

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: Green Field Energy Services, Inc., et al.¹

Case No.: 13-12783
Reporting Period: 1/1/14 - 1/31/14

Federal Tax I.D. #: 11-3682539

Monthly Operating Report

Required Documents	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Account Information/Reconciliation	MOR-1a	X	Bank reconciliation statement
Detailed Operating Receipts and Disbursements	MOR-1b	X	
Schedule of Professional Fees Paid	MOR-1c	X	
Copies of Bank Statements		N/A	X
Cash Disbursements Journals		N/A	X
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Post-Petition Taxes	MOR-4	X	
Copies of IRS Form 6123		N/A	
Copies of Tax Returns Filed During Reporting Period		N/A	
Summary of Unpaid Post-Petition Debts	MOR-5	N/A	
Listing of Aged Accounts Payable	MOR-5a	X	
Accounts Receivable Reconciliation and Aging	MOR-6	X	
Debtor Questionnaire	MOR-7	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Earl J Blackwell
Signature of Authorized Individual⁽²⁾

2/27/2014
Date

Earl J Blackwell
Printed Name of Authorized Individual

CFO
Title of Authorized Individual

(1) The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, as applicable are: Green Field Energy Services, Inc. (12783), Hub City Tools, Inc. (12784) and Proppant One, Inc. (12785). The Debtors' corporate headquarters is located at 4023 Ambassador Caffery Parkway, Suite 200; Lafayette, LA 70503

(2) Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

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Listing of Debtor Entities and Notes to the Monthly Operating Report**General:**

The report includes activity from the following Debtors and related Case numbers:

Debtor	Case Number
Green Field Energy Services, Inc.	13-12783
Hub City Tools, Inc.	13-12784
Proppant One, Inc.	13-12785

Notes to the MOR:

This Monthly Operating Report ("MOR") has been prepared solely for the purpose of complying with the monthly reporting requirements applicable in the bankruptcy cases and is in a format acceptable to the U.S. Trustee. The financial information contained herein is unaudited, limited in scope and as discussed below, not prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The unaudited consolidated financial statements have been derived from the books and records of the Green Field Energy Services, Inc. and related Debtors. The information furnished in this report includes primarily normal recurring adjustments, but not all of the adjustments that would typically be made for the quarterly and annual financial statements to be in accordance with U.S. GAAP. Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that Green Field Energy Services, Inc. and related Debtors apply in the preparation of their quarterly and annual financial information in accordance with U.S. GAAP. Accordingly, upon the application of such procedures, the Debtors believe that the financial information may be subject to change, and that these changes could be material.

The amounts currently classified as liabilities subject to compromise may be subject to future change as the Company completes its analysis of pre and post-petition liabilities.

The results of operations contained herein are not necessarily indicative of results which may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations, financial position and schedule of receipts and disbursements of the Debtors in the future. The Debtors caution readers not to place undue reliance upon the MOR. There can be no assurance that such information is complete and the MOR may be subject to revision.

In re: Green Field Energy Services, Inc., et al.
Figures in \$

Form No.: MOR-1
Case No.: 13-12783
Reporting Period: 1/1/14 - 1/31/14
Federal Tax I.D. #: 11-3682539

Schedule of Cash Receipts and Disbursements							
Debtor	Case Number	12/31 Balance	Cash Receipts	Cash Disbursements	Net Cash Flow	Outstanding Checks	1/31 Balance
Green Field Energy Services, Inc.	13-12783	\$ 25,640,384	\$1,241,280	\$5,917,412	(\$4,676,132)	\$ 459,292	\$ 21,423,544
Hub City Tools, Inc.	13-12784	6,062			-	-	6,062
Proppant One, Inc.	13-12785						
Totals		\$ 25,646,446	\$1,241,280	\$5,917,412	(\$4,676,132)	\$ 459,292	\$ 21,429,606

Notes to MOR-1:

12/31 balance includes adjustment for checks that cleared since 12/31.

Cash receipts and disbursement amounts are derived based on information from the Debtors' bank statements.

Cash receipts and cash disbursements related to the Debtor-in-Possession financing have been included in the totals above unless otherwise noted.

In re: Green Field Energy Services, Inc., et al.
Figures in \$

Form No.: MOR-1a
Case No.: 13-12783
Reporting Period: 1/1/14 - 1/31/14
Federal Tax I.D. #: 11-3682539

Bank Account Information					
Legal Entity	Case Number	Bank Name / Address	Account Number	Bank Balance	Bank Account Description
Green Field Energy Services, Inc (1)	13-12783	JPMorgan Chase Bank 600 Jefferson St, 3rd Floor Lafayette, LA 70501	0595	125,050	Collateral/Money Market Account
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	8153	13,090,773	Post-Petition Operating
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	9168	7,808,800	Pre-Petition A/R Collections
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	8145	125,000	Sale of Unencumbered Assets
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	9125	-	Excess Sales Proceeds
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	9141	-	Payroll Account
Green Field Energy Services, Inc	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	9133	219,427	Employee Benefits Account
Green Field Energy Services, Inc (1)	13-12783	JPMorgan Chase Bank 600 Jefferson St, 3rd Floor Lafayette, LA 70501	9226	(2,006)	Inactive Operating
Green Field Energy Services, Inc (1)	13-12783	JPMorgan Chase Bank 600 Jefferson St, 3rd Floor Lafayette, LA 70501	9234	-	Inactive Payroll
Green Field Energy Services, Inc (1)	13-12783	JPMorgan Chase Bank 600 Jefferson St, 3rd Floor Lafayette, LA 70501	5075	-	Inactive Contract Account
Green Field Energy Services, Inc (2)	13-12783	Regions Bank 400 Poydras St., Ste 2200 New Orleans, LA 70130	9184	66,600	Utility Services
Hub City Tools, Inc	13-12784	JPMorgan Chase Bank 600 Jefferson St, 3rd Floor Lafayette, LA 70501	3609	6,082	Account for Hub City Tools, Inc

Notes to MOR-1a:

All amounts listed above are the bank balances as of the end of the month. Copies of bank statements and cash disbursement journals are not included in this MOR. These items will be made available upon request.

(1) Accounts officially closed as of February 21st, 2014.

(2) Account set up for adequate assurance per Utility Motion.

Total: 21,429,606 (including Utility Deposit account)
Total: 21,373,106 (excluding Utility Deposit account)

In re: Green Field Energy Services, Inc., et al.

Form No.: MOR-1a
Case No.: 13-12783
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Bank Reconciliations

The above-captioned debtors (the "Debtors") hereby submit this attestation regarding bank account reconciliations in lieu of providing copies of bank statements.

I attest that each of the Debtors' bank accounts is reconciled to bank statements. The Debtors' standard practice is to ensure that each bank account is reconciled to bank statements at least once per fiscal quarter within 45 days after the month end.

Earl J. Blackwell
Signature of Authorized Individual

2/27/2014
Date

Earl J. Blackwell
Printed Name of Authorized Individual

CFO
Title of Authorized Individual

In re: Green Field Energy Services, Inc., et al.
 Figures in \$

Form No.: MOR-1b
 Case No.: 13-12783
 Reporting Period: 1/1/14 - 1/31/14
 Federal Tax I.D. #: 11-3682539

Operating Receipts

Pre-petition operating receipts		72,035
Post petition operating receipts		486,402
Total operating receipts	\$	558,437

Disbursements

Employee, Payroll, Benefits and Other	\$	1,762,455
Frac Storage Repair and Maintenance		74,622
Wells Service Products and Other		245,887
Rents, Utilities, Insurance, W/C and Taxes		763,675
Vehicle Financing, DIP and OID		360,110
90 Day Interest Escrow		-
Other and OCP Fees		118,622
Restructure Professional Fees		2,041,015
US Trustee Fees		-
DIP, pay down		-
Total disbursements	\$	5,355,063

Net cash flow		(4,796,626)
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Notes to MOR-1b:

- Receipts and disbursements reflect cash activity from the post-petition main operating account (Regions Bank Account ending in account number 8153) and the pre-petition operating account (Regions Bank Account ending in account number 9168) only. As such, disbursements from the Employee Benefit account (Regions Bank Account ending in account number 9133) of \$561,351 are not included. Similarly, receipts from the Employee Benefit account of \$557,819 are not included.
- The pre-petition operating account did not make any disbursements during the specified period.

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 Figures in \$

Form No.: MOR-1c
 Case No.: 13-12783
 Reporting Period: 1/1/14 - 1/31/14
 Federal Tax I.D. #: 11-3682539

Schedule of Professional Fees and Expenses Paid

Payee	Period Covered	Payment Date	Amount Paid		Year-To-Date	
			Fees	Expenses	Fees	Expenses
Latham & Watkins	10/27 - 11/30	1/30/2014	597,890	20,269	597,890	20,269
Brown Rudnick LLP	10/27 -12/31	1/30/2014	678,387	20,062	678,387	20,062
Prime Clerk LLC	10/27 -12/31	1/30/2014	145,564	-	145,564	-
Alvarez & Marsal North America, LLC	10/27 -11/30	1/16/2014	542,658	31,184	542,658	31,184
Kugman Partners	1/1 - 1/31	1/10/2014	5,000	-	15,484	-
Total			\$ 1,969,500	\$ 71,515	\$ 1,979,984	\$ 71,515

In re: Green Field Energy Services, Inc., et al.
 Figures in \$

Form No.: MOR-2
 Case No.: 13-12783
 Reporting Period: 1/1/14 - 1/31/14
 Federal Tax I.D. #: 11-3682539

Green Field Energy Services, et al. and related Debtors Consolidated Statement of Operations (Unaudited)

Net sales	\$	630,998
Cost of sales		1,772,419
Gross profit		(1,141,421)
Sales, general and administrative expense		2,160,414
Earnings/(loss) from operations		(3,301,835)
Interest expense		341,337
Other (income)/expenses, net		7,553,675
Pretax earnings/(loss)		(11,196,847)
Income tax expense / (income)		28
Net earnings/(loss)	\$	(11,196,875)

In re: Green Field Energy Services, Inc., et al.
 Figures in \$

Form No.: MOR-3
 Case No.: 13-12783
 Reporting Period: 1/1/14 - 1/31/14
 Federal Tax I.D. #: 11-3682539

Green Field Energy Services, Inc. et al and related Debtors Consolidated Balance Sheet (Unaudited)

Assets:

Cash and cash equivalents	\$	20,967,507
Receivables (1)		3,147,649
Inventories (2)		10,524,966
Prepaid expenses		13,151,094
Other current assets		120,674
Total current assets		47,911,890
Property, plant, and equipment, net		218,271,675
Intangible assets and goodwill		30,487,198
Deposits and loan costs		15,015,576
Total assets	\$	311,686,339

Liabilities:

Accounts payable, post-petition	\$	1,130,009
Other accrued expenses		19,808,309
Current portion of debt, capital lease obligation and earn-out payable		322,411,218
Advances		9,724,089
Deferred income		1,144,846
Total current liabilities		354,218,471
Long-term debt, capital lease obligation and earn-out payable	\$	17,108,832
Deferred income taxes		-
Other long-term liabilities		-
Total liabilities not subject to compromise	\$	371,327,303
Liabilities subject to compromise		93,706,531
Total liabilities	\$	465,033,834

Shareholders' Equity:

Preferred stock		1,157
Common stock		15,244
Paid-in capital		95,759,786
Accumulated deficit		(249,123,683)
Total shareholders' equity	\$	(153,347,495)
Total liabilities not subject to compromise and shareholders' equity		217,979,808

Notes to MOR-3:

(1) Receivables include ~\$2.2M of pre-petition Accounts Receivables. \$1.14M of the pre-petition receivables balance relates to gross receipts tax that a GFES customer agreed to pay GFES by way of assigning their tax credit from the state of Texas to GFES.

(2) ~\$1M worth of sand inventory was written off in January. The sand is being held in various commercial storage facilities throughout Texas. GFES has not paid for the sand, nor any storage fees relating to the sand.

In re: Green Field Energy Services, Inc., et al.
 Figures in \$

Form No.: MOR-4
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Status of Post-Petition Taxes (Unaudited) (2)					
	Beginning Tax			Closing Balance Post-	
	Liabilities	Accrued / Withheld	Taxes Paid	Petition	
Federal:					
Sales & Use Tax (1)(4)	\$ 63,462	\$ (4,811)	\$ 56,461	\$ 2,190	
Texas Gross Receipts Tax	-	305	-	305	
Heavy Highway Use Tax	19,803	9,302	-	29,105	
IFTA Tax	-	-	-	-	
Property Tax (3)(5)	30,751	25,812	30,460	26,104	
Franchise Tax	-	-	-	-	
Payroll Tax	14,801	34,654	14,801	34,654	
Total	\$ 128,817	\$ 65,262	\$ 101,722	\$ 92,357	

Notes to MOR-4:

(1) Does not include Texas Sales Tax Audit.

(2) Debtor has received Tax Notices from the State of Texas that indicate approximately \$16mm of tax obligations.

(3) Property Taxes paid represent the pro-rata portion of annual property taxes relating to post-petition period (10/27/13-12/31/13).

(4) Accrued / withheld balance includes ~\$2K of January accrual and ~\$7K of December accrual being correctly classified into a pre-petition balance.

(5) Debtor is in discussions with various taxing authorities regarding 2014 tax amounts owed.

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Form No.: MOR-5a
 Case No.: 13-12783
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Accounts Payable (Post-Petition) Balance as of 12/31/13 (Unaudited)		
Accounts Payable Aging		
0 - 30 days old	\$	893,918
31 - 60 days old		120,442
61 - 90 days old		105,187
91+ days old		10,462
Total Accounts Payable (Post-Petition) (1)(2)	\$	1,130,009

Notes to MOR-5a

(1) Accounts Payable reflects certain adjustments made to reclass Ford Credit payables.

(2) Post petition balance includes Professional Fees payable

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Form No.: MOR-6
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Accounts Receivable (Post-Petition) Balance as of 1/31/14 (Unaudited)		
Accounts Receivable Reconciliation		
Total Accounts Receivable at the beginning of the reporting period	\$	967,831
(+) Amounts billed during the period		630,998
(+) Refunds for Over Payment		28,298
(-) Amounts collected during the period		(486,402)
Total Accounts Receivable (Post-Petition) at the end of the reporting period (1)	\$	1,140,725
Accounts Receivable Aging		
0 - 30 days old	\$	607,515
31 - 60 days old		447,722
61 - 90 days old		85,488
91 -120 days old		-
120 + days		-
Total Accounts Receivable (Post-Petition) (1)	\$	1,140,725

Notes to MOR-6

(1)Accounts Receivable of \$1.14M only reflects post-petition A/R and does not include additional pre-petition receivables included in the MOR-3 Balance Sheet.

In re: Green Field Energy Services, Inc., et al.

Form No.:

MOR-7

Case No.:

13-12783

Reporting Period:

1/1/14 - 1/31/14

Federal Tax I.D. #:

11-3682539

Debtor Questionnaire		
	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all post-petition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers' compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

Explanations