

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

<b>IN RE:</b>	§	<b>CASE NO. 16-50108</b>
	§	
<b>HAWK OIL FIELD SERVICE, INC.</b>	§	
<b>S/B/M TO R R RENTAL SERVICE, L.L.P.</b>	§	
<b>&amp; HORIZONTE INVESTMENTS, L.L.C.,</b>	§	
<b>DEBTOR.</b>	§	<b>CHAPTER 11</b>

**DEBTOR'S COMBINED DISCLOSURE STATEMENT AND PLAN**

Debtor, HAWK OIL FIELD SERVICE, INC. S/B/M TO R R RENTAL SERVICE, L.L.C. & HORIZONTE INVESTMENTS, L.L.C. ("Debtor" and/or "Reorganized Debtor") presents its Combined Disclosure Statement and Plan to the holders of Impaired Claims against Debtor, pursuant to Section 1125 of Title 11 of the United States Bankruptcy Code. On May 17, 2016, Debtor filed for protection under Chapter 11 of the Bankruptcy Code. Debtor has continued to operate its business as debtor-in-possession.

**I. INTRODUCTION**

***The Disclosure Statement and Plan***

Debtor is presenting this document in furtherance of its attempt to restructure its business affairs. It is the intention of Debtor to continue operating its businesses and pay its creditors in accordance with this Plan of Reorganization.

This Combined Disclosure Statement and Plan has been filed for the Court's consideration and approval. Debtor has simultaneously filed a motion seeking conditional approval of the Disclosure Statement. Once given such approval, this Combined Disclosure Statement and Plan will be sent to all holders of Impaired Claims to provide adequate information to those Creditors who are entitled to vote on the Plan so that they can make an informed decision about whether to accept or reject the Plan. Those Creditors who are entitled to vote on the Plan should read this document carefully and in its entirety before voting on the Plan.

## **II. LIMITATIONS ON INFORMATION PROVIDED IN THIS DOCUMENT**

**THE INFORMATION CONTAINED HEREIN HAS NOT BEEN INDEPENDENTLY AUDITED. THE RECORDS KEPT BY DEBTOR RELY FOR THEIR ACCURACY ON BOOKKEEPING PERFORMED BOTH INTERNALLY AND BY OUTSIDE SERVICES. FOR THIS REASON, DEBTOR DOES NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS CORRECT, ALTHOUGH EVERY REASONABLE EFFORT HAS BEEN MADE TO BE ACCURATE.**

## **III. HISTORY OF THE DEBTOR**

On or about 1980, Eustorgio Lopez and his son, Roberto Lopez, Sr. ("Sr."), Debtor's sole shareholder and director, established E & R Contractors, Inc. ("E & R") to operate an agriculture based business performing the following services: (i) land clearing; (ii) root plowing; and (iii) stock pond construction. In 2000, E & R expanded its business operations by performing root plowing for pipeline rights-of-ways as a subcontract for local oil field companies. In 2002, E & R further expanded its business operations by performing oil field seismograph rights-of-way clearing as a subcontractor for local oil field companies. Because of Eustorgio Lopez' retirement and the business relationships established by E & R during the period of 1980 to 2003, Sr. decided to close E & R and establish Hawk Oil Field Service, Inc. ("Hawk") to enter into the oil field services industry as a direct contractor for operations in the Lobo Shale Field. From 2004 through mid-2015, with the help of Roberto Lopez, Jr., Sr.'s son, Hawk operated as an oil and gas construction business delivering a wide-range of services, including but not limited to: (i) pipeline construction; (ii) hydro-testing; (iii) environmental/erosion control; (iv) spill response; (v) construction of location pads; (vi) facilities; (vii) transportation of materials/aggregate; (viii) transportation of equipment; (ix) frack and stock tank manufacturing; (x) sand blasting and painting; and (xi) general construction. Because Hawk's business became very successful, Sr.'s accountant recommended that a new entity be established to own and rent equipment to Hawk. Accordingly, in 2006, Sr. and his wife, Juanita Lopez, established R R Rental Service, L.L.P. to own and rent equipment to Hawk. In 2012, Sr. wanted to stop renting Hawk's facility, so following the advice of his accountant, Sr. established Horizontes Investments, L.L.C. ("Horizontes") on February 2013 to purchase a facility for Hawk.

#### **IV. EVENTS LEADING TO BANKRUPTCY**

Because of the fall of oil prices in 2015, about eighty percent (80%) of Hawk's clients idled their operations causing Hawk to sustain a substantial decrease in revenue. Consequently, Hawk began to have financial difficulties and stood to lose its important assets. This also jeopardized Hawk's equitable interest in the assets titled under R R and Horizontes. Additionally, on information and belief, Jose Guadalupe Gonzalez, an ex-employee of Debtor, unlawfully induced important clients to divert its business from Debtor to him. Said former employee also took vehicles/equipment that belong to Debtor. This had an adverse impact on Debtor.

Prior to the commencement of this case, for strategic reasons benefiting all companies, R R and Horizontes merged into Hawk, and Hawk, as the surviving company, sought protection under Chapter 11 of the Bankruptcy Code.

#### **V. OPERATIONS IN BANKRUPTCY**

Debtor has continued to operate its business as debtor-in-possession during the pendency of this Chapter 11 case. As required, under Chapter 11 cases, Debtor has filed its monthly operating reports and paid its trustees' fees. Debtor has also negotiated for and obtained permission to use Equify Financial, L.L.C.'s cash collateral. Ally Financial, Inc. filed a motion for relief from the automatic stay. Such motion was resolved by the entry of an agreed order. However, Ally Financial, Inc. has filed three (3) more motions for relief from the automatic stay and Ford Motor Credit Company, L.L.C. has also filed three (3) motions for relief from the automatic stay. Such motions have been self-calendared for December 8, 2016. Debtor has retained, and intends to continue retaining, Roberto Lopez, Sr. as its President and Roberto Lopez, Jr. as its Secretary/Treasurer because of their experience, contacts, and proven record of commitment and performance.

#### **VI. ANALYSIS AND EVALUATION OF PROPERTY**

Attached hereto as **Exhibit "A"** is a listing of Debtor's assets showing their fair market and liquidation values. Debtor's assets are as follows:

***A. Real Property***

1. The real property locate at 226 Las Palmas Road, Zapata, Texas 78076, more specifically described as follows: Tract I: The Surface Estate of a tract of land containing, 24.86 of land, more or less, out of a 30 acre parcel of land known as Tract A-100, conveyed to Thomas R. Younblut described in Special Warranty Deed Recorded in Volume 479, Pages 219-224, Deed Records, Zapata County, Texas, situated in Porcion 39, Juan Antonio Vidaurri Original Grantee, Abstract 146 and Porciion 40, Juan Antonio Vidaurri Original Grantee, Abstract 147, Zapata County, Texas. Tract II: The Surface Estate of a tract of land containing 3.67 of land, more or less, out of a 30 acre parcel of land known as Tract A-100, conveyed to Thomas R. Younblut described in Special Warranty Deed Recorded in Volume 508, Pages 730-732, Deed Records, Zapata County, Texas, situated in Porcion 39, Juan Antonio Vidaurri Original Grantee, Abstract 146 and Porciion 40, Juan Antonio Vidaurri Original Grantee, Abtract 147, Zapata County, Texas. Debtor estimates the value to be \$225,909.00.
2. The real property commonly known as the "Bell Camp," more specifically described as: The Surface Estate of a tract of land containing 3.67 acres, more or less, being all of a 3 acre tract out of Share 15 conveyed to B.C. Williams and wife, Gwendale Williams, recorded in Volume 153, Page 39, Deed Records of Zapata County, Texas and a 06.67 acre tract out of Share 15 conveyed to B.C. Williams and wife, Gwendale Willimas, recorded in Volume 153, Page 39, Zapata County, Texas and being situated in Porcion 22, Joquin Pena-Orinal Grantee, Abstract 71, Zapata County, Texas. Debtor estimates the value to be \$39,959.00.
3. The real property commonly known as S BI 35D, Dilly, Texas 78017, more specifically described as: A tract of land containing 9.87 acres of land in Frio County, Texas composed of approximately 9.41 acres out of the R.N. Shull Surlvey 50/9, Abtract 1064, and approximately 0.46 acres out of the Clementine Millett Survey 24, Abstract 1281; said 9.87 acre tract is also out of that certain 32 acre tract conveyed to

Rankin O'Neill by the Veteran's Land Board of Texas by deed recorded in Volume 345, Page 374, Frio County Deed Records. Debtor estimates the value to be \$240,000.00.

***B. Personal Property:***

Debtor's personal property consists of the following:

1. Cash on Hand in the amount of \$5,030.61 as of October 31, 2016.
2. Accounts Receivable, which Debtor estimates the value to be \$419,289.12 as of October 31, 2016.
3. 2001 Freightliner VIN 1130; 2012 Roughneck 130BBL Vacuum Tank Trailer SN 7018; 2006 Vermeer T55I5I Track Trencher SN 5X2U; 2006 JLG G943A Telescopic Forklift SN 6362; and 2004 Broce BB250B Broom., which Debtor estimates the collective value to be \$271,175.00;
4. (10) Desks with Chair; (1) Conference Table with 4 Chairs; (1) Conference Table with 9 Chairs; (5) Office Chairs(1) ; (1) Sofa; (1) Buffet; (7) Tables with 33 Chairs; (3) Folding Tables; (21) Filing Cabinets; (1) Refrigerator; Compact Refrigerator; (2) Microwaves; (1) Stainless Steel Hood; (2) Ice Chests; and (2) Coffee Maker, which Debtor estimates the collective value to be \$5,165.00.
5. (13) Computers; (2) Laptops; (7) Printers; (2) Paper Shredders; and (4) TV's, which Debtor estimates the collective value to be \$6,500.00.
6. (1) Stainless Steel Serving Unit with Hood; (1) Stainless Steel Refrigerator; (9) Tool Boxes; (3) Diesel Auxiliary Tanks; (2) Hydro Jacks; (1) Wheel Services/Tire Changer with Tire Balancer; (3) Air Compressors; (1) Pallet Jack; (5) Electric Saws; (2) Water Pumps; (2) Battery Chargers; (2) Welders; (3) Air Paint Sprayers; (2) Dollies; (4) Four Laser Levels with Stands; (1) Line Finder; (3) Lockout Kits; (1) Bevel Machine; (1) Electric Drill; and (1) Spy, all of the foregoing of which Debtor estimates the

collective value to be \$13,275.00.

7. 2013 Chevrolet Silverado 3500 VIN 7910; 2014 Ford F-150 VIN 8573; 2012 Ford F-350 VIN 9209; 2012 Ford F-350 VIN 2592; and 2015 Ford F-150 VIN 2995, all of the forgoing of which Debtor estimates the collective value to be \$172,419.20.
8. 2012 Ford F-150 VIN 3096, which Debtor estimates the value to be \$15,425.00.
9. 2014 Ford F-150 VIN 3789 and 2014 Ford F-150 VIN 0295, which Debtor estimates the collective value to be \$65,800.00.
10. 2012 Ford F-350 VIN 2591; 2015 Ford F-250 VIN 1282; and 2015 Ford F-250 VIN 3205, which Debtor estimates the collective value to be \$133,987.00.
11. 2011 Ford F-250 VIN 2631, which Debtor estimates the value to be \$36,675.00.
12. 2011 750J Excavator SN 0473 and 2012 250G Crawler SN 8021, which Debtor estimates the collective value to be \$280,000.00.
13. 2009 John Deer 750J SN 4446 and 2011 John Deer 850K SN 6370, which Debtor estimates the collective value to be \$308,000.00.
14. 2012 Ford F-350 VIN 2250; 2003 Ford F-550 VIN 5679; 2007 Ford Fusion VIN 6228; 2008 Dodge Ram 1500 VIN 5865; 2010 Ford F-150 VIN 2367; 2011 Ford Expedition VIN 6061; 2011 Ford F-150 VIN 7570; 2011 Ford F150 VIN 5730; 2007 Ford F-150 VIN 4271; 2012 Ford F-350 VIN 5864; 2012 Ford F-350 VIN 2249; 2012 Ford F-350 VIN 4596; 2012 Ford F-350 VIN 4597; 2011 Ford F-150 VIN 9316; 2003 Ford F-450 VIN 1210; 2005 Ford F-350 VIN 5543; 2011 Chevrolet 3500 VIN 5666; 2011 Ford F-350 VIN 2009; 2000 Trailer King Belly Dump VIN 2810; 2007 CTSI Trailer VIN 0627; 2001 Trailer Belly Dump VIN 0305; 1998 Eager Beaver Lowboy VIN 1387; 1989 Fruehauf Lowboy VIN 1374; 1991 Trailmaster Tannker VIN 3082; 1982 Maverick Trailer VIN 9042; 1989 Ranch Belly Dump VIN 8879; 2011 Lamar Gooseneck Trailer VIN 6930; 2011 Lamar Gooseneck Trailer VIN

6956; 2012 Lamar Gooseneck Trailer VIN 2181; 2012 PJ Gooseneck Trailer VIN 3880; 1994 Peterbilt Tractor Truck VIN 5747; 1997 Kenworth Tractor Truck VIN 0994; 2000 Freightliner Lowboy VIN 5895; 2000 Peterbilt Lowboy VIN 4555; 1994 GMC Utility Truck VIN 2377; 2012 Gooseneck Tester Trailer VIN 0053; 2012 Lamar Gooseneck Power Washer Trailer VIN 8368; 2010 Homemade Gooseneck Trailer; 2012 Homemade Utility Trailer; 2011 Homemade Utility Trailer; 2007 Homemade Utility Trailer; 2007 Homemade Trash Trailer; 2007 Homemade Trash Trailer; 2011 Lamar Trash Trailer VIN 7063; 2012 Homemade Trash Trailer; 2012 Lamar Sand Blaster Trailer VIN 8885; 2003 Peterbilt Vacuum Truck VIN 6423; 2012 Ford F-150 VIN 9736; 2012 Ford F-150 VIN 4421; 2001 Ford F-450 VIN 5691; 2010 Ford F-150 VIN 1144; 2009 Kawasaki Mule VIN 1120; 2011 Homemade Faltbed Trailer; 2007 Homemade Trash Trailer; 2010 John Deer 844K Wheel Loader SN 1976; 2011 John Deer 670G Motor Grader SN 5229; 2011 John Deer 750J Crawler Dozer SN 6834; 2012 John Deer 310J Wheel Loader Backhoe SN 1653; 2010 Sakai SV505T Vibratory Padfoot Roller SN 0534; 2000 JLG 400S Boomlift SN 4277; 2014 Hot Pressure Washer SN 3910; 1995 Volvo N70 Wheel Loader SN 1582; 1991 980C Wheel Loader SN 4125; 1981 977L Crawler Loader SN 2387; 1999 966G Wheel Loader SN 0559; 2005 Saky SV505D Smooth Roller SN 0219; 2003 John Deer 310G Backhoe SN 1037; 2004 Kobelco SK250 LC Excavator SN 0814; 2003 John Deer 750C Crawler Dozer SN 4325; 2005 John Deer 1050C Crawler Dozer SN 7614; and 2011 John Deer 310J Backhoe SN 6163; and 1981 Catapillar 980C Wheel Loader SN 4125, all of the foregoing of which Debtor estimates the collective value to be \$1,093,533.00.

15. The following trucks and trailers are in the possession of Jose Guadalupe Gonzalez and subject to turnover: 2011 Ford F-150 VIN 4793; 2011 Ford F-150 VIN 0721; 2011 Ford F-150 VIN 6102; 2011 Ford F-150 VIN 1259; 2011 Chevrolet 2500 VIN 3235; 2011 Chevrolet 3500 VIN 5351; 2012 Ford F-350 VIN 5623; 2011 Vactron Vermeer LP555 DT Tanker Trailer VIN 1500; and 2011 Vactron Vermeer LP555 DT Tanker Trailer VIN 1517, all of the foregoing of which Debtor estimates the collective value to be \$109,380.00.



16. 2007 14x56 Mobile Home VIN WG12; and 2003 14x56 Mobile Home VIN BH12, which Debtor estimates the collective value to be \$26,900.00.
17. Scrap metal, which Debtor estimates the value to be \$400.00.
18. (3) Air hoses; (4) Beacon Lights; (1) Generator; (4) CPR Kits; (31) Fire Extinguishers; (6) First Aid Kits; (14) Hammers; (8) Hand Saws; (6) Harnesses; (5) Ladders; (16) Levels; (3) Picks; (1) Pipe Threaded; (46) Wrenches; (20) Pliers; (5) Post Holes; (3) Rakes; (15) Safety Cones; (21) Safety Flags; (13) Scrap Batteries; (38) Screw Drivers; (1) Skill Saw; (46) Socket Wrenches; (5) Squares; (11) Tape Measures; (24) Triangle Safeties; (8) Rims; (8) Tires; (1) Vise; (9) Yellow Claps; (10) Land Yards; (36) Hard Hats; (3) 12 V Testers; (5) Air Chisels; (9) Air Fittings; (25) Anti-Freeze; (1) Barrring Seal; (3) Brake Away Systems; (6) Cans of Brake Fluid; (8) Break Pads; (2) Brushing Kits; (5) Cab Mark Lights; (17) Coupler Plugs; (11) Canse of Diesel Motor Oil (2) Digital Calipers; (50) Dusk Masks; (100) Ear Plugs; (5) Exhaust Clamps; (16) Fasteners; (108) Filters; (8) Fittings; (14) Gas Caps; (3) Gaskets; (24) Gear Lubes; (22) Gojos; (4) Gooseneck Breaks; (36) Cans of Grease; (58) Ginder Disks; (8) Hose Connectors; (14) Hub Bolts; (7) Jumper Cables; (1) Latch; (24) Lubricants; (4) Magnetic Levels; (70) Metal Clamps; (86) Cans of Motor Oil; (65) Nuts; (1) O Ring; (3) Oil Seals; (14) Oval Lamp Rubbers; (3) Paint Brushes; (28) Pig Tails; (8) Piston Rings; (2) Power Coils; (2) Replacemenet Headlights; (13) Retainers; (2) Rubber Hoo Catchers; (60) Safety Vests; (64) Screws; (16) Shocks; (5) Slimes; (8) Stick on Reflector; (21) Tires; (5) Tool Box Locking Handle; (2) Trailer Connectors; (42) Cans of Tranmission Fluid; (28) Turn Lamps; (2) Universal Fuel Lines; (2) V Ring Seals; (3) Roles of Welding Wire; (13) Wheel Seals; (84) Winshield Fluid; and (13) Wiper Blades, all of the foregoing of which Debtor estimates the collective value to be \$6,618.25.
19. Debtor has potential claims/causes of actions but not limited to: breach of fiduciary, tortious interference with contract, fraud, conspiracy, theft, breach of contract, suit on sworn account, trade secret misappropriation, and Sections 542 and 548 Claims, the



value of which is unknown.

The liquidation values of the above-listed real estate and other personal property, listed in **Exhibit A**, are discounted either from the cost when appropriate, or from the Debtor's opinion of value.

**C. Debtors' Financial Data:** Debtor and its attorney have reviewed the pertinent financial data and have formulated a proposed 2017 Budget. See **Exhibit "B."** A Combined Cash Flow Statement/Cumulative Plan Summary, which details the available cash, estimated expenses, cash requirements for a twelve month period beginning in December 2016, and the cash available for distribution on the Effective Date, has also been developed and is attached hereto as **Exhibit "C."** Lastly, attached hereto as **Exhibit "D,"** is Profit & Loss Statement as of September 2016.

## **VII. THE PLAN CONFIRMATION PROCESS**

### ***A. Solicitation of Plan***

Because the Court has conditionally approved the Disclosure Statement contained herein, Debtor is forwarding this Combined Disclosure Statement and Plan to its creditors and other parties-in-interest together with a Ballot and the Court's Order Conditionally Approving Disclosure Statement, Giving Notice of Confirmation Hearing, Setting Certain Deadlines and Providing for Other Matters Concerning Confirmation of the Plan. A creditor or any party-in-interest may file an objection to confirmation of the Plan within the time prescribed by the Court.

### ***B. Voting Rights and Requirements***

Any Creditor who holds an Allowed, Impaired Claim, is entitled to vote to accept or reject the Plan. The failure by any creditor to submit a ballot may be deemed as a vote accepting the Plan. A ballot to be used to vote for or against the Plan, together with a postage-prepaid return envelope, will be enclosed with this Combined Disclosure Statement and Plan. In order for a ballot to be counted it must be completed and returned by the date and time specified in the Court's Order to:

**ADOLFO CAMPERO, JR.**  
**315 Calle Del Norte, Suite 207**  
**Laredo, Texas 78041**

***C. Vote Required for Class Acceptance***

The Bankruptcy Code provides that an Impaired Class of Claims has accepted the Plan if the holders of allowed Claims in the Class casting votes in favor of the Plan (1) hold at least two-thirds of the total amount of the Allowed Claims of the holders of such class who vote on the Plan and (2) constitute more than one-half in number of all holders of Allowed Claims in such class who vote on the Plan.

***D. Confirmation Hearing (The Court May Approve This Plan and Limit Creditors' Legal Rights)***

The Court will consider only written objections and ballots that are timely filed. If no objections are filed (or if all objections are overruled by the Court) and if at least one class of creditors accepts the Plan, the Court may approve the Plan. If the Court approves the Plan, all creditors will be bound, even if a Creditor did not vote and even if a Creditor voted against the Plan. This may mean that the Creditor will not be allowed to collect its claim against Debtors, except as provided in this Plan.

***E. General Provisions Applicable to All Claims of Creditors***

Pursuant to Section 506 of the Bankruptcy Code and Bankruptcy Rule 3012, the Court shall determine the value of any claim secured by a lien on property in which the estate has an interest at the confirmation hearing set on the Plan or prior to that time pursuant to a motion filed by the Debtors to value the property pursuant to 11 U.S.C. §506. The claim shall be secured to the extent of the value of the collateral as determined by the Court, and unsecured for the balance, if any. For purpose of voting on the Plan of Reorganization, the Court shall estimate any claim when requested to do so at the hearing on plan confirmation if a valuation hearing has not already been held.

**VIII. DEBTORS' PLAN FOR PAYMENT OF THEIR DEBTS/IMPLEMENTATION OF THE PLAN**

- A. Debtor intends to pay all allowed claims, as provided herein, with the funds generated by its business operations and with the liquidation of its potential claims/causes of action.
- B. The Confirmation Date shall be the date upon which the Order of Confirmation is entered by the Court.
- C. The Effective Date shall be 30 days following the Confirmation Date.

**IX. WHAT ABOUT THE SECURED CREDITORS?**

The Secured Creditors will retain their liens or security interest to the extent of their allowed claim as provided herein.

**X. CLAIMS**

**Treatment of Administrative Claims**

The Administrative Expenses of these Chapter 11 cases are to be paid in full on the Effective Date. The anticipated administrative expense holders are as follows:

Attorneys' fees, estimated to be:	\$40,000.00
Court Costs & U.S. Trustee Fees:	\$ 1,000.00

**Treatment of Claims**

**CLASS 1. Priority Claim of Texas Comptroller of Public Accounts ("Comptroller")**

Comptroller has a tax claim in the aggregate amount of \$45,587.37 that shall be paid in 60 monthly installments of \$759.79, commencing on the Effective Date.

This Class is Unimpaired.

**CLASS 2. Secured Claim of Zapata County ("ZC")**

C has tax claims in the aggregate amount of \$61,288.16 secured by the real property identified in ,Section VI, Section A, Paragraphs 1 and 2, and by the personal property identified in Section VI, Section B, Paragraphs 3 through 14, and 16.

ZC's base tax for the years 2014 through 2016 in the aggregate amount of \$55,303.65 shall be paid in 60 monthly installments of \$1,230.00, including 12% interest, commencing on the Effective Date.

ZC's penalties, interest, and attorney's fees for the years 2014 through 2015 in the aggregate amount of \$5,984.51 shall be paid in 60 monthly installments of \$99.74 commencing on the Effective Date.

This Class is Unimpaired.

**CLASS 3. Secured Claim of Dilley ISD ("DISD")**

DISD has tax claims in the aggregate amount of \$4,959.96 secured by the real property identified in Section VI, Section A, Paragraph 3.

DISD's base tax for the years 2015 and 2016 in the aggregate amount of \$4,678.69 shall be paid in 60 monthly installments of \$104.00, including 12% interest, commencing on the Effective Date.

DISD's penalties and interest for the year 2015 in the aggregate amount of \$281.27 shall be paid in 12 monthly installments of \$23.44 commencing on the Effective Date.

This Class is Unimpaired.

**CLASS 4. Secured Claim of Frio County ("FC")**

FC has tax claims in the aggregate amount of \$1,016.57 secured by the real property identified in Section VI, Section A, Paragraph 3.

FC's base tax for the year 2016 in the aggregate amount of \$1,016.57 shall be paid in 12 monthly installments of \$90.00, including 12% interest, commencing on the Effective Date.

This Class is Unimpaired.

**CLASS 5. Secured Claims of Thomas R. and Cathy Youngblut ("Youngblut")**

Youngblut has a claim in the amount of \$44,900.88 secured by the real property identified Section VI, Section A, Paragraph 1. Youngblut's claim shall be paid in 60 monthly installments of \$810.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 6. Secured Claims of Zapata National Bank ("ZNB")**

ZNB has a claim in the amount of \$17,289.74 secured by the real property identified Section VI, Section A, Paragraph 2. ZNB's claim shall be paid in 60 monthly installments of \$312.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 7. Secured Claims of Zapata National Bank ("ZNB")**

ZNB has a claim in the amount of \$160,146.57 secured by the real property identified Section VI, Section A, Paragraph 3. ZNB'S claim shall be amortized over 15 years at 3.18%

with a balloon payment in 5 years following the Effective Date. Commencing on the Effective Date, ZNB'S claim shall be paid in 59 monthly installments of \$1,120.00, including interest at 3.18%, and a balloon payment on the 60th month.

This Class is Impaired.

**CLASS 8. Secured Claims of Equify Financial, L.L.C. ("EF")**

EF has claims in the aggregated amount of \$52,150.10 that are collateralized and secured by the real property identified Section VI, Section B, Paragraphs 1 through 6. EF's claims are hereby consolidated and shall be paid in 60 monthly installments of \$941.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 9. Secured Claims of Ally Financial, Inc. ("AF")**

AF has a claim in the amount of \$32,697.40 secured by a 2015 Ford F-150 VIN. 2995. AF's claim shall be paid in 60 monthly installments of \$605.00, including interest at 4.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 10. Secured Claims of Ally Financial, Inc. ("AF")**

AF has a claim in the amount of \$28,912.98 secured by a 2014 Ford F-150 VIN. 8573. AF's claim shall be paid in 60 monthly installments of \$535.00, including interest at 4.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 11. Secured Claims of Ally Financial, Inc. (“AF”)**

AF has a claim in the amount of \$8,209.57 secured by a 2012 Ford F-350 VIN. 9209. AF’s claim shall be paid in 60 monthly installments of \$148.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 12. Secured Claims of Ally Financial, Inc. (“AF”)**

AF has a claim in the amount of \$13,324.88 secured by a 2012 Ford F-350 VIN. 2592. AF’s claim shall be paid in 60 monthly installments of \$240.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 13. Secured Claims of Ally Financial, Inc. (“AF”)**

AF has a claim in the amount of \$22,593.46 secured by a 2013 Chevrolet Silverado VIN. 7910. AF’s claim shall be paid in 60 monthly installments of \$439.00, including interest at 6.190%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 14. Secured Claims of Chase Bank (“Chase”)**

Chase has a claim in the amount of \$3,030.20 secured by a 2012 Ford F-150 VIN. 0503. Chase’s claim shall be paid in 36 monthly installments of \$85.00, including interest at 0.91%, commencing on the Effective Date.

This Class is Impaired.



**CLASS 15. Secured Claims of Compass Bank (“Compass”)**

Compass has a claim in the amount of \$25,418.44 secured by a 2014 Ford F-150 VIN. 3789. Compass’s claim shall be paid in 60 monthly installments of \$470.00, including interest at 4.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 16. Secured Claims of Compass Bank (“Compass”)**

Compass has a claim in the amount of \$26,149.10 secured by a 2014 Ford F-150 VIN. 0295. Compass’s claim shall be paid in 60 monthly installments of \$484.00, including interest at 4.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 17. Secured Claims of Ford Motor Credit (“FMC”)**

FMC has a claim in the amount of \$4,918.51 secured by a 2012 Ford F-350 VIN. 2591. FMC’s claim shall be paid, in cash, on the Effective Date.

This Class is Impaired.

**CLASS 18. Secured Claims of Ford Motor Credit (“FMC”)**

FMC has a claim in the amount of \$52,349.18 secured by a 2015 Ford F-250 VIN. 3205. FMC’s claim shall be paid in 60 monthly installments of \$965.00, including interest at 4.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 19. Secured Claims of Ford Motor Credit (“FMC”)**

FMC has a claim in the amount of \$51,024.45 secured by a 2015 Ford F-250 VIN. 3205. FMC’s claim shall be paid on the Effective Date. Debtor will deliver to FMC its collateral plus cash in the amount of \$424.45

This Class is Impaired.

**CLASS 20. Secured Claims of TD Auto Finance, L.L.C. (“TD”)**

TD has a claim in the amount of \$10,999.14 secured by a 2011 Ford F-250 VIN. 2631. TD’s claim shall be paid in 60 monthly installments of \$189.00, including interest at 1.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 21. Secured Claims of John Deere Financial (“JDF”)**

JDF has a claim in the amount of \$101,785.59 that secured by a 2011 750J Excavator SN 0473. JDF’s claim shall be paid in 60 monthly installments of \$1,837.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 22. Secured Claims of John Deere Financial (“JDF”)**

JDF has a claim in the amount of \$26,766.82 secured by a 2012 250G Crawler SN 8021. JDF’s claim shall be paid in 60 monthly installments of \$483.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 23. Secured Claims of John Deere Financial (“JDF”)**

JDF has a claim in the amount of \$13,439.64 that is collateralized and thus secured by a 2011 750J Excavator SN 0473 and a 2012 250G Crawler SN 8021. JDF’s claim shall be paid in 60 monthly installments of \$243.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 24. Secured Claims of John Deere Financial (“JDF”)**

JDF has a claim in the amount of \$20,079.20 that is collateralized and thus secured by a 2011 750J Excavator SN 0473 and a 2012 250G Crawler SN 8021. JDF’s claim shall be paid in 60 monthly installments of \$362.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 25. Secured Claims of Wells Fargo Equipment Finance, Inc. (“WF”)**

WF has claims in the aggregate amount of \$97,258.72 that are collateralized and secured by a 2009 John Deer 750J SN 4446; and a 2011 John Deer 850K SN 6370. WF’s claim shall be paid in 60 monthly installments of \$1,775.00, including interest at 3.18%, commencing on the Effective Date.

This Class is Impaired.

**CLASS 26. General Unsecured Creditors**

The allowed unsecured claims in the aggregated amount of \$412,805.62 identified in Debtor's Amended Schedule F (Docket No. 63) will be paid 100% in 240 monthly installments of \$2,090.00, including interest at 2.01%, on a pro rata basis. This is an Impaired Class.

**CLASS 27. EQUITY HOLDERS**

The shareholder shall retain its interest in Debtor.

**XI. NOTICES**

**Notice 1.** On the Effective Date, all property of the shall vest in the Reorganizing Debtor, respectively, free and clear of all liens, claims, interest, and charges, arising on or before the confirmation of the Plan, except as provided in this Plan or in the confirmation order, on the condition that the Reorganizing Debtor comply with the terms of this Plan, including the making of all payments to creditors provided for in this Plan. If a Reorganizing Debtor defaults in performing under the provisions of this Plan and the respective case is converted to a case under Chapter 7 prior to substantial consummation of this Plan, all property vested in the Reorganizing Debtor and all subsequently acquired property owned as of or after the conversion date shall re-vest and constitute property of the bankruptcy estate in the converted case.

**Notice 2.** All creditors are bound to the provisions of to the confirmed Plan and are bound to the provisions of Section 1141 of the Bankruptcy Code.

**Notice 3.** The Debtor/Reorganized Debtor shall be discharged from all debts upon the confirmation of this Plan pursuant to the provisions of Chapter 11 of the Code, except as determined by the provisions of this Plan, all claims which are not allowed claims by the Confirmation Date, or by the expiration of any subsequent deadline provided for in this Plan, shall be discharged upon the confirmation of this Plan as provided by the Bankruptcy Code. Nothing in this Plan shall be construed to prohibit the Reorganized Debtor from early paying any debt treated under this Plan. Additionally, any amount paid by the Debtor in excess of the

monthly installment provided under each Class above, shall be applied to principal. However, Tellez, as an individual Debtor, shall receive a discharge only after all payments pursuant to the Plan have been made.

**Notice 4.** Neither (a) Debtor, its employees, officers, directors, agents, representatives, affiliates, attorneys, financial advisors, or any other professional persons employed by any of the Debtor, its officers, directors, employees and representatives, the Plan Agent or any of his employees, officers, directors, agents, representatives, affiliates, attorneys, financial advisors, or any other professional person employed by them, nor (b) each Professional for the Debtor or any of their employees, officers, directors, agents, representatives, affiliates, attorneys, financial advisors, or any other professional persons employed by any of them, (the persons identified in (a) and (b) are collectively referred to as “Protected Persons”), shall have or incur any liability to any Person or Entity under any theory of liability for any act or omission occurring on or after the Petition Date in connection or related to the Debtor, the Chapter 11 Case, or the Estate, including, but not limited to, (i) formulating, preparing disseminating, implementing, confirming, consummating or administering the Plan (including soliciting acceptances or rejections thereof); or (ii) the disclosure statement or any contract, instrument, release or other agreement or document entered into or any action taken or omitted to be taken in connection with the Plan, except for acts constituting willful misconduct or gross negligence and in all respects such Protected Persons shall be entitled to rely in good faith upon the advice of counsel. In any action, suit or proceeding by any Person contesting any action by, or non-action of any Protected Person as constituting willful misconduct or gross negligence or not being in good faith, the reasonable attorneys’ fees and costs of the prevailing party will be paid by the losing party and as a condition to going forward with such action, suit, or proceeding at the outset thereof, all parties thereto will be required to provide appropriate proof and assurances of their capacity to make such payments of reasonable attorneys’ fees and costs in the event they fail to prevail.

**Notice 5.** All notices required or permitted to be made in accordance with the Plan shall be in writing and shall be delivered personally, by facsimile, or mailed by registered or certified mail, return receipt requested as follows:

To Debtors:

Hawk Oil Field Service, Inc.  
226 Las Palmas Rd.  
Zapata, Texas 78076

To Debtors' Counsel:

Adolf Campero, Jr.  
315 Calle Del Norte, Ste. 207  
Laredo, Texas 78041.  
(956) 796-0330-Telephone  
(956) 796-0399-Facsimile

#### **XI. ALTERNATIVES TO THIS PLAN**

If the Plan is not confirmed, another party in interest in the case could attempt to formulate and propose a different plan or plans. Such plans might, theoretically, involve some other form of reorganization/liquidation. Any alternative plan, however, would likely result in additional administrative expenses to the estate and would provide little or no benefit at all. The Plan jointly proposed by the Debtors is straightforward, meets the requirements of Section 1129, and provides the best outcome for Creditors. Moreover, liquidation will not maximize the value of the Debtors' estates.

#### **XII. IS THERE A RISK THAT THE PLAN MIGHT NOT SUCCEED?**

There is always a chance that a plan may not succeed, but Debtor feels confident that with the present operations, the risk is substantially reduced.

#### **XIII. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN**

The implementation of the Plan may have significant federal income tax consequences with respect to the Creditors and the Debtor. The following discussion summarizes such federal income tax consequences based upon the Internal Revenue Code of 1986, as amended (the "Tax Code") and the Treasury Regulations promulgated thereunder.

The Plan and its related tax consequences are complex. Treasury Regulations have not yet been promulgated with respect to many of the substantive provisions of the Tax Code that have been amended by legislation in recent years. The Debtor has not requested a ruling from the Internal Revenue Service, nor has it obtained an opinion of counsel. Accordingly, no assurance can

be given as to the interpretation that the Internal Revenue Service will adopt. Further, the federal income tax consequences to any particular Creditor and the Debtor may be affected by matters not discussed below. There also may be state or local tax considerations applicable to each Creditor. THE DISCUSSION SET FORTH BELOW IS INCLUDED FOR GENERAL INFORMATION ONLY. BECAUSE THE TAX CONSEQUENCES OF THE PLAN MAY VARY DEPENDING UPON INDIVIDUAL CIRCUMSTANCES, EACH CREDITOR AND INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISOR AS TO THE CONSEQUENCES OF THE PLAN UNDER APPLICABLE FEDERAL, STATE, AND LOCAL TAX LAWS.

***A. Federal Income Tax Consequences to Creditors***

The federal income tax consequences of the implementation of the Plan to a Creditor will depend in part on whether, for federal income tax purposes, the obligation from which a Creditor's Claim arose constitutes a "security." The determination as to whether an obligation from which a Creditor's Claim arose constitutes a "security" for federal income tax purposes is complex. It depends on the facts and circumstances surrounding the origin and nature of the obligation. Generally, corporate debt obligations evidenced by written instruments with original maturities of ten years or more constitute "securities." Although it appears that most of the Creditors' Claims do not constitute "securities," the Debtor expresses no views with respect to whether the obligation from which a particular Creditor's Claim arose constitutes a "security" for federal income tax purposes. Creditors are urged to consult their own tax advisors in this regard.

Exchanges by Creditors whose claims arise from obligations that do not constitute "securities," or whose claims are for wages or services, will be fully taxable exchanges for federal income tax purposes. Such Creditors who receive solely cash in discharge of their Claims, will recognize gain or loss, as the case may be, equal to the difference between (i) the amount realized by the Creditor in respect of its Claim (other than any Claim for accrued interest) and (ii) the Creditor's tax basis in its Claim (other than any Claim for accrued interest). For federal income tax purposes, the "amount realized" by a Creditor who receives solely cash in discharge of its Claim will be the amount of cash received by such Creditor.



Where gain or loss is recognized by a Creditor, the character of such gain or loss as a long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the Creditor, whether the obligation from which a claim arose has been held for more than six months, and whether and to what extent the Creditor has previously claimed a bad debt deduction. The capital gains deduction for individuals and the alternate tax for corporate net capital gain has been repealed and capital gain is currently taxed to individuals and corporations at their respective maximum tax rates. However, the definitions of long-term and short-term capital gain or loss have not been repealed.

To the extent any amount received (whether cash or other property) by a Creditor is received in discharge of interest accrued on its Claim during its holding period, such amount will be taxable to the Creditor as interest income (if not previously included in the Creditor's gross income). Conversely, a Creditor will recognize a deductible loss (or, possibly, a write-off against a reserve for bad debts) to the extent any interest accrued on its Claim was previously included in the Creditor's gross income and is not paid in full.

#### **XIV. CREDITORS' REMEDIES ON DEFAULT**

##### ***A. General Provision***

A failure by a Reorganizing Debtor to make payments to a creditor pursuant to the terms of the Plan shall be an Event of Default. If a Reorganizing Debtor fails to cure an Event of default of a written notice of default within thirty (30) calendar days after service of such written notice from a creditor, the creditor may (a) enforce the entire amount of its allowed claim, (b) exercise any and all right and remedies under applicable non-bankruptcy law, and (c) seek such relief as may be appropriate in this court. Written notice shall be in accordance with the provision of "Notice 5" above.

The Reorganizing Debtor in default may cure only four (4) Events of Default. Immediately upon a fifth (5th) Event of Default, without further notice, a creditor may (a) enforce the entire amount of its claim, (b) exercise any and all rights and remedies under applicable non-bankruptcy law, and (c) seek relief as may be appropriate in this court.

***B. Internal Revenue Service Provision***

With respect to the Internal Revenue Service (“IRS”), a failure by a Reorganizing Debtor to make a payment to the IRS pursuant to the terms of the Plan shall be an Event of Default; as to the IRS, there is an Event of Default if payment is not received by the fifteenth (15<sup>th</sup>) day of each month; if there is a default as to the IRS, IRS must send written demand for payment to the Reorganizing Debtor in default and said payment must be received by the IRS within fifteen (15) days of the date of the demand letter; the Reorganizing Debtor in default can receive up to five (5) notices of default from the IRS, the sixth (6<sup>th</sup>) default cannot be cured and the IRS may accelerate its allowed claim(s), past and future, and declare the outstanding amount of such claim(s) to be immediately due and owing and pursue any and all available state and federal rights and remedies with respect to the Reorganizing Debtor in default. These default provisions pertain to the entire claim(s) of the IRS, secured, unsecured priority and unsecured general.

The IRS is bound by provisions of the confirmed plan and is barred under 11 U.S.C. §1141 from taking any collection action against the Reorganizing Debtor for prepetition claims during the duration of the plan (provided there is not an uncured default as to the IRS). The period of limitations on collection remains suspended under 26 U.S.C. §6503(H) for tax periods being paid under the plan and terminates on the earlier of (1) all required payments to the IRS having been made; or (2) thirty (30) days after the date of the demand letter (described above) for which the Debtors failed to cure the default.

The debt owned by the Reorganizing Debtors to the IRS is a non-dischargeable debt, except as otherwise provided for in the Code. The period of limitations on collection remains suspended under 26 U.S.C. §6503(h) for tax periods being paid under the Plan and terminates on the earlier of (1) all required payments to the IRS have been made; or (2) thirty (30) days after the date of the demand letter (described above for which the Debtors failed to cure the default).

***C. United States Trustee Provision***

The Reorganizing Debtor shall pay on the Effective Date all pre-confirmation quarterly fees owed to the United States Trustee. The Reorganizing Debtor also shall timely pay post-confirmation quarterly fees assessed pursuant to pursuant to 28 U.S.C. § 1930 (a)(6) until such time

as the Bankruptcy Court enters a final decree closing this Chapter 11, or enters an order either converting this case to a case under chapter 7 or dismissing this case. After confirmation, the Reorganizing Debtor shall file with the Bankruptcy Court and shall transmit to the United States Trustee a true and correct statement of all disbursements made by the Reorganizing Debtor for each quarter, or portion thereof, which this Chapter 11 case remains open in format prescribed by the United States Trustee.

**XV. LEASES AGREEMENTS AND EXECUTORY CONTRACTS**

The leases of Arturo Lopez and Robert Collett are hereby assumed and any other leases are hereby rejected. Thus, all executory contracts and unexpired leases that are not assumed herein are rejected. Any allowed claim for damages arising from the rejection of an executory contract or unexpired lease must be asserted in a proof of claim filed with the Bankruptcy Court no later than thirty (30) days following the earlier of: (i) the date of entry of an order of the Bankruptcy Court approving such rejection, or (ii) the Effective Date of the Plan. Any Claims not filed within such times shall be forever barred from assertion against the Debtors or the Liquidating Debtors.

**XVI. PREFERENCES AND FRAUDULENT TRANSACTIONS**

Debtor has reviewed all transactions and does believe that fraudulent transfers exist that would benefit the estate or would have value to the estate.

**XVII. LITIGATION AND RETENTION OF CLAIMS AND CAUSES OF ACTION**

Debtor has a pending arbitration that is currently stayed. Additionally, Debtor has potential the following potential claims and/or causes of actions that are hereby reserved and retained: breach of fiduciary, tortious interference with contract, fraud, conspiracy, theft, trade secret misappropriation, breach of contract, suit on sworn account, Sections 542, 548, and 550 claims/actions.

**XVIII. ABSOLUTE PRIORITY RULE**

Because Debtors will not cram-down the unsecured creditors, the Absolute Priority Rule is inapplicable.

**XIX. INJUNCTIVE RELIEF**

Permanent Injunctive Relief is hereby sought against conduct not otherwise enjoined under the Bankruptcy Code. Specifically, upon confirmation, the creditors of this estate shall be enjoined from taking any action against the Reorganized Debtor or against property of the Reorganized Debtor that is inconsistent with the terms of this plan not otherwise enjoined under the Bankruptcy Code. Temporary Injunctive Relief is also hereby sought against conduct not otherwise enjoined under the Bankruptcy Code. Specifically, upon confirmation, the creditors in this case may not attempt to collect or commence or continue any litigation against any co-debtor or anyone who has guaranteed any pre-petition debt unless the Reorganized Debtor defaults under this Plan.

**XX. RETENTION OF POST-CONFIRMATION JURISDICTION**

The Bankruptcy Court shall retain jurisdiction of this Chapter 11 case pursuant to and for the purpose set forth in Section 1127(b) of the Code and to:

1. Adjudicate the claims/causes of action identified in Section XVII;
2. Resolve any disputes regarding the terms of this Plan; and
3. Enforce this Plan.

**XXI. PLEASE VOTE FOR THIS PLAN**

Debtor asks Creditors to vote in favor of this Plan because it will allow them to pay all Creditors as provided herein and to effectively reorganize.

DATED: November 2, 20016

HAWK OILFIELD SERVICE, INC.

By: /s/Roberto Lopez, Sr.

Roberto Lopez, Sr.,  
Managing Partner

/s/Adolfo Campero, Jr.

Adolfo Campero, Jr., Attorney for Debtor

**HAWK OIL FIELD SERVICE, INC. S/B/M TO  
R R RENTAL SERVICE, L.L.P. & HORIZONTE INVESTMENTS, L.L.C.  
ASSETS AND LIQUIDATION ANALYSIS**

<b>Asset</b>	<b>Fair Market Value</b>	<b>Est. Liq. Value</b>	<b>Lienholder and Claim Amount</b>	<b>Est. Liq. Value for Unsecured</b>
<p style="text-align: center;">Tract I</p> <p>The Surface Estate of a tract of land containing, 24.86 of land, more or less, out of a 30 acre parcel of land known as Tract A-100, conveyed to Thomas R. Younblut discribed in Special Warranty Deed Recorded in Volume 479, Pages 219-224, Deed Records, Zapata County, Texas, situated in Porcion 39, Juan Antonio Vidaurri Original Grantee, Abstract 146 and Porcion 40, Juan Antonio Vidaurri Original Grantee, Abtract 147, Zapata County, Texas.</p> <p style="text-align: center;">Tract II</p> <p>The Surface Estate of a tract of land containing 3.67 of land, more or less, out of a 30 acre parcel of land known as Tract A-100, conveyed to Thomas R. Younblut discribed in Special Warranty Deed Recorded in Volume 508, Pages 730-732,</p>	\$225,909.00	\$158,136.30	<p>Thomas R. Youngblut and wife, Cathy Youngblut \$44,900.88</p> <p>Zapata County \$12,661.08</p>	\$100,574.34

Deed Records, Zapata County, Texas, situated in Porcion 39, Juan Antonio Vidaurri Original Grantee, Abstract 146 and Porcion 40, Juan Antonio Vidaurri Original Grantee, Abstract 147, Zapata County, Texas.				
The Surface Estate of a tract of land containing 3.67 acres, more or less, being all of a 3 acre tract out of Share 15 conveyed to B.C. Williams and wife, Gwendale Williams, recorded in Volume 153, Page 39, Deed Records of Zapata County, Texas and a 06.67 acre tract out of Share 15 conveyed to B.C. Williams and wife, Gwendale Willimas, recorded in Volume 153, Page 39, Zapata County, Texas and being situated in Porcion 22, Joquin Pena-Orinal Grantee, Abstract 71, Zapata County, Texas.	\$39,959.00	\$27,971.30	Zapata National Bank \$20,202.61  Zapata County \$784.80	\$6,983.89
A tract of land containing 9.87 acres of land in Frio County, Texas composed of approximately 9.41 acres out of the R.N. Shull Surlvey 50/9, Abstract 1064, and approximately 0.46 acres out of the	\$240,000.00	\$168,000.00	Zapata National Bank \$160,146.17  Dilley ISD \$4,959.90	\$2,883.93



Clementine Millett Survey 24, Abstract 1281; said 9.87 acre tract is als out of taht certain 32 acre tract conveyed to Rankin O'Neill by the Veteran's Land Board of Texas by deed recroded in Volume 345, Page 374, Frio County Deed Records.				
Cash on Hand	\$5,030.61	\$5,030.31	Equify Financial, L.L.C.	\$372,317.27
Accounts Receivable	\$419,289.12	\$209,144.56	\$44,150.10	
2001 Freightliner VIN 1130; 2012 Roughneck 130BBL Vaccum Tank Trailer SN 7018; 2006 Vermeer T55I5I Track Trencher SN 5X2U; 2006 JLG G943A Telescopic Forklift SN 6362; and 2004 Broce BB250B Broom.	\$271,175.00	\$189,822.50		
(10) Desks with Chair; (1) Conference Table with 4 Chairs; (1) Conference Table with 9 Chairs; (5) Office Chairs; (1) Sofa; (1) Bufette; (7) Tables with 33 Chairs; (3) Folding Tables; (21) Filing Cabinets; (1) Refrigerator; Compact Refrigerator; (2) Microwaves; (1) Stainless Steel Hood; (2) Ice Chests; and (2) Coffee Maker.	\$5,165.00	\$2,582.50		

(13) Computers; (2) Laptops; (7) Printers; (2) Paper Shredders; and (4) TV'S.	\$6,500.00	\$3,250.00		
(1) Stainless Steel Serving Unit with Hood; (1) Stainless Steel Refrigerator; (9) Tool Boxes; (3) Diesel Auxiliary Tanks; (2) Hydro Jacks; (1) Wheel Services/Tire Changer with Tire Balancer; (3) Air Compressors; (1) Palett Jack; (5) Electric Saws; (2) Water Pumps; (2) Battery Chargers; (2) Welders; (3) Air Paint Sprayers; (2) Dollies; (4) Four Laser Levels with Stands; (1) Line Finder; (3) Lockout Kits; (1) Bevel Machine; (1) Electric Drill; and (1) Spy.	\$13,275.00	\$6,637.50		
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2013 Chevrolet Silverado 3500 VIN 7910; 2014 Ford F-150 VIN 8573; 2012 Ford F-350 VIN 9209; 2012 Ford F-350 VIN 2592; and 2015 Ford F-150 VIN 2995	\$172,419.20	\$120,693.44	Ally Financial, Inc. \$105,738.29	\$14,955.15
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2012 Ford F-150 VIN 3096	\$15,425.00	\$10,797.50	Chase Bank \$3,030.20	\$7,767.30
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2014 Ford F-150 VIN 3789 and 2014 Ford F-150 VIN 0295	\$65,800.00	\$ 46,060.00	Compass Bank \$51,567.84	-\$5,507.84
2012 Ford F-350 VIN 2591; 2015 Ford F-250 VIN 1282; and 2015 Ford F-250 VIN 3205	\$133,987.00	\$93,790.90	Ford Motor Credit \$108,292.14	-\$14,501.24
2011 Ford F-250 VIN 2631	\$36,675.00	\$25,675.86	TD Auto Finance \$10,999.14	-\$14,676.72
2011 750J Excavator SN 0473 and 2012 250G Crawler SN 8021	\$280,000.00	\$196,000.00	John Deere \$155,617.39	\$40,382.61
2009 John Deer 750J SN 4446 and 2011 John Deer 850K SN 6370	\$308,000.00	\$215,600.00	Wells Fargo Bank \$97,258.72	\$118,341.28
2012 Ford F-350 VIN 2250; 2003 Ford F-550 VIN 5679; 2007 Ford Fusion VIN 6228; 2008 Dodge Ram 1500 VIN 5865; 2010 Ford F-150 VIN 2367; 2011 Ford Expedition VIN 6061; 2011 Ford F-150 VIN 7570; 2011 Ford F150 VIN 5730; 2007 Ford F-150 VIN 4271; 2012 Ford F-350 VIN 5864; 2012 Ford F-350 VIN 2249; 2012 Ford F-350 VIN 4596; 2012 Ford F-350 VIN 4597; 2011 Ford F-	\$1,093,533.00	\$765,473.10	Unencumbered  Zapat County \$39,067.29	\$726,405.81

150 VIN 9316; 2003 Ford F-450 VIN 1210; 2005 Ford F- 350 VIN 5543; 2011 Chevrolet 3500 VIN 5666; 2011 Ford F- 350 VIN 2009; 2000 Trailer King Belly Dump VIN 2810; 2007 CTSI Trailer VIN 0627; 2001 Trailer Belly Dump VIN 0305; 1998 Eager Beaver Lowboy VIN 1387; 1989 Fruehauf Lowboy VIN 1374; 1991 Trailmaster Tannker VIN 3082; 1982 Maverick Trailer VIN 9042; 1989 Ranch Belly Dump VIN 8879; 2011 Lamar Gooseneck Trailer VIN 6930; 2011 Lamar Gooseneck Trailer VIN 6956; 2012 Lamar Gooseneck Trailer VIN 2181; 2012 PJ Gooseneck Trailer VIN 3880; 1994 Peterbuilt Tractor Truck VIN 5747; 1997 Kenworth Tractor Truck VIN 0994; 2000 Freightliner Lowboy VIN 5895; 2000 Peterbuilt Lowboy VIN 4555; 1994 GMC Utiltiy Truck VIN 2377; 2012 Gooseneck Tester Trailer VIN 0053; 2012 Lamar Gooseneck Power				
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Washer Trailer VIN 8368; 2010 Homemade Gooseneck Trailer; 2012 Homemade Utility Trailer; 2011 Homemade Utility Trailer; 2007 Homemade Utility Trailer; 2007 Homemade Trash Trailer; 2007 Homemade Trash Trailer; 2011 Lamar Trash Trailer VIN 7063; 2012 Homemade Trash Trailer; 2012 Lamar Sand Blaster Trailer VIN 8885; 2003 Peterbilt Vaccum Truck VIN 6423; 2012 Ford F-150 VIN 9736; 2012 Ford F- 150 VIN 4421; 2001 Ford F-450 VIN 5691; 2010 Ford F- 150 VIN 1144; 2009 Kawasaki Mule VIN 1120; 2011 Homemade Faltbed Trailer; 2007 Homemade Trash Trailer; 2010 John Deer 844K Wheel Loader SN 1976; 2011 John Deer 670G Motor Grader SN 5229; 2011 John Deer 750J Crawler Dozer SN 6834; 2012 John Deer 310J Wheel Loader Backhoe SN 1653; 2010 Sakai SV505T Vibratory Padfoot Roller SN 0534; 2000 JLG 400S Boomlift SN 4277;				
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2014 Hot Pressure Washer SN 3910; 1995 Volvo N70 Wheel Loader SN 1582; 1991 980C Wheel Loader SN 4125; 1981 977L Crawler Loader SN 2387; 1999 966G Wheel Loader SN 0559; 2005 Saky SV505D Smooth Roller SN 0219; 2003 John Deer 310G Backhoe SN 1037; 2004 Kobelco SK250 LC Excavator SN 0814; 2003 John Deer 750C Crawler Dozer SN 4325; 2005 John Deer 1050C Crawler Dozer SN 7614; and 2011 John Deer 310J Backhoe SN 6163; and 1981 Catapillar 980C Wheel Loader SN 4125				
<p>-----</p> <p>The following trucks and trailers are in the possession of Jose Guadalupe Gonzalez and subject to turnover:</p> <p>2011 Ford F-150 VIN 4793; 2011 Ford F-150 VIN 0721; 2011 Ford F-150 VIN 6102; 2011 Ford F-150 VIN 1259; 2011 Chevrolet 2500 VIN 3235; 2011 Chevrolet 3500 VIN 5351; 2012 Ford F-350 VIN 5623; 2011 Vactron</p>	<p>-----</p> <p>\$190,380.00</p>	<p>-----</p> <p>\$133,266.00</p>	<p>-----</p> <p>Unencumbered</p>	<p>-----</p> <p>\$133,266.00</p>

Vermeer LP555 DT Tanker Trailer VIN 1500; and 2011 Vactron Vermeer LP555 DT Tanker Trailer VIN 1517				
2007 14x56 Mobile Home VIN WG12 and 2003 14x56 Mobile Home VIN BH12.	\$26,900.00	\$18,830.00	Zapata County \$8,774.99	\$10,055.01
Scrap Metal	\$400.00	\$280.00	Unencumbered	\$280.00
(3) Air hoses; (4) Beacon Lights; (1) Generator; (4) CPR Kits; (31) Fire Extinguishers; (6) First Aid Kits;(14) Hammers; (8) Hand Saws; (6) Harnesses; (5) Ladders; (16) Levels; (3) Picks; (1) Pipe Threaded; (46) Wrenches; (20) Pliers; (5) Post Holes; (3) Rakes; (15) Safety Cones; (21) Safety Flags; (13) Scrap Batteries; (38) Screw Drivers; (1) Skill Saw; (46) Socket Wrenches; (5) Squares; (11) Tape Measures; (24) Triangle Safeties; (8) Rims; (8) Tires; (1) Vise; (9) Yellow Claps; (10) Land Yards; (36) Hard Hats; (3) 12 V Testers; (5) Air Chisels; (9) Air Fittings; (25) Anti-Freeze; (1) Barrring Seal; (3) Brake Away Systems; (6) Cans of Brake Fluid; (8)	\$6,618.25	\$4,632.79	Unencumbered	\$4,632.79



Break Pads; (2) Brushing Kits; (5) Cab Mark Lights; (17) Coupler Plugs; (11) Canse of Diesel Motor Oil (2) Digital Calipers; (50) Dusk Masks; (100) Ear Plugs; (5) Exhaust Clamps; (16) Fasteners; (108) Filters; (8) Fittings; (14) Gas Caps; (3) Gaskets; (24) Gear Lubes; (22) Gojos; (4) Gooseneck Breaks; (36) Cans of Grease; (58) Ginder Disks; (8) Hose Connectors; (14) Hub Bolts; (7) Jumper Cables; (1) Latch; (24) Lubricants; (4) Magnetic Levels; (70) Metal Clamps; (86) Cans of Motor Oil; (65) Nuts; (1) O Ring; (3) Oil Seals; (14) Oval Lamp Rubbers; (3) Paint Brushes; (28) Pig Tails; (8) Piston Rings; (2) Power Coils; (2) Replacemenet Headlights; (13) Retainers; (2) Rubber Hoo Catchers; (60) Safety Vests; (64) Screws; (16) Shocks; (5) Slimes; (8) Stick on Reflector; (21) Tires; (5) Tool Box Locking Handle; (2) Trailer Connectors; (42) Cans of Tranmission Fluid; (28) Turn Lamps; (2)				
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Universal Fuel Lines; (2) V Ring Seals; (3) Roles of Welding Wire; (13) Wheel Seals; (84) Winshield Fluid; and (13) Wiper Blades				
Debtor has potential causes of actions but not limited to: breach of fiduciary, tortious interference with contract, fraud, conspiracy, theft, breach of contract, suit on sworn account, trade secret misappropriation, and Sections 542, 548, and 550 Claims.	Unknown	Unknown	Unencumbered	Uknown
Gross Proceeds				\$1,504,159.58
Est. Liq. Costs				\$300,831.92
Est. Trustee Fees				\$36,099.83
Liq. Avail. For USC				\$1,167,227.83
Plan Avail. For USC				\$412,805.62
Allowed USC				\$412,805.62

**EXHIBIT A**

**HAWK OILFIELD SERVICE, INC. S/B/M TO  
R R RENTAL SERVICE, L.L.P AND HORIZONTE INVESTMENTS, L.L.C.  
2017 FISCAL YEAR BUDGET**

<b>INCOME</b>	<b>Amount</b>
Bid Jobs	52,868.05
Hourly Jobs	1,062,437.56
<b>Total</b>	<b>1,115,305.61</b>

<b>EXPENSES</b>	<b>Amount</b>
Payroll	240,736.08
Payroll Taxes & Contributions	37,602.39
Contract Labor/Per Diem	40,131.00
Drug Screening	1,705.79
Registration/Licenses/Permits/Bond	8,995.63
Utilities	39,061.82
Office Supplies/Postage/Alarm	2,489.93
Maintenance/Repairs/Pest Control	23,562.91
Insurance	147,537.26
Parts/Tools/Supplies/Materials	120,592.98
Fuel/Diesel	68,352.70
Rent/Rentals	9,836.48
Bank/Merchant Charges	11,411.93
Travel/Lodging/Meals	15,862.00
Advertising/Sponsorships	1,674.89
Reimbursements	5,915.01
Bookkeeping/Professionals	61,796.00
Ad Valorem Taxes	34,626.69
Plan Payments	241,091.55
Misc./Unforeseen Expenses	2,000.00
<b>Total</b>	<b>1,114,983.05</b>

<b>TOTAL/SURPLUS</b>	
TOTAL INCOME	1,115,305.61
TOTAL EXPENSES	1,114,983.05
SURPLUS	322.56

**EXHIBIT B**

**HAWK OIL FIELD SERVICE, INC. S/B/M TO R R RENTAL SERVICE, L.L.P HORIZONTE INVESTMENTS, L.L.C.  
COMBINED 12 MONTH CASH FLOW FORECAST CUMULATIVE PLAN SUMMARY  
FOLLOWING EFFECTIVE DATE**

Estimated Cash Received from Operations:	Jan. 2017	Feb. 2017	March 2017	April 2017	May 2017	June 2017	July 2017	August 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017	12 Month Totals
Income													
Total Income	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	\$ 1,115,305.61
Estimated Cash Outflow													
Expenses	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	\$ 1,115,305.61
Total Expenses	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	92,942.13	\$ 1,115,305.61
Est. Surplus	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	\$ 873,891.50
Est. Funds For Effective Date	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	72,824.29	\$ 873,891.50
	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$20,117.84	\$241,414.11
	\$42,065.09												\$42,065.09
U.S. Trustee Fees	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 1,000.00
Est.Prof. Fees	\$40,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 40,000.00
CLASS 1. Priority Claim of Compt.	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$759.79	\$ 9,117.48
CLASS 2. Secured Claim of ZC	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$1,329.74	\$ 15,956.88
CLASS 3. Secured Claim of DISD	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$127.44	\$ 1,529.28
CLASS 4. Secured Claim of FC	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$ 1,080.00
CLASS 5. Secured Claim of Youngblut	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$810.00	\$ 9,720.00
CLASS 6. Priority Claim of ZNB	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$312.00	\$ 3,744.00
CLASS 7. Secured Claim of ZNB	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$1,120.00	\$ 13,440.00
CLASS 8. Secured Claim of EF	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$941.00	\$ 11,292.00
CLASS 9. Secured Claim of AF	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$605.00	\$ 7,260.00
CLASS 10. Secured Claim of AF	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$535.00	\$ 6,420.00
CLASS 11. Secured Claim of AF	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$148.00	\$ 1,776.00
CLASS 12. Secured Claim of AF	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$240.00	\$ 2,880.00
CLASS 13. Secured Claim of AF	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$439.00	\$ 5,268.00
CLASS 14. Secured Claim of Chase	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$85.00	\$ 1,020.00
CLASS 15. Secured Claim of Compass	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$470.00	\$ 5,640.00
CLASS 16. Secured Claim of Compass	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$484.00	\$ 5,808.00
CLASS 17. Secured Claim of FMC	\$4918.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 4,918.51
CLASS 18. Secured Claim of FMC	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$965.00	\$ 11,580.00
CLASS 19. Secured Claim of FMC	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$424.45	\$ 5,093.40
CLASS 20. Secured Claim of TD	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$189.00	\$ 2,268.00
CLASS 21. Secured Claim of JDF	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$1,837.00	\$ 22,044.00
CLASS 22. Secured Claim of JDF	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$483.00	\$ 5,796.00
CLASS 23. Secured Claim of JDF	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$243.00	\$ 2,916.00
CLASS 24. Secured Claim of JDF	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$362.00	\$ 4,344.00
CLASS 25. Secured Claim of Wf	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$ 14,100.00
CLASS 26. Unsecured Claims	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$2,090.00	\$ 25,080.00
CLASS 27. Equity Holders	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -
Total Payments Made under Proposed PI	\$62,182.93	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$16,264.42	\$ 241,091.55

**EXHIBIT C**

**HAWK OILFIELD SERVICE, INC. S/B/M**  
**R R RENTAL SERVICE, L.L.P. HORIZONTE INVESTMENTS, L.L.C.**  
**PROFIT LOSS AS OF SEPTEMBER 2016**

<b>INCOME</b>	<b>Amount</b>
Bid Jobs	33,042.53
Hourly Jobs	664,023.47
<b>Total</b>	<b>697,066.00</b>

<b>EXPENSES</b>	<b>Amount</b>
Payroll	171,954.34
Payroll Taxes & Contributions	26,858.85
Contract Labor/Per Diem	28,665.00
Drug Screening	1,218.42
Registration/Licenses/Permits/Bond/Tolls	6,425.45
Utilities	27,901.30
Office Supplies/Postage/Alarm	1,778.52
Maintenance/Repairs/Pest Control	16,830.65
Insurance	105,383.76
Parts/Tools/Supplies/Materials	86,137.84
Fuel/Desiel	48,823.36
Rent/Rentals	7,026.06
Bank/Merchant Charges	8,151.38
Travel/Lodging/Meals	11,330.00
Advertising/Sponsorships	1,196.35
Reimbursements	4,225.01
Bookkeeping/Professionals	55,175.00
Ad Valorem Taxes/Sales Taxes	1,120.26
Plan Payments	
<b>Total</b>	<b>610,201.55</b>

<b>TOTALS/SURPLUS</b>	
TOTAL INCOME	697,066.00
TOTAL EXPENSES	610,201.55
SURPLUS/ADEQUATE PROTECTION	86,864.45

**EXHIBIT D**