perfection:		
		Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)		
		Value of property: \$		
		Amount of the claim that is secured: \$		
		Amount of the claim that is unsecured: \$(The sum of the secured and unsecured amount should match the amount in line 7.)		
		Amount necessary to cure any default as of the date of the petition: \$		
		Annual Interest Rate (when case was filed)%		
		Fixed		
		Variable		
10	Is this claim based on a lease?	No No		
	16026 :	Yes. Amount necessary to cure any default as of the date of the petition.		
11	Is this claim subject to a	No		
right of seton?		Yes. Identify the property:		



12. Is all or part of the claim			
entitled to priority under 11 U.S.C. § 507(a)?			Amount entitled to priority
		ck all that apply:	Amount entitied to priority
A claim may be partly priority and partly nonpriority. For example,		estic support obligations (including alimony and child support) under S.C. § 507(a)(1)(A) or (a)(1)(B).	\$
in some categories, the law limits the amount		\$3,025* of deposits toward purchase, lease, or rental of property rvices for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$
entitled to priority.	days	es, salaries, or commissions (up to \$13,650*) earned within 180 before the bankruptcy petition is filed or the debtor's business ends, never is earlier. 11 U.S.C. § 507(a)(4).	\$ <u>6530.45</u>
	Taxe	s or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$
	Cont	ibutions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$
	Othe	r. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$
	* Amounts	are subject to adjustment on 4/01/22 and every 3 years after that for cases begur	on or after the date of adjustment.
13. Is all or part of the claim	No No		
pursuant to 11 U.S.C. § 503(b)(9)?	days befo	ate the amount of your claim arising from the value of any goods rec re the date of commencement of the above case, in which the goods ry course of such Debtor's business. Attach documentation supporti	have been sold to the Debtor in
	\$		
Part 3: Sign Below			
The person completing	Check the approp	riate box:	
this proof of claim must sign and date it.	I am the cree	ditor.	
FRBP 9011(b).	I am the cree	ditor's attorney or authorized agent.	
If you file this claim electronically, FRBP	I am the trus	tee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.	
5005(a)(2) authorizes courts to establish local rules specifying what a signature	I am a guara	ntor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.	
is. A person who files a		an authorized signature on this <i>Proof of Claim</i> serves as an acknowled claim, the creditor gave the debtor credit for any payments received to	
fraudulent claim could be fined up to \$500,000,	I have examined	he information in this Proof of Claim and have reasonable belief that th	e information is true and correct.
imprisoned for up to 5 years, or both.	I declare under pe	enalty of perjury that the foregoing is true and correct.	
18 U.S.C. §§ 152, 157, and 3571.	Executed on date	07/31/2020 MM / DD / YYYY	
	<u>/s/Joshua Br</u> Signature	rush	
	Print the name o	f the person who is completing and signing this claim:	
	Name	Joshua BrushFirst nameMiddle nameLast	name
	Title	<u>Owner</u>	
	Company	Brushs Lawn Care and Snow Removal Identify the corporate servicer as the company if the authorized agent is a service	r.
	Address		
	Contact phone	Email	



## Case 20-33505 Document 84-1 Filed in TXSB on 04/08/21 Page 5 of 10 KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (866) 554-5810 | International (781) 575-2032

Debtor:		
20-33498 - Hi-Crush Whitehall LLC		
District:		
Southern District of Texas, Houston Division		
Creditor:	Has Supporting Documentation:	
BRUSHS LAWN CARE AND SNOW REMOVAL	Yes, supporting documentation successfully uploaded	
22856 N MAIN ST	Related Document Statement:	
ETTRICK, WI, 54627	Has Related Claim: No	
Phone:	Related Claim Filed By:	
6085250222		
Phone 2:	Filing Party:	
Fax:	Creditor	
Email:		
jadamb@msn.com		
Disbursement/Notice Parties:		
Josh Brush		
Po Box 97		
Ettrick, Wisconsin, 54627		
Phone:		
6085250222		
Phone 2:		
Fax:		
E-mail:		
jadamb@msn.com		
DISBURSEMENT ADDRESS		
Other Names Used with Debtor:	Amends Claim:	
	No	
	Acquired Claim:	
	No	
Basis of Claim:	Last 4 Digits: Uniform Claim Identifier:	
Services Performed	No	
Total Amount of Claim:	Includes Interest or Charges:	
6530.45	No No	
Has Priority Claim:	Priority Under:	
Yes	11 U.S.C. §507(a)(4): 6530.45	
Has Secured Claim:	Nature of Secured Amount:	
No	Value of Property:	
Amount of 503(b)(9): No	ount of 503(b)(9): Annual Interest Rate:	
Based on Lease:	Arrearage Amount:	
No Basis for Perfection:		
Subject to Right of Setoff:	Amount Unsecured:	
No		
Submitted By:		
Joshua Brush on 31-Jul-2020 1:12:08 a.m. Eastern Time		
Title:		
Owner		
Company:		
Brushs Lawn Care and Snow Removal		

To whom it may concern,

Along with the proof of claim form i have submitted, i am writing this letter to let whomever know that Hi-crush was my biggest client. They were approximately 75% of my income over the last 12 months. Hi-Crush did not pay me for 2 months (or 2 invoices) worth of work. Mowing the Hi-Crush properties took approximately 160 hours over the 2 months or about 2.5 days a week. I have lost not only the amount of my invoices which equals \$6530.45 but also all the gas money, wear and tear on my lawn equipment and my vehicles. Losing this amount of money is a huge financial hard ship for me and my family. For the first time in many years I will not be able to pay off my credit card in full this month due to the extra expenses incurred by the work performed for Hi-Crush. I do not make a lot of money every year and the lawn mowing season is where I could succeed. The business I own (Brush's lawn care and Snow Removal) is a small LLC and I am the only employee. Please understand that I make under \$30k a year and live paycheck to paycheck to support my family. I do not make enough money to put any money into a savings account. I hope that this letter helps whomever is reading that this money is very important to me and my family. and a huge part of my income

Thank you

Joshua Brush

Invoice

Date	Invoice #
6/22/2020	2100

Bill To	
Hi Crush W20757 County Rd Q Whitehall, WI 54773	

		P.O. No.	Terms	Project	
Quantity	Description		Rate	Amount	
1	5-28-20 Mowing/trimming/blowing Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75			365.00 36:	5.00T
1	5-29-20 W22167 Jennifer Lane \$130 w20544 irvins coulee \$130 N34455 Poker Coulee Rd \$160 Took a long time to mow	wasn't mowed this yea	ır yet	420.00 420	0.00T
1	<ul> <li>1 6-04-20 Main Office \$170 Dry Plant \$120</li> <li>21441 Hughes rd \$75 + \$80 Had to remove a big fallen tree from Along road in front yard took 2 hours</li> </ul>			445.00 443	5.00T
1	06-05-20 W22167 Jennifer Lane \$130 w20544 irvins coulee \$130 N34455 Poker Coulee Rd \$110			370.00 370	0.00T
1	<ol> <li>06-08-20 Mowing/trimming/blowing Blair hi-crush office and dry plant No trimming w12128 South river rd N31286 Trump coulee rd Grass was very tall had to be mowed twice 6 hours total for all properties</li> </ol>			340.00 340	0.00T
1	06-11-20 Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75			365.00 36:	5.00T
Please let us know	w if you have any questions. We appreciate your business		Total		

Invoice

Date	Invoice #
6/22/2020	2100

Bill To		
Hi Crush		
W20757 County Rd Q		
Whitehall, WI 54773		
Whitehall, W101775		

		P.O. No.	Terms		Project
Quantity	Description		Rate		Amount
1	06-12-20 W22167 Jennifer Lane \$130 w20544 irvins coulee was flooded /skipped N34455 Poker Coulee Rd \$110			240.00	240.00T
1	06-15-20 w20544 irvins coulee \$130			130.00	130.00T
1	06-18-20 Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75			365.00	365.00T
1	06-19-20 W22167 Jennifer Lane \$130 N34455 Poker Coulee Rd \$110			240.00	240.001
	Sales Tax			5.50%	180.40
Please let us know	w if you have any questions. We appreciate your business		Total		\$3,460.40

	nvoice
ate	Invoice #

Date	Invoice #
7/17/2020	2109

		P.O. No.	Terms	Project	
Quantity	Description		Rate	Amount	
1	6-24-20 w20544 irvins coulee \$130			130.00 1.	30.00T
1	6-25-20 Mowing/trimming/blowing Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75			365.00 30	65.00T
1	6-27-20 W22167 Jennifer Lane \$130 N34455 Poker Coulee Rd \$110			240.00 24	40.00T
1	6-30-20 and 7-1-20 Mowing only Blair hi-crush office and dry plant w12128 South river rd N31286 Trump coulee rd 6 hours total for all properties			340.00 34	40.00T
1	07-2-20 Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75			365.00 30	65.00T
1	7-5-20 w20544 irvins coulee \$130			130.00 12	30.00T
1	7-6-20 W22167 Jennifer Lane \$130 N34455 Poker Coulee Rd \$110			240.00 2.	40.00T
Thank you for yo	ur business.		Total	1	

I	nvoice
ato	Invoice #

Date	Invoice #
7/17/2020	2109

Bill To		
Hi Crush		
W20757 County Rd Q		
Whitehall, WI 54773		
,		

			P.O. No.	Terms		Project
Quantity		Description		Rate		Amount
1	7-10-20 Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75				365.00	365.00
1	7-14-20 W22167 Jennifer Lane \$130 N34455 Poker Coulee Rd \$110 w20544 irvins coulee \$130				370.00	370.00
1	7-17-20 Main Office \$170 Dry Plant \$120 21441 Hughes rd \$75				365.00	365.00
	Sales Tax				5.50%	160.05
hank you for yo	ur business.			Total		\$3,070.0

## <u>Exhibit B</u>

Sielinski Declaration

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

	x	
In re:	:	Chapter 11
HI-CRUSH PERMIAN SAND LLC, et al., <sup>1</sup>		Case No. 20-33505 (DRJ) (Jointly Administered)
Reorganized Debtors.	:	(Formerly Jointly Administered under Lead Case: Hi-Crush Inc., Case No. 20-33495) <sup>2</sup>
	х	

### DECLARATION OF JEFFREY SIELINSKI IN SUPPORT OF REORGANIZED DEBTORS' OBJECTION TO PROOF OF CLAIM NO. 80 (BRUSH'S LAWN CARE AND SNOW REMOVAL, LLC)

I, Jeffrey Sielinski, hereby declare under penalty of perjury:

1. I am a Senior Director with Alvarez & Marsal North America, LLC, ("<u>A&M</u>"), a

restructuring advisory services firm with numerous offices throughout the country.<sup>3</sup> I, along with my colleagues at A&M, have been engaged by the Reorganized Debtors to provide various restructuring and financial services. In my current position with the Reorganized Debtors, I am responsible for all claims management related matters. I am generally familiar with the Reorganized Debtors' day-to-day operations, financing arrangements, business affairs, and books and records that reflect, among other things, the Reorganized Debtors' liabilities and the amount

<sup>&</sup>lt;sup>1</sup> The Reorganized Debtors in these cases, along with the last four digits of each Reorganized 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 Reorganized Debtors' address is 1330 Post Oak Blvd, Suite 600, Houston, Texas 77056.

<sup>&</sup>lt;sup>2</sup> On December 11, 2020, the Court entered the *Final Decree Closing Certain of the Chapter 11 Cases* [Case No. 20-33495, Docket No. 505], which closed each Reorganized Debtor's case except for Hi-Crush Permian Sand LLC, Case No. 20-33505, and directed that all further filings be made in that case.

<sup>&</sup>lt;sup>3</sup> Capitalized terms used but not otherwise defined in this Declaration have the meanings given to them in the Objection.

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thereof owed to their creditors as of the Petition Date. I am above 18 years of age, and I am competent to testify.

2. I submit this declaration (this "Declaration") in support of the *Reorganized Debtors' Objection to Proof of Claim No. 80 (Brush's Lawn Care and Snow Removal, LLC)* (the "Objection") and am directly, or by and through the Reorganized Debtors' advisors and personnel, familiar with the information contained therein and the Disputed Claim. I am authorized to submit this declaration on the Reorganized Debtors' behalf. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge of the Reorganized Debtors' operations and finances, information learned from my review of relevant documents, and information I have received from other members of the Reorganized Debtors' advisors. As to matters regarding state and federal law, including bankruptcy law, I have relied on the advice of counsel. If I were called upon to testify, I could and would testify competently to the facts set forth in this Declaration on that basis.

3. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, considerable time and resources have been expended to ensure a high level of diligence in reviewing and reconciling the proofs of claim filed against the Reorganized Debtors in the chapter 11 cases. In evaluating the Disputed Claim, the Reorganized Debtors and/or their advisors thoroughly reviewed the Reorganized Debtors' books and records and the Disputed Claim (as well as any supporting documentation) and have determined that the Disputed Claim should be reclassified as a general unsecured claim for the reasons set forth in the Objection.

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4. Failure to reclassify the Disputed Claim could result in the Claimant receiving an unwarranted recovery—to the detriment of similarly situated creditors with legitimate claims. Thus, I believe that reclassification of the Disputed Claim as a general unsecured claim is appropriate.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: April 8, 2021

Respectfully submitted,

/s/ Jeffrey Sielinski Jeffrey Sielinski, Senior Director Alvarez & Marsal North America, LLC

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

	X	
In re:	:	Chapter 11
	:	
HI-CRUSH PERMIAN SAND LLC, et al., <sup>1</sup>	:	Case No. 20-33505 (DRJ)
	:	(Jointly Administered)
Reorganized Debtors.	:	(Formerly Jointly Administered under Lead
C	:	Case: Hi-Crush Inc., Case No. 20-33495) <sup>2</sup>
	X	

### ORDER SUSTAINING REORGANIZED DEBTORS' OBJECTION TO <u>PROOF OF CLAIM NO. 80 (BRUSH'S LAWN CARE AND SNOW REMOVAL, LLC)</u> [Relates to Objection at Docket No. ]

Upon the objection (the "<u>**Objection**</u>")<sup>3</sup> of the above-captioned reorganized debtors (collectively, the "<u>**Reorganized Debtors**</u>") seeking entry of an order (this "<u>**Order**</u>") reclassifying the Disputed Claim as a general unsecured claim, all as more fully set forth in the Objection; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the Reorganized Debtors' notice of the Objection and

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On December 11, 2020, the Court entered the *Final Decree Closing Certain of the Chapter 11 Cases* [Case No. 20-33495, Docket No. 505], which closed each Reorganized Debtor's case except for Hi-Crush Permian Sand LLC, Case No. 20-33505, and directed that all further filings be made in that case.

<sup>&</sup>lt;sup>3</sup> Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Objection.

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opportunity for a hearing on the Objection were appropriate under the circumstances and no other notice need be provided; and the Court having reviewed the Objection; and all responses, if any, to the Objection having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT**:

1. The Disputed Claim (Claim No. 80) is reclassified as a general unsecured claim.

2. Kurtzman Carson Consultants LLC, as claims agent, is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in this Order.

3. The Reorganized Debtors and Kurtzman Carson Consultants LLC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Objection.

4. This Court shall retain exclusive jurisdiction to resolve any dispute arising from or related to this Order.

Signed: , 2021

DAVID R. JONES UNITED STATES BANKRUPTCY JUDGE