

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

In re:)	Chapter 11
)	
Irasel Sands, LLC,)	Case No. 17-51420
Debtor)	

IRASEL SAND, LLC'S FIRST AMENDED DISCLOSURE STATEMENT

NOTICE OF VOTING AND OBJECTION DEADLINES AND
NOTICE OF CONFIRMATION HEARING

A copy of the Debtor's First Amended Plan ("Plan"), and this First Amended Disclosure Statement ("Disclosure Statement") is attached. If you are a holder of a claim that is impaired by the Plan, you have the right to vote by the enclosed ballot. **The deadline for receipt of your ballot is June 15, 2018 by 5:00 p.m. CST.** Late ballots may not be counted.

This Disclosure Statement was approved by the Bankruptcy Court on April 24, 2018. Please read the enclosed Plan and Disclosure Statement in its entirety before you vote. You may wish to retain your own attorney or accountant to assist you in determining whether to accept or reject the proposed plan. Neither the Debtor nor its counsel can give you advice on how to vote.

The Plan will not be binding on any person unless the United States Bankruptcy Court enters an order confirming the Plan. There are many requirements for confirmation of a plan. These are contained in § 1129 of the Bankruptcy Code. One of the requirements is that at least one class of impaired claims votes to accept the Plan, by both a two-thirds majority (measured by the dollar amounts of claims that are voted) and a simple majority (measured by persons who vote). Accordingly, it is important that you return your ballot. Mailing instructions are contained on the ballot.

You may also file a written objection to confirmation of the Plan. Written objections must be filed with the Clerk of the Bankruptcy Court and also served on

Debtors' counsel. **The Deadline to file a written objection is June 15, 2018 by 5:00 p.m. CST.** A vote rejecting the plan is not the same as an objection to the plan.

A hearing on whether to confirm the Plan has been scheduled for June 27, 2018, at 09:30 a.m. in the United States Bankruptcy Court, Courtroom No. 1, 3rd Floor, 615 East Houston Street, San Antonio, Texas. The hearing is open to the public.

All ballots and objections to confirmation must be filed with the Clerk of the United States Bankruptcy Court for the Western District of Texas and also served on counsel for the Debtor whose addresses are as follow:

**United States Bankruptcy Court
615 E. Houston Street, Rm 597
San Antonio, Texas 78205**

**Dean W. Greer
2929 Mossrock, Suite 117
San Antonio, Texas 78230
Facsimile No. 210.342.3633
Email: dwgreer@sbcglobal.net**

1. INTRODUCTION

This is the disclosure statement in the Chapter 11 case of Irasel Sands, LLC. (Hereafter referred to as the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Plan filed by the Debtor. A full copy of the Plan accompanies this Disclosure Statement. Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.

The proposed distributions under the Plan are discussed at pages 14-19 of this Disclosure Statement. General unsecured creditors are classified in Classes 6 and 9 (convenience class), and will receive a 100% percent distribution of their allowed claims, to be distributed out of future business operations. Creditors electing to vote in Class 9 convenience class will receive 75% of the allowed claim.

A. Purpose of This Document.

This Disclosure Statement describes:

- ! The Debtor and significant events during the bankruptcy case
- ! How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed).
- ! Who can vote on or object to the Plan
- ! What factors the Bankruptcy Court (the “Court”) will consider when deciding whether to confirm the Plan.
- ! Why the Debtor believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation; and
- ! The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights. If you want additional information about the Plan, you should contact **Dean W. Greer, Law Offices of Dean W. Greer, 2929 Mossrock, Suite 117, San Antonio, Texas 78230** or **Email: dwgreer@sbcglobal.net**, counsel for the Debtor.

2. BACKGROUND

Identity of the Debtor

Irasel Sands, LLC (“debtor”) filed a voluntary Chapter 11 case in the United States Bankruptcy Court for the Western District of Texas, San Antonio Division (“Court”) on June 19, 2017. The Debtor is a processor of silica sand (“frac sand”) according to the American Petroleum Institute’s standards for “proppants” used by oil and gas operators in the industry; and operates a processing plant in Millet, Texas. Debtor proposes to fund the plan through operations, remain in business and provide a dividend to its creditors.

Explanation of Chapter 11

Chapter 11 is the principal reorganization chapter of the Code. Pursuant to Chapter 11, a debtor is authorized to reorganize its business for its own benefit and that of its creditors and equity interest holders. Formulation of a plan of reorganization is the principal purpose of a Chapter

ii reorganization case. A plan of reorganization sets forth the means for satisfying claims against and interests in the debtor. After a plan of reorganization has been filed, it must be accepted by holders of claims against, or interest in, the debtor. Section 1125 of the Code requires full disclosure before solicitation of acceptances of a plan of reorganization. This Disclosure Statement is presented to Claimants to satisfy the requirements of Section 1125 of the Code.

Explanation of the Process of Confirmation

Even if all Classes of Claims accept the Plan, its confirmation may be refused by the Court. Section 1129 of the Code sets forth the requirements for confirmation and, among other things, requires that a plan of reorganization be in the best interests of Claimants. It generally requires that the value to be distributed to Claimants may not be less than such parties would receive if the debtor were liquidated under Chapter 7 of the Code. The confirmation requirements and process are set forth in Article V herein.

Voting Procedures

Unimpaired Class. Claimants in Class 1 are not impaired under the Plan. Such Class is deemed to have accepted the Plan.

Impaired Classes. The Classes 2 through 10 Claimants are impaired as defined by Section 1124 of the Code. The Debtor is seeking the acceptance of the Plan by Claimants in Classes 2 through 10. Each holder of an Allowed Claim in Classes 2 through 10 may vote on the Plan by completing, dating and signing the ballot sent to each holder and filing the ballot as set forth below.

For all Classes, the ballot must be returned to Dean W. Greer, Law Offices of Dean W. Greer, 2929 Mossrock, Suite 117, San Antonio, Texas 78230. In order to be counted, ballots must be RECEIVED no later than at the time and on the date set forth above.

Best Interests of Creditors Test

Section 1129(a)(7) of the Code requires that each impaired class of claims or interests accept the Plan or receive or retain under the Plan on account of such claim or interest, property of a value as of the Effective Date of the Plan, that is not less than the amount that such holder would so receive or retain if the Debtors were liquidated under Chapter 7 of the

Bankruptcy Code. If Section 111(b)(2) of the Bankruptcy Code applies to the claims of such class, each holder of a claim of such class will receive or retain under the Plan, on account of such claim, property of a value, as of the Effective Date of the Plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims. In order for the plan to be confirmed, the Bankruptcy Court must determine that the Plan is in the best interests of the Debtor's creditors. Accordingly, the proposed Plan must provide the Debtor's creditors with more than they would receive in a Chapter 7 liquidation. It is anticipated that in a Chapter 7 liquidation, the Debtor's creditors, other than the secured creditors, would receive less than is provided for in this Plan. Accordingly, since the Plan proposes a substantial dividend to all creditors, such creditors are receiving more than they would receive in a Chapter 7 liquidation. Accordingly, the Plan satisfies the requirements of Section 1129(a)(7).

Cramdown

The Court may confirm the Plan even though less than all of the classes of claims and interests accept it. The requirements for confirmation of a plan over the objection of one or more classes of claims or interests are set forth in Section 1129(b) of the Code.

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REPRESENTATIONS

This Disclosure Statement is provided pursuant to Section 1125 of the Code to all of the Debtor's known Creditors and other parties in interest in connection with the solicitation of acceptance of its Plan of Reorganization, as amended or modified. The purpose of this Disclosure Statement is to provide such information as will enable a hypothetical, reasonable investor, typical of the holders of Claims, to make an informed judgment in exercising its rights either to accept or reject the Plan. A copy of the Plan is attached hereto as Exhibit "1".

After a hearing on notice, the Court approved this Disclosure Statement as containing information of the kind and in sufficient detail adequate to enable a hypothetical, reasonable investor typical of the classes being solicited to make an informed judgment about the Plan. The information contained in this Disclosure Statement has been derived from the Debtor,

unless specifically stated to be from other sources.

NO REPRESENTATIONS CONCERNING DEBTOR ARE AUTHORIZED BY DEBTOR OTHER THAN THOSE SET FORTH IN THIS DISCLOSURE STATEMENT. THE DEBTOR RECOMMENDS THAT ANY REPRESENTATION OR INDUCEMENT MADE TO SECURE YOUR ACCEPTANCE OR REJECTION OF THE PLAN WHICH IS NOT CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN REACHING YOUR DECISION ON HOW TO VOTE ON THE PLAN. ANY REPRESENTATION OR INDUCEMENT MADE TO YOU NOT CONTAINED HEREIN SHOULD BE REPORTED TO THE ATTORNEYS FOR DEBTOR WHO SHALL DELIVER SUCH INFORMATION TO THE COURT FOR SUCH ACTION AS MAY BE APPROPRIATE.

ANY BENEFITS OFFERED TO THE CREDITORS ACCORDING TO THE PLAN WHICH MAY CONSTITUTE "SECURITIES" HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE FEDERAL SECURITIES AND EXCHANGE COMMISSION ("SEC"), THE TEXAS SECURITIES BOARD, OR ANY OTHER RELEVANT GOVERNMENTAL AUTHORITY IN ANY STATE OF THE UNITED STATES. IN ADDITION, NEITHER THE SEC, NOR ANY OTHER GOVERNMENTAL AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS AMENDED DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE IMPOSSIBILITY OF MAKING ASSUMPTIONS, ESTIMATES AND PROJECTIONS INTO THE FUTURE WITH ACCURACY, DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS COMPLETELY ACCURATE, ALTHOUGH EVERY REASONABLE EFFORT HAS BEEN MADE TO ENSURE THAT SUCH INFORMATION IS ACCURATE. THE APPROVAL BY THE COURT OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE COURT OF THE PLAN OR GUARANTEE THAT ACCURACY OR COMPLETENESS OF THE INFORMATION

CONTAINED HEREIN.

DEBTOR BELIEVES THAT THE PLAN WILL PROVIDE CLAIMANTS WITH AN OPPORTUNITY ULTIMATELY TO RECEIVE MORE THAN THEY WOULD RECEIVE IN A LIQUIDATION OF THE DEBTOR'S ASSETS, AND SHOULD BE ACCEPTED. CONSEQUENTLY, DEBTOR URGES THAT CLAIMANTS VOTE FOR THE PLAN.

DEBTOR DOES NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS CORRECT, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE. THE STATEMENTS CONTAINED IN THIS AMENDED DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN. THIS DISCLOSURE STATEMENT CONTAINS ONLY A SUMMARY OF THE PLAN. THE PLAN WHICH ACCOMPANIES THIS AMENDED DISCLOSURE STATEMENT, AND EACH CREDITOR AND INTEREST HOLDER IS URGED TO CAREFULLY REVIEW THE PLAN PRIOR TO VOTING ON IT.

4.

FINANCIAL PICTURE OF THE DEBTOR

Description and History of the Debtor's Business

The Debtor owns and operates a raw materials supply business, which specializes in supplying companies involved in hydraulic fracturing of oil and gas wells with sand necessary for the fracturing process ("Frac-Sand"). Specifically, hydraulic fracturing operations use Frac-Sand as a proppant, a hard material that can be used as a wedge to open and maintain man-made fissures in shale rock. By opening the fissured shale rock and maintaining the fissured openings, operators can allow oil or natural gas to swell into the fissures. This process permits drilling in areas rich with natural hydrocarbon resources that were previously uneconomical to develop.

The Debtor is a limited liability company of which Irabel, Inc. ("Irabel") and Select Sands, LLC ("Select") are its members. Select held a long-term lease with Martin Marietta ("Marietta") where a frac-sand plant was located. Initially, Irabel sought a right of first refusal to obtain the Millet lease and its related leasehold improvements as represented by Select.

Eventually, this evolved into a joint venture between Irasel and Select which formed the Debtor in 2014.

Just as the Millet plant became operational in late 2014, the oil and gas market collapsed. For two years, while many oil companies went broke and out of business, the Debtor was able to remain operational even though its sales were significantly diminished.

First Bankruptcy

Because of short-term liquidity needs, Irasel filed a petition for chapter 11 relief on February 27, 2017 in the Southern District of Texas Houston Division. To protect the Millet lease and expand the plant, primarily in conjunction with representations by Carousel of an anticipated contract with an independent third-party Exploration and Production (E&P) company, Irasel entered into an agreement to borrow \$160,000 in working capital and approximately \$1,623,017 in post-petition capital improvements. Carousel never generated the level of sales to support the projected operations necessary to provide the working capital needs of the Debtor; nor did the anticipated contract with the third-party E&P company materialize. Unfortunately, Carousel ceased providing working capital and capital financing and kept all sales proceeds generated by Debtor.

It was during this period of time that Select determined that it should align itself with Carousel to the detriment of the Debtor by entering into an Option Agreement with them, wherein Select agreed to sell them all of its interest in Irasel. ("Select Option"). Armed with the Select Option and its debt, Carousel sought and obtained a dismissal of the Houston bankruptcy (May 30, 2017) and gave notice of its intent to foreclose its lien on the Debtor's assets in July 2017. Faced with a pending foreclosure and the cancellation of the Marietta lease, the Debtor filed this Chapter 11 bankruptcy on June 19, 2017.

Significant Events During the Bankruptcy Case

Several significant events highlight the Debtor's progress to filing its Chapter 11 plan:

- 1) Despite a concerted effort by Select and Carousel to cause this bankruptcy to be dismissed, the Debtor has preserved and taken operational control of the Millet plant.

2) The Debtor has negotiated an agreement to process sand with a third-party purchaser; and is satisfying the customer by successfully processing sand at an operating level that it has never done before.

3) Debtor has preserved its Millet lease by assuming the lease and paid over \$600,000 in lease payments.

4) Debtor has obtained a Bankruptcy Court order allowing it to cancel its Marketing Agreement with Carousel.

Issues between Carousel, Select and the Debtor

A cursory review of this bankruptcy would show this bankruptcy has been heavily contested by Carousel and Select:

a) Carousel sought to prevent the Debtor from paying Martin Marietta from post-petition receivables. The bankruptcy court held to the contrary and Carousel has filed an appeal to the United States District Court for the Western District of Texas. Debtor has filed a motion to dismiss the appeal as moot.

Carousel disagrees with the Debtor's assertion that it sought to prevent the Debtor from paying Martin Marietta from post-petition receivables. Carousel asserts that it merely sought to assert its judicial liens on the Debtor's post-petition assets since it was not provided adequate protection for their use by the Debtor. While the Bankruptcy Court held that Carousel's liens did not extend to the Debtor's post-petition assets, Carousel has appealed the Court's ruling to the United States District Court for the Western District of Texas, and requested that its appeal be certified for direct appeal to the United States Court of Appeals for the Fifth Circuit. By Order dated May 7, 2018, the District Court granted Carousel's request and certified the appeal to the Fifth Circuit. Moreover, in its Order certifying the appeal, the District Court specifically disagreed with the Debtor's argument that the Bankruptcy Court's ruling was premised on controlling case law.

b) Carousel sought to determine that its claim of approximately \$2.4 million was a super-priority administrative claim based on an order in the Houston bankruptcy case. This Bankruptcy Court held Carousel does not have a super-priority

administrative claim. Carousel disputes this ruling and has filed a notice of appeal. Carousel asserts that it will consolidate both appeals and will seek a stay of appeal in the appropriate court. Debtor dispute the appeals can be consolidated or stayed.

c) Debtor filed an objection to the claim of Select Sands, LLC's proof of claim. The basis of the objection is the claim is that of Irabel not the Debtor. In addition, the Debtor combined these objections with certain counterclaims that were lodged against Carousel and Select for fraud, conspiracy, breach of contract, tortious interference with contract (past and future) and for an accounting, among others. This objection constituted an adversary proceeding and is currently pending in Adversary No. 18-05007. Select disputes the Debtor's objection and the counterclaims and contends the following:

(1) Select Sand asserts that it timely filed Proof of Claim No. 5, which seeks recovery of monies paid by Select Sand on behalf of the Debtor. Select Sand believes that the claim should be allowed as a general unsecured claim against the Debtor in the amount of \$77,216. Select Sand notes that the Debtor listed its claim as "undisputed" in the Debtor's first bankruptcy court, filed in the Southern District of Texas, Houston Division.

(2) Select Sand denies it owes the Debtor any fiduciary duties or breached any such duties. Select Sand denies that it "conspired" with Carousel to "take over" the Debtor. At all times, Select Sand has acted as a creditor attempting to maximize the recovery on its claim and/or as an equity holder, attempting to maximize value of its equity. Select Sand alleges that Irabel, Inc. violated its agreement with Select Sand by causing the Debtor to file a Chapter 11 case without Select Sand's knowledge or consent. Select Sand denies that the allegations in the Adversary Proceeding filed by the Debtor are truthful or have any legal merit. Select Sand asserts the Debtor filed the Adversary

Proceeding for tactical litigation purposes and not because the Debtor has any valid claims against Select Sand, which it does not.

d) Carousel has filed three proof of claims which are dealt with in Classes 7 and 8. Carousel's claim no. 11 is for \$2,472,975.16 and asserts to be fully secured and a super-priority administration claim. The Court has already determined that Carousel does not hold a super-priority claim. Debtor has objected to this claim, in part, because (1) the claim is not fully secured (2) the amount of the claim and (3) amount and allowance of attorney fees. Carousel asserts that its timely filed Proof of Claim with regard to claim no. 11 will be allowed in full. Carousel further asserts that the Bankruptcy Court has already determined that Carousel's claim is secured by first and/or second liens on all of the Debtor's assets. Additionally, Carousel disputes all allegations made by the Debtor with regard to its objections to Carousel's claim no. 11, and asserts that the Section 364(e) "good faith" findings in the Interim Cash Collateral Orders provide it a complete defense against the Debtor's objections.

e) Carousel has filed claim no. 12 in the amount of \$643,998.21 asserting that it paid two claims owed by the Debtor. Debtor has denied the claims are those of the Debtor; denies the work was done; and if done, was not necessary and disputes the price charged. Carousel asserts it was assigned claims by creditors of the Debtor and that it timely filed its proof of claim and the amount is owed in full. This dispute is the reason for the litigation.

f) Carousel has filed claim no. 13 in the amount of \$10,080,000 for alleged damages arising from the termination of the Marketing Agreement. Debtor disputes this claim because (1) the marketing agreement does not allow for damages; (2) Carousel breached the agreement by not obtaining sand contracts and not complying with its representations and warranties in section 10.2(e)(ii) of the Marketing Agreement; (3) by failing to account for sale of processed sand; (4) the marketing agreement was obtained through fraud; and (5) Carousel engaged in illicit and tortious relationship with Select to interfere with various contractual relations.

Carousel disputes the Debtor's assertions and states it damages arose because the Debtor canceled the marketing agreement and the rejection damages are based wholly upon the Debtor's projections in its disclosure statement. Carousel further asserts the proof of claim was timely filed and is owed. Again, this dispute has caused the litigation to ensue.

g) In addition to the specific objections, the Debtor has also filed a counterclaim against Carousel and/or Select for fraud, conspiracy, breach of contract, tortious interference with contract (past and future) and for an accounting, among others. This objection constituted an adversary proceeding and is currently pending in Adversary No. 18-05007.

Carousel disputes the Debtor's claims. It asserts that it conducted business with the Debtor under a contract negotiated at arms-length, that it fully performed its duties and obligations; that it provided financing; denies that it engaged in a conspiracy with Select and only recently had any relationship with Select. The adversary proceeding will sort out all of these issues.

Other Actions

Select has filed a motion to appoint a Chapter 11 trustee on the grounds that the Debtor is paying the claim of SBN V FNBC LLC's (Class 2) 100% of its allowed claim with interest. Select asserts SBN's claim is only partially secured and the Debtor is giving preferential treatment to protect certain guarantors, who are principals of Irabel. Debtor believes SBN V FNBC LLC's claim in full because of the value of its collateral. More importantly, the Debtor is not discriminating in favor of SBN V FNBC LLC because it proposes to pay all of its debt, secured and unsecured, in full.

Alleged Insider Postpetition Transfer Claims

When the Debtor filed bankruptcy, it was seriously delinquent in its payments to Martin Marietta's lease where the Debtor operates its Plant. Martin Marietta was forcing the Debtor to make payments on the lease or have it canceled. In the ordinary course of business over the last two years, shareholders of Irabel have advanced money to the

Debtor and subsequently been reimbursed when the Debtor had money. This is what occurred when the Debtor had to pay \$56,130.24 and it had no current funds.

In the ordinary course of the Debtor's business, Robert Livingston and Allan Garley advanced funds to the Debtor during the month of August, 2017 and this money was used to pay the Martin Marietta lease payments. Carousel asserts these payments were not made in the ordinary course of business. These individuals subsequently were reimbursed in September, 2017. This transaction was not hidden as it was disclosed a various hearings before the Court and were disclosed on the Monthly Operating Report. Select asserts this was an impermissible transfer under 11 U.S.C. §549 and asserts the Debtor should recover this money. Debtor disagrees with this assessment. These Chapter 5 claims are specifically preserved by and vest in the Debtor upon confirmation. In contrast, Carousel believes a liquidating trust should be created to pursue these claims for the benefit of the unsecured creditors because it does not believe the Debtor will pursue these claims.

Projected Recovery of Avoidable Transfers

The Debtor has not yet completed its investigation with regard to prepetition transactions. If you received a payment or other transfer within 90 days of the bankruptcy, or other transfer avoidable under the Code, the Debtor may seek to avoid such transfer.

Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

5.

SUMMARY OF THE PLAN OF REORGANIZATION

The Reorganized Debtor will continue in business. The Plan will break the existing claims into 10 categories of Claimants. In addition, the Debtor will pay the administrative and priority claims.

Priority Taxes

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Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

- A) Claim of Internal Revenue Services. Debtor asserts it owes approximately \$260,469.23 for unpaid 941 taxes. Debtor proposes to pay this in 48 equal monthly payments of \$5,881.00 per month with interest at 5% per annum. To the extent the monthly payments will not amortize the allowed claim within 48 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Payments will commence on the 20th day of the month following the Effective Date and on the 20th day of each month thereafter until paid.
- B) Claim of Comptroller of Public Accounts (Sales & Use Tax)(Claim No. 6) in the amount of \$2,129.12. Debtor proposes to pay this claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- C) Claim of Comptroller of Public Accounts (International Fuel Tax)(Claims No. 7) in the total amount of \$1,150.00. Debtor proposes to pay this claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- D) Claim of Louisiana Dept of Revenue in the total amount of \$4,812.54. To the extent the claim is allowed, the Debtor proposes to pay the claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- E) Claim of Texas Work Force Commission in the amount of \$8,394.74. To the extent the claim is allowed, the Debtor proposes to pay the claim in full with interest at 4% per annum within 90 days after the Effective Date. This will resolve Claim Nos. 16 and 17.
- F) Claim of Louisiana Department of Labor in the amount of \$138.54. To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.
- G) Claim of Minnesota Department of Unemployment in the amount of \$2,403.31 To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.
- H) Claim of Minnesota Department of Revenue in the amount of \$4,226. To the

extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.

- 1) Claim of City of New Orleans personal property tax in the amount of \$498.39. To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date

2 Classes of Creditors

Satisfaction of Claims and Debt: The treatment of and consideration to be received by holders of Allowed Claims or interest pursuant to Article 4 of the Plan shall be the sole and exclusive means for full settlement, release and discharge of their respective Claims, Debtors, or interests. On the Confirmation Date, the Reorganized Debtor shall assume all duties, responsibilities and obligations for the implementation of this Plan.

Class 1: Claimants (Allowed Administrative Claims of Professionals and US Trustee) are unimpaired and will be paid in cash and in full on the Effective Date of this Plan unless otherwise agreed to. Professional fees are subject to approval by the Court as reasonable. Debtor's attorney's fees and any Consultants approved by the Court and payable to the law firm of Dean W. Greer will be paid immediately following the later of Confirmation or approval by the Court out of the available cash. Debtor believes the amount of this Class will be approximately \$200,000. This case will not be closed until all allowed Administrative Claims are paid in full. Section 1930 fees shall be paid in full prior to the Effective Date. Debtor will make quarterly payments to the U.S. Trustee and may be required to file post-confirmation operating reports until this case is closed. The Class 1 Claimants are not impaired under this Plan.

Class 2: The claim of SBN V FNBC LLC. Claimant asserts a secured claim in the approximate amount of \$4,253,875.53 secured by various assets of the Debtor. (POC #8). Claimant holds this claim as an assignment from the FDIC. To the extent the claim is allowed as filed and to the extent it is secured, Debtor proposes to pay the debt in sixty equal monthly payments, which includes interest at 5% per annum. Payments will commence on the 15th day of the month following the Effective Date and on the 15th day of each month thereafter until paid. Debtor further asserts the claim should be allowed in full because the loan proceeds were used for the benefit of the Debtor. Debtor does not object to the claim as filed.

Currently, assuming the debt is fully secured and allowed in full, the monthly payment will be approximately \$80,276.00. If it is determined SBN's claim is not fully secured, the unsecured portion will be paid as a class 6 creditor.

SBN's Claim will continue to be secured by properly perfected first and prior liens on the Debtor's inventory, pre-petition accounts, equipment, general intangibles and other property described in the commercial security agreements attached to SBN's proof of claim. Notwithstanding anything to the contrary herein, the Plan does not prohibit, stay, enjoin, bar, exculpate or affect in any way SBN's rights and remedies as to any and all guarantors, obligors,

and any other nondebtor party which may be liable for the SBN Claim, which parties are not released in any way, or their liability impacted in any way, or recourse against them impacted in any way, by this Plan or any Order confirming this Plan. This will resolve claim no. 8. This Class 2 Creditor is Impaired.

Class 3: The claim of Frio County. (Claim No. 2) in the amount of \$41,260.68. To the extent the claim is allowed, Debtor proposes to pay \$1,087.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month following the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative claim and request for payment by Claimant.

Class 4: The Claim of La Salle County. (Claim No. 2) in the amount of \$17,420.92. To the extent the claim is allowed, Debtor proposes to pay \$459.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month following the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative claim and request for payment by Claimant.

Class 5: The Claim of Dilley ISD (Claim No. 1) in the amount of \$66,118.62. To the extent the claim is allowed, Debtor proposes to pay \$1,741.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month following the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative

claim and request for payment by Claimant). This Class 5 Creditor is Impaired.

Class 6: General Unsecured Creditor Claims (Not Otherwise Classified). Class 6 claims consist of Allowed claims of general unsecured creditors, (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan), other than Class 8 and 9. The total claims in this class are approximately \$3,771,260.17. Of this the Debtor asserts only \$2,867,860.08 are allowed after all offsets/payments are credited. This class will be paid, at a minimum, in full in 20 equal quarterly installments of \$154,952 beginning on or before September 30, 2018 and on the 30/31st day of each quarter thereafter or sooner at the Debtor's discretion until paid in full. These claims will bear interest at the rate of 3% per annum. Upon confirmation, these Class 6 Claimants shall be and are enjoined from pursuing any action for payment other than under the terms of this Plan as confirmed. This Class includes all allowed claims as stated in the Debtor's schedules, as amended, as not disputed, contingent, or unliquidated. A list of the Class 6 creditors and their proposed treatment is attached in the financial summary. The Class 6 Creditors are Impaired.

Class 7: The secured claim of Carousel Specialty Products, Inc. Claimant asserts it has a secured claim, super-priority administrative claim (POC #11) in the amount of \$2,472,975.16. This claim is disputed both in amount, classification, and whether the claim is secured. The Bankruptcy Court has ruled Carousel does not have a super-priority administrative claim. Carousel has appealed this ruling to the United States District Court. The claim is further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9).

To the extent the allowed claim is secured, Debtor proposes to pay the secured debt in sixty equal monthly payments, which includes interest at 5% per annum. Debtor asserts it owes approximately \$650,000.00 before any claims of reduction/offset or subordination as set forth in Article 9. Carousel disputes its claim is only \$650,000 and asserts the claim will be allowed in full. Assuming this amount is fully secured, the monthly payments will be \$12,266.00. If the claim was allowed in full and was fully secured, the monthly payment would be approximately \$46,668 according to Carousel. The lower amount will be escrowed pending resolution of the claims objections as noted below.

Payments will commence on the 25th day of the month following the date a final proof of claim supported by ruling of the court of any appropriate jurisdiction as to the nature, validity, priority or extent of Carousel's superpriority lien claim the amount, if any, of the secured or priority claim allowable by court order to be paid to Carousel. No payment will be made to the Class 7 claimant prior to the date all issues relating to the nature, validity, priority and classification of the Class 7 superpriority claim are resolved by final non-appealable court order in Adversary Proceeding no. 18-05007; until the pending appeal of Docket Nos. ECF #164 and #170, Carousel Specialty Products, Inc. v. Irasel Sand, LLC No. 17-CV-1123 OLG before the United States District Court for the Western District of Texas; and the appeal to the United States District Court of

Order (Doc. No. 237) by Carousel is resolved by final unappealable order. If any portion of this claim is determined to be unsecured, it will be treated as a Class 8 Claimant. This will resolve claim no. 11. This Class 7 Creditor is Impaired.

Class 8: The Unsecured claims of Carousel Specialties Products. Carousel has filed two unsecured claims in the amount of \$643,998.21 (Claim No. 12) and \$10,080,000.00 (Claim No. 13). These claims are disputed, unliquidated and contingent. Debtor has objected to both these claims in Adversary No. 18-05007. No payment will be made to the Class 8 claimants prior to the date all issues relating to the nature, priority, validity and amount of the claims are resolved by final non-appealable court order in the Adversary Proceeding No. 18-05007 and the final determination of all appeals filed by Carousel. These claims are further subject to be subordinated to Classes 1-6 and 9 given that Carousel has asserted to acquire Select Sands ownership interest in the Debtor and may be construed to be an insider. This Class 8 Creditor is impaired.

Class 9: The Convenience Class of Unsecured Claim (not otherwise designated). Class claims consist of Allowed claims of general unsecured creditors, (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan), other than Class 8 and who have claims that do not exceed \$10,000 or those who elect to limit their total claim to \$10,000.00. Debtor asserts there are 31 creditors in this Class holding claims totaling \$110,315.03. Class 9 claimants shall be paid 75% of their allowed claim in cash (or approximately \$82,736.00) without interest within 90 days of the Effective Date. A list of creditors in Class 9 and their proposed treatment is found in attached financial summary. The Class 9 Creditors are impaired.

Class 10: The claims of Irabel, Inc. and Select Sands, LLC. Irabel, Inc. and Select Sands, LLC are currently members of the Debtor. Select has filed a claim in the amount of \$77,216.96. (No. 5). Irabel, Inc. is owed the sum of \$7,762,589.52. Debtor disputes the claim of Select Sands, LLC. in amount and liability. It is further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9). These claims, if allowed, shall be paid 10 semi-annual installments and shall bear interest at 3% per annum. The payment of these claims shall be subordinated to the Class 1-6 and 9 and shall not be paid until the claims of Classes 1-6 and 9 are paid in full.

Class 11: Equity Holders. Currently, the members of the Debtor are Select Sands, LLC and Irabel, Inc. There is an issue as to whether Select Sands, LLC has conveyed its ownership interest to Carousel Specialty Products, Inc. Subject to the claims Debtor has against Select as set forth in the Retention of Claims (Article 9), both Select Sands, LLC and Irabel, Inc. will retain their ownership interests.

An analysis of allowed claims and treatment is found in Debtor's Financial Summary attached as Exhibit 2.

6.

MECHANICS/IMPLEMENTATION OF PLAN

Date of Payments

The Effective Date (a defined term) of the Plan shall be the 30th day following the entry of a final non-appealable order confirming this Plan of Reorganization. The dates of payments to each class of creditors are set forth above.

Means of Implementing the Plan

1. Source of Payments

Payments and distributions under the Plan will be funded from operations of the Debtor's business.

2 Post Confirmation Management

(a) Appointment of Officers and Directors. Irabel, Inc. will continue to operate the Debtor's business. Internally Bates Whiteside and Louis Butler will handle the day to day operations. They shall continue to serve in accordance with any applicable non-bankruptcy law.

(b) Powers of Manager/Officers. The managers/officers of the Debtor or the Reorganized Debtor, as the case may be, shall have the power to enter into or execute any documents or agreements that they deem reasonable and appropriate to effectuate the terms of the Plan.

(c) Management of Reorganized Debtor. The Reorganized Debtor's Officers/Managers shall serve in accordance with the Reorganized Debtor and applicable non-bankruptcy law.

(d) Compensation of Management. Louis Butler and Bates Whiteside will be paid an aggregate monthly salary of no greater than \$25,000.00 (excluding taxes) per month until 2020 when this compensation may be adjusted upward.

Risk Factors

To the greatest extent possible, Debtor intends to rely on “lessons learned” from its past experiences and the ever-increasing positive oil and gas industry environment to take advantage of the fresh start it is afforded through Reorganization. However, as with any business venture, there are operational risks, as well as risks that are inherent in the nature of the oil and gas industry of Debtor’s business; compliance with environmental, health and safety regulations and standards; and the initiation of policies and initiatives that may affect the projected financial outcome of Debtor.

The Order (Docket No. 136) entered December 11, 2017 authorizing the Debtor to assume the Martin Marietta sublease reads: Paragraph 3 Section C. “The end of the term of the sublease is clarified to be July 1, 2021. The current lease term expires July 1, 2021 (which is a little over three years from a June confirmation date. The plan provides for a payment term of five (5) years. The December 11, 2017 order further provides that it “does not preclude further negotiations for a longer end of term but at this juncture no party is obligated to agree to a different date. However, the parties hereby agree to negotiate for a potentially longer end of term during the upcoming process to formulate and consider plans of reorganization”. Debtor believes Martin Marietta will agree to an extension of the lease given the Debtor has performed on the lease since it has been in this bankruptcy. However, if Martin Marietta will not agree to an extension, the Debtor can relocate the plant to another location. Relocation could interrupt the plan payment; alternatively, if the Debtor moved it would most likely move to a location where it has its own sand pit which would reduce the cost of the sand.

Another issue of feasibility is the oil and gas business in general. Even a recent history of the oil and gas business has shown it subject to booms and bust. When the Debtor first sought to open the Plant, oil was at \$100 a barrel and immediately tumbled to less than \$50.00 a barrel. This could happen again. Currently, the price of oil is about \$70 a barrel and the demand for oil has not dissipated. Oil prices could further increase because of President Trump’s decision to withdraw from the Iran Agreement. Charles Riley in CNNMoney.com

Executory Contracts and Unexpired Leases

Executory Contracts are contracts where significant performance of the contract remains for

both the Debtor and another party to the contract. The Debtor has the right to reject, assume (i.e. accept), or assume and assign these types of contracts to another party, subject to the Bankruptcy Court's approval. All unexpired leases and executory contracts shall be assumed on or before the Effective Date, unless otherwise noted herein as previously been canceled or which are identified below. To the extent there are any unexpired leases or executory contracts, which have not been assumed or dealt with in this Plan prior to the Effective Date, they are rejected. The Deadline for Filing a proof of claim based on a claim arising from the rejection of an executory contract is 60 days after the Effective Date. Any Claim based on the rejection of an executory contract will be barred if the proof of claim is not timely filed, unless the Bankruptcy Court orders otherwise. This Article does not apply to the Debtor's sublease with Martin Marietta Southwest, Inc. which the Debtor assumed by prior order of the Court. Nor does this Article apply to any current process sand contract the Debtor may have acquired post-petition. The Exclusive Marketing Agreement with Carousel was rejected by prior order of this Court.

Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/or Advisors.

Implementation of the Plan may result in federal income tax consequences to holders of Claims, Equity Interest Holders, and the Debtor. Tax consequences to a particular Creditor or Equity Interest Holder may depend on the particular circumstances or facts regarding the Claim of the Creditor or the interests of the Equity Interest Holder. Under this Plan all allowed amounts due to creditors are to be paid in full except those who accept treatment in the convenience class.

Under the terms of this Plan, the creditors should not suffer any negative tax consequences as a result of the Plan because all creditors will be paid in full the allowed amounts owed to them.

7

CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in § 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one

impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

Who May Vote or Object.

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Debtor believes that all classes, except Class 1 are impaired and those holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Debtor believes that unclassified classes are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

1. What Is an Allowed Claim or an Allowed Equity Interest?

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case was October 16, 2017.

2. What Is an Impaired Claim or Impaired Equity Interest?

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is impaired under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. Who is Not Entitled to Vote.

- The holders of the following five types of claims and equity interests are not entitled to vote:
- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not “allowed claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan;
- Holders of administrative claims.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan.

4. Who Can Vote in More Than One Class.

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

Votes Necessary to Confirm the Plan.

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one

impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by “cram down” on non-accepting classes, as discussed later in Section below.

1) Votes Necessary for a Class to Accept the Plan.

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half ($\frac{1}{2}$) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds ($\frac{2}{3}$) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds ($\frac{2}{3}$) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2) Treatment of Non-accepting Classes.

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds non-accepting classes is commonly referred to as a “cram down” plan. The Code allows the Plan to bind non-accepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not “discriminate unfairly,” and is “fair” and “equitable” toward each impaired class that has not voted to accept the Plan.

You should consult your own attorney if a “cramdown” confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

Liquidation Analysis.

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a Chapter 7 liquidation. Stated another way, what monies could the creditors, primarily the unsecured creditors, receive within a short period

of time if the Debtor ceased operations and a trustee liquidated the assets.

Liquidation under Chapter 7 of the Code entails the appointment of a Trustee in the Case, having no experience or knowledge of Debtor's business, its records, or assets. A substantial waiting period would be required in order for any Chapter 7 Trustee to effectively wind up the case. More importantly, given the Court's prior orders and the deadlines regarding the lifting of the automatic stay if the Debtor does not confirm a plan, in all likelihood, a Chapter 7 trustee would have no assets to administer.

Please refer to Debtor's Liquidation analysis attached as Exhibit 4.

Feasibility.

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan. The Debtor believes the Plan is feasible.

Attached as Debtor's Financial Summary Exhibit "2". Attached as Exhibit "3" is Debtor's Monthly Operating Report for March 2018 which is the latest operating report filed to date.

There are several other bases for establishing feasibility. After the Debtor regained control of the Millet Plant, the Debtor was behind in payments to Martin Marietta and found the Plant to be in disarray. Debtor determined that equipment purchased and/or installed by Carousel was not properly installed and/or the equipment was improper for the work and over-priced. Since the bankruptcy was filed, the Debtor has paid Martin Marietta over \$600,000 in lease payments. Moreover, the Debtor has made more than \$2,000,000 in lease improvements to the Plant because of the actions/inactions/negligence/of Carousel in repairing/installing the Millet Plant. Carousel disputes the Debtor's claims that any of its actions/inactions/negligence/ caused harm to the plant.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

8

EFFECT OF CONFIRMATION OF PLAN

Discharge

On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007 (c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or re-voting on the Plan.

9.

GENERAL PROVISIONS

Minor Modifications: After Confirmation, the Debtor may, with the approval of the Court, and pursuant to 11 U.S.C. §1101(a) and 1127(b), and so long as it does not materially or adversely affect the interest of creditors, remedy any defect or omission, or reconcile any inconsistencies in the Plan or in the Order of Confirmation in such manner as may be necessary to carry out the purposes and the effect of the Plan.

Exemption: Any satisfaction provided to any creditor pursuant to the Plan which may be deemed to be a security is exempt from registration under certain state and federal securities laws. Absent registration or another exemption, subsequent transfer of any such security is not so exempt.

Non-Waiver: Nothing in the Plan shall be deemed to waive, limit, or restrict in any way the discharge granted upon confirmation of the Plan in Section 1141 of the Code.

Re-vestment of Assets: On Confirmation the Debtor will be conditionally re-vested with its assets

subject only to the terms of the Plan, to liens of the Secured Creditors described herein, and to re-vestment in the Chapter 7 estate should this case be subsequently converted to Chapter 7. The Debtor shall be entitled to manage its affairs without further Order of the Court. Subject to such limitation, the Court will retain jurisdiction of the Plan until it has been dismissed or a final decree entered and closed. It is expected the case will be closed within six (6) months after confirmation.

Payment of U.S. Trustee Quarterly Fees: The [Reorganized Debtor] shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. §1930(a)(6), until the case is closed by the Bankruptcy Court. After confirmation, the [Reorganized Debtor] shall file with the court and shall serve on the U.S. Trustee a quarterly financial report for each quarter, or portion of a quarter, that the case remains open, in a format prescribed by the U.S. Trustee.

Retention of Claims: In accordance with section 1123(b) of the Bankruptcy Code, and except as expressly provided herein, all Litigation Claims shall be vested in the Debtor. Nothing contained in this Plan or the Confirmation Order shall be deemed a waiver or relinquishment of any Litigation Claim, right of setoff, or other legal or equitable defense of the Debtor that is not specifically waived or relinquished by this Plan. The Debtor shall have, retain, reserve, and be entitled to assert all claims, Litigation Claims, rights of setoff, and other legal or equitable defenses that the Debtor had immediately before the Petition Date as fully as if the Chapter 11 Case had not been commenced, and all legal and equitable rights respecting any claim that is not specifically waived or relinquished by this Plan may be asserted after the Effective Date to the same extent as if the Chapter 11 Case had not been commenced. No Person may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Litigation Claim against them as any indication that the Debtor will not pursue any and all available Litigation Claims against such Person. The Debtor expressly reserves all rights to prosecute any and all Litigation Claims against any Person in accordance with the Plan. From and after the Effective Date, the Debtor shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any Litigation Claim and to decline to do any of the foregoing without further notice to, or action, order, or approval of, the Bankruptcy Court. The Debtor is deemed to be representative of the Estate for the purpose of

prosecuting any Litigation Claim and any objections to Claims pursuant to
11 U.S.C. § 1123(b)(3)(B).

Without limiting the Debtor's Litigation Claims, Debtor retains the claims and causes of action against Carousel Specialty Products, Inc. and Select Sands, LLC, their respective principals and all those working in concert with Carousel and Select Sands, LLC as follow:

Joint Claims against Select Sands, LLC and Carousel Specialty Products, Inc. - Conversion, Civil Conspiracy, Fraud and Tortious Interference with Contract. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court and the matter referred to this Court by the District Court Case No. 18-00260.

Claims against Select Sands, LLC - Breach of Fiduciary Duty/Breach of Good Faith/Special Relationship; Breach of Fiduciary Duty of Loyalty; Breach of Fiduciary Duty of Care; and judicial expulsion. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court

Claims against Carousel Specialty Products, Inc. - Breach of Fiduciary Duty/Breach of Good Faith/Special Relationship; Breach of the Marketing Agreement; and for an accounting of proceeds of the sale of processed sand owned by the Debtor and sold by Carousel. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court.

In addition, there are claims against Carousel for unpaid processed sand; storage of sand and equipment and cost of moving, weighing and verifying sand for Carousel's customer. Carousel disputes all of these allegations that it is anyway liable to the Debtor for unpaid processed sand; storage of sand and equipment, or the cost of moving/weighing sand for Carousel's customer. The Adversary Proceeding will sort this all out.

Dated this the 15th day of May, 2018.

Irasel Sands, LLC

By: /s/Louis R. Butler

 /s/Dean W. Greer

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State Bar No. 18414100
Attorney for the Debtor

Exhibit 1 - Plan of Reorganization

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

In re:)	Chapter 11
)	
Irasel Sands, LLC,)	Case No. 17-51420
)	
Debtor)	
)	

IRASEL SAND'S FIRST AMENDED PLAN OF REORGANIZATION

Summary

This First Amended Plan of Reorganization (the "Plan") under Chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of Irasel Sands, LLC, (the "Debtor"). The Debtor has the right to modify the Plan before or after confirmation and before consummation of the Plan, but only in accordance with the Bankruptcy Code. All claims and interest against the Debtor, absolute or contingent, including all claims arising from the rejection of executory contracts and/or unexpired leases, whether resulting in an allowed claim or note, and all holders of all claims and Equity Interests shall be bound by the provisions of the Plan.

This Plan is structured to ensure the maximum possible return to creditors while also ensuring the continuation of the Debtor and the strengthening of its finances, which will serve, in part, as the source of payments to creditors on their claims. The Plan provides for five classes of secured claims; priority creditors; three unsecured creditor classes; an administrative class; and one class of equity security holders. The Plan will be funded from operations of the business.

All creditors and equity security holders should refer to Articles 3 through 6 of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

Article 1

Definitions

For the purposes of this Plan of Reorganization, the following terms shall have the following meanings, equally applicable to the singular and plural forms or the gender of the terms defined, unless the context clearly requires otherwise. These terms shall be designated, where such definition is applicable, with capital letters and those definitions shall be enforceable as terms of this Plan in conjunction with the respective matters to which they reference or define:

1.01. Administrative Claim: means a request for payment of an administrative expense in the case under 503(b) that, if allowable, would be entitled to priority under 507(a)(1).

1.02. Allowed Claim or Interest: means any claim against, or interest in, the Debtor a proof of which was filed on or before the Bar Date or, if no proof of claim or interest has been filed, a claim or interest that was scheduled by the Debtor on the Debtor's original schedules filed on or about the petition date as liquidated in amount and not disputed or contingent or disputed in the disclosure statement or this plan and, in either case, a claim or interest as to which no objection has been filed or will be filed; or if subject to an objection or other proceeding considered by the Court, a claim or interest that has been determined by Final Order of the Court. Allowed Claim or Interest shall also include any claim or interest identified in this Plan.

1.03. Allowed Secured Claim(s): means an Allowed Claim which is secured by a valid, duly perfected voluntary lien on (whether voluntary or involuntary), or a security interest in, property in which the Debtor has an interest (including property of the estate), or which is subject to setoff under Bankruptcy Code 553, to the extent of the lesser of: (i) the value of such property securing the Allowed Secured Claim; or (ii) the amount of such Allowed Claim which is secured, as the case may be, including any election made pursuant to 111 of the Bankruptcy Code.

1.04. Allowed Unsecured Claims: means an Unsecured Claim against Debtor: (a) for which a proof of claim has been timely filed with the court by the claims bar date, or, with leave of Court and without objection by any party in interest, late filed, and as to which neither Debtor nor any party in interest files an objection or as to which the claim is allowed by Final Order of the court, or (b) scheduled in the list of creditors, as may be amended, prepared and filed with the Court pursuant to Rule 1007(b) and not listed as disputed, contingent or unliquidated as to amount, and as to which no objection to the allowance thereof has been interposed pursuant to the terms of this Plan, or as to which any such

objection has been determined by an order or judgment which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending. This category includes all claims deemed unsecured pursuant to 506(a) of the Bankruptcy Code. Allowed Unsecured Claim shall also include any claim or interest identified in this Plan.

1.05. Bankruptcy Code or Code: means Title 11, U.S.C. 101 et seq., the statute of the United States, in effect on the petition date, and all amendments thereto and in effect on or before the confirmation date, or thereafter only if specifically provided retroactive by any such amendment and only to the extent such amendment may be valid and constitutional, and does not materially and adversely affect the interest of the Debtor, creditors or any other party in interest.

1.06. Bar Date: the date for all creditors except a governmental, being the date that was fixed by the Court for filing claims in this Chapter 11 proceedings which are the subject of this Plan pursuant to BANKR. R. P. 3003(b). The bar date was October 16, 2017.

1.07. Claim(s): means a claim alleged or which is, in fact, due or assertable against the Debtor as defined in Bankruptcy Code 101(4) and includes those claims which are allowed and all those claims which are not yet due, or which are unmatured, contingent and otherwise unliquidated.

1.08. Class or Classification: means the particular Class designated in this Plan pursuant to Bankruptcy Codes 1122 and 1129 into which Creditors Allowed Claims may be included, as provided in this Plan, including classification for voting, for distributions and for impairment.

1.09. Code: means The United States Bankruptcy Code, being Title 11 of the United States Code, as enacted in 1978 and thereafter amended. References to Section or Sections, unless otherwise specified, shall be to the Code.

1.10. Irasel Sands, LLC Case: means the captioned Chapter 11 Bankruptcy case styled Irasel Sands, LLC. as commenced on June 19, 2017, as a Chapter 11 proceeding, the date of the filing of the Voluntary Petition.

1.11. Confirmation: means entry by the Court of an Order Confirming the Plan at or after a hearing pursuant to 1129.

1.12. Confirmation Date: means the date of Confirmation.

1.13. Court: means United States Bankruptcy Court for the Western District of Texas, San Antonio Division.

1.14. Creditor(s): means all persons or entities having Claims for debts, liabilities and demands of any character whatsoever, as defined in Bankruptcy Code 101(4), including, but not limited to, future contingent Claims for un-matured potential liability of Claims of the United States Government and any agency or department thereof, and any other governmental authority, and whether or not the Creditor has an Allowed Claim.

1.15. Debtor: means Irasel Sands, LLC., the Debtor, in this bankruptcy proceedings under Chapter 11 of the Code.

1.16. Distribution Date: means the date or dates upon which interim distributions provided under this Plan are to be made.

1.17. Judgment Creditor(s) or Judgment Claim(s): means a Creditor whose Claim arose as a result of the entry of a judgment prior to the Petition Date by a state or federal court of competent jurisdiction in a proceeding involving the Debtor.

1.18. Order Confirming the Plan: means the Final Order of the Court pursuant to Bankruptcy Code 1129, finding that the Debtor's Plan meets the requirements of Chapter 11 of the Bankruptcy Code and is entitled to Confirmation, and which may contain such other provisions, orders, findings, modifications and judgments which by the terms of this Plan or the Bankruptcy Code are appropriate and necessary to carry forward this Plan to substantial consummation.

1.19. Effective Date: means the 30th day after Confirmation becomes a Final Order.

1.20. Estate: means the bankruptcy estate of Irasel Sands, LLC, created upon filing this case.

1.21. Executory Contract(s): means any contract found to be of the nature referred to in 365 of the Bankruptcy Code as an Executory Contract, which requires assumption and/or rejection by the Debtor.

1.22. Exhibits: means those items (i) attached to the Plan and incorporated herein by reference; and (ii) attached to the Approved Disclosure Statement and incorporated herein and therein by reference; and (iii) attached to the Order Confirming the Plan and incorporated herein and therein by reference.

1.23. Final Order or Final Judgment: means any Order of the Court which is conclusive of all matters adjudicated therein, which is in full force and effect because the Final Order has not been: (i) appealed, is not an allowed appeal or is denied review by certiorari or otherwise; or (ii) has not been reversed or modified; or (iii) which is not the subject of any pending appeal, review, rehearing, and is in all respects final and non-appealable.

1.24. Initial Distribution Date: means the date upon which the first distribution under the Plan shall be made. The dates of distribution are set forth in Article III and IV of the Plan.

1.25. Penalty and Interest: means any statutorily prescribed penalty or interest which has accrued because of Debtor's failure to pay a tax imposed or to file a tax return with a governmental entity.

1.26. Petition: means the Voluntary Petition filed by Debtor under 301 of Title 11 commencing this case.

1.27. Petition Date: means June 19, 2017, the date the case was filed under Chapter 11 of the Bankruptcy Code.

1.28. Plan: means this Plan of Reorganization, including any modifications, amendments or corrections made in accordance herewith under the provisions of the Code.

1.29. Priority Claim: means any Claim, other than a Tax Claim or an Administrative Claim entitled to priority under 507(a).

1.30. Pro Rata or Pro Rata Share: means the amount which is the result of multiplying the net proceeds or total proposed dividend owing to a named Class of Creditors pursuant to the terms of this Plan, by that fraction in which the numerator is the allowed amount of each particular Creditors' Claim of the named Class and the denominator is the total allowed amount of all the Creditors' Allowed Claims of the named Class.

1.31 Professional Fees: means the Allowed Claims for, or those charged by, attorneys, accountants, appraisers or other professionals and reimbursement of expenses reasonably incurred in rendering such professional services which are:

- (a) allowed pursuant to Bankruptcy Code and entitled to priority status in priority to or as Administrative Expenses Claims pursuant to Bankruptcy Code 327, 330, 331, 503(b)(3)(D), 507(a)(1), 1102, 1103; and/or
- (b) allowed under the Plan after the Effective Date for services rendered after the Effective Date when approved by the Court, if necessary, and only to the extent reasonable under existing case law either at law or in equity.

1.32. Revested Debtor: means Irsael Sands, LLC, as revested with property of its respective estate pursuant to 1141(b).

1.33. Rejection Claim: means any Claim arising by reason of rejection by the Debtor of a contract or lease pursuant to 365 or 1123(b)(2).

1.34. Secured Claim: means any Allowed Claim secured by property of the Debtor, to the extent of the value of such collateral.

1.35. Secured Creditor(s): means a Creditor holding an Allowed Secured Claim, and may include Allowed Claims evidenced by valid Judgment Liens, Statutory Liens, other involuntary liens or mortgages, and all voluntary liens or mortgages against the property of the estate or assigned assets.

1.36. Settled Claim(s), Settlement(s) or Settle: means the Allowed Claims resulting from either the terms of agreements regarding disputed Claims reached by and between:

- (a) the respective Creditors having disputed, unliquidated, contingent or Non-Allowed Claims; and
- (b) the Debtor which fully liquidates and renders undisputed any Claim which is thereafter deemed an Allowed Claim.

1.37. Tax Claim: means any Claim of governmental units for taxes as described in 507(a)(7), excluding penalty and interest on such tax.

1.38. Unsecured Claim: means any Claim that is not a Secured Claim, Administrative Claim, Priority Claim or Tax Claim.

1.39. Unsecured Creditor(s): means all Creditors holding Claims against the Debtor other than an Allowed Secured Claim.

Article 2

Classification of Claims and Interests

Classification of Claims: This Classification of Claims is made for purposes of voting on this Plan, making distributions thereunder, and for ease of administrative thereof. Unless specifically provided otherwise herein, on the Confirmation Date this Plan discharges and extinguishes all Claims and Debts against the Debtor of whatever character, whether allowed by the Court or otherwise.

- 2.01 Class 1: Allowed Administrative Claims Attorney fees and US Trustee Fees. (not impaired)
- 2.02 Class 2: The claim of SBN V FNBC LLC to the extent allowed as a secured claim under § 506 of the Code. (Impaired)

- 2.03 Class 3: The claim of Frio County to the extent allowed as a secured claim under § 506 of the Code. (Impaired)
- 2.04 Class 4: The claim of La Salle County, Texas to the extent allowed as a secured claim under § 506 of the Code. (Impaired)
- 2.05 Class 5: The claim of Dilley ISD to the extent allowed as a secured claim under § 506 of the Code. (Impaired)
- 2.06 Class 6: The General Unsecured Claims (unless otherwise designated)
- 2.07 Class 7: The secured claim of Carousel Specialty Products, Inc., to the extent allowed as a secured claim under § 506 of the Code. (Impaired)
- 2.08 Class 8 : The allowed unsecured claims of Carousel Specialty Products, Inc.(Impaired)
- 2.09 Class 9: Convenience Class of Unsecured Creditors (Impaired)
- 2.10 Class 10: The unsecured claims of Select Sands, LLC and Irabel, Inc. (Impaired)
- 2.10 Class 11: Equity interest of the Debtor.

Article 3

Treatment of Administrative Expense Claims; U.S. Trustees Fees and Priority Tax Claims

3.01 Unclassified Claims. Under section § 1123(a)(1), administrative expense claims, [“gap” period claims in an involuntary case allowed under § 502(f) of the Code,] and priority tax claims are not in classes.

3.02 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code [, and a “gap” claim in an involuntary case allowed under § 502(f) of the Code,] will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.03 Priority Tax Claims. Each holder of a priority tax claim will be paid consistent with § 1129(a)(9)(c) of the Code as follows:

- 3.03.1 Claim of Internal Revenue Services. Debtor asserts it owes approximately \$260,469.23 for unpaid 941 taxes. Debtor proposes to pay this in 48 equal monthly payments of \$5,881. per month with interest at 5% per annum. To the extent the monthly payments will not amortize the allowed claim within 48 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Payments will commence on the 20th day of the month following the Effective Date and on the 20th day of each month thereafter until paid.
- 3.03.2 Claim of Comptroller of Public Accounts (Sales & Use Tax)(Claim No. 6) in the amount of \$2,129.12. Debtor proposes to pay this claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- 3.03.3 Claim of Comptroller of Public Accounts (International Fuel Tax)(Claims No. 7) in the total amount of \$1,150.00. Debtor proposes to pay this claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- 3.03.5 Claim of Louisiana Dept of Revenue in the total amount of \$4,812.54. To the extent the claim is allowed, the Debtor proposes to pay the claim in full with interest at 4% per annum within 90 days after the Effective Date of the Plan.
- 3.03.6 Claim of Texas Work Force Commission in the amount of \$8,394.74. To the extent the claim is allowed, the Debtor proposes to pay the claim in full with interest at 4% per annum within 90 days after the Effective Date. This will resolve claims nos. 16 and 17.
- 3.03.7 Claim of Louisiana Department of Labor in the amount of \$138.54. To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.
- 3.03.8 Claim of Minnesota Department of Unemployment in the amount of \$2,403.31 To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.
- 3.03.9 Claim of Minnesota Department of Revenue in the amount of \$4,226. To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.

3.03.10 Claim of City of New Orleans personal property tax in the amount of \$498.39. To the extent the claim is allowed, the Debtor proposes to pay the claim in full without interest within 90 days after the Effective Date.

Article 4

Treatment of Claims and Interests Under the Plan

4.01 Satisfaction of Claims and Debts: The treatment of and consideration to be received by holders of Allowed Claims or interests pursuant to this Article of this Plan shall be in full settlement, release and discharge of their respective Claims, Debtors, or interests as against the Debtor subject to the provisions herein. On the Confirmation Date, the Reorganized Debtor shall assume all duties, responsibilities and obligations for the implementation of this Plan.

4.02 Class 1 Claimants (Allowed Administrative Claims of Professionals and US Trustee) are unimpaired and will be paid in cash and in full on the Effective Date of this Plan unless otherwise agreed to. Professional fees are subject to approval by the Court as reasonable. Debtor's attorney's fees and any Consultants approved by the Court and payable to the law firm of Dean W. Greer will be paid immediately following the later of Confirmation or approval by the Court out of the available cash. Debtor believes the amount of this Class will be approximately \$200,000. This case will not be closed until all allowed Administrative Claims are paid in full. Section 1930 fees shall be paid in full prior to the Effective Date. Debtor will make quarterly payments to the U.S. Trustee and may be required to file post-confirmation operating reports until this case is closed. The Class 1 Claimants are not impaired under this Plan.

4.03 The claim of SBN V FNBC LLC. Claimant asserts a secured claim in the approximate amount of \$4,253,875.53 secured by various assets of the Debtor. (POC #8). Claimant holds this claim as an assignment from the FDIC. To the extent the claim is allowed as filed and to the extent it is secured, Debtor proposes to pay the debt in sixty equal monthly payments, which includes interest at 5% per annum. Payments will commence on the 15th day of the month following the Effective Date and on the 15th day of each month thereafter until paid. Debtor further asserts the claim should be allowed in full because the loan proceeds were used for the benefit of the Debtor. Debtor does not object to the claim as filed.

Currently, assuming the debt is fully secured and allowed in full, the monthly payment will be approximately \$80,276.00. If it is determined SBN's claim is not fully secured, the unsecured portion will be paid as a class 6 creditor.

SBN's Claim will continue to be secured by properly perfected first and prior liens on the Debtor's inventory, pre-petition accounts, equipment, general intangibles and other property described in the commercial security agreements attached to SBN's proof of claim. Notwithstanding anything to the contrary herein, the Plan does not prohibit, stay, enjoin, bar, exculpate or affect in any way SBN's rights and remedies as to any and all guarantors, obligors, and any other nondebtor party which may be liable for the SBN Claim, which parties are not released in any way, or their liability impacted in any way, or recourse against them impacted in any way, by this Plan or any Order confirming this Plan. This will resolve claim no. 8. This Class 2 Creditor is Impaired.

4.04 Class 3: The claim of Frio County. (Claim No. 2) in the amount of \$41,260.68. To the extent the claim is allowed, Debtor proposes to pay \$1,087.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month after the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative claim and request for payment by Claimant.

4.05 Class 4: The Claim of La Salle County.(Claim No. 2) in the amount of \$17,420.92. To the extent the claim is allowed, Debtor proposes to pay \$459.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month after the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative claim and request for payment by Claimant.

4.06 Class 5: The Claim of Dilley ISD. (Claim No. 1) in the amount of \$66,118.62. To the extent the claim is allowed, Debtor proposes to pay \$1,741.00 for 48 months from the petition date of 6/19/2017. Claimant's claim will bear interest at 12% per annum. Payments will commence on the 29th day of the month after the Effective Date and on the 29th of each month thereafter until paid. The payments contemplate that the debt will be paid in 48 months from the commencement of the payments. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 48th payment

will be increased so that the claim is paid in full. Claimant will retain its lien rights. The interest of 12% per annum will apply pre and post confirmation until the claim is paid in full. Post-petition taxes (2018 and subsequent years) are ordinary course administrative expenses of the estate and should be treated and paid in the ordinary course without the need for filing an administrative claim and request for payment by Claimant). This Class 5 Creditor is Impaired.

4.07 Class 6: General Unsecured Creditor Claims (Not Otherwise Classified). Class 6 claims consist of Allowed claims of general unsecured creditors, (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan), other than Class 8 and 9. The total claims in this class is approximately \$3,771,260.17. Of this the Debtor asserts only \$2,867,860.08 are allowed after all offsets/payments are credited. This class will be paid, at a minimum, in full in 20 equal quarterly installments of \$154,952 beginning on or before September 30, 2018 and on the 30/31st day of each quarter thereafter or sooner at the Debtor's discretion until paid in full. These claims will bear interest at the rate of 3% per annum. Upon confirmation, these Class 6 Claimants shall be and are enjoined from pursuing any action for payment other than under the terms of this Plan as confirmed. This Class includes all allowed claims as stated in the Debtor's schedules, as amended, as not disputed, contingent, or unliquidated. A list of the Class 6 creditors and their proposed treatment is attached in the financial summary. The Class 6 Creditors are Impaired.

4.08 Class 7: The secured claim of Carousel Specialty Products, Inc. Claimant asserts it has a secured claim, super-priority administrative claim (POC #11) in the amount of \$2,472,975.16. This claim is disputed both in amount, classification, and whether the claim is secured. The Bankruptcy Court has ruled Carousel does not have a super-priority administrative claim. Carousel has appealed this ruling to the United States District Court. The claim is further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9).

To the extent the allowed claim is secured, Debtor proposes to pay the secured debt in sixty equal monthly payments, which includes interest at 5% per annum. Debtor asserts it owes approximately \$650,000.00 before any claims of reduction/offset or subordination as set forth in Article 9. Assuming this amount is fully secured, the monthly payments will be \$12,266.00. This amount will be escrowed pending resolution of the claims objections as noted below.

Payments will commence on the 25th day of the month following the date a final proof of claim supported by ruling of the court of any appropriate jurisdiction as to the nature, validity, priority or extent of Carousel's superpriority lien claim the amount, if any, are allowable by court order to be paid to Carousel. No payment will be made to the Class 7 claimant prior to the date all issues relating to the nature, validity, priority and classification of the Class 7 superpriority claim are resolved by final non-appealable court order in

Adversary Proceeding no. 18-05007; until the pending appeal of Docket Nos. ECF #164 and #170, Carousel Specialty Products, Inc. v. Irasel Sand, LLC No. 17-CV-1123 OLG before the United States District Court for the Western District of Texas; and the appeal to the United States District Court of Order (Doc. No. 237) by Carousel is resolved by final unappealable order. If any portion of this claim is determined to be unsecured, it will be treated as a Class 8 Claimant. This will resolve claim no. 11. This Class 7 Creditor is Impaired.

4.09 Class 8: The Unsecured claims of Carousel Specialties Products. Carousel has filed two unsecured claims in the amount of \$643,998.21 (Claim No. 12) and \$10,080,000.00 (Claim No. 13). These claims are disputed, unliquidated and contingent. Debtor has objected to both these claims in Adversary No. 18-05007. No payment will be made to the Class 8 claimants prior to the date all issues relating to the nature, priority, validity and amount of the claims are resolved by final non-appealable court order in the Adversary Proceeding No. 18-05007 and the final determination of all appeals filed by Carousel. These claims are further subject to be subordinated to Classes 1-6 and 9 given that Carousel has asserted to acquire Select Sands ownership interest in the Debtor and may be construed to be an insider. This Class 8 Creditor is impaired.

4.10 Class 9: The Convenience Class of Unsecured Claim (not otherwise designated). Class claims consist of Allowed claims of general unsecured creditors, (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan), other than Class 8 and who have claims that do not exceed \$10,000 or those who elect to limit their total claim to \$10,000.00. Debtor asserts there are 31 creditors in this Class holding claims totaling \$10,315.03. Class 9 claimants shall be paid 75% of their allowed claim in cash (or approximately \$82,736.00) without interest within 90 days of the Effective Date. A list of creditors in Class 9 and their proposed treatment is found in the attached financial summary. The Class 9 Creditors are impaired.

4.11 Class 10: The claims of Irabel, Inc. and Select Sands, LLC. Both Irabel, Inc. and Select Sands, LLC are currently members of the Debtor. Select has filed a claim in the amount of \$77,216.96. (No. 5). Irabel, Inc. is owed the sum of \$7,762,589.52. Debtor disputes the claim of Select Sands, LLC. both in amount and liability. It is further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9). These claims, if allowed, shall be paid 10 semi-annual installments and shall bear interest at 3% per annum. The payment of these claims shall be subordinated to the Class 1-6 and 9 and shall not be paid until the claims of Classes 1-6 and 9 are paid in full.

4.12 Class 11: Equity Holders. Currently, the members of the Debtor are Select Sands, LLC and Irabel, Inc. There is an issue as to whether Select Sands, LLC has conveyed its ownership interest to Carousel Speciality Products, Inc. Subject to the claims Debtor has against Select as set forth in the in the Retention of Claims (Article 9), both Select Sands, LLC and Irabel, Inc. will retain their ownership interests.

ARTICLE 5

Allowance and Disallowance of Claims

Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed [by a final non-appealable order], and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order. The timing and amount of any distribution to Class 7, 8, and 10 Claimants will be made conditioned upon the Article 4 plan treatment for Class 7, 8, and 10 claims set forth above.

Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

Deadline to Object to Disputed Claims: The Debtor will have One Hundred Eighty days (180) from the date the Debtor's Plan is confirmed to file an objection to a claim.

ARTICLE 6

Provisions for Executory Contracts and Unexpired Leases

Executory Contracts are contracts where significant performance of the contract remains for both the Debtor and another party to the contract. The Debtor has the right to reject, assume (i.e. accept), or assume and assign these types of contracts to another party, subject to the Bankruptcy Court's approval. All unexpired leases and executory contracts shall be assumed on or before the Effective Date, except as previously been canceled or which are identified below. To the extent there are any unexpired leases or executory contracts, which have not been assumed or dealt with in this Plan prior to the Effective Date, they are rejected. **The Deadline for Filing a proof of claim based on a claim arising from the rejection of an executory contract is 60 days after the Effective Date.** Any Claim based on the rejection of an executory contract will be barred if the proof of claim is not timely filed, unless the Bankruptcy Court orders otherwise. This Article does not apply to the Debtor's sublease with Martin Marietta Southwest, Inc. which the Debtor assumed by prior order of the Court. Nor does this Article apply to any current process and contract the Debtor may have acquired post-petition. The Exclusive Marketing Agreement with Carousel was rejected by prior order of this Court.

ARTICLE 7

Means for Implementation of the Plan

The means necessary for the execution of this Plan involves the continuation of the Debtor's business. The particulars of the foregoing are set forth herein below.

Continuation of the Debtor's Business. The Debtor, as reorganized, will retain all property of the estate. The retained property shall be used and employed by the Debtor in the continuance of its business. Further details concerning the nature and scope of the Debtor's future business operations may be found in the disclosure statement which accompanies this Plan.

After confirmation, title to the Debtor' property will conditionally revert and re-vest to the Debtor and the jurisdiction of the court will cease, except as provided herein above. However, the re-vesting of title shall not extinguish the rights and powers of the Debtor, as Debtor-in-possession, but shall include the assignment of such rights and powers to the Debtor so that it may prosecute claims after confirmation. In the event this case is converted from Chapter 11 to Chapter 7, the assets will vest in the Chapter 7 estate to be administered by the Chapter 7 Trustee.

Cramdown: The Debtor hereby requests confirmation of this plan pursuant to 11 U.S.C. Sec. 1129(b). This means the Court may confirm the Plan even though fewer than all Classes of Creditors or Class of Interest holders have accepted the Plan. In the event any impaired class of Creditors or Class of Interest holders fail to accept the Plan by adequate vote as described in Section 1126 and 1129(a), the Debtor may request the Court to confirm the Plan in accordance with Section 1129(b) of the Code. Furthermore, to the extent that the Plan does not embody certain provisions setting forth the circumstances apprehended by Section 1129(b), the Debtor may amend or modify the Plan to include such provisions should it become necessary to confirm the Plan under cramdown.

U.S. Trustee Payments: The Reorganized Debtor shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. §1930(a)(6), until the case is closed by the Bankruptcy Court. After confirmation, the Reorganized Debtor shall file with the court and shall serve on the U.S. Trustee a quarterly financial report for each quarter, or portion of a quarter, that the case remains open, in a format prescribed by the U.S. Trustee.

Manner of Payments: Payments to be made by the Debtor pursuant to the Plan shall be made by check drawn on a domestic bank.

Unclaimed Distributions: In the event that the Disbursing Agent is unable to locate a holder of a Claim or Interest in order to make such distribution as herein provided, the Disbursing Agent shall hold such distribution for the benefit of such Claim or Interest until all payments and transfers are made pursuant to the Plan, then such distributions or

property shall be retained by the Revested Debtor.

Documentation: The appropriate documentation for each transaction contemplated herein shall be subject to the approval of the Court as requested.

Funding of the Plan: The distributions and payments provided for in the Plan shall be funded by the Debtor's cash on hand at Confirmation, the Debtor's future revenues and any sale of assets.

Controversy Concerning Impairment: In the event of a controversy as to whether any Creditor(s) or Interest holders or classes of Creditors are impaired under the Plan, the Bankruptcy Court shall after notice and hearing, determine such controversy. To the extent that the Court finds that a Class of Creditors or a Creditor(s) is impaired where designated as unimpaired, that Creditor or Class of Creditors may file a vote, notwithstanding other provisions at the time of Confirmation. If determined to be unimpaired, the Creditor or Class of Creditors shall be deemed to accept the Plan as provided in Section 1126(f).

ARTICLE 8

Retention of Jurisdiction

Until all the obligations of the Debtor are completed hereunder, the Court shall retain jurisdiction to insure that this plan is carried out and to determine such other matters in connection with this case, including but not limited to:

- (a) Determining all valid liens and claims (and amounts) against the Debtor and its property;
- (b) Allowing the Debtor to reserve all rights and powers held by it as Debtor-in-possession, including but not limited to enforcing after confirmation any claims or causes of action which exist in the Debtor' favor as Debtor-in-possession (which are the same claims or causes of action existing in favor of a trustee in bankruptcy) and which may not have previously been enforced by the Debtor;
- (c) Settling any disputes between the Debtor and its creditors;
- (d) Staying enforcement of any claims or liens until consummation of this plan;
- (e) Entering any necessary orders requiring lien holders, judgment holders and mortgage holders to erase and cancel their liens or mortgages from the Conveyance, Mortgage, or other appropriate records of any County Clerk of any County where the real estate or other collateral is located and with the Texas Secretary of State, so

that there will be no encumbrances on the Debtor's property after confirmation other than claims and liens consistent with this plan;

(f) Approving or confirming a modification of this plan after confirmation as proposed by the Debtor (only the Debtor may propose a post-confirmation modification of the plan); and

(g) Retaining such other jurisdiction as will insure that the intent and purpose of this plan are fulfilled.

(h) Correcting any defect, curing any omission, or reconciling any inconsistency on this Plan or in the confirmation on approving an Order concluding and terminating this case.

(i) Adjudicating any issues of fact or law by entry of final judgment, interim order, interlocutory order, advisory ruling or findings of fact and conclusions of law which are (1) legally consigned to its jurisdiction as core or noncore; (2) consensual or non-consensual assigned or referred by standing order; and (3) by any Article III Court by reference or other order.

ARTICLE 9

Retention of Claims

In accordance with section 1123(b) of the Bankruptcy Code, and except as expressly provided herein, all Litigation Claims shall be vested in the Debtor. Nothing contained in this Plan or the Confirmation Order shall be deemed a waiver or relinquishment of any Litigation Claim, right of setoff, or other legal or equitable defense of the Debtor that is not specifically waived or relinquished by this Plan. The Debtor shall have, retain, reserve, and be entitled to assert all claims, Litigation Claims, rights of setoff, and other legal or equitable defenses that the Debtor had immediately before the Petition Date as fully as if the Chapter 11 Case had not been commenced, and all legal and equitable rights respecting any claim that is not specifically waived or relinquished by this Plan may be asserted after the Effective Date to the same extent as if the Chapter 11 Case had not been commenced. No Person may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Litigation Claim against them as any indication that the Debtor will not pursue any and all available Litigation Claims against such Person. The Debtor expressly reserve all rights to prosecute any and all Litigation Claims against any Person in accordance with the Plan. From and after the Effective Date, the Debtor shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any Litigation Claim and to decline to do any of the foregoing without further notice to, or action, order, or approval of, the Bankruptcy Court. The Debtor is deemed to be representative of the Estate for the purpose of prosecuting any

Litigation Claim and any objections to Claims pursuant to 11 U.S.C. § 1123(b)(3)(B).

Without limiting the Debtor's Litigation Claims, Debtor retains the claims and causes of action against Carousel Specialty Products, Inc and Select Sands, LLC, their respective principals and all those working in concert with Carousel and Select Sands, LLC as follow:

Joint Claims against Select Sands, LLC and Carousel Specialty Products, Inc. - Conversion, Civil Conspiracy, Fraud and Tortious Interference with Contract. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court and the matter referred to this Court by the District Court case 18-00260.

Claims against Select Sands, LLC - Breach of Fiduciary Duty/Breach of Good Faith/Special Relationship; Breach of Fiduciary Duty of Loyalty; Breach of Fiduciary Duty of Care; and judicial expulsion. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court

Claims against Carousel Specialty Products, Inc. - Breach of Fiduciary Duty/Breach of Good Faith/Special Relationship; Breach of the Marketing Agreement; and for an accounting of proceeds of the sale of processed sand owned by the Debtor and sold by Carousel. Such claims also include Breach of Express Contract, Breach of Implied in Fact Contract, Breach of Implied in Law Contract, Breach of Implied in Law Contract or Money Had or Received or Promissory Estoppel. These claims are set forth in Adversary No. 18-05007 pending before this Court.

In addition, there are claims against Carousel for unpaid processed sand; storage of sand and equipment and cost of moving, weighing and verifying sand for Carousel's customer.

ARTICLE 10

Default Provisions

If Debtor fails to make any payment required under the Plan, or to perform any other obligation under the Plan for more than 14 days after the time specified in the Plan, the affected creditor may serve upon Debtor and Debtor's attorney (if any) a written notice of default. The Debtor is in material default under the Plan if the Debtor fails within 21 days of the service of such notice of default, plus 3 additional days if served by mail either: (a) to cure the default or (b) to obtain from the court an extension of time to cure the default or a determination that no default occurred. Notices of default shall be sent to: **Dean W. Greer,**

2929 Mossrock, Suite 117, San Antonio, Texas, 78230; Facsimile No. 210.342.3633 and to the Debtor, Irsel Sands, LLC, 300 Convent, Suite 1300, San Antonio, Texas 78205.

In addition to the default provisions, the following is specific as to the Internal Revenue Service. The debt owed by the Debtor to the IRS is a non-dischargeable debt, except as otherwise provided for in the Bankruptcy code, and that if the Debtor should default, the IRS is not subject to the provisions of the Bankruptcy Code so that the IRS can take whatever actions are necessary to collect said debt in the event of default.

The IRS is bound by the provisions of the confirmed plan and is barred under section 1141 from taking any collection action against the debtor for pre-petition claims during the duration of the plan (provided there is no default as to the IRS) - The period of limitations on collection remains suspended under 26 U.S.C. Sec. 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) 30 days after the date of a demand letter (described above) for which the Debtor failed to cure the default.

A failure by the Debtors to make a payment to the Internal Revenue Service pursuant to the terms of the Plan shall be an event of default, and as to the Internal Revenue Service, there is an event of default if payment is not received by the 15th day of each month. If there is a default, the Internal Revenue Service must send written demand for payment, and said payment must be received by the Internal Revenue Service within 15 days of the date of the demand letter. The Debtor can receive up to three notices of default from the Internal Revenue Service; however, on the third notice of default from the Internal Revenue Service the third notice cannot be cured, and the Internal Revenue Service 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.

The Debtor agrees to make all Plan payments payable to the Internal Revenue Service, Marian T. Lacy, 300 E. 8th Street, STOP 5022AUS, Austin, Texas 78701.

ARTICLE 11

Confirmation, Release and Binding Effect

On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007 (c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

The treatment of Claims and Interests in the Plan shall be deemed in exchange for and shall constitute the complete satisfaction and release of all Claims of any nature whatsoever against the Debtor, the Revested Debtor or any of its assets or properties except

where otherwise specifically provided herein.

Except as specifically provided herein, the Plan shall discharge and satisfy all obligations of or Claims against the Debtor, the Revested Debtor with respect to any liability or obligation of the Debtor or the Estate which arose proper to the Confirmation Date, to the extent provided in Section 1141, including but not limited to:

(a) curing or providing for compliance with regard to any violations by Debtor, of or conflicts with any regulations or licensing requirement or of any judgment, decree, order, statute rule or regulation of any court or any public governmental or regulatory agency or body having jurisdiction over the Debtor;

(b) any and all taxes, whether income, excise, corporate, franchise, property, sales, use, payroll withholding or otherwise, incurred or assessed that may be apportioned to the Debtor; and

(c) any and all unsecured claims, secured claims or other claim including but not limited to all environmental claims that can be asserted by any environmental agency, body or entity or pursuant to any local, state or federal ordinance, regulation law or statute (including, but not limited to the CERCLA Act of 1980 (42 U.S.C. §§9601, et seq., or any federal or state clean water or air hazardous material or waste act).

Upon the Confirmation Date, the Debtor and the Revested Debtor shall be released by all Creditors including but not limited to the Classes 1 through 10, all priority claims, all unclassified claims, Creditors with Disallowed Claims and all parties in Interest from all forms of liability on all Claims against the Debtor arising prior to the Confirmation Date; and all holders of such Claims, as well as all holders of any other or further Claim based upon any act, debt, claim or omission transaction or other activity of any kind or nature whatsoever that occurred prior to the Confirmation Date shall be forever barred from asserting such Claims against or seeking to impose personal liability upon the Debtor and its successors or assigns and their assets or properties.

Except as otherwise provided herein, upon the Effective Date all Claims against the Debtor shall be satisfied and released in full and all holders of such Claims as well as all holders of any other or further Claim based upon any act, debt, claim or omission transaction or other activity of any kind or nature that occurred prior to the Confirmation Date shall be precluded from asserting such Claims against the Debtor, Revested Debtor, its successor or assign and its assets or properties.

Upon the Order of Confirming the Plan becoming a Final Order, the provisions of the Plan will bind the Debtor, the Revested Debtor and all Creditors, all governmental agencies or entities or entities and parties in interest, whether or not they accept the Plan.

The Plan is binding in accordance with §1141 of the Bankruptcy Code. The automatic stay provided by §362 will terminate on the Effective Date.

On the Confirmation Date, the Debtor shall be relieved of all further obligations to file Monthly Operating Reports with the Bankruptcy Court. However, the Reorganized and Revested Debtor shall make all post confirmation payments to the United States Trustee as may be required pursuant to 28 U.S.C. §1930(a)(6) and until the Bankruptcy Case has been closed by the Bankruptcy Court or converted to another Chapter under the Bankruptcy Code, shall provide to the United States Trustee such financial reports as the United States Trustee may reasonably request.

ARTICLE 12 **General Provisions**

Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

Effective Date of Plan. The effective date of this Plan is the 30th day following the date of the entry of the order of confirmation. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

Captions. The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Texas govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

Corporate Governance. The articles of incorporation and the bylaws of the reorganized company shall be deemed to be amended in every way necessary to comply with the terms and conditions of and to carry out this plan as required by § 1123(a)(6) of the Code.

Irabel, Inc. will continue to operate the Debtor as its managing member.

Dated this the 18th day of May, 2018.

Irabel Sands, LLC.

By: /s/Louis R. Butler
Manager of, Irabel Sands, LLC.

/s/Dean W. Greer
DEAN W. GREER
2929 Mossrock, Suite 117
San Antonio, Texas 78230
Telephone No. (210) 342.7100
Telecopier No. (210) 342.3633
State Bar No. 18414100
Attorney for the Debtor

**Exhibit 2 - Financial Summary of
Plan of Reorganization and
Feasibility (also includes Claims
Analysis for all Classes)**

Irasel Sand, LLC
United States Bankruptcy Court for the
Western District of Texas
Case Number 17-51420
Financial Summary of Reorganization Plan

Irasel Sand, LLC
United States Bankruptcy Court for the
Western District of Texas
Case Number 17-51420
Summary of Financial
Reorganization Plan

Description	YEAR ENDING					
	31-Dec-2018	31-Dec-2019	31-Dec-2020	31-Dec-2021	31-Dec-2022	30-Jun-2023
Revenues Earned by Irasel Sand, LLC:						
Frac Sand Customers						
Dried Sand Sold	\$8,209,215	\$16,914,267	\$18,159,023	\$19,180,382	\$19,955,269	\$10,277,951
Total Frac Sand Revenues	\$8,209,215	\$16,914,267	\$18,159,023	\$19,180,382	\$19,955,269	\$10,277,951
Total Revenues Earned	\$8,209,215	\$16,914,267	\$18,159,023	\$19,180,382	\$19,955,269	\$10,277,951
Average Monthly Revenues Earned	\$1,368,203	\$1,409,522	\$1,513,252	\$1,598,365	\$1,662,938	\$1,712,992
Cash Flow Analysis:						
Beginning Cash Balance	\$350,000	\$1,489,226	\$4,885,283	\$8,882,187	\$13,409,116	\$18,088,930
Sources of Cash:						
Cash From Revenues Earned						
Frac Sand Sales	\$8,175,681	\$16,838,465	\$17,892,005	\$19,094,425	\$19,865,840	\$10,146,537
Available Cash to Irasel Sand, LLC	\$8,525,681	\$18,327,692	\$22,977,289	\$27,976,613	\$33,274,957	\$28,235,468
Cash Disbursements:						
Disbursement of Direct Cost of Sales:						
Purchase of Sand	\$3,658,725	\$7,500,386	\$7,875,406	\$8,269,178	\$8,682,635	\$4,447,203
Unloading Cost at Mill Site	0	0	0	0	0	0
Monthly Lease Payment to Martin Marietta	362,248	745,623	771,720	798,730	828,688	425,385
Annual Lease Payment to Martin Marietta	57,857	59,875	61,764	63,925	67,122	0
Payroll Expense and Burden	768,017	1,539,345	1,585,321	1,664,587	1,747,817	895,223
Utilities	17,188	34,376	34,376	34,376	34,376	17,188
Other Equipment Leases	129,917	272,827	286,468	300,791	315,631	165,811
Insurance - Down Payment (Increase 5% Annually)	35,000	38,750	38,588	40,517	42,543	0
Insurance - Monthly Payment	51,367	107,871	113,264	118,928	124,874	63,478
Lodging for Quality Control Manger	5,040	10,584	11,113	11,669	12,252	6,432
Per Diem for Quality Control Manager	2,167	4,551	4,779	5,018	5,268	2,766
Diesel Fuel	42,030	88,264	92,677	97,311	102,176	53,643
Propane/Natural Gas Fuel Cost	125,893	277,185	318,763	324,076	391,293	188,442
Equipment Repairs, Maintenance and Supplies	45,439	95,423	100,194	105,203	110,464	57,993
Other Plant Operating Expenses	35,274	76,174	78,983	83,982	88,181	45,285
Contingency at 2%	33,527	66,973	69,980	72,982	77,378	38,853
Total Direct Cost of Sales Disbursed	\$5,368,588	\$10,918,007	\$11,444,395	\$11,991,272	\$12,629,895	\$6,418,513
Disbursement of Administrative Overhead:						
Administrative Wages	\$169,593	\$356,145	\$373,953	\$392,650	\$412,283	\$206,141
Administrative Office Expense	16,871	35,430	37,201	39,061	41,014	20,507
Legal Fees	0	0	0	104,186	0	118,512
Total Administrative Overhead	\$231,464	\$488,075	\$510,378	\$535,897	\$571,809	\$345,160
Additional Plant Upgrades						
Equipment Purchases/Repairs & Maininace	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$0
Construction and Engineering Services	0	1	1	1	1	1
Total Additional Plant Upgrades	\$200,000	\$200,001	\$200,001	\$200,001	\$200,001	\$1
Reorganization Plan Payments:						
Priority Tax Claims	\$59,040	\$70,574	\$70,574	\$70,574	\$35,287	\$35,287
Class 1-Administrative Professional and U.S. Trustee	209,750	0	0	0	0	0
Class 2-Summit Investment Management	309,805	619,809	618,809	963,311	963,311	481,655
Class 3-Frio County	6,519	13,039	13,039	13,039	13,039	0
Class 4-LaSalle County	0	0	0	5,505	2,753	0
Class 5-Difley ISD	10,447	20,894	20,894	20,894	10,447	0
Class 6-General Unsecured (Not Otherwise Classified)	0	0	0	619,809	618,809	309,905
Class 7-Carousel Specialty Products, Inc.-Secured	73,598	147,196	147,196	147,196	147,196	73,598
Class 8-Carousel Specialty Products, Inc -Unsecured	0	0	0	0	0	0
Class 9-Convenience Unsecured Creditors	82,736	0	0	0	0	0
Class 10-Irasel, Inc. and Select Sand, LLC	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0
Total Reorganization Plan Payments	\$1,236,402	\$1,840,327	\$1,840,327	1,840,327	\$1,785,321	\$900,445
Ending Cash Balance	\$1,489,226	\$4,885,283	\$8,882,187	\$13,409,116	\$18,088,930	\$20,571,350

Irasel Sand, LLC
United States Bankruptcy Court for the
Western District of Texas
Case Number 17-51420
Individual Years of Financial Performance of
Reorganization Plan

Insel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 July 1, 2018-December 31, 2018

Description	Depositing Period					Total
	Jul 18	Aug 18	Sep 18	Nov 18	Dec 18	
Projected Production Tonnage:						
Average Production Rate Per Hour	100	100	100	100	100	100
Average Daily Hours of Output	20	20	20	20	20	20
Average Days	24	24	24	24	24	24
Sales Price Per Ton	\$65.15	\$65.15	\$65.15	\$65.15	\$65.15	\$65.15
Wet Sand Delivered By Rail						
Number of Unit Trains at 10,000 Tons Per Train	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0
Wet Sand Delivered By Truck						
Number of Tons of Wet Sand Per Truck	23,000	23,000	23,000	23,000	23,000	23,000
Number of Trucks	24	24	24	24	24	24
	358	358	358	358	358	358
Inventory of Leight Hanson Delivered Sand:						
Beginning Wet Sand Inventory	13,000	14,000	15,000	17,000	18,000	13,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000
Total Available Sand	36,000	37,000	38,000	40,000	41,000	36,000
Less Wet Sand Fed Into Dryer	22,000	22,000	22,000	22,000	22,000	22,000
Ending Wet Sand Inventory	14,000	15,000	16,000	18,000	19,000	14,000
Drying Capacity						
Actual Yield of Wet Sand Fed Into Dryer @ 85%	48,000	48,000	48,000	48,000	48,000	48,000
	20,800	20,800	20,800	20,800	20,800	20,800
Beginning Dried Sand Inventory						
Add Dry Sand Yielded	1,800	1,700	1,600	1,500	1,400	1,900
Total Available Sand	22,600	22,700	22,400	22,300	22,200	22,700
Less Dried Sand Sold	21,000	21,000	21,000	21,000	21,000	21,000
Ending Dried Sand Inventory	1,600	1,700	1,400	1,300	1,200	1,700
Number of Truck Loads Shipped Out						
Average Daily Number of Truckloads Shipped Out	87.5	87.5	87.5	87.5	87.5	87.5
Average Load Time Per Truck (Minutes)	38	38	38	38	38	38
Average Load Time Per Time	7.5	7.5	7.5	7.5	7.5	7.5
	4.8	4.8	4.8	4.8	4.8	4.8
Revenues Earned by Insel Sand, LLC:						
Fric Sand Customer	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$5,209,216
Dried Sand Sold	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$5,209,216
Total Fric Sand Revenues	\$2,738,406	\$2,738,406	\$2,738,406	\$2,738,406	\$2,738,406	\$10,418,432
Total Revenues Earned	\$2,738,406	\$2,738,406	\$2,738,406	\$2,738,406	\$2,738,406	\$10,418,432
Cash Flow Analysis:						
Beginning Cash Balance	\$350,000	\$224,810	\$484,269	\$833,171	\$1,340,323	\$350,000
Sources of Cash:						
Cash From Revenues Earned	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$5,209,216
Fric Sand Sales	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$1,369,203	\$5,209,216
Available Cash to Insel Sand LLC	\$1,691,375	\$1,596,305	\$1,652,471	\$2,201,374	\$2,395,324	\$8,525,881
Cash Disbursements:						
Disbursement of Direct Cost of Sales	\$609,788	\$609,788	\$609,788	\$609,788	\$609,788	\$2,439,152
Purchase of Sand via Truck Rola	0	0	0	0	0	0
Unloading Cost at Mill Site	0	0	0	0	0	0
Monthly Lease Payment to Martin Manella	60,374	60,374	60,374	60,374	60,374	2,415,056
Total Cash Disbursements	\$609,788	\$609,788	\$609,788	\$609,788	\$609,788	\$2,439,152
Ending Cash Balance	\$1,081,587	\$986,517	\$1,042,687	\$1,591,586	\$1,785,536	\$6,086,729

Insel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 July 1, 2018-December 31, 2018

Description	Operational Period						Total
	Jul-18	Aug-18	Sept-18	Oct-18	Nov-18	Dec-18	
Annual Lease Payment to Martin Manwita	87,667	0	0	0	0	0	87,667
Payroll Expense and Burden	127,670	127,670	127,670	127,670	127,670	127,670	766,017
Utilities	2,865	2,866	2,885	2,865	2,866	2,865	17,188
Other Equipment Leases	21,653	21,653	21,653	21,653	21,653	21,653	129,917
Insurance - Down Payment (Increase 5% Annually)	0	0	0	0	35,000	0	35,000
Insurance - Monthly Payment	5,561	5,561	5,561	5,561	5,561	5,561	51,367
Lodging for Quality Control Manager	849	840	840	840	840	840	5,040
Per Diem for Quality Control Manager	361	361	361	361	361	361	2,167
Diesel Fuel	7,005	7,005	7,005	7,005	7,005	7,005	42,030
Propane/Natural Gas Fuel Cost	20,999	20,999	20,999	20,999	20,999	20,999	126,993
Equipment Repairs and Supplies	7,573	7,573	7,573	7,573	7,573	7,573	46,439
Other Plant Operating Expenses	6,046	6,046	6,046	6,046	6,046	6,046	36,274
Contingency at 2%	5,322	5,322	5,322	5,322	5,322	5,322	32,527
Total Direct Cost of Sales Disbursed	\$837,823	\$879,013	\$879,013	\$879,013	\$879,013	\$879,013	\$5,389,680
Deburzament of Administrative Overhead							
Administrative Wages	\$28,265	\$28,265	\$28,265	\$28,266	\$28,266	\$28,266	\$169,593
Administrative Office Expense	2,612	2,612	2,612	2,612	2,612	2,612	16,871
Legal Fees	7,690	7,690	7,690	7,690	7,690	7,690	46,090
Total Administrative Overhead	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$231,664
Plant Upgrades	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Equipment Purchases/Repairs & Maintenance	0	0	0	0	0	0	0
Construction and Engineering Services	0	0	0	0	0	0	0
Total Repairs and Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Reorganization Plan Payments							
Priority Tax Claims	\$29,624	\$5,881	\$5,881	\$4,681	\$5,881	\$5,881	\$59,040
Class 1-Administrative Professional and U.S. Trustee	209,750	0	0	0	0	0	209,750
Class 2-Summit Investment Management	80,276	80,276	80,276	80,276	80,276	80,276	481,658
Class 3-Frio County	1,087	1,087	1,087	1,087	1,087	1,087	6,518
Class 4-LaSalle County	459	459	459	459	459	459	2,753
Class 5-Dilley ISD	1,741	1,741	1,741	1,741	1,741	1,741	10,447
Class 6-General Unsecured (Not Otherwise Classified)	154,852	0	0	154,852	0	0	309,903
Class 7-Cerousal Specialty Products, Inc -Secured	12,266	12,266	12,266	12,266	12,266	12,266	73,598
Class 8-Cerousal Specialty Products, Inc -Unsecured	0	0	0	0	0	0	0
Class 9-Convenience Unsecured Creditors	0	82,736	0	0	0	0	82,736
Class 10-Intel, Inc and Soltek Sand, LLC	0	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0	0
Total Reorganization Plan Payments	\$498,105	\$104,446	\$104,446	\$258,682	\$104,446	\$104,446	\$1,230,402
Ending Cash Balance	\$224,810	\$484,269	\$833,171	\$1,027,121	\$1,340,323	\$1,489,225	\$1,489,225

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2018 - December 31, 2019

Description	Operational Period												Total
	Jan 18	Feb 19	Mar 19	Apr 19	May 18	Jun 18	Jul 18	Aug 18	Sep 19	Oct 19	Nov 19	Dec 19	
Projected Production Tonnage:													
Average Production Rate Per Hour	90	90	90	90	90	90	100	100	100	100	100	100	127
Average Daily Hours of Output	20	20	20	20	20	20	20	20	20	20	20	20	20
Average Days	20	24	24	24	24	25	24	24	24	24	24	24	32
Sales Price Per Ton	\$66.48	\$66.48	\$66.46	\$66.46	\$66.46	\$66.46	\$67.76	\$67.76	\$67.76	\$67.76	\$67.76	\$67.76	\$67.76
Wet Sand Delivered By Rail	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Unit Trains at 10 000 Tons Per Train	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0	0	0	0	0	0	0	0
Wet Sand Delivered By Truck	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Number of Tons of Wet Sand Per Truck	24	24	24	24	24	24	24	24	24	24	24	24	24
Number of Trucks	958	958	958	958	958	958	958	958	958	958	958	958	958
Inventory of Lehigh Hanson Delivered Sand:													
Beginning Wet Sand Inventory	18,000	20,000	21,000	22,000	23,000	23,000	23,000	23,000	24,000	24,000	26,000	27,000	18,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Total Available Sand	42,000	44,000	44,000	45,000	46,000	46,000	46,000	46,000	47,000	47,000	49,000	50,000	295,000
Less Wet Sand Fed Into Dryer	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	224,000
Ending Wet Sand Inventory	20,000	22,000	22,000	23,000	24,000	24,000	24,000	24,000	25,000	25,000	27,000	28,000	31,000
Drying Capacity	36,000	43,000	43,200	43,200	43,200	45,000	46,000	46,000	46,000	46,000	46,000	46,000	51,800
Actual Yield of Wet Sand Fed Into Dryer @ 95%	20,900	20,900	20,900	20,900	20,900	23,250	23,250	23,250	23,250	23,250	23,250	23,250	260,000
Beginning Dried Sand Inventory	1,300	1,300	1,100	1,000	900	1,100	1,000	900	800	800	800	800	1,300
Add Dry Sand Yielded	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	250,000
Total Available Sand	22,200	22,200	22,000	21,900	21,900	22,000	21,900	21,900	21,700	21,700	21,700	21,700	252,100
Less Dried Sand Sold	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	232,000
Ending Dried Sand Inventory	1,200	1,200	1,000	900	900	1,000	900	900	700	700	700	700	100
Number of Truck Loads Shipped Out	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5
Average Daily Number of Truckloads Shipped Out	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Average Load Time Per Truck (Minutes)	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Average Load Time Per Ton	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Revenues Earned by Irasel Sand, LLC:													
Fric Sand Customers	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,814,267
Dried Sand Sold	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,814,267
Total Fric Sand Revenue	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,814,267
Total Revenues Earned	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,814,267
Cash Flow Analysis:													
Beginning Cash Balance	\$1,489,226	\$1,869,746	\$2,032,445	\$2,399,831	\$2,612,265	\$2,979,861	\$3,347,038	\$3,486,871	\$3,823,468	\$4,187,924	\$4,396,637	\$4,721,718	\$1,469,226
Source of Cash:													
Cash From Revenues Earned	\$1,361,496	\$1,395,726	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$1,395,667	\$16,814,267
Fric Sand Sales	\$2,850,722	\$3,059,470	\$3,428,012	\$3,796,398	\$4,007,832	\$4,376,218	\$4,742,604	\$4,883,371	\$5,246,836	\$5,610,502	\$5,819,115	\$6,145,199	\$16,327,692
Available Cash to Irasel Sand LLC	\$4,212,218	\$4,925,216	\$5,460,457	\$6,196,229	\$6,620,100	\$7,071,885	\$7,438,272	\$7,670,242	\$8,042,504	\$8,404,033	\$8,614,752	\$8,866,917	\$23,141,959
Cash Disbursements:													
Disbursement of Dried Cost of Sales	\$609,788	\$609,788	\$609,788	\$609,788	\$609,788	\$609,788	\$640,277	\$640,277	\$640,277	\$640,277	\$640,277	\$640,277	\$7,500,366
Purchase of Sand via Truck Rate	0	0	0	0	0	0	0	0	0	0	0	0	0
Unloading Cost at Mill Site	60,374	60,374	62,487	62,487	62,487	62,487	62,487	62,487	62,487	62,487	62,487	62,487	746,673
Monthly Lease Payment to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0

Inset Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2019 - December 31, 2019

Description	Operating Period												Total	
	Jan 19'	Feb 19'	Mar 19'	Apr 19'	May 19'	Jun 19'	Jul 19'	Aug 19'	Sep 19'	Oct 19'	Nov 19'	Dec 19'		
Annual Lease Payment to Marlin Mantella	0	0	0	0	0	0	59,675	0	0	0	0	0	0	59,675
Payroll Expense and Burden	127,670	127,670	127,670	127,670	127,670	127,670	128,988	128,988	128,988	128,988	128,988	128,988	128,988	1,539,345
Utilities	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	34,376
Other Equipment Leases	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	22,736	272,827
Insurance - Down Payment (increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	0	0	0	36,760
Insurance - Monthly Payment	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	8,989	107,871
Lodging for Quality Control Manager	682	682	682	682	682	682	682	682	682	682	682	682	682	10,694
Per Diem for Quality Control Manager	379	379	379	379	379	379	379	379	379	379	379	379	379	4,661
Diesel Fuel	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	7,355	88,264
Propane/Natural Gas Fuel Cost	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	23,099	277,186
Equipment Repairs and Supplies	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	7,952	96,423
Other Plant Operating Expenses	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	6,348	76,174
Contingency at 2%	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	5,323	64,073
Total Direct Cost of Sales Disbursed	\$492,662	\$492,662	\$492,662	\$492,662	\$492,662	\$492,662	\$517,656	\$517,656	\$517,656	\$517,656	\$517,656	\$517,656	\$517,656	\$10,816,907
Disbursement of Administrative Overhead														
Administrative Wages	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$78,879	\$956,145
Administrative Office Expense	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	2,952	35,430
Legal Fees	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	7,875	94,500
Total Administrative Overhead	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$40,506	\$486,075
Plant Upgrade														
Equipment Purchase/Repairs & Maintenance														
Construction and Engineering Services														
Total Repairs and Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Reorganization Plan Payments														
Priority Tax Claims	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$5,081	\$70,574
Class 1-Administrative Professionals and U.S. Trustee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 2-Summit Investment Management	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	60,276	723,311
Class 3-Frio County	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	13,039
Class 4-LaSalle County	459	459	459	459	459	459	459	459	459	459	459	459	459	5,505
Class 5-Dilley ISD	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	20,894
Class 6-General Unsecured (Not Otherwise Classified)	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	154,862	1,819,808
Class 7-Carousel Specialty Products, Inc -Secured	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	147,106
Class 8-Carousel Specialty Products, Inc -Unsecured	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 9-Commenclave Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Intel, Inc and Sabel Sand, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reorganization Plan Payments	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$289,662	\$3,440,337
Ending Cash Balance	\$1,658,745	\$2,032,445	\$2,395,831	\$2,874,651	\$2,874,651	\$3,357,038	\$3,456,871	\$3,823,458	\$4,182,024	\$4,395,637	\$4,721,718	\$4,899,283	\$4,899,283	\$4,899,283

Irsel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2020 - December 31, 2020

Description	Operational Period												Total
	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	
Projected Production Yencage:													
Average Production Rate Per Hour	90	90	90	90	90	90	100	100	100	100	100	100	127
Average Daily Hours of Output	20	20	20	20	20	20	20	20	20	20	20	20	20
Average Days	20	24	24	24	24	24	24	24	24	24	24	24	32
Sales Prices Per Ton	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$70.52	\$70.52	\$70.52	\$70.52	\$70.52	\$70.52	\$70.52
Wet Sand Delivered By Rail	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Unit Trains at 10,000 Tons Per Train	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0	0	0	0	0	0	0	0
Wet Sand Delivered By Truck	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	279,000
Number of Tons of Wet Sand Per Truck	24	24	24	24	24	24	24	24	24	24	24	24	24
Number of Trucks	958	958	958	958	958	958	958	958	958	958	958	958	11,500
Inventory of Lethigh Hanson Delivered Sand:													
Beginning Wet Sand Inventory	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	279,000
Total Available Sand	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	304,000
Less Wet Sand Fed Into Dryer	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	279,000
Ending Wet Sand Inventory	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Drying Capacity	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Actual Yield of Wet Sand Fed Into Dryer @ 95%	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	262,200
Beginning Dried Sand Inventory	400	400	400	400	400	400	400	400	400	400	400	400	400
Add Dry Sand Yielded	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	262,200
Total Available Sand	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	262,600
Less Dried Sand Sold	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	260,000
Ending Dried Sand Inventory	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	2,600
Number of Truck Loads Shipped Out	975	975	975	975	975	975	975	975	975	975	975	975	975
Average Daily Number of Truckloads Shipped Out	99	99	99	99	99	99	99	99	99	99	99	99	99
Average Load Tons Per Truck (Months)	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Average Load Tons Per Time	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
Revenues Earned by Irsel Sand, LLC:													
Frac Sand Customers	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$18,159,023
Dried Sand Sold	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$18,159,023
Total Frac Sand Revenues	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$18,159,023
Cash Flow Analysis:													
Beginning Cash Balance	\$4,885,283	\$5,078,572	\$5,465,144	\$5,835,802	\$6,053,107	\$6,444,565	\$6,877,879	\$7,071,539	\$7,508,787	\$7,949,200	\$8,238,680	\$8,639,754	\$4,685,203
Sources of Cash:													
Cash From Revenues Earned	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$17,992,005
Frac Sand Sales	\$6,301,783	\$6,523,402	\$6,907,091	\$7,188,247	\$7,615,055	\$7,848,358	\$8,398,957	\$8,616,843	\$9,058,276	\$9,500,799	\$9,788,190	\$10,191,264	\$22,877,289
Available Cash to Irsel Sand, LLC	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$1,451,947	\$17,992,005
Cash Disbursement:													
Disbursement of Direct Cost of Sales	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$840,277	\$7,878,408
Purchase of Sand via Truck Rate	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Unloading Cost at Millet Site	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Monthly Lease Payment to Martin Marietta	62,487	62,487	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	771,720

Insel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2020 - December 31, 2020

Description	Operating Period												Total
	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	
Annual Lease Payment to Martin Marotta	0	0	0	0	0	0	61,764	0	0	0	0	0	61,764
Payroll Expense and Burden	126,898	126,898	126,898	126,898	126,898	126,898	135,332	135,332	135,332	135,332	135,332	135,332	1,595,321
Utilities	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	34,378
Other Equipment Leases	23,872	23,872	23,872	23,872	23,872	23,872	23,872	23,872	23,872	23,872	23,872	23,872	286,468
Insurance - Down Payment (Increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	0	0	36,566
Insurance - Monthly Payment	8,439	8,439	8,439	8,439	8,439	8,439	8,439	8,439	8,439	8,439	8,439	8,439	102,264
Lodging for Quality Control Manager	926	926	926	926	926	926	926	926	926	926	926	926	11,113
Per Diem for Quality Control Manager	398	398	398	398	398	398	398	398	398	398	398	398	4,779
Diesel Fuel	7,723	7,723	7,723	7,723	7,723	7,723	7,723	7,723	7,723	7,723	7,723	7,723	92,877
Propane/Natural Gas Fuel Cost	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	316,763
Equipment Repairs and Supplies	8,349	8,349	8,349	8,349	8,349	8,349	8,349	8,349	8,349	8,349	8,349	8,349	100,384
Other Plant Operating Expenses	6,665	6,665	6,665	6,665	6,665	6,665	6,665	6,665	6,665	6,665	6,665	6,665	79,983
Contingency at 2%	5,564	5,564	5,564	5,564	5,564	5,564	5,564	5,564	5,564	5,564	5,564	5,564	66,350
Total Direct Cost of Sales Debursed	\$324,917	\$324,917	\$324,917	\$324,917	\$324,917	\$324,917	\$1,027,054	\$364,835	\$364,835	\$1,004,184	\$364,835	\$364,835	\$11,444,335
Disbursement of Administrative Overhead	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$373,963
Administrative Wages	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	37,201
Administrative Office Expense	8,263	8,263	8,263	8,263	8,263	8,263	8,263	8,263	8,263	8,263	8,263	8,263	99,226
Legal Fees	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$42,532	\$510,379
Total Administrative Overhead	\$85,058	\$85,058	\$85,058	\$85,058	\$85,058	\$85,058	\$291,318	\$96,088	\$96,088	\$291,318	\$96,088	\$96,088	\$1,166,770
Plant Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Equipment Purchases/Repairs & Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction and Engineering Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Repairs and Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Reorganization Plan Payments	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$70,574
Priority Tax Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 1-Administrative Professional and U.S. Trustee	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	963,311
Class 2-Summit Investment Management	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	13,039
Class 3-Frio County	459	459	459	459	459	459	459	459	459	459	459	459	5,505
Class 4-LeSalle County	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	20,884
Class 5-Dilley ISD	164,852	164,852	164,852	164,852	164,852	164,852	164,852	164,852	164,852	164,852	164,852	164,852	618,809
Class 6-General Unsecured (Not Otherwise Classified)	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	147,186
Class 7-Carousel Specialty Products Inc-Secured	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 8-Carousel Specialty Products Inc-Unsecured	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 9-Convention Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Isabel, Inc. and Insel Sand, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reorganization Plan Payments	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$359,682	\$4,340,327
Ending Cash Balance	\$5,078,372	\$5,155,144	\$5,838,692	\$6,444,465	\$6,877,879	\$7,071,638	\$7,505,262	\$7,948,200	\$8,235,650	\$8,682,182	\$9,039,754	\$9,882,182	\$2,882,182

Inasal Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2021 - December 31, 2021

Description	Operational Period												Total
	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	
Projected Production Tonnage:													
Average Production Rate Per Hour	90	90	90	90	90	90	90	90	90	90	90	90	127
Average Daily Hours of Output	20	20	20	20	20	20	20	20	20	20	20	20	20
Average Days	20	24	24	24	24	24	24	24	24	24	24	24	32
Sales Price Per Ton	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93
Wet Sand Delivered By Rail	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Unit Trains at 10 000 Tons Per Train	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0	0	0	0	0	0	0	0
Wet Sand Delivered By Truck	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Number of Tons of Wet Sand Per Truck	24	24	24	24	24	24	24	24	24	24	24	24	24
Number of Trucks	958	958	958	958	958	958	958	958	958	958	958	958	11,500
Inventory of Lehigh Hanson Delivered Sand:													
Beginning Wet Sand Inventory	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Total Available Sand	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	304,000
Less Wet Sand Fed Into Dryer	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Ending Wet Sand Inventory	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Drying Capacity	36,000	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	541,800
Actual Yield of Wet Sand Fed Into Dryer @ 95%	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	262,200
Beginning Dried Sand Inventory	2,600	2,450	2,300	2,150	2,000	1,850	1,700	1,550	1,400	1,250	1,100	950	2,800
Add Dry Sand Yielded	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	262,200
Total Available Sand	24,450	24,300	24,150	24,000	23,850	23,700	23,550	23,400	23,250	23,100	22,950	22,800	264,800
Less Dried Sand Sold	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Ending Dried Sand Inventory	2,450	2,300	2,150	2,000	1,850	1,700	1,550	1,400	1,250	1,100	950	800	800
Number of Truck Loads Shipped Out	917	917	917	917	917	917	917	917	917	917	917	917	917
Average Daily Number of Trucks Shipped Out	45	38	38	38	38	38	38	38	38	38	38	38	45
Average Load Time Per Truck (Minutes)	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Average Load Time Per Time	11.5	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Revenues Earned by Inasal Sand, LLC:													
Frac Sand Customers													
Dried Sand Sold	\$1,692,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$19,160,382
Total Frac Sand Revenues	\$1,692,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$19,160,382
Total Revenues Earned	\$1,692,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$19,160,382
Cash Flow Analysis:													
Beginning Cash Balance	\$8,692,187	\$9,154,301	\$9,614,954	\$10,081,055	\$10,552,205	\$10,959,307	\$11,374,408	\$11,829,637	\$12,279,181	\$12,738,661	\$13,154,590	\$13,682,187	
Sources of Cash:													
Cash From Revenues Earned	\$1,692,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$19,094,425
Frac Sand Sales	\$1,692,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$1,592,540	\$19,094,425
Available Cash to Inasal Sand, LLC	\$10,426,091	\$10,729,083	\$11,197,494	\$11,695,595	\$12,240,946	\$12,809,909	\$13,430,115	\$14,050,507	\$14,659,351	\$15,258,661	\$15,854,191	\$16,476,789	\$27,976,613
Cash Disbursements:													
Disbursement of Direct Cost of Sales	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$672,291	\$8,269,176
Purchase of Sand via Truck Rate	0	0	0	0	0	0	0	0	0	0	0	0	50
Unloading Cost at Mill Site	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	64,875	798,730
Monthly Lease Payment to Martin Manreda	0	0	0	0	0	0	0	0	0	0	0	0	66,938

Frazee Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2021 - December 31, 2021

Description	Operating Period												Total
	Jan. 21'	Feb. 21'	Mar. 21'	Apr. 21'	May 21'	Jun 21'	Jul 21'	Aug 21'	Sep 21'	Oct 21'	Nov 21'	Dec 21'	
Annual Lease Payment to Martin Menella	0	0	0	0	0	0	63,925	0	0	0	0	0	63,925
Payroll Expense and Burden	136,332	136,332	136,332	136,332	136,332	136,332	142,099	142,099	142,099	142,099	142,099	142,099	1,564,267
Utilities	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	34,378
Other Equipment Leases	25,066	25,066	25,066	25,066	25,066	25,066	25,066	25,066	25,066	25,066	25,066	25,066	300,791
Insurance - Down Payment (increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	0	0	40,517
Insurance - Monthly Payment	9,911	9,911	9,911	9,911	9,911	9,911	9,911	9,911	9,911	9,911	9,911	9,911	118,928
Lodging for Quality Control Manager	972	972	972	972	972	972	972	972	972	972	972	972	11,669
Per Diem for Quality Control Manager	418	418	418	418	418	418	418	418	418	418	418	418	5,018
Diesel Fuel	8,109	8,109	8,109	8,109	8,109	8,109	8,109	8,109	8,109	8,109	8,109	8,109	97,311
Propane/Natural Gas Fuel Cost	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	324,075
Equipment Repairs and Supplies	8,787	8,787	8,787	8,787	8,787	8,787	8,787	8,787	8,787	8,787	8,787	8,787	105,203
Other Plant Operating Expenses	6,999	6,999	6,999	6,999	6,999	6,999	6,999	6,999	6,999	6,999	6,999	6,999	83,982
Contingency at 2%	5,847	5,847	5,847	5,847	5,847	5,847	5,847	5,847	5,847	5,847	5,847	5,847	72,882
Total Direct Cost of Sales Disbursed	<u>\$970,070</u>	<u>\$970,070</u>	<u>\$970,070</u>	<u>\$970,070</u>	<u>\$970,070</u>	<u>\$970,070</u>	<u>\$1,016,290</u>	<u>\$1,010,587</u>	<u>\$1,010,587</u>	<u>\$1,010,587</u>	<u>\$1,051,814</u>	<u>\$1,013,208</u>	<u>\$11,991,272</u>
Disbursement of Administrative Overhead													
Administrative Wages	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$32,721	\$392,660
Administrative Office Expenses	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	39,061
Legal Fees	8,692	8,692	8,692	8,692	8,692	8,692	8,692	8,692	8,692	8,692	8,692	8,692	104,185
Total Administrative Overhead	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$44,668</u>	<u>\$528,907</u>
Plant Upgrades	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$790,000
Equipment Purchases/Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	1
Construction and Engineering Services	0	0	0	0	0	0	0	0	0	0	0	0	\$200,000
Total Repairs and Renovations	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200,000</u>
Reorganization Plan Payments													
Priority Tax Claims	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$76,574
Class 1-Administrative Professional and U S Trustee	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 2-Summit Investment Management	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	963,311
Class 3-Frio County	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	13,039
Class 4-LaSalle County	459	459	459	459	459	459	459	459	459	459	459	459	5,505
Class 5-Dilley ISD	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	1,741	20,894
Class 6-General Unsecured (Not Otherwise Classified)	164,352	164,352	164,352	164,352	164,352	164,352	164,352	164,352	164,352	164,352	164,352	164,352	618,809
Class 7-Carnoust Speciality Products, Inc.-Secured	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	147,196
Class 8-Carnoust Speciality Products, Inc.-Unsecured	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 9-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Label, Inc and Select Sand, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reorganization Plan Payments	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$256,662</u>	<u>\$1,949,322</u>
Ending Cash Balance	<u>\$9,154,301</u>	<u>\$9,614,864</u>	<u>\$10,081,055</u>	<u>\$10,549,408</u>	<u>\$11,024,408</u>	<u>\$11,529,837</u>	<u>\$11,979,161</u>	<u>\$12,435,397</u>	<u>\$12,891,881</u>	<u>\$13,408,116</u>	<u>\$13,854,599</u>	<u>\$14,308,116</u>	<u>\$14,808,116</u>

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2022 - December 31, 2022

Description	Operating Period												Total
	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	
Projected Production Tonnage:													
Average Production Rate Per Hour	90	90	90	90	90	90	90	100	100	100	100	100	95
Average Daily Hours of Output	20	20	20	20	20	20	20	20	20	20	20	20	20
Average Days	20	24	24	24	24	24	24	24	24	24	24	24	286
Sales Price Per Ton	\$74.84	\$74.84	\$74.84	\$74.84	\$74.84	\$74.84	\$74.84	\$76.34	\$76.34	\$76.34	\$76.34	\$76.34	\$76.34
Wet Sand Delivered By Rail													
Number of Unit Trains at 10,000 Tons Per Train	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0	0	0	0	0	0	0	0
Wet Sand Delivered By Truck													
Number of Tons of Wet Sand Per Truck	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Number of Trucks	24	24	24	24	24	24	24	24	24	24	24	24	286
Inventory of Lehigh Hanson Delivered Sand:													
Beginning Wet Sand Inventory	28,000	27,000	26,000	25,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	20,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	276,000
Total Available Sand	51,000	50,000	49,000	48,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	304,000
Less Wet Sand Fed Into Dryer	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	280,000
Ending Wet Sand Inventory	27,000	26,000	25,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Drying Capacity	35,000	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	541,800
Actual Yield of Wet Sand Fed Into Dryer @ 95%	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	286,000
Beginning Dried Sand Inventory	800	1,600	2,400	3,200	4,000	4,800	5,600	6,400	7,200	8,000	8,800	9,600	800
Add Dry Sand Yielded	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	269,000
Total Available Sand	23,600	24,400	25,200	26,000	26,800	27,600	28,400	29,200	30,000	30,800	31,600	32,400	269,800
Less Dried Sand Sold	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	264,000
Ending Dried Sand Inventory	800	1,600	2,400	3,200	4,000	4,800	5,600	6,400	7,200	8,000	8,800	9,600	5,800
Number of Truck Loads Shipped Out	917	917	917	917	917	917	917	917	917	917	917	917	11,000
Average Daily Number of Truckloads Shipped Out	46	38	38	38	38	38	38	38	38	38	38	38	32
Average Load Time Per Truck (Minutes)	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
Average Load Time Per Train	5.7	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Revenues Earned by Irasel Sand, LLC:													
Frac Sand Customers	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,679,404	\$1,679,404	\$1,679,404	\$1,679,404	\$1,679,404	\$19,955,299
Dried Sand Sold	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,679,404	\$1,679,404	\$1,679,404	\$1,679,404	\$1,679,404	\$19,955,299
Total Frac Sand Revenues	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,358,808	\$3,358,808	\$3,358,808	\$3,358,808	\$3,358,808	\$39,910,598
Total Revenues Earned	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,292,948	\$3,358,808	\$3,358,808	\$3,358,808	\$3,358,808	\$3,358,808	\$39,910,598
Cash Flow Analysis:													
Beginning Cash Balance	\$13,409,116	\$13,681,087	\$14,059,816	\$14,543,641	\$14,872,515	\$15,357,266	\$16,043,018	\$16,071,478	\$16,548,052	\$17,032,868	\$17,392,711	\$17,804,124	\$13,409,116
Sources of Cash:													
Cash From Revenues Earned	\$1,606,278	\$1,638,403	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,646,474	\$1,671,471	\$1,679,404	\$1,679,404	\$1,679,404	\$1,679,404	\$19,865,840
Frac Sand Sales	\$15,015,394	\$15,329,470	\$15,706,290	\$16,189,116	\$16,518,990	\$17,004,241	\$17,489,492	\$17,742,849	\$18,227,455	\$18,712,261	\$19,045,115	\$19,483,928	\$33,274,957
Available Cash to Irasel Sand, LLC	\$16,621,672	\$17,027,883	\$17,352,764	\$17,835,760	\$18,165,464	\$18,651,505	\$19,132,512	\$19,134,327	\$19,927,509	\$20,712,269	\$21,447,825	\$22,293,552	\$53,140,763
Cash Disbursements:													

krasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2022 - December 31, 2022

Description	Operating Period												Total
	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	
Debitment of Direct Cost of Sales	\$705,905	\$705,906	\$705,905	\$705,905	\$705,908	\$705,905	\$741,201	\$741,201	\$741,201	\$741,201	\$741,201	\$741,201	\$8,682,835
Purchase of Sand via Truck Rate	0	0	0	0	0	0	0	0	0	0	0	0	0
Unloading Cost at Miller Site	66,938	66,938	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	66,261	826,686
Monthly Lease Payment to Martin Marietta	0	0	0	0	0	0	87,122	87,122	0	0	0	0	87,122
Annual Lease Payment to Martin Marietta	142,099	142,099	142,099	142,099	142,099	142,099	148,204	148,204	148,204	148,204	148,204	148,204	1,747,817
Payroll Expense and Burden	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	34,376
Utilities	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	316,831
Other Equipment Leases	0	0	0	0	0	0	0	0	0	0	0	0	42,643
Insurance - Down Payment (Increase 5% Annually)	10,406	10,406	10,406	10,406	10,406	10,406	10,406	10,406	10,406	10,406	10,406	10,406	124,874
Insurance - Monthly Payment	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	12,262
Lodging for Oushy Control Manager	439	439	439	439	439	439	439	439	439	439	439	439	5,269
Per Diem for Quality Control Manager	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515	8,515	102,176
Diesel Fuel	33,539	33,539	33,539	33,539	33,539	33,539	32,142	32,142	32,142	32,142	32,142	32,142	391,293
Propane/Natural Gas Fuel Cost	9,205	9,205	9,205	9,205	9,205	9,205	9,205	9,205	9,205	9,205	9,205	9,205	110,464
Equipment Repairs and Supplies	7,348	7,348	7,348	7,348	7,348	7,348	7,348	7,348	7,348	7,348	7,348	7,348	86,181
Other Plant Operating Expenses	5,221	5,174	5,221	5,221	5,193	5,193	7,677	8,335	8,335	8,335	8,335	8,335	77,378
Contingency at 2%	\$1,020,774	\$1,020,774	\$1,020,774	\$1,020,774	\$1,020,774	\$1,020,774	\$1,132,745	\$1,094,301	\$1,094,301	\$1,107,624	\$1,064,821	\$1,064,821	\$12,638,096
Total Direct Cost of Sales Debursed	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$412,263
Debitment of Administrative Overhead	3,418	3,418	3,418	3,418	3,418	3,418	3,418	3,418	3,418	3,418	3,418	3,418	41,014
Administrative Wages	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Office Expense	3,118	3,118	3,118	3,118	3,118	3,118	3,118	3,118	3,118	3,118	3,118	3,118	37,782
Legal Fees	\$48,881	\$147,170	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$37,775	\$451,898
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Plant Upgrades	0	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Purchases/Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction and Engineering Services	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Repairs and Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Reorganization Plan Payments:													
Priority Tax Claims	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$0	\$0	\$0	\$0	\$0	\$0	\$35,287
Class 1-Administrative Professional and U.S. Trustee	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 2-Summit Investment Management	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	80,276	963,311
Class 3-Frio County	1,087	1,087	1,087	1,087	1,087	1,087	0	0	0	0	0	0	8,519
Class 4-LeSalle County	459	459	459	459	459	459	0	0	0	0	0	0	2,753
Class 5-Dilley ISD	1,741	1,741	1,741	1,741	1,741	1,741	0	0	0	0	0	0	16,447
Class 6-General Unsecured (Not Otherwise Classified)	154,982	154,982	154,982	154,982	154,982	154,982	154,982	154,982	154,982	154,982	154,982	154,982	819,809
Class 7-Carousel Specialty Products, Inc -Secured	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	12,266	147,188
Class 8-Carousel Specialty Products, Inc -Unsecured	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 9-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Label Inc and Select Sand, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 11-Equity Holders	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Reorganization Plan Payments	\$259,942	\$101,710	\$101,710	\$101,710	\$101,710	\$101,710	\$287,486	\$82,642	\$82,642	\$82,642	\$82,642	\$82,642	\$1,738,323
Ending Cash Balance	\$13,881,087	\$14,059,818	\$14,643,641	\$14,872,616	\$15,357,766	\$16,843,016	\$16,071,478	\$18,448,052	\$17,032,858	\$17,392,711	\$17,604,124	\$18,088,930	\$16,098,930

Irsael Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Chapter 11 Cash Flow Projection
 January 1, 2023 - June 30, 2023

Description	Observation Period						Total
	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	
Projected Production Tonnage:							
Average Production Rate Per Hour	80	90	90	90	90	90	86
Average Daily Hours of Output	20	24	24	24	24	24	23
Average Days	20	24	24	24	24	24	141
Sales Price Per Ton	\$77.86	\$77.86	\$77.86	\$77.86	\$77.86	\$77.86	\$77.86
Wet Sand Delivered By Rail	0	0	0	0	0	0	0
Number of Wet Trains at 10,000 Tons Per Train	0	0	0	0	0	0	0
Number of Rail Cars	0	0	0	0	0	0	0
Wet Sand Delivered By Truck	23,000	23,000	23,000	23,000	23,000	23,000	138,000
Number of Tons of Wet Sand Per Truck	23	24	24	23	23	23	23
Number of Trucks	958	958	958	958	958	958	5,750
Inventory of Lehigh Hanson Delivered Sand:							
Beginning Wet Sand Inventory	28,000	27,000	26,000	25,000	24,000	24,000	28,000
Add Wet Sand Delivered	23,000	23,000	23,000	23,000	23,000	23,000	138,000
Total Available Sand	51,000	50,000	49,000	48,000	47,000	47,000	166,000
Less Wet Sand Fed into Dryer	24,000	24,000	24,000	24,000	24,000	24,000	142,000
Ending Wet Sand Inventory	27,000	26,000	25,000	24,000	23,000	23,000	24,000
Drying Capacity	35,000	43,200	43,200	43,200	43,200	46,000	253,800
Actual Yield of Wet Sand Fed into Dryer @ 95%	22,800	22,800	22,800	22,800	21,850	21,850	134,900
Beginning Dried Sand Inventory	800	1,400	2,400	3,200	4,000	3,800	900
Add Dry Sand Yielded	22,800	22,800	22,800	22,800	21,850	21,850	134,900
Total Available Sand	23,600	24,200	24,800	26,000	25,850	25,650	135,700
Less Dried Sand Sold	23,000	22,000	22,000	22,000	22,000	22,000	132,000
Ending Dried Sand Inventory	1,600	2,200	2,800	4,000	3,850	3,650	3,700
Number of Truck Loads Shipped Out	312	312	312	312	312	312	3,600
Average Daily Number of Truckloads Shipped Out	48	38	38	38	38	37	38
Average Load Time Per Truck (Minutes)	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Average Load Time Per Time	5.7	4.8	4.8	4.8	4.8	4.8	4.8
Revenues Earned by Irsael Sand, LLC:							
Frac Sand Customers							
Dried Sand Sold	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$10,277,951
Total Frac Sand Revenues	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$10,277,951
Total Revenues Earned	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$10,277,951
Cash Flow Analysis:							
Beginning Cash Balance	\$18,088,930	\$18,326,009	\$18,700,306	\$19,206,225	\$19,657,191	\$20,064,636	\$18,088,930
Sources of Cash:							
Cash From Revenues Earned	\$1,606,278	\$1,608,292	\$1,712,992	\$1,712,992	\$1,712,992	\$1,712,992	\$10,148,537
Frac Sand Sales	\$19,695,208	\$20,014,301	\$20,413,298	\$20,919,216	\$21,270,184	\$21,777,526	\$28,235,458
Cash Disbursements:							

Irasel Sand, LLC
United States Bankruptcy Court for the
Western District of Texas
Case Number 17-51420
Assumptions in Support of
Annual Projections Years 2018-2023

Israel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Assumptions in Support of
 Annual Projections for
 Years 2018 Through 2023

July 1, 2018 - June 30, 2018 (4%-0% increase, 5%)	\$26.25
July 1, 2019 - June 30, 2020 (4%-5% increase, 5%)	\$27.56
July 1, 2020 - June 30, 2021 (4%-5% increase, 5%)	\$28.84
July 1, 2021 - June 30, 2022 (4%-5% increase, 5%)	\$30.39
July 1, 2022 - June 30, 2023 (4%-5% increase, 5%)	\$31.81

Martin Marietta Lease:
 Minimum Lease Payments:

From	To	Amount	% Increase	Note
Mar-16	Feb-17	\$32,825.74	3.50%	
Mar-17	Feb-18	\$33,787.84	3.50%	
Mar-18	Feb-19	\$34,848.51	3.50%	
Mar-19	Feb-20	\$36,172.74	3.50%	
Mar-20	Feb-21	\$37,438.79	3.50%	(1)
Mar-21	Feb-22	\$38,748.14	3.50%	(1)
Mar-22	Feb-23	\$40,105.36	3.50%	

Rail Car Rates:

Mar-16	Feb-17	\$243.48	3.50%	
Mar-17	Feb-18	\$252.00	3.50%	
Mar-18	Feb-19	\$260.82	3.50%	
Mar-19	Feb-20	\$269.85	3.50%	
Mar-20	Feb-21	\$279.39	3.50%	
Mar-21	Feb-22	\$289.17	3.50%	(1)
Mar-22	Feb-23	\$299.28	3.50%	(1)

Truck Rates:

Mar-16	Feb-17	\$60.87	3.50%	
Mar-17	Feb-18	\$63.00	3.50%	
Mar-18	Feb-19	\$65.20	3.50%	
Mar-19	Feb-20	\$67.49	3.50%	
Mar-20	Feb-21	\$69.85	3.50%	(1)
Mar-21	Feb-22	\$72.29	3.50%	(1)
Mar-22	Feb-23	\$74.82	3.50%	

Annual Lease Payment

Jul-16	Jun-17	\$5,707.24	3.50%	
Jul-17	Jun-18	\$5,859.99	3.50%	
Jul-18	Jun-19	\$6,017.99	3.50%	
Jul-19	Jun-20	\$6,178.81	3.50%	
Jul-20	Jun-21	\$6,342.54	3.50%	(1)
Jul-21	Jun-22	\$6,509.72	3.50%	(1)

(1): The effective end of the lease period of the Martin Marietta lease is July 19, 2021. Discussions have been entered into with Martin Marietta, who has indicated a willingness to extend the lease beyond July 19, 2021, but only if approval is achieved on Israel Sand, LLC's Reorganization Plan. For same rates and inflation adjusters in the existing lease was used in the projected years subsequent to July 19, 2021. If a lease extension can not be negotiated with Martin Marietta, an alternative trucking schedule will be secured.

Payroll:

Installation of dryer drum will increase dryer output, which in turn will reduce the amount of manpower necessary to operate dryer and the work schedule. Work schedule has been established with 4-day 12-hour shift classified as Week/Day Schedule and 3-day 12-hour shift classified as Weekend Schedule. The Weekend Shift is paid for 8 hours of overtime, and the Weekend Shift is paid the entire 39 hours at a premium rate of 120% of the employee's regular hourly rates. Wages are annually increased at 5% each year.

Actual 2016 Cost Analysis (July-September 2016 was busiest)

Direct Payroll, Utilities, Equipment Leases, Insurance:
 Payroll - October to December 2016
 Quarterly Workers Compensation Payment

Estimated	Wks	Month
\$ 18,650.54	\$ 219,057.00	13 \$ 72,457.32
	\$ 8,057.00	0

Payroll projections are taken from "Labor" worksheet
 Due 30 days after the end of the calendar quarter

Year	Escalator	Payment
Year 5	3.5%	\$235.24
Year 6	3.5%	\$243.48
Year 7	3.5%	\$252.00
Year 8	3.5%	\$260.82
Year 9	3.5%	\$269.85
Year 10	3.5%	\$279.39
Year 11 (1)	3.5%	\$289.17
Year 12 (1)	3.5%	\$299.29

18 Millnet Annual Lease Schedule

Year	Escalator	Payment
Year 1	3.5%	\$46,904.00
Year 2	3.5%	\$48,545.84
Year 3	3.5%	\$50,244.74
Year 4	3.5%	\$52,003.30
Year 5	3.5%	\$53,823.42
Year 6	3.5%	\$55,707.24
Year 7	3.5%	\$57,656.99
Year 8	3.5%	\$59,674.99
Year 9	3.5%	\$61,763.61
Year 10	3.5%	\$63,925.34
Year 11 (1)	3.5%	\$66,162.72
Year 12 (1)	3.5%	\$68,478.42

19 Millnet Monthly Minimum Lease Schedule

Year	Escalator	Payment
Year 1	3.5%	\$2,470.00
Year 2	3.5%	\$2,531.45
Year 3	3.5%	\$2,594.28
Year 4	3.5%	\$2,658.48
Year 5	3.5%	\$2,724.46
Year 6	3.5%	\$2,792.74
Year 7	3.5%	\$2,863.64
Year 8	3.5%	\$2,937.51
Year 9	3.5%	\$3,014.74
Year 10	3.5%	\$3,094.79
Year 11 (1)	3.5%	\$3,178.15
Year 12 (1)	3.5%	\$3,264.37

Irabel, Inc.
Summary of Labor Cost at Miller, TX Plant
Future Schedule at Proposed Wages

Position Description	Employee Name	Days Worked							Hours Worked		Rate of Pay		Regular	Overtime	Payroll Cost Total	7.65% Burden	Total	
		Mon	Tue	Wed	Thu	Fri	Sat	Sun	Reg.	Ot.	Weekday	Weekend						
Labor for Miller, TX Plant																		
Overhead and Maintenance:																		
Overhead:																		
General Manager-Overall Mgmt-Salary	Tony Dudley, Sr.	8 0	8 0	8 0	8 0	8 0	8 0	8 0	0 0	40.0	8 0	\$1,923.08	\$0.00	\$1,923.08	\$0.00	\$1,923.08	\$147.12	\$2,070.19
Plant Manager-Operations Mgmt-Hourly	Manuel Mireles	8 0	8 0	8 0	8 0	8 0	8 0	8 0	0 0	40.0	0 0	\$1,700.00	\$0.00	\$1,700.00	\$0.00	\$1,700.00	\$67.65	\$1,767.65
Mechanic	Jorge Rodriguez	24 0	24 0	24 0	24 0	24 0	24 0	24 0	0 0	120.0	24 0	\$3,883.08	\$0.00	\$3,883.08	\$0.00	\$3,883.08	\$292.92	\$4,176.00
Total Overhead																		\$4,339.74
Maintenance Assistant:																		
Weekday-Crew 1	Erasmo Martinez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$15.00	\$0.00	\$15.00	\$0.00	\$15.00	\$59.67	\$69.67
Weekday-Crew 2	Sergio Martinez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$15.00	\$0.00	\$15.00	\$0.00	\$15.00	\$59.67	\$69.67
Weekend-Crew 1	TBD	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$16.80	\$16.80	\$16.80	\$0.00	\$16.80	\$46.27	\$51.07
Weekend-Crew 2	TBD	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$16.80	\$16.80	\$16.80	\$0.00	\$16.80	\$46.27	\$51.07
Total Maintenance		24 0	24 0	24 0	24 0	24 0	24 0	24 0	0 0	152.0	16 0	\$64.60	\$32.60	\$97.20	\$32.60	\$130.80	\$211.87	\$2,881.47
Office Staff:																		
Office Manager	Christobel Mireles	8 0	8 0	8 0	8 0	8 0	8 0	8 0	0 0	40.0	0 0	\$17.00	\$0.00	\$17.00	\$0.00	\$17.00	\$32.02	\$732.02
Weekday First Crew																		
Scale Operator	Danielle Kurtock	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.75	\$0.00	\$12.75	\$0.00	\$12.75	\$90.72	\$713.72
Sand Tester	Dzrey Canales	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.75	\$0.00	\$12.75	\$0.00	\$12.75	\$90.72	\$713.72
Weekday Second Crew																		
Scale Operator	Jobi Gonzalez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.75	\$0.00	\$12.75	\$0.00	\$12.75	\$90.72	\$713.72
Sand Tester	Elixa Mireno	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.75	\$0.00	\$12.75	\$0.00	\$12.75	\$90.72	\$713.72
Weekend First Crew																		
Scale Operator	Abel Ramos	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.75	\$12.75	\$12.75	\$0.00	\$12.75	\$42.14	\$592.94
Sand Tester	TBD	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.75	\$12.75	\$12.75	\$0.00	\$12.75	\$42.14	\$592.94
Weekend First Crew																		
Scale Operator	TBD	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.75	\$12.75	\$12.75	\$0.00	\$12.75	\$42.14	\$592.94
Sand Tester	TBD	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.75	\$12.75	\$12.75	\$0.00	\$12.75	\$42.14	\$592.94
Total Scale House Staff		56 0	56 0	56 0	56 0	56 0	56 0	56 0	0 0	244.0	32 0	\$646.20	\$312.00	\$958.20	\$312.00	\$1,270.20	\$421.44	\$1,691.64
Weekday First Crew:																		
Shift Supervisor	Jessie Garcia	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$16.00	\$0.00	\$16.00	\$0.00	\$16.00	\$63.65	\$895.65
Equipment Operator-Loading Dryer	James Rufino	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Dryer Operator	Jaime Landeros	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Equipment Operator-Loading Trucks	Felipe Gonzalez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$15.00	\$0.00	\$15.00	\$0.00	\$15.00	\$59.67	\$839.67
Laborer	Juan Benavidez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Laborer	Marcos Garza	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Total Weekday First Crew		72 0	72 0	72 0	72 0	72 0	72 0	72 0	0 0	280.0	48 0	\$348.00	\$94.00	\$442.00	\$94.00	\$536.00	\$142.36	\$678.36
Weekday Second Crew:																		
Shift Supervisor	Juan Cantu	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$16.00	\$0.00	\$16.00	\$0.00	\$16.00	\$63.65	\$895.65
Equipment Operator-Loading Dryer	Ernesto Etkins	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$15.00	\$0.00	\$15.00	\$0.00	\$15.00	\$59.67	\$839.67
Dryer Operator	David Ramirez	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Equipment Operator-Loading Trucks	James Equia	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$14.00	\$0.00	\$14.00	\$0.00	\$14.00	\$55.89	\$783.69
Laborer	Jesus Navejar	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Laborer	Alberto Santoya	12 0	12 0	12 0	12 0	0 0	0 0	0 0	0 0	40.0	8 0	\$12.00	\$0.00	\$12.00	\$0.00	\$12.00	\$47.74	\$671.74
Total Weekday Second Crew		72 0	72 0	72 0	72 0	72 0	72 0	72 0	0 0	280.0	48 0	\$348.00	\$94.00	\$442.00	\$94.00	\$536.00	\$142.36	\$678.36
Weekend First Crew:																		
Shift Supervisor	Chris Shell	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$16.00	\$16.00	\$16.00	\$0.00	\$16.00	\$22.88	\$744.08
Equipment Operator-Loading Dryer	Cory Thompson	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.00	\$12.00	\$12.00	\$0.00	\$12.00	\$39.66	\$558.06
Dryer Operator	Johnathon Correa	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.00	\$12.00	\$12.00	\$0.00	\$12.00	\$39.66	\$558.06
Equipment Operator-Loading Trucks	David Garcia	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$15.00	\$15.00	\$15.00	\$0.00	\$15.00	\$69.57	\$697.57
Laborer	Antonio Ponce	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.00	\$12.00	\$12.00	\$0.00	\$12.00	\$39.66	\$558.06
Laborer	Elipido Rodriguez	0 0	0 0	0 0	0 0	12 0	12 0	12 0	12 0	36.0	0 0	\$12.00	\$12.00	\$12.00	\$0.00	\$12.00	\$39.66	\$558.06
Total Weekend First Crew		0 0	0 0	0 0	0 0	72 0	72 0	72 0	72 0	216.0	0 0	\$64.00	\$64.00	\$64.00	\$0.00	\$64.00	\$221.08	\$865.08

Irabel, Inc.
Summary of Natural Gas From Cotulla, TX and
Fuel Consumption Economics from
Huack Manufacturing, Inc.

Proposal by the City of Cotulla		CURRENT		FULL TIME		
Rate	Natural Gas- Cubic Feet	Propane- Gallons	Savings	Natural Gas- Cubic Feet	Propane- Gallons	Savings
	1,032	91,333		1,032	91,333	
BTUs per Cubic Foot (B)						
BTUs per Gallon (B)		89		89	18,000	
Cubic Feet Gas in 1 Gal Propane		1,062,012		1,593,017	\$0.85	
Weekly Consumpt @ Irabel		\$5,0999	(F)	\$5,0999	\$15,300	\$7,176
Unit Cost - Wholesale Y1 (C)		\$6,377.69	\$3,822	\$8,124	\$795,600	\$41,792 (E)
Weekly Cost (Cost of Converting Equipment Added Here)		\$331,640	(\$22,138) (E)	\$422,460		
Annual Cost		\$220,898		\$331,348		
Post Cost of Natural Gas Direct to Irabel (A)	\$4.00	\$331,640		\$422,460		
Net to Cotulla		\$2,8333		\$2,8333	\$0.85	
Unit Cost - Wholesale Y2 (C)		\$3,211.43	\$7,237	\$4,513	\$15,300	\$10,856
Weekly Cost		\$166,994	\$142,507 (E)	\$234,702	\$795,600	\$229,551 (E)
Annual Cost		\$220,898		\$331,348		
Post Cost of Natural Gas Direct to Irabel (A)	\$4.00	\$166,994		\$234,702		
Net to Cotulla						

(A)-Proposal includes rate and pass through of natural gas cost to Irabel.
 (B)-Rate from U.S. Energy Information Agency, updated as of August 9, 2015
 (C)-Rate per 1,000 CF of natural gas proposed by City of Cotulla. Rate in initial year is proposed for the City of Cotulla to recover its construction cost in first year
 (D)-Cost of natural gas purchased by City of Cotulla and passed through to Irabel.
 (E)-Savings to Irabel based on rate charged by City of Cotulla and cost of natural gas
 (F)-AmeriGas indicated that there is a \$.35 per gallon markup on natural gas purchased directly from the refinery. According to the EIA, prices for propane to Mont Belvieu, TX near Houston, TX was \$.478 per gallon. So our propane prices seems to be in line for right now, although further investigation is warranted
 (G)-Energy performance calculated by Huack on burner providing heat for drum with specific diameter, length and height of flights as that located at Millet. Resulting cost is based on \$.50999 per CF pricing proposed by the City of Cotulla and \$.85 per gallon of propane that is being paid to AmeriGas.

Modification to Proposal by the City of Cotulla Based
Assumptions in Construction Cost and Pricing from the West
Texas Gas, Inc.

Modification to Proposal by the City of Cotulla Based		CURRENT		FULL TIME		
Rate	Natural Gas- Cubic Feet	Propane- Gallons	Savings	Natural Gas- Cubic Feet	Propane- Gallons	Savings
	1,032	91,333		1,032	91,333	
BTUs per Cubic Foot (B)						
BTUs per Gallon (B)		89		89	18,000	
Cubic Feet Gas in 1 Gal Propane		1,062,012		1,593,017	\$0.85	
Weekly Consumpt @ Irabel		\$3,2908	(F)	\$3,2908	\$15,300	\$10,058
Unit Cost - Wholesale Y1 (C)		\$3,697.26	\$6,503	\$5,242	\$795,600	\$191,656 (E)
Weekly Cost (Cost of Converting Equipment Added Here)		\$192,257	\$117,244 (E)	\$272,597		
Annual Cost		\$220,898	22%	\$331,348		
Post Cost of Natural Gas Direct to Irabel (A)	\$4.00	\$192,257		\$272,597		
Net to Cotulla		\$3,2908		\$3,2908	\$0.85	
Unit Cost - Wholesale Y2 (C)		\$3,697.26	\$7,237	\$5,242	\$15,300	\$10,856
Weekly Cost		\$192,257	\$117,244 (E)	\$272,597	\$795,600	\$191,656 (E)
Annual Cost		\$220,898		\$331,348		
Post Cost of Natural Gas Direct to Irabel (A)	\$4.00	\$192,257		\$272,597		
Net to Cotulla						

Irabel, Inc.
 Summary of Natural Gas From Cotulla, TX and
 Fuel Consumption Economics from
 Huack Manufacturing, Inc.

\$139,383
~~(\$25,263)~~
\$114,119

Difference in Above Schedules:

Unit Cost-Wholesale Y1
 Unit Cost-Wholesale Y2
 Difference

Items to be Evaluated

Construction Cost:

Scope of Project

Trench dig 3,100 LF and install 8" pipeline, stub out at end with City of Cotulla meter. Requires digging trench under Union Pacific rail line.

Cost Proposal by City of Cotulla:

Cost of Digging Pipeline Trench:

Linear Feet of Project	3,100	Calculated Rate
Cost per LF	\$32.26	\$32,25806
Cost	\$100,000.00	
Cost of digging trench under Union Pacific rail line	\$20,000	
Cost of Converting Equipment from Propane to Natural Gas	\$50,000	

Unit Cost-Whole Sale Y1:

Estimated by Cotulla	120,000
Years of Recovery of Cost-4.75 Years Left on Lease	4.75
Weeks Period of Recovery of Cost	247
Cost Per Week of Recovery	486
Estimated Weekly Consumption of Natural Gas	1,062,012
Annual Cost Recovery Included in mcf Rate	\$0.4575
Cotulla Charges in mcf Rate	\$2.8333
Proposed Cotulla Charges in mcf Rates	\$3.2908
Difference in Proposed Pricing	\$1.8091

Unit Cost-Whole Sale Y2:

Annual Cost Recovery Included in mcf Rate (if > 1 Year)	\$0.0000
Cotulla Charges in mcf Rate	\$2.8333
Proposed Cotulla Charges in mcf Rates	\$2.8333

Citygate Pricing From West Texas Gas, Inc.

1. City of Cotulla purchases its natural gas from West Texas Gas, Inc.
2. West Texas's rates are equal to first of the month index as published in Inside FERC's - GAS MARKET REPORT, under the table entitled Prices of Spot Gas Delivered to Pipelines, plus \$0.667 per MMBtu.
3. Based on the above West Texas Gas, Inc.'s price to Cotulla should be \$3.437 (Henry Hub @ \$2.770, plus \$.667)

Statistics on City of Cotulla:

Number of Residential Customers

473

Irabel, Inc.
Summary of Natural Gas From Cotulla, TX and
Fuel Consumption Economics from
Huack Manufacturing, Inc.

Number of Small Commercial Customers 51
 Total Customer Base 524

Cost Per MCF-Residential \$19.92
 Cost Per MCF-Small Commercial \$8.97

Volumes Consumed-MCF Residential 8,300
 Volumes Consumed-MCF Small Commercial 24,954
 Total Volumes Consumed-MCF 33,254

Irabel, Inc.
Summary of Natural Gas From Cotulla, TX and
Fuel Consumption Economics from
Huack Manufacturing, Inc.
Energy Performance Based on Analysis By Huack Manufacturing (G)

Natural Gas	
Year One (Y1) of Natural Gas Consumption Based on Huack Mfg.	
Moisture Content of Sand	3.00% 4.00% 5.00%
Monthly Tonnage Produced	20,000.00 20,000.00 20,000.00
SCF of Gas Per Ton (G)	152.22 179.10 206.55
Total SCF of Gas	3,044,400.00 3,582,000.00 4,131,000.00
Cost of Natural Gas @ Wholesale Price Per 1,000 CF	\$15,526.14 \$18,267.84 \$21,067.69
Cost per Ton	\$0.78 \$0.91 \$1.05
Year Two (Y2) of Natural Gas Consumption Based on Huack Mfg.	
Moisture Content of Sand	3.00% 4.00% 5.00%
Monthly Tonnage Produced	20,000.00 20,000.00 20,000.00
SCF of Gas Per Ton (G)	152.22 179.10 206.55
Total SCF of Gas	3,044,400.00 3,582,000.00 4,131,000.00
Cost of Natural Gas @ Wholesale Price Per 1,000 CF	\$15,526.14 \$18,267.84 \$21,067.69
Cost per Ton	\$0.78 \$0.91 \$1.05
Propane Gas	
Year One (Y1) of Propane Consumption Based on Huack Mfg.	
Moisture Content of Sand	3.00% 4.00% 5.00%
Monthly Tonnage Produced	20,000.00 20,000.00 20,000.00

Irabel, Inc.
Summary of Natural Gas From Cotulla, TX and
Fuel Consumption Economics from

	Huack Manufacturing, Inc.		
Blus of Propane Per ton (G)	156,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$34,733.34	\$40,866.72	\$47,129.30
Cost per Ton	\$1.74	\$2.04	\$2.36
Monthly Tonnage Produced	25,000.00	25,000.00	25,000.00
Blus of Propane Per ton (G)	156,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$43,416.67	\$51,083.40	\$58,911.62
Cost per Ton	\$1.74	\$2.04	\$2.36
Monthly Tonnage Produced	30,000.00	30,000.00	30,000.00
Blus of Propane Per ton (G)	156,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$52,100.01	\$61,300.08	\$70,693.94
Cost per Ton	\$1.74	\$2.04	\$2.36

Year Two (Y2) of Propane Consumption Based on Hauck Mig.

Moisture Content of Sand	3.00%	4.00%	5.00%
Monthly Tonnage Produced	20,000.00	20,000.00	20,000.00
Blus of Propane Per ton (G)	158,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$34,733.34	\$40,866.72	\$47,129.30
Cost per Ton	\$1.74	\$2.04	\$2.36
Monthly Tonnage Produced	25,000.00	25,000.00	25,000.00
Blus of Propane Per ton (G)	158,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$43,416.67	\$51,083.40	\$58,911.62
Cost per Ton	\$1.74	\$2.04	\$2.36
Monthly Tonnage Produced	30,000.00	30,000.00	30,000.00
Blus of Propane Per ton (G)	158,615.00	186,624.00	215,223.00
Gal of Propane Per Ton	1.74	2.04	2.36
Cost of Propane @ Current Prices	\$52,100.01	\$61,300.08	\$70,693.94
Cost per Ton	\$1.74	\$2.04	\$2.36

Irabel, Inc.
Summary of Natural Gas From Cotulla, TX and
Fuel Consumption Economics from
Huack Manufacturing, Inc.

INCLUDED, BUT NOT USED

Irasel Sand, LLC
United States Bankruptcy Court for the
Western District of Texas
Case Number 17-51420
Details of Allowed Claims of
Reorganization Plan

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Summary of Class Designation of Claims

Class Designation	Claim Description	Total Claim	Estimated Recovery
Priority Tax	Priority Tax Claims	280,942.75	280,942.75
Class 1	Professionals and US Trustee	209,750.00	209,750.00
Class 2	Summit Investment Management	4,253,875.53	4,253,875.53
Class 3	Frio County	41,260.68	41,260.68
Class 4	LaSalle County	17,420.92	17,420.92
Class 5	Dilley ISD	66,118.62	66,118.62
Class 6	General Unsecured Creditors (Not Otherwise Classified)	3,771,260.17	2,867,860.08
Class 7	Carousel Specialty Products, Inc.-Secured	2,472,975.16	650,000.00
Class 8	Carousel Specialty Products, Inc.-Unsecured	11,443,998.21	0.00
Class 9	Convenience Unsecured Creditors	110,315.03	82,736.27
Class 10	Irasel, Inc. and Select Sand, LLC	7,839,806.48	7,839,806.48
Class 11	Equity Holders	0.00	0.00
	Total Amount of Claims	30,507,723.55	16,309,771.33

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Class 1-Administrative Claims of
 Professionals and Trustee

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 1		Dean Greer	Legal Fees			200,000.00	200,000.00
Class 1		U.S. Trustee	Fees			9,750.00	9,750.00
Total Amount of Claims						209,750.00	209,750.00

Recovery Percentage Through Cramdown

100.00%

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 2	2.2	Summit Investment Management	Loans	100% payment over seven years at 5% interest.		4,253,875.53	4,253,875.53
Total Amount of Claims						4,253,875.53	4,253,875.53

100.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Claim of Frio County

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 3	2.1	Frio County	Property Taxes	Paid over 48 months at 12% Interest		41,260.68	41,260.68
Total Amount of Claims						41,260.68	41,260.68

100.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Claim of LaSalle County

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 4	2.3	LaSalle County	Property Taxes	Paid over 48 months at 12% interest		17,420.92	17,420.92
Total Amount of Claims						17,420.92	17,420.92

100.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420

Claim of General Unsecured Creditors (Not Otherwise Classified)

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 6	3.4	Amerigas	Supplies-Trade Debt	Paid quarterly over five years at 3% interest.		277,998.47	277,998.47
Class 6	3.5	Austin-Western RR	Trade Debt	Disputed		37,266.00	0.00
Class 6	3.8	Buffalo Leasing	Trade Debt	Paid quarterly over five years at 3% interest.		37,009.81	37,009.81
Class 6	3.9	Buffalo Leasing	Creditor	Paid quarterly over five years at 3% interest.		67,634.28	67,634.28
Class 6	3.17	Equipment Guy	Trade Debt	No claim filed.		26,937.31	0.00
Class 6	3.18	Euro Financial Network	Trade Account Consultant	Paid quarterly over five years at 3% interest.		20,000.00	20,000.00
Class 6	3.21	Herzog Railroad Services	Equipment Lease	Paid quarterly over five years at 3% interest.		138,854.82	138,854.82
Class 6	3.22	Holt Caterpillar, Inc.	Trade Debt	Paid quarterly over five years at 3% interest.		50,000.00	50,000.00
Class 6	3.25	Iron Mountain Trap Rock	Trade Debt-Offset	Offset by \$50,000 deposit		43,516.30	0.00
Class 6	3.27	Knox Oil Field Supply, Inc.	Service and Supplies	Paid quarterly over five years at 3% interest.		34,483.26	34,483.26
Class 6	3.29	Lincoln Transportation	Service and Supplies	Paid quarterly over five years at 3% interest.		10,821.38	10,821.38
Class 6	3.30	M&I Institutional Dev., LLC	Credit	Paid quarterly over five years at 3% interest.		20,000.00	20,000.00
Class 6	3.31	Martin Marietta	Lease	Paid Off		315,914.28	0.00
Class 6	3.32	Materials	Legal Services	Paid quarterly over five years at 3% interest.		280,318.25	280,318.25
Class 6	3.33	Michael Fugler	Trade Dept	Disputed		42,365.00	0.00
Class 6	3.34	Midwest Trans-Load	Trade Creditor	Paid quarterly over five years at 3% interest.		63,099.42	63,099.42
Class 6	3.37	Modern Group Co.	Trade Creditor	Disputed		53,691.10	0.00
Class 6	3.39	Reed Smith, LLP	Trade Creditor	\$1,707,817.96 moved from Secured Creditor Status to \$86,835.35 in expenses		1,794,653.31	1,794,653.31
Class 6	3.44	Robert Livingston	Loan	Paid quarterly over five years at 3% interest.		20,000.00	20,000.00
Class 6	3.45	Summit Proppants	Trade Debt	Paid quarterly over five years at 3% interest.		29,825.10	29,825.10
Class 6	3.47	Terrell Pankey	Trade Creditor	Paid quarterly over five years at 3% interest.		10,387.98	10,387.98
Class 6	3.48	Texas First Rentals	Trade Debt	Paid quarterly over five years at 3% interest.		12,774.00	12,774.00
Class 6	3.56	Texas Mutual Insurance Company	Trade Creditor	Disputed		361,745.10	0.00
Class 6	3.57	Winstead, PC	Attorney Fees	Disputed		22,065.00	0.00
Class 6	3.57	Wisconsin Southern Railroad	Trade Debt	Disputed			
Total Amount of Claims						3,771,260.17	2,867,860.08

Recovery Percentage Through Cramdown

100.00%

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Claim of Carousel Specialty Products, Inc. Class 7

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery	
Class 7	2.1	Carousel Specialty Products, Inc.	Secured Claim	Disputed and to be paid when classes 1 through 6 are paid in full.	Contingent	2,472,975.16	650,000.00	
Total Amount of Claims							2,472,975.16	650,000.00

100.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Unsecured Claims of Carousel Specialty Products

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 8		Carousel Specialty Products	Unsubstantiated	Claims of vendors that worked on Millet plant redevelopment to be disputed.		643,998.21	0.00
Class 8		Carousel Specialty Products	Unsubstantiated	Unsubstantiated damage claim of Carousel related to rejection of Marketing Agreement to be disputed.		10,800,000.00	0.00
Total Amount of Claims						11,443,998.21	0.00

75.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Claims of Convenience Unsecured Creditors

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 9	3.1	Action Filtration	Trade Debt	Claims under \$10,000 paid within 90 days of Plan confirmation.		3,110.83	2,333.12
Class 9	3.2	ADP	Trade Debt	Same as above.		420.72	315.54
Class 9	3.3	AFCO	Insurance	Same as above.		7,836.70	5,877.53
Class 9	3.6	Bates Whiteside, CPA	Trade Debt	Same as above.		8,978.98	6,734.24
Class 9	3.7	Brown Equipment Co.	Trade Debt	Same as above.		5,849.51	4,387.13
Class 9	3.9	Bush Construction, Inc.	Trade Debt	Same as above.		5,107.54	3,830.66
Class 9	3.10	Carlos Benavides	Trade Debt	Same as above.		1,465.88	1,099.41
Class 9	3.11	Carousel Specialty Products c/o Lloyd Lim Reed Smith	Loan	Same as above.		6,809.00	5,106.75
Class 9	3.12	Caterpillar, Inc.	Finance Agreement	Same as above.		2,848.35	2,136.26
Class 9	3.14	Cox Communications	Trade Account	Same as above.		741.77	556.33
Class 9	3.15	Dan's Petroleum, Inc.	Trade Debt	Same as above.		7,106.10	5,329.58
Class 9	3.16	Dilley Mobile Home Community, LLC	Apartment Rent	Same as above.		3,350.00	2,512.50
Class 9	3.19	F. Garcia Hauling, LLC	Trade Debt	Same as above.		8,512.56	6,384.42
Class 9	3.20	FedEX	Trade Account	Same as above.		889.22	666.92
Class 9	3.23	HughesNET	Trade Account	Same as above.		398.08	298.56
Class 9	3.26	John Rothermel	Trade Creditor	Same as above.		3,330.00	2,497.50
Class 9	3.28	Law Offices of David McNees	Legal Fees	Same as above.		858.54	643.91
Class 9	3.29	M&I Institutional Dev., LLC	Trade Creditor	Same as above.		10,000.00	7,500.00
Class 9	3.35	National General Insurance	Trade Account	Same as above.		232.47	174.35
Class 9	3.35	Nation General Insurance	Trade Account	Same as above.		4,573.58	3,430.19
Class 9	3.36	Ray's Plumbing/Pump Service	Trade Creditors	Same as above.		3,150.00	2,362.50
Class 9	3.37	Regus	Trade Creditor	Same as above.		557.23	417.92
Class 9	3.41	Ronald Tiller	Trade Account	Same as above.		2,160.00	1,620.00
Class 9	3.42	Rotex Global, LLC	Trade Creditor	Same as above.		3,158.33	2,368.75
Class 9	3.48	Texas Mutual Insurance Co.	Trade Creditor	Same as above.		9,152.00	6,864.00
Class 9	3.49	Thunder Hawk Electric	Trade Creditor	Same as above.		3,800.00	2,850.00
Class 9	3.50	Time Warner Cable, Inc.	Creditor	Same as above.		188.85	141.64
Class 9	3.51	Verizon Wireless	Trade Account	Same as above.		231.99	173.99
Class 9	3.52	VTX 1 Companies	Trade Account	Same as above.		362.46	271.85
Class 9	3.53	Wells Fargo	Credit	Same as above.		583.70	437.78
Class 9	3.54	White House Inn	Credit	Same as above.		4,550.64	3,412.98

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420

Claims of Convenience Unsecured Creditors

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Total Amount of Claims							
						110,315.03	82,736.27

75.00%

Recovery Percentage Through Cramdown

Irasel Sand, LLC
 United States Bankruptcy Court for the
 Western District of Texas
 Case Number 17-51420
 Claims of Equity Holders

Class Designation	Schedule Location	Name of Creditor	Nature of Claim on Petition Date	Treatment	Voting Status	Total Claim	Estimated Recovery
Class 10	3.24	Irasel, Inc.	Loan	To be paid when claims 1 through 9 are paid in full.		7,762,589.52	7,762,589.52
Class 10	3.43	Select Sand, LLC	Loan	Same as above.		77,216.96	77,216.96
Total Amount of Claims						7,839,806.48	7,839,806.48

Recovery Percentage Through Cramdown

100.00%

Exhibit 3 - Monthly Operating
Report for March, 2018

MOR-1
 CASE NAME: Irbal Sand, LLC
 CASE NUMBER: 17-51420-rbk
 PROPOSED PLAN DATE: _____
 UNITED STATES BANKRUPTCY COURT
 PETITION DATE: June 19, 2017
 DISTRICT OF TEXAS: Western
 DIVISION: San Antonio

MONTHLY OPERATING REPORT SUMMARY FOR MONTH

	January	February	March	April	May	June
REVENUES (MOR-6)	1,874,028.71	1,507,281.89	1,876,246.46	0.00	0.00	0.00
INCOME BEFORE INT, DEPREC, TAX (MOR-6)	310,085.28	78,615.82	247,792.54	0.00	0.00	0.00
NET INCOME (LOSS) (MOR-6)	18,638.46	17,538.48	247,792.54	0.00	0.00	0.00
PAYMENTS TO INSURERS (MOR-9)	0.00	33,479.74	20,898.49	0.00	0.00	0.00
PAYMENTS TO PROFESSIONALS (MOR-9)	0.00	8,000.00	8,000.00	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-7)	1,443,188.11	1,814,559.53	2,483,278.89	0.00	0.00	0.00

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED	AS OF SIGNATURE DATE	EXP. DATE
CASUALTY	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	11/30/18
LIABILITY	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	11/30/18
VEHICLE	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	11/30/18
WORKERS	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	11/30/18
OTHER	YES <input type="checkbox"/> NO <input type="checkbox"/>	

Are all accounts receivable being collected within terms? YES NO
 Are all post-petition liabilities, including taxes, being paid within terms? YES NO
 Have any pre-petition liabilities been paid? YES NO
 If so, describe: _____
 Are all funds received being deposited into DIP bank accounts? YES NO
 Were any assets disposed of outside the normal course of business? YES NO
 If so, describe: _____
 Are all U.S. Trustee Quarterly Fee Payments current? YES NO
 What is the status of your Plan of Reorganization? YES NO
 Reorganization plan has been filed

ATTORNEY NAME: Dean W. Greer
 FIRM NAME: Dean W. Greer, Attorney at Law
 ADDRESS: 2928 Mossrock, Suite 117
 CITY, STATE, ZIP: San Antonio, Texas 78230
 TELEPHONE/FAX: 210-342-7100 210-342-3633
 MOR-1

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.
 SIGNED X: Bates H. Whiteside TITLE: CFO of Irbal, Inc. Managing Member of Irbal Sand LLC
 DATE: 4/20/2018 Revised 07/01/98
 (ORIGINAL SIGNATURE)
 (PRINT NAME OF SIGNATORY)

CASE NAME: Irazel Sand, LLC
CASE NUMBER: 17-51420-rbk

COMPARATIVE BALANCE SHEETS

ASSETS	FILED DATE* 06/19/17 0:00	as of 12/31/2017	MONTH 01/31/18 0:00	MONTH 02/28/18 0:00	MONTH 03/31/18 0:00	MONTH 04/30/18 0:00	MONTH 05/31/18 0:00	MONTH 06/30/18 0:00
CURRENT ASSETS								
Cash	-482.84	51,166.61	120,717.49	265,137.85	177,726.84			
Accounts Receivable, Net	422,769.06	2,157,280.79	2,265,664.82	2,360,742.32	2,390,602.12			
Inventory: Lower of Cost or Market	513,000.00	1,642,415.29	1,659,058.88	1,571,165.49	1,518,254.35			
Prepaid Expenses	0.00	0.00						
Investments	1,615,950.00	1,615,950.00	1,615,950.00	1,615,950.00	1,615,950.00			
Other	628,564.00	628,564.00	628,564.00	628,564.00	628,564.00			
TOTAL CURRENT ASSETS	3,179,800.22	6,095,376.69	6,289,955.19	6,441,559.66	6,331,097.31		0.00	0.00
PROPERTY, PLANT & EQUIP. @ COST	2,091.00	2,091.00	2,091.00	2,091.00	2,091.00			
Less Accumulated Depreciation		0.00						
NET BOOK VALUE OF PP & E	2,091.00	2,091.00	2,091.00	2,091.00	2,091.00		0.00	0.00
OTHER ASSETS								
1. Vendor Deposits	51,675.00	55,675.00	55,675.00	55,675.00	55,675.00			
2. Employee Advances		1,420.00	2,428.00	2,428.00	2,428.00			
3. Investments in Subsidiaries		0.00						
*Claims against Martin Marietta, Caravel and or Select Sand	5,407,044.95	5,407,044.95	5,407,044.95	5,407,044.95	5,407,044.95			
Equipment	2,659,192.35	3,124,170.22	3,232,614.33	3,401,543.60	3,814,228.95			
TOTAL ASSETS	\$11,299,803.52	\$14,685,777.86	\$14,989,808.47	\$15,310,342.21	\$15,612,565.21		\$0.00	\$0.00

* Per Schedules and Statement of Affairs

Revised 07/01/18

MOR-2

CASE NAME: Israel Sand, LLC
 CASE NUMBER: 17-51420-rbk

COMPARATIVE BALANCE SHEETS

	06/19/17 0:00	12/31/17 0:00	01/31/18 0:00	02/28/18 0:00	03/31/18 0:00	04/30/18 0:00	05/31/18 0:00	MONTH
LIABILITIES & OWNERS' EQUITY								
LIABILITIES								
POST-PETITION LIABILITIES (OR-4)								
PRE-PETITION LIABILITIES								
Notes Payable - Secured		1,420,087.67	1,414,023.00	1,655,940.92	1,710,571.38			
Priority Debt		0.00						
Federal Income Tax		0.00						
FICA/W/withholding		0.00						
Unsecured Debt		0.00						
Other								
TOTAL PRE-PETITION LIABILITIES	9,491,957.83	9,166,811.82	9,166,811.82	9,166,811.82	9,166,811.82		0.00	0.00
TOTAL LIABILITIES	9,491,957.83	10,586,899.49	10,580,834.82	10,822,752.74	10,877,183.20		0.00	0.00
OWNER'S EQUITY (DEFICIT)								
PREFERRED STOCK								
COMMON STOCK	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00			
ADDITIONAL PAID-IN CAPITAL	2,630,463.00	2,630,463.00	2,630,463.00	2,630,463.00	2,630,463.00			
RETAINED EARNINGS: FILING DATE	-823,617.31	-823,617.31	-823,617.31	-823,617.31	-823,617.31			
RETAINED EARNINGS: Post-Filing Date	0.00	2,291,032.68	2,601,127.96	2,679,743.78	2,927,536.32		0.00	0.00
TOTAL OWNER'S EQUITY (NET WORLD TOTAL)	1,807,845.69	4,098,878.37	4,408,973.65	4,487,589.47	4,735,382.01		0.00	0.00
LIABILITIES & OWNERS' EQUITY	\$11,299,803.52	\$14,685,777.86	\$14,989,808.47	\$15,310,342.21	\$15,612,565.21		\$0.00	\$0.00

* Per Schedules and Statement of Affairs

Revised 07/01/18

CASE NAME: Inland Savak, LLC
 CASE NUMBER: 17-51420-rbk

SCHEDULE OF POST-PETITION LIABILITIES

	TOTAL 12/31/17	MONTH January 2018	MONTH February 2018	MONTH March 2018	MONTH April 2018	MONTH May 2018	MONTH June 2018	Total
TRADE ACCOUNTS PAYABLE	1,321,728.92	1,284,785.00	1,527,409.42	1,325,117.89				
TAX PAYABLE	56,789.00	38,688.00	48,019.89	54,920.00				
Federal Payroll Taxes	14,321.39	6,548.33	5,958.79	16,609.89				
State Payroll Taxes	0.00	0.00	0.00	0.00				
All Valuation Taxes	0.00	82,513.89	78,054.23	118,825.00	0.00	0.00		0.00
TOTAL TAXES PAYABLE	73,089.39	129,728.00	137,531.50	187,253.69	0.00	0.00		0.00
SECURED DEBT POST-PETITION								
ACCRUED INTEREST PAYABLE								
ACCRUED PROFESSIONAL FEES*								
OTHER ACCRUED LIABILITIES								
1								
2								
3.	1,394,818.31	\$1,414,023.00	\$1,655,940.92	\$1,710,371.78	\$0.00	\$0.00	\$0.00	\$0.00

* Payment required Court Approval

MOR-4

CASE NAME: Irasel Sand, LLC
 CASE NUMBER: 17-51420-rbk

AGING OF POST-PETITION LIABILITIES
 MONTH March 2018

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	OTHER
0-30	1,623,529.03	1,436,275.34	54,920.00	15,508.69		116,825.00
31-60	86,842.35	86,842.35				
61-90	0.00					
91+	0.00					
TOTAL	\$1,710,371.38	\$1,523,117.69	\$54,920.00	\$15,508.69	\$0.00	\$116,825.00

AGING OF ACCOUNTS RECEIVABLE

MONTH	January 2018	February 2018	March 2018
0-30 DAYS	1,157,878.05	1,252,955.55	1,282,815.35
31-60 DAYS	0.00	105,325.44	0.00
61-90 DAYS			
91+ DAYS	1,107,786.77	1,107,786.77	1,107,786.77
TOTAL	\$2,265,664.82	\$2,466,067.76	\$2,390,602.12
			\$0.00
			\$0.00
			\$0.00

MOR-5

Revised 07/01/18

CASE NAME: Israel Sand, LLC
 CASE NUMBER: 17-51420-rbk

STATEMENT OF INCOME (LOSS)

	04/13 to 12/31/17	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018	ENDING TO DATE
REVENUES (Other-1)	5,552,846.33	1,874,028.71	1,507,281.88	1,876,246.46				10,810,403.38
TOTAL COST OF REVENUES	2,546,724.14	930,460.31	772,323.00	900,796.09			0.00	5,150,303.54
GROSS PROFIT	3,006,122.19	943,568.40	734,958.88	975,450.37				5,660,099.84
OPERATING EXPENSES:								
Selling & Marketing	500.00							500.00
General & Administrative	57,699.84	24,441.66	62,316.06	25,516.30				169,973.86
Insiders Compensation	0.00							0.00
Professional Fees	5,000.00							5,000.00
Operating Expenses	2,561,310.17	609,031.46	594,027.00	702,141.53				4,466,510.16
Other								0.00
TOTAL OPERATING EXPENSES	2,624,510.01	633,473.12	656,343.06	727,657.83			0.00	4,641,984.02
INCOME BEFORE INT. DEDUCTIONS (GAIN-)	382,112.18	310,095.28	78,615.82	247,792.54			0.00	1,018,115.82
INTEREST EXPENSE								0.00
DEPRECIATION								0.00
OTHER (INCOME) EXPENSE*								0.00
OTHER ITEMS**								0.00
TOTAL INT. DEDU. & OTHER ITEMS	0.00	0.00	0.00	0.00			0.00	0.00
NET INCOME BEFORE TAXES	382,112.18	310,095.28	78,615.82	247,792.54			0.00	1,018,115.82
FEDERAL INCOME TAXES								0.00
NET INCOME (LOSS) (TOTAL)	\$382,112.18	\$310,095.28	\$78,615.82	\$247,792.54			\$0.00	\$1,018,115.82

* Federal Accounting Required. Other-than-Financials with Explanation.
 ** Financials Mandatory.
 *** Unusual and/or Unapproved (unaff) include the ordinary course of business regulars/financials.

MOE 6 Summary of Income and Expenses									
Total Demand Post Administrative	\$17,851.80	\$61,724.18	\$14,451.28	\$37,319.89	\$10,306.62	\$4,465.10	\$9,851.62		
Total Expenditures	\$830,413.12	\$658,343.08	\$182,728.69	\$465,543.97	\$777,857.83	\$314,448.11	\$413,269.72		
Net Operating Income	\$310,495.28	\$16,411.62		\$279,416.81	\$267,792.54		\$502,240.63		
PERCENTAGE OF NET INCOME INCREASE WITHOUT EXT RAOULARY EXPENSES									
Based upon the Meritronics and continuation of "extraordinary expenditures" in February 2016, net income for the month of February would have increased from \$79,615.83 to \$271,416.81 had the "extraordinary operating expenditures" not been incurred.									
Additionally as detailed below there would have been 150,685.20 of capital expenditures that would not have had to have been made in January of 2016. The result for net an accrual basis in February of 2016 that shows some \$243,830.63 of additional operating and capital expenditures that were not necessary for the new and existing plant being property fully used and connected.									
Actual Purchases									
Plant Improvements (Fixed Assets)	\$58,444.11	\$118,918.26	\$60,844.28	\$38,450.08	\$412,638.26	\$175,610.79	\$207,074.59		
Front End Loader	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Total Actual Purchases	\$73,444.11	\$118,918.26	\$60,844.28	\$38,450.08	\$412,638.26	\$175,610.79	\$207,074.59		

CASE NAME: Israel Sand, LLC
CASE NUMBER: 17-51420-rbk

CASH RECEIPTS AND DISBURSEMENTS	MONTH January 2018	MONTH February 2018	MONTH March 2018	MONTH April 2018	MONTH May 2018	MONTH June 2018	RUNNING TO DATE
1. CASH RECEIPTS OF MONTH	\$482,844	\$120,717.49	\$765,137.85				\$437,699.12
2. CASH SALES	4,261,795.15	1,958,979.89	2,375,868.88				10,108,222.90
3. COLL. PORTION OF ACCOUNTS RECEIVABLE							0.00
4. LOANS & ADVANCES (each Eq)							0.00
5. SALES OF ASSETS							0.00
6. OTHER (each Eq)	\$128,062.64						126,062.64
TOTAL RECEIPTS**	4,387,857.79	1,958,979.89	2,375,868.88	0.00	0.00		10,234,285.54
DISBURSEMENTS:							
7. NET PAYROLL	256,150.69	143,227.98	198,817.71				752,469.58
8. PAYROLL TAXES PAID	76,105.98	62,498.55	40,211.76				233,392.96
9. SALES, LEASE & OTHER TAXES PAID	0.00						0.00
10. INCIDENTAL/BANK	0.00						0.00
11. UTILITIES & TELEPHONE	0.00						0.00
12. INSURANCE	0.00						0.00
13. PLANT OPERATING (each Sublet)	1,660,495.78	1,131,265.15	2,004,115.86				6,087,142.83
14. VEHICLE EXPENSES	0.00						0.00
15. TRAVEL & ENTERTAINMENT	494.76	6,519.86	8,367.36				25,976.89
16. REPAIRS, MAINTENANCE & SUPPLIES	44,023.25	6,427.83	16,928.00				72,528.74
17. ADMINISTRATIVE & BELLINI	747,971.72	12,613.12	11,277.04				859,751.92
18. OTHER (each Eq)	2,785,242.18	71,926.11	177,532.04				418,407.42
TOTAL DISBURSEMENTS FROM OPERATIONS	2,785,242.18	1,436,478.60	2,437,369.77	0.00	0.00		8,449,670.34
19. PROFESSIONAL FEES	0.00	1,500.00	6,000.00				40,979.74
20. U.S. TRUSTEE FEES	0.00	5,209.51	10.12				15,619.63
21. OTHER REORGANIZATION EXPENSES (each Eq)	56,130.24						56,130.24
TOTAL DISBURSEMENTS**	2,841,372.42	1,443,188.11	2,463,279.89	0.00	0.00		8,562,399.95
NET CASH FLOW	1,546,485.37	68,390.87	-87,411.01	0.00	0.00		1,671,885.59
CASH - END OF MONTH (each Eq)	\$1,546,007.53	\$120,717.49	\$177,726.64	\$0.00	\$0.00	\$0.00	\$2,109,584.71

* Applies to individual debitors only

**Members for the current month should be taken (each)

RECEIPTS and CHECKS/OTHER DISBURSEMENTS based on MOR-4

MOR-7

CASE NAME: Irasel Sand, LLC
 CASE NUMBER: 17-51420-rbk

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(3)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.). (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH January 2018	MONTH February 2018	MONTH March 2018	MONTH April 2018	MONTH May 2018	MONTH June 2018
1. Louis Butler - CEO Managing Mem. Salary	11,600.00	10,000.00	11,600.00			
2. Bates Whiteside CFO Mem. Mem - Salary	7,038.46	7,538.48	7,038.48			
3. Louis Butler - CEO - Mgm Mem. Exp. Rem.			1,538.64			
4. Bates Whiteside CFO Mem. Mem Exp Rem.			819.37			
5.						
6.						
TOTAL INSIDERS (MOR-1)	\$18,638.46	\$17,538.48	\$20,996.49	\$0.00	\$0.00	\$0.00
PROFESSIONALS						
1. Law Office of Dean Greer	0.00	33,479.74				
2. Arbitration Fees - Caroncel Products			6,000.00			
3.						
4.						
5.						
6.						
TOTAL PROFESSIONALS (MOR-1)	\$0.00	\$33,479.74	\$6,000.00	\$0.00	\$0.00	\$0.00

Revised 07/01/18

MOR-9

Exhibit 4- Liquidation Analysis

Israel Sand, LLC
United States Bankruptcy Court for the Western District of Texas
Case Number: 17-51420
Summary of Liquidation Value of Estate

Description	Net Book Value	Adjust Value	Revised Book Value	Comments
Cash and Cash Equivalents:				
Checking Accounts - Operating and Tax	\$ 226,024.63	\$	226,024.63	
Total Cash and Cash Equivalents	\$ 226,024.63	\$	226,024.63	
Deposits and Prepayments:				
Iron Mountain Trap Rock Net Deposit of \$50,000 against debt of \$43,516.30	\$	6,483.70	6,483.70	These are absolute dollar value refunds.
Mobile Home Rental Deposits - Dilley, TX	\$	1,675.00	1,675.00	These are absolute dollar value refunds.
Office Rental Deposit - San Antonio, TX	\$	585.00	585.00	These are absolute dollar value refunds.
Prepayment - Holt Cat Deposit for Repairs to be Performed	\$	15,781.00	15,781.00	These are absolute dollar value refunds.
Loans to Employees	\$	16,120.00	16,120.00	These are absolute dollar value refunds.
Prepaid Insurance	\$	31,603.00	31,603.00	These are absolute dollar value refunds.
Balance - American Express Debt Card	\$	3,585.00	3,585.00	These are absolute dollar value refunds.
Total Deposits and Prepayments:	\$	75,832.70	75,832.70	
Accounts Receivable:				
Estimated Amount Due from Carousal Specialty Products, Inc.	\$	764,117.11	\$	Amount owed to Israel Sand would offset Carousal's claim against debtor. Has been taken into consideration in estimating recovery of Carousal Specialty Product, Inc.'s claim in Class 7.
Current Customer Accounts Receivable	\$	346,286.91	\$	These are absolute dollar amounts.
Total Accounts Receivable	\$	1,110,404.02	\$	346,286.91
Inventory, Excluding Agricultural Assets:				
Wet Sand in Farmington MO (Lower of Cost or Market)	\$	513,000.00	\$	Logistic costs of shipping the sand to the Eagle Ford shale play is cost prohibitive. Sand as value only if utilized in the Marcellus-Utica shale play, and if only shipped to the area via barge. Given the fact that the last inventory of the sand was in February 2015, it is questionable if it is still physically available.
Wet Sand - Millett TX	\$	192,209.60	\$	Cost of Wet sand and transportation costs from mine site to Millett, TX
Total Inventory, Excluding Agricultural Assets:	\$	705,209.60	\$	705,209.60
Office Furniture, Fixtures, Equipment and Collectibles:				
Equipment, Computers, Software, etc. at Millett TX Plant	\$	13,047.32	\$	2,261.83
Total Office Furniture, Fixtures, Equipment and Collectibles:	\$	13,047.32	\$	3,261.83
Machinery, Equipment and Vehicles:				
Electrical Panel	\$	6,555.00	\$	1,000.00
CAT/In RM001486 Caterpillar Front End Loader	\$	76,025.00	\$	60,000.00
Platinum Screen and Dryer	\$	102,375.00	\$	50,000.00
Cardinal Brand Truck Scale	\$	5,415.00	\$	30,000.00
Modular Office Trailer	\$	3,863.00	\$	1,000.00
Rotex Brand Screener #1	\$	30,951.00	\$	150,000.00
Rotex Brand Screener #2	\$	56,850.00	\$	150,000.00
Husck MFG Bag House	\$	11,862.00	\$	20,000.00
Stone Shaker	\$	5,566.00	\$	1,000.00
Loughran Screen	\$	6,036.00	\$	35,000.00
Industrial Sand Dryer	\$	64,430.00	\$	5,000.00
Maxom Burner	\$	9,413.00	\$	12,000.00
Hepper #1	\$	5,462.00	\$	5,000.00
24x100 Altoona Conveyor Belt #2	\$	9,102.00	\$	9,000.00
Cyclone Sand Separator	\$	5,462.00	\$	5,000.00

Irasel Sand, LLC
United States Bankruptcy Court for the Western District of Texas
Case Number: 17-51420
Summary of Liquidation Value of Estate

Description	Market Value	Adjusted Value	Realizable Value	Comments
30x60 Working Belt System	\$ 11,395.00	\$	10,000.00	Same as above.
30x60 Altoona Conveyor Belt	\$ 9,102.00	\$	8,000.00	Same as above
24x60 Altoona Conveyor Belt	\$ 9,102.00	\$	8,000.00	Same as above
24x60 Altoona Conveyor Belt	\$ 9,102.00	\$	8,000.00	Same as above
24x100 Altoona Conveyor Belt	\$ 5,566.00	\$	2,500.00	Same as above.
Sieve Shaker #2	\$ 9,102.00	\$	8,000.00	Same as above.
24x60 Altoona Conveyor Belt	\$ 9,102.00	\$	8,000.00	Same as above
24x60 Altoona Conveyor Belt #2	\$ 5,462.00	\$	2,500.00	Same as above.
Hopper #1	\$ 9,102.00	\$	1,000.00	Same as above
36x100 Altoona Radial Strucker	\$ 9,970.00	\$	3,000.00	Same as above
Camera System	\$ 6,059.00	\$	2,500.00	Same as above
Hopper	\$ 8,405.00	\$	2,000.00	Same as above
Load Out Cover	\$	\$	2,000.00	Same as above
Pipe Installation	\$ 711.00	\$	3,000.00	Paragraph 29 of lease with Martin Marietta Materials provided them the option to purchase equipment at leased facilities "where is" and "as is". It is assumed that the same auction price valuation would be used in reaching agreement with Martin Marietta
Platinum Screen and Dryer Improvements	\$ 398,620.74	\$	100,000.00	Estimated value of Equipment at public auction
24x60 Altoona Conveyor Belt #2	\$ 9,102.00	\$	8,000.00	Same as above.
Cat Front End Loader Improvements	\$ 15,198.98	\$	1,200.00	Included in Value of Caterpillar Loader above
Laptop Computer	\$ 2,894.45	\$	1,200.00	Estimated value of Equipment at public auction
Dryer Improvements - Propane	\$ 31,170.84	\$	15,000.00	Same as above.
Dryer Improvements - Belts & Burners	\$ 56,830.14	\$	30,000.00	Same as above
"Estimated" Dryer Improvements	\$ 2,214,006.82	\$	1,000,000.00	management. Estimated value of equipment installed, absent cost overruns related to contractor inefficiencies and poor project
Sand Sizing Equipment	\$ 2,172.07	\$	1,000.00	Estimated value of Equipment at public auction
Transformer	\$ 7,625.49	\$	1,500.00	Same as above.
Turbidity Test Equipment	\$ 1,367.75	\$	750.00	Same as above
Dresser Front End Loader	\$ 17,000.00	\$	17,000.00	Same as above
Volvo Wheel Loader	\$ 69,655.00	\$	69,655.00	Same as above
Total Machinery, Equipment and Vehicles:	\$ 3,264,536.28	\$	1,846,605.00	
Road Property, Leasehold Improvements				
Storage Building #1	\$ 204,192.00	\$	25,000.00	Paragraph 28 of lease with Martin Marietta Materials provided them the option to purchase equipment at leased facilities "where is" and "as is". It is assumed that the same auction price valuation would be used in reaching agreement with Martin Marietta
Storage Building #2	\$ 204,191.00	\$	25,000.00	Same as above
Propane Tank	\$ 9,102.00	\$	10,000.00	Same as above
Concrete Pad for Storage	\$ 86,970.00	\$	90,000.00	Same as above
Electrical Control Building	\$ 9,102.00	\$	5,000.00	Same as above
Dryer and Screener Elevator System	\$ 18,307.00	\$	5,000.00	Same as above
Concrete Pad for Dryer and Screener	\$ 96,800.00	\$	35,000.00	Same as above
Tool Storage Shed	\$ 3,489.25	\$	15,000.00	Same as above
Warehouse Improvements	\$ 11,295.43	\$	2,500.00	Same as above.
Loadout Road Improvements	\$ 39,405.40	\$	2,500.00	Same as above.
Total Road Property, Leasehold Improvements	\$ 682,854.08	\$	155,000.00	
Other Assets:				
Contingent Claim against Summit Proppants, Inc. in question, and collection of claim would have to be pursued via legal sand inventory in Farmington, MO above.	\$ 1,102,950.00	\$		Going concern status of Summit Proppants, Inc. is in question, and collection of claim would have to be pursued via legal channels with no guarantee of success

Irasel Sand, LLC
United States Bankruptcy Court for the Western District of Texas
Case Number: 17-51420
Summary of Liquidation Value of Estate

Description	Market Value	Liquidation Value	Comments
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Initial Costs of starting and developing the Millist, TX plant was capitalized pursuant to the GAAP accounting treatment as a "Development Stage Enterprise" as defined by the American Institute of Certified Public Accountants. Costs will be amortized over the life of the Millist, TX plant ground lease but has no value to any other entity

Capitalized Development Costs	\$ 3,791,094.95		
Total Other Assets:	\$ 4,894,044.95	\$ -	
Total Assets	\$ 10,971,953.58	\$ 3,358,120.67	
Secured Claims:			
Summit Investment Management	\$ 4,253,875.53		Class 2 of Reorganization Plan
Cerourel Specialty Products, Inc.	\$ 550,000.00		Class 7 of Reorganization Plan
Robert L. Livingston - UCC Lien filed	\$ 1,707,817.96		Class 6 of Reorganization Plan
Total Secured Claims:	\$ 6,511,693.49		
Liquidation Value of Irasel Sand, LLC Estate	\$ -	(3,253,872.82)	