

THE PROPOSED DISCLOSURE STATEMENT HAS NOT BEEN APPROVED UNDER SECTION 1125(B) OF THE BANKRUPTCY CODE BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION FOR THE USE IN CONNECTION WITH THE SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN OF REORGANIZATION DESCRIBED HEREIN. ACCORDINGLY, THE FILING AND DISSEMINATION OF THIS PROPOSED DISCLOSURE STATEMENT ARE NOT INTENDED AND SHOULD NOT IN ANY WAY BE CONSTRUED AS A SOLICITATION OF VOTES ON THE PLAN, NOR SHOULD THE INFORMATION CONTAINED HEREIN BE RELIED UPON FOR ANY PURPOSE BEFORE A DETERMINATION BY THE BANKRUPTCY COURT THAT THE PROPOSED DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION.

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 DISCLOSURE STATEMENT**

I.

INTRODUCTION

**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.

**Purpose of Disclosure Statement; Source of Information**

Debtor submits this Disclosure Statement (“Disclosure Statement”) pursuant to section 1125 of the Code to all known claimants of Debtor for the purpose of disclosing that information which the Court has determined is material, important, and necessary for Creditors of Debtor in order to arrive at an intelligent, reasonably informed decision in exercising the right to vote

for acceptance or rejection of the Debtor's Plan of Reorganization dated December 4, 2017 ("Plan"). This Disclosure Statement describes the operations of the Debtor contemplated under the Plan. You are urged to study the Plan in full and to consult with your counsel about the Plan and its impact upon your legal rights. Any accounting information contained herein has been provided by the Debtor.

### **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 11 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.

Acceptance of the plan by the Creditors and Equity Interest Holders is important. In order for the plan to be accepted by each class of claims, the creditors that hold at least two thirds ( $2/3$ ) in amount and more than one-half ( $1/2$ ) in number of the allowed claims actually voting on the plan in such class must vote for the plan and the equity interest holders that hold at least two-thirds ( $2/3$ ) in amount of the allowed interests actually voting on the plan in such class must vote for the plan. Chapter 11 of the Code does not require that each holder of a claim against, or interest in, the debtor vote in favor of the plan in order for it to be confirmed by the Court. The plan, however, must be accepted by: (1) at least the holder of one (1) class of claims by a majority in number and two-thirds ( $2/3$ ) in amount of those claims of such class actually

voting; or (ii) at least the holders of one (1) class of allowed interests by two-thirds (2/3) in amount of the allowed interests of such class actually voting.

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.

Confirmation of the plan discharges the debtors from all of their pre-confirmation debts and liabilities except as expressly provided for in the plan and Section 1141(d) of the Code. Confirmation makes the plan binding upon the debtors and all claimants, equity interest holders and other parties-in-interest, regardless of whether or not they have accepted the plan.

### Voting Procedures

**Unimpaired Class.** Claimants in Class 1 is 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 stated on the ballot.

### 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.

## **II**

### **REPRESENTATIONS**

[Note: Paragraphs in brackets to be included after the Bankruptcy Court approves this Disclosure Statement.]

[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 Debtors, 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 DEBTORS 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 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 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 DISCLOSURE STATEMENT, AND EACH CREDITOR AND INTEREST HOLDER IS URGED TO CAREFULLY REVIEW THE PLAN PRIOR TO VOTING ON IT.**

### **III.**

#### **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 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.

##### **Events leading to Chapter 11 filing**

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 Irabel 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. During this time and expecting a return of growth in the oil and gas industry, the Debtor modified its 2013 marketing agreement with Carousel Specialty Products, Inc. (“Carousel”), in anticipation of accruing sales to the Debtor.

### **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 \$150,000 in working capital and approximately \$1,700,000 in post-petition capital financing from Carousel. 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”). Aside from making insignificant contributions to the joint venture since its formation, the Option Agreement with Carousel follows a previous attempt by Select to execute a transaction it believed directly would benefit itself at Irasel’s detriment.

Armed with the Select Option and its debt, Carousel sought and obtained a dismissal of the Houston bankruptcy (June 13, 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**

Four 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 paying almost \$500,000 in lease payments.
- 4) Debtor has obtained a Bankruptcy Court order allowing it to cancel its Marketing Agreement with Carousel.

### **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.

## **III.**

### **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.

#### **1 Priority Taxes**

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 \$5,881.15 per month with interest at 4% per annum. To the extent the monthly payments will not amortize the allowed claim within 48 months from the petition date, the 48<sup>th</sup> payment will be increased so that the claim is paid in full. Payments will commence on the 20<sup>th</sup> 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 without interest within 90 days of 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 without interest within 90 days fo 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 without interest within 90 days of 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 without interest within 90 days after the Effective Date. This will resolve claims 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.
- I) 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 not exceed \$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 maybe 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 Summit Investment Management.** 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 and is secured, Debtor will pay this claim in monthly payments of \$60,123.89 for 60 months which includes interest at 5% per annum. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 60<sup>th</sup> payment will be increased so that the claim is paid in full. Payments will commence on the 15<sup>th</sup> day of the month following the Effective Date and on the 15<sup>th</sup> day of each month thereafter until paid. 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 \$1,086.55 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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 \$458.76 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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 \$1,741.16 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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. Debtor asserts the total estimated claims in this Class approximate \$3,076,312.51. This class will be paid in full in 20 equal quarterly installments of \$166,215.11 beginning on March 31, 2018 and on the 31<sup>st</sup> of each quarter thereafter until paid in full. These claims will bear interest at the rate of 3% per annum. An list of creditors in Class 6 and their proposed treatment is found in Exhibit 2 attached hereto. 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. It 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 it is allowed and secured, subject to the conditions for allowance and initial payment date, Debtor will pay this claim in monthly payments of \$25,000 per month with interest at 5% per month until the allowed claim is paid in full. Payments will commence on the 25<sup>th</sup> 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 any

secured or priority claim allowable by court order to be paid to Carousel. No payment will be made to Carousel prior to the date of all of the issues relating to nature, validity, priority and classification of the Class 7 superpriority claim are resolved by final non-appealable court order. No distribution will be paid to the Class 7 claimant until the pending appeal of Docket Nos. ECF #164 and #170, Carousel Speciality Products, Inc. v. Irasel Sand, LLC No. 17-CV-1123 OLG pending before the United States District Court for the Western District of Texas is resolved by final unappealable order. In event any portion of Carousel's Class 7 claim is allowed s security or priority, the initial payments shall not commence until the time for appeal of any court order has passed. Upon such date and on the 25<sup>th</sup> day of each month thereafter until paid. If 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. The Debtor contests the validity, enforceability and amount of the two claims. These claims will be paid after litigation has been initiated and these issues are resolved by final non-appealable court order which will expressly identify the amount, if any, of any allowable claim payable to Class 8 claimants. The allowed amount of any class 8 claim shall be and are further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9). These claims are further subject to be subordinated 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 6 and 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 \$113,615.51 Class 9 claimants shall be paid 75% of their allowed claim in cash (or approximately \$85,211.63) without interest within 90 days of the Effective Date. An list of creditors in Class 9 and their proposed treatment is found in Exhibit 3 attached hereto. This Class 9 Creditor is impaired.

**Class 10: The claims of Ilabel, Inc. and Select Sands, LLC.** Both Ilabel, 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). Ilabel, Inc. is owed the sum of \$1,149,816.91. 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.

**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.

## IV

### MECHANICS/IMPLEMENTATION OF PLAN

#### **Date of Payments**

The Effective Date (a defined term) of the Plan shall be the 30<sup>th</sup> day following the entry of a final non-appealable order confirming this Plan of Reorganization. The dates of the payments to each class of creditors is 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*

Irabel, Inc will continue to operate the Debtor's business.

#### **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.

#### **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. Nor does this Article apply to any current process and contract the Debtor may have acquired post-petition.

### **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. 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.

## **V.**

### **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 are impaired and that 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 [and to the Adequacy of the Disclosure Statement].***

**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 of 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 Exhibit 2 for the Debtor’s liquidation analysis.

**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 Exhibit "3" is a financial model projects Debtor's operations going forward and lists Plan payments. Attached as Exhibit "4" is Debtor's Monthly Operating Report for October 2017 which is the latest operating report filed to date.

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

## VI.

### 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.

## VII.

### 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 Debtors had immediately before the Petition Date as fully as if the Chapter 11 Cases 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 Cases 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 a Liquidating Trust, as applicable, 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 on concert Carousel and Select Sands, LLC as follow:

**Joint Claims against Select Sands, LLC and Carousel Speciality 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.

**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.

**Claims against Carousel Speciality 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.

Dated this the 4<sup>th</sup> day of December 2017.

**Irasel Sands, LLC**

By:           /s/Louis R. Butler          

                                  /s/Dean W. Greer                                  

DEAN W. GREER

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San Antonio, Texas 78230

Telephone No. (210) 342.7100

Telecopier No. (210) 342.3633

State Bar No. 18414100

Attorney for the Debtor

**Exhibit 1 - Plan of Reorganization**

**See Attached.**

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 PLAN OF REORGANIZATION

Summary

This 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; 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 have 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 both 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 its 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 30<sup>th</sup> date 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 Initial Distribution Date shall be that date which the

Debtor choose in its sole discretion; however, it shall be no later than thirty (30) days after Confirmation.

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 Summit Investment Management, to the extent allowed as a secured 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
- 2.10 Class 10: The unsecured claims of Select Sands, LLC and Irabel, Inc.
- 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 \$5,881.15 per month with interest at 4% per annum. To the extent the monthly payments will not

amortize the allowed claim within 48 months from the petition date, the 48<sup>th</sup> payment will be increased so that the claim is paid in full. Payments will commence on the 20<sup>th</sup> 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 without interest 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 without interest 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 not exceed \$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 maybe required to file post-confirmation operating reports until this case is closed. The Class 1 Claimants are not impaired under this Plan.

**4.03 Class 2: The claim of Summit Investment Management.** 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 and is secured, Debtor will pay this claim in monthly payments of \$60,123.89 for 60 months which includes interest at 5% per annum. To the extent the monthly payments will not amortize the allowed claim within 60 months from the petition date, the 60<sup>th</sup> payment will be increased so that the claim is paid in full. Payments will commence on the 15<sup>th</sup> day of the month following the Effective Date and on the 15<sup>th</sup> day of each month thereafter until paid. Upon confirmation, Summit Investment Management shall be and is enjoined from pursuing any action for payment other than under the terms of this Plan as confirmed. 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 \$1,086.55 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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 \$458.76 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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 \$1,741.16 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 29<sup>th</sup> day of the month following confirmation and on the 29<sup>th</sup> of each month thereafter until paid. The payments contemplate that the debt will be paid in 54 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 60<sup>th</sup> 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. Debtor asserts the total estimated claims in this Class approximate \$3,076,312.51. This class will be paid in full in 20 equal quarterly installments of \$166,215.11 beginning on March 31, 2018 and on the 31<sup>st</sup> of each quarter thereafter 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. 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. It 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 it is allowed and secured, subject to the conditions for allowance and initial payment date, Debtor will pay this claim in monthly payments of \$25,000 per month with interest at 5% per month until the allowed claim is paid in full. Payments will commence on the 25<sup>th</sup> 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 any secured or priority claim allowable by court order to be paid to Carousel. No payment will be made to Carousel prior to the date of all of the issues relating to nature, validity, priority and classification of the Class 7 superpriority claim are resolved by final non-appealable court order. No distribution will be paid to the Class 7 claimant until the pending appeal of Docket Nos. ECF #164 and #170, Carousel Specialty Products, Inc. v. Irasel Sand, LLC No. 17-CV-1123 OLG pending before the United States District Court for the Western District of Texas is resolved by final unappealable order. In event any portion of Carousel's Class 7 claim is allowed as secured or priority, the initial payments shall not commence until the time for appeal of any court order has passed. If 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. The Debtor contests the validity, enforceability and amount of the two claims. These claims will be paid after litigation has been initiated and these issues are resolved by final non-appealable court order which will expressly identify the amount, if any, of any allowable claim payable to Class 8 claimants. The allowed amount of any class 8 claim shall be and are further subject to reduction/offset and subordination for damages to the Debtor as outlined in the Retention of Claims (Article 9). These claims are further subject to be subordinated 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 6 and 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 \$113,615.51 Class 9 claimants shall be paid 75% of their allowed claim in cash (or approximately \$85,211.63) without interest within 90 days of the Effective Date. This Class 9 Creditor is 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 \$1,149,816.91. 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 in 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) days 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. Nor does this Article apply to any current process sand contract the Debtor may have acquired post-petition.

## 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 request 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's 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 of other order to it; 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 Debtors had immediately before the Petition Date as fully as if the Chapter

11 Cases 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 Cases 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 a Liquidating Trust, as applicable, 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 on concert Carousel and Select Sands, LLC as follow:

**Joint Claims against Select Sands, LLC and Carousel Speciality 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.

**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.

**Claims against Carousel Speciality 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.

## ARTICLE 10

### Default Provisions

The failure by the Debtor to make payments to a creditor pursuant to the terms of the plan shall be an event of default. If a default occurs as to a particular creditor(s), that creditor must send written demand for payment to the Debtor and its attorney. Such payment must be received by the creditor within fifteen (15) days of the date of the demand letter. If the payment is not made within such 15 day period or after the third notice of default as to that particular creditor without cure, that particular creditor may accelerate its allowed claim, past or future, and declare the outstanding amount of such claim to be immediately due and owing and pursue any and all available state and federal rights and remedies. 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, **Irasel Sands, LLC., 300 Convent, Suite 1300, San Antonio, Texas 78205.**

## 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 Debtors, the Revested Debtors or any of their 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 Debtors, the Revested Debtor with respect to any liability or obligation of the Debtors 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 be either 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 30<sup>th</sup> 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. Irael, Inc. will continue to operate the Debtor as its managing member.

Dated this the 4<sup>th</sup> day of December, 2017.

**Irasel Sands, LLC.**

By:           /s/Louis R. Butler            
          Manager of, Irasel 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 - List of Class 6  
Claimants and Treatment**

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.		54,659.67	54,659.67
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.		26,837.31	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.		187,017.30	187,017.30
Class 6	3.22	Holt Caterpillar, Inc.	Trade Debt	Paid quarterly over five years at 3% interest.		150,000.00	150,000.00
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.		34,623.35	34,623.35
Class 6	3.29	Lincoln Transportation	Service and Supplies	Paid quarterly over five years at 3% interest.		20,821.38	20,821.38
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 Materials	Lease	Paid Off		315,914.28	0.00
Class 6	3.32	Michael Fugler	Legal Services	Paid quarterly over five years at 3% interest.		280,318.25	280,318.25
Class 6	3.33	Midwest Trans-Load	Trade Dept	Disputed		42,365.00	0.00
Class 6	3.34	Modern Group Co.	Trade Creditor	Paid quarterly over five years at 3% interest.		63,099.42	63,099.42
Class 6	3.37	Reed Smith, LLP	Trade Creditor	Disputed		53,691.10	0.00
Class 6	3.39	Robert Livingston	Loan	\$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	Summit Proppants	Trade Debt	Paid quarterly over five years at 3% interest.		20,000.00	20,000.00
Class 6	3.45	Terrell Pankey	Trade Creditor	Paid quarterly over five years at 3% interest.		29,825.10	29,825.10
Class 6	3.47	Texas First Rentals	Trade Debt	Paid quarterly over five years at 3% interest.		42,887.98	42,887.98
Class 6	3.48	Texas Mutual Insurance Company	Trade Creditor	Paid quarterly over five years at 3% interest.		12,774.00	12,774.00
Class 6	3.56	Winstead, PC	Attorney Fees	Disputed		361,745.10	0.00
Class 6	3.57	Wisconsin Southern Railroad	Trade Debt	Disputed		22,065.00	0.00
<b>Total Amount of Claims</b>						<b>3,979,712.60</b>	<b>3,076,312.51</b>

Recovery Percentage Through Cramdown

100.00%

EXHIBIT 2

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

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	700,000.00
<b>Total Amount of Claims</b>						<b>2,472,975.16</b>	<b>700,000.00</b>

Recovery Percentage Through Cramdown

100.00%

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
<b>Total Amount of Claims</b>						<b>11,443,998.21</b>	<b>0.00</b>

Recovery Percentage Through Cramdown

75.00%

**Exhibit 3 - List of Class 9  
Claimants and  
Treatment**

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				Claims under \$10,000 paid within 90 days of Plan confirmation.		3,110.83	2,333.12
Class 9	3.1	Action Filtration	Trade Debt	Same as above.		420.72	315.54
Class 9	3.2	ADP	Trade Debt	Same as above.		7,836.70	5,877.53
Class 9	3.3	AFCO	Insurance	Same as above.		8,978.98	6,734.24
Class 9	3.6	Bates Whiteside, CPA	Trade Debt	Same as above.		5,849.51	4,387.13
Class 9	3.7	Brown Equipment Co.	Trade Debt	Same as above.		5,107.54	3,830.66
Class 9	3.9	Bush Construction, Inc.	Trade Debt	Same as above.		1,465.88	1,099.41
Class 9	3.10	Carlos Benavides	Trade Debt	Same as above.		6,809.00	5,106.75
Class 9		Carousel Specialty Products c/o	Loan	Same as above.		2,848.35	2,136.26
Class 9	3.11	Lloyd Lim Reed Smith	Finance Agreement	Same as above.		741.77	556.33
Class 9	3.12	Caterpillar, Inc.	Trade Account	Same as above.		7,106.10	5,329.58
Class 9	3.14	Cox Communications	Trade Debt	Same as above.		3,350.00	2,512.50
Class 9	3.15	Dan's Petroleum, Inc.	Trade Debt	Same as above.		8,512.56	6,384.42
Class 9		Dilley Mobile Home Community, LLC	Apartment Rent	Same as above.		889.22	666.92
Class 9	3.16	LLC	Trade Debt	Same as above.		398.08	298.56
Class 9	3.19	F. Garcia Hauling, LLC	Trade Account	Same as above.		3,330.00	2,497.50
Class 9	3.20	FedEX	Trade Account	Same as above.		858.54	643.91
Class 9	3.23	HughesNET	Trade Account	Same as above.		10,000.00	7,500.00
Class 9	3.26	John Rothermel	Trade Creditor	Same as above.		232.47	174.35
Class 9	3.28	Law Offices of David McNeas	Legal Fees	Same as above.		4,573.58	3,430.19
Class 9	3.29	M&I Institutional Dev., LLC	Trade Creditor	Same as above.		3,150.00	2,362.50
Class 9	3.35	National General Insurance	Trade Account	Same as above.		557.23	417.92
Class 9	3.35	Motion Engineering, Inc.	Trade Creditors	Same as above.		2,160.00	1,620.00
Class 9	3.36	Ray's Plumbing/Pump Service	Trade Creditor	Same as above.		3,158.33	2,368.75
Class 9	3.37	Regus	Trade Account	Same as above.		9,152.00	6,864.00
Class 9	3.41	Ronald Tiller	Trade Account	Same as above.		7,250.00	5,437.50
Class 9	3.42	Rotex Global, LLC	Trade Creditor	Same as above.		188.85	141.64
Class 9	3.48	Texas Mutual Insurance Co.	Trade Creditor	Same as above.		231.99	173.99
Class 9	3.49	Thunder Hawk Electric	Trade Creditor	Same as above.		362.46	271.85
Class 9	3.50	Time Warner Cable, Inc.	Creditor	Same as above.		583.70	437.78
Class 9	3.51	Verizon Wireless	Trade Account	Same as above.		4,401.12	3,300.84
Class 9	3.52	VTX 1 Companies	Trade Account	Same as above.			
Class 9	3.53	Wells Fargo	Credit	Same as above.			
Class 9	3.54	White House Inn	Credit	Same as above.			

EXHIBIT 3



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							
						113,615.51	85,211.63

Recovery Percentage Through Cramdown

75.00%

**Exhibit 4 - Liquidation Analysis**

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

Description	Asset Value		Comment
	Net Book	Realizable	
<b>Cash and Cash Equivalents:</b>			
Checking	(\$482.84)	\$0.00	
<b>Total Cash and Cash Equivalents</b>	(\$482.84)	\$0.00	
<b>Deposits and Prepayments:</b>			
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 in Dilley, Texas	1,675.00	1,675.00	These are absolute dollar value refunds.
<b>Total Deposits and Prepayments</b>	\$8,158.70	\$8,158.70	
<b>Accounts Receivables:</b>			
Estimated Amount Due from Carousel Specialty Products, Inc.	\$422,789.06	\$0.00	Would be offset against Carousel's claim. Has been taken into consideration in estimating recovery of Carousel's claim in Class 7.
<b>Total Accounts Receivables</b>	\$422,789.06	\$0.00	
<b>Inventory, Excluding Agricultural Assets:</b>			
Wet Sand in Farmington, MO (Lower of Cost or Market)	\$513,000.00	\$513,000.00	Logistics cost of shipping the sand to the Eagle Ford shale play is cost prohibitive. Sand has 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 still is physically available.
<b>Total Inventory, Excluding Agricultural Assets</b>	\$513,000.00	\$513,000.00	
<b>Office Furniture, Fixtures, and Equipment; and Collectibles:</b>			
Equipment, Computers, Software, etc. at Millet, Texas Plant	\$2,091.00	\$522.75	Valued at 25% of net book value.
<b>Total Office Furniture and Fixtures</b>	\$2,091.00	\$522.75	
<b>Machinery, Equipment and Vehicles:</b>			
Electrical Panel	\$6,555.00	\$1,000.00	Estimated value of equipment at public auction.
CAT/Vin #MJC01486 Cat Front End Loader	76,025.00	60,000.00	Same as above.
Platinum Screen and Dryer	102,375.00	50,000.00	Same as above.
Cardinal Brand Truck Scale	5,416.00	30,000.00	Same as above.
Modular Office Trailer	3,863.00	1,000.00	Same as above.
Rotex Brand Screener	30,951.00	150,000.00	Same as above.
Hauck MFG Bag House	11,863.00	20,000.00	Same as above.

EXHIBIT

4

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

Description	Asset Value		Comment
	Net Book	Realizable	
Sieve Shaker	5,566.00	1,000.00	Same as above.
Longhorn Screen	6,036.00	35,000.00	Same as above.
Industrial Sand Dryer	64,430.00	5,000.00	Same as above.
Maxom Burner	9,413.00	12,000.00	Same as above.
Hopper #1	5,462.00	5,000.00	Same as above.
24x100 Altoona Conveyor Belt #2	9,102.00	9,000.00	Same as above.
Cyclone Sand Separator	5,462.00	5,000.00	Same as above.
30x60 Koberg Belt System	11,336.00	10,000.00	Same as above.
30x60 Altoona Conveyor Belt	9,102.00	8,000.00	Same as above.
24x40 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	9,102.00	8,000.00	Same as above.
Sieve Shaker #2	5,566.00	2,500.00	Same as above.
24x80 Altoona Conveyor Belt	9,102.00	8,000.00	Same as above.
24x60 Altoona Conveyor Belt #2	9,102.00	8,000.00	Same as above.
Hopper #2	5,462.00	2,500.00	Same as above.
36x100 Altoona Radical Stack	9,102.00	10,000.00	Same as above.
Camera System	3,970.00	3,000.00	Same as above.
Hopper	6,059.00	2,500.00	Same as above.
Load Out Cover	8,405.00	2,000.00	Same as above.
Pipe Installation	711.00	3,000.00	Paragraph 29 of lease with Martin Marietta provides them the option to purchase equipment at lease facilities "where is" and "as is." Is assumed that the same auction price valuation would be used in rearing agreement with Marting Marietta.
Platinum Screen and Dryer Improvements	338,620.74	100,000.00	Estimated value of equipment at public auction.
24x40 Altoona Conveyor Belt #2	9,102.00	8,000.00	Same as above.
Cat Front End Loader - Improvements	15,198.98	0.00	Included in value of Front End Loader.
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	1,757,633.20	700,000.00	Estimated value of equipment installed, absent cost overruns related to contractor inefficiencies and poor project management by Carousel Specialty Products, Inc.
<b>Total Machinery, Fixtures and Equipment</b>	<b>\$2,659,192.35</b>	<b>\$1,321,700.00</b>	
<b>Real Property, Leasehold Improvements:</b>			

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

Description	Asset Value		Comment
	Net Book	Realizable	
Storage Building #1	\$204,192.00	\$25,000.00	Paragraph 29 of lease with Martin Marietta provides them the option to purchase equipment at lease facilities "where is" and "as is." Is assumed that the same auction price valuation would be used in rearing agreement with Marling Marietta
Storage Building #2	204,191.00	25,000.00	
Propane Tank	9,102.00	10,000.00	
Concrete Pad for Storage	86,970.00	30,000.00	
Electrical Control Building	9,102.00	5,000.00	
Dryer and Screener Erector System	18,207.00	5,000.00	
Concrete Pad for Dryer and Screener	96,800.00	35,000.00	
<b>Total Real Property, Leasehold Improvements</b>	<b>\$628,564.00</b>	<b>\$135,000.00</b>	
<b>Other Assets:</b>			
Contingent Claim Against Summit Proppants, net of market valuation of wet sand inventory above.	\$1,102,950.00	\$0.00	Going concern status of Summit Proppants, Inc. is in question; and collection of claims would have to be pursued legally with no guarantee of success.
Capitalized Development Cost	3,791,094.95	0.00	Initial cost of starting and developing the Millet plant was capitalized pursuant to the accounting treatment as a "Development Stage Enterprise" as defined by the American Institute of Certified Public Accountants. Cost will be amortized over the life of the Millet plant's lease, but has not value to any other entity.
<b>Total Other Assets</b>	<b>\$4,894,044.95</b>	<b>\$0.00</b>	
<b>Total Assets</b>	<b>\$9,127,337.22</b>	<b>\$1,978,381.45</b>	
<b>Secured Claims:</b>			
Summit Investment Management		\$4,253,875.53	Class 2 of Reorganization Plan
Carousel Specialty Products, Inc.		700,000.00	Class 7 of Reorganization Plan
Robert L. Livingston-UCC Filed		1,707,817.96	Class 6 of Reorganization Plan
<b>Total Secured Claims</b>		<b>\$6,661,693.49</b>	
<b>Liquidation Value of Irasel Sand, LLC</b>			
<b>Estate</b>		<b>(64,689,312.04)</b>	

**Exhibit 5 - Feasibility**

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

<u>Description</u>	YEAR ENDING				
	<u>31-Dec-2018</u>	<u>31-Dec-2019</u>	<u>31-Dec-2020</u>	<u>31-Dec-2021</u>	<u>31-Dec-2022</u>
<b>Revenues Earned by Irasel Sand, LLC:</b>					
Frac Sand Customers:					
Dried Sand Sold	\$16,257,465	\$16,914,267	\$18,159,023	\$18,435,584	\$19,180,382
Total Frac Sand Revenues	<u>\$16,257,465</u>	<u>\$16,914,267</u>	<u>\$18,159,023</u>	<u>\$18,435,584</u>	<u>\$19,180,382</u>
Total Revenues Earned	<u>\$16,257,465</u>	<u>\$16,914,267</u>	<u>\$18,159,023</u>	<u>\$18,435,584</u>	<u>\$19,180,382</u>
Average Monthly Revenues Earned	<u>\$1,354,789</u>	<u>\$1,409,522</u>	<u>\$1,513,252</u>	<u>\$1,536,299</u>	<u>\$2,740,055</u>
<b>Cash Flow Analysis:</b>					
<b>Beginning Cash Balance</b>	<u>\$371,888</u>	<u>\$1,465,748</u>	<u>\$2,468,070</u>	<u>\$3,933,284</u>	<u>\$5,188,242</u>
<b>Sources of Cash:</b>					
Cash From Revenues Earned:					
Frac Sand Sales	<u>\$16,543,306</u>	<u>\$16,838,465</u>	<u>\$17,992,005</u>	<u>\$18,427,979</u>	<u>\$19,094,425</u>
Available Cash to Irasel Sand, LLC	<u>\$16,915,195</u>	<u>\$18,304,214</u>	<u>\$20,460,076</u>	<u>\$22,361,263</u>	<u>\$24,282,667</u>
<b>Cash Disbursements:</b>					
Disbursement of Direct Cost of Sales:					
Purchase of Sand	\$10,486,045	\$10,971,565	\$11,520,143	\$12,096,150	\$12,700,958
Unloading Cost at Millet Site	0	0	0	0	0
Monthly Lease Payment to Martin Marietta	729,742	724,492	724,492	724,492	724,492
Annual Lease Payment to Martin Marietta	57,857	59,675	61,764	63,925	67,122
Payment of Past Due Lease Amount to Martin Marietta				0	
Payroll Expense and Burden	707,946	743,343	780,511	780,511	819,536
Utilities	34,376	34,376	34,376	34,376	34,376
Other Equipment Leases	259,835	272,827	286,468	300,791	315,831
Insurance - Down Payment (Increase 5% Annually)	35,000	36,750	38,588	40,517	42,543
Insurance - Monthly Payment	102,734	107,871	113,264	118,928	124,874
Lodging for Quality Control Manger	10,080	10,584	11,113	11,669	12,252
Per Diem for Quality Control Manager	4,334	4,551	4,779	5,018	5,268
Diesel Fuel	84,061	88,264	92,677	97,311	102,176
Propane/Natural Gas Fuel Cost	251,987	277,185	318,763	324,076	391,293
Equipment Repairs, Maintenance and Supplies	90,879	95,423	100,194	105,203	110,464
Other Plant Operating Expenses	72,547	76,174	79,983	83,982	88,181
Contingency at 2%	<u>48,824</u>	<u>50,630</u>	<u>52,939</u>	<u>53,816</u>	<u>56,768</u>
Total Direct Cost of Sales Disbursed	<u>\$12,976,046</u>	<u>\$13,553,710</u>	<u>\$14,220,053</u>	<u>\$14,840,765</u>	<u>\$15,596,135</u>
Disbursement of Administrative Overhead:					
Administrative Wages	\$339,186	\$356,145	\$373,953	\$392,650	\$412,283
Administrative Office Expense	33,742	35,430	37,201	39,061	41,014
Legal Fees	0	0	0	<u>104,186</u>	0
Total Administrative Overhead	<u>\$462,928</u>	<u>\$486,075</u>	<u>\$510,379</u>	<u>535,897</u>	<u>\$571,809</u>
Additional Plant Upgrades					
Equipment Purchases/Repairs & Maintenance	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Construction and Engineering Services	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Additional Plant Upgrades	<u>\$300,001</u>	<u>\$300,001</u>	<u>\$300,001</u>	<u>\$300,001</u>	<u>\$300,001</u>
Reorganization Plan Payments:					
Priority Tax Claims	\$79,285	\$70,574	\$70,574	\$70,574	\$35,287
Class 1-Administrative Professional and U.S. Trustee	209,750	0	0	0	0
Class 2-Summit Investment Management	664,860	664,860	664,860	721,487	721,487
Class 3-Frio County	10,866	13,039	13,039	13,039	13,039
Class 4-LaSalle County	0	0	0	5,505	5,505
Class 5-Dilley ISD	54,671	20,894	20,894	20,894	45,734
Class 6-General Unsecured (Not Otherwise Classified)	0	0	0	664,860	664,860
Class 7-Carousel Specialty Products, Inc.-Secured	0	0	0	0	0
Class 8-Carousel Specialty Products, Inc.-Unsecured	0	0	0	0	0
Class 9-Convenience Unsecured Creditors	85,212	0	0	0	0
Class 10-Irasel, Inc. and Select Sand, LLC	0	0	0	0	0
Class 11-Equity Holders	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Reorganization Plan Payments	<u>\$1,710,471</u>	<u>\$1,496,359</u>	<u>\$1,496,359</u>	<u>1,496,359</u>	<u>\$1,485,912</u>
<b>Ending Cash Balance</b>	<u>\$1,465,748</u>	<u>\$2,468,070</u>	<u>\$3,933,284</u>	<u>\$5,188,242</u>	<u>\$6,328,811</u>

EXHIBIT 5

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, 2018

Description	Operating Period												Total
	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	
<b>Projected Production Tonnage:</b>													
Average Production Rate Per Hour	80	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
<b>Sales Price Per Ton</b>	\$63.86	\$63.86	\$63.86	\$63.86	\$63.86	\$63.86	\$65.15	\$65.15	\$65.15	\$65.15	\$65.15	\$65.15	\$65.15
<b>Wet Sand Delivered By Rail</b>	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
<b>Wet Sand Delivered By Truck</b>	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
<b>Inventory of Lehigh Hanson Delivered Sand:</b>													
Beginning Wet Sand Inventory	7,000	8,000	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000	18,000	19,000
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	23,000
Total Available Sand	30,000	31,000	32,000	33,000	34,000	35,000	36,000	37,000	38,000	39,000	40,000	41,000	42,000
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	22,000
Ending Wet Sand Inventory	8,000	9,000	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000	18,000	19,000	20,000
<b>Drying Capacity</b>	35,000	43,200	43,200	43,200	43,200	45,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Actual Yield of Wet Sand Fed Into Dryer @ 85%	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900
<b>Beginning Dried Sand Inventory</b>	2,500	2,400	2,300	2,200	2,100	2,000	1,900	1,800	1,700	1,600	1,500	1,400	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	20,900
Total Available Sand	23,400	23,300	23,200	23,100	23,000	22,900	22,800	22,700	22,600	22,500	22,400	22,300	22,200
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	21,000
Ending Dried Sand Inventory	2,400	2,300	2,200	2,100	2,000	1,900	1,800	1,700	1,600	1,500	1,400	1,300	1,200
<b>Number of Truck Loads Shipped Out</b>	875	875	875	875	875	875	875	875	875	875	875	875	875
Average Daily Number of Truckloads Shipped Out	44	36	36	36	36	36	36	36	36	36	36	36	36
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	10.8	4.6	4.6	4.6	4.6	4.4	4.6	4.6	4.6	4.6	4.6	4.6	4.6
<b>Revenues Earned by Irasel Sand, LLC:</b>													
Frac Sand Customers:													
Dried Sand Sold	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375
Total Frac Sand Revenues	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375
Total Revenues Earned	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375
<b>Cash Flow Analysis:</b>													
<b>Beginning Cash Balance</b>	\$371,888	\$839,196	\$1,157,470	\$860,326	\$1,040,993	\$1,221,660	\$1,236,112	\$1,315,493	\$1,473,605	\$1,472,608	\$1,637,627	\$1,766,945	\$371,888
<b>Sources of Cash:</b>													
Cash From Revenues Earned:													
Frac Sand Sales	\$1,596,875	\$1,405,250	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375	\$1,341,375
Available Cash to Irasel Sand, LLC	\$1,566,763	\$2,244,448	\$2,498,545	\$2,281,701	\$2,382,369	\$2,563,035	\$2,577,487	\$2,676,869	\$2,842,007	\$2,840,811	\$3,005,929	\$3,135,148	\$16,915,195
<b>Cash Disbursements:</b>													
Disbursement of Direct Cost of Sales													
Purchase of Sand	\$886,457	\$849,521	\$849,521	\$849,521	\$849,521	\$849,521	\$891,997	\$891,997	\$891,997	\$891,997	\$891,997	\$891,997	\$10,486,045
Unloading Cost at Mill Site	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Monthly Lease Payment to Martin Marietta	65,624	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	729,742



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, 2018

Description	Operating Period												Total	
	Jan 18'	Feb 18'	Mar 18'	Apr 18'	May 18'	Jun 18'	Jul 18'	Aug 18'	Sep 18'	Oct 18'	Nov 18'	Dec 18'		
Annual Lease Payment to Martin Marietta	0	0	0	0	0	0	57,657	0	0	0	0	0	0	57,657
Payment of Past Due Leases Amount to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expense and Burden	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	58,996	707,946
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	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	21,653	259,835
Insurance - Month Payment (Increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	0	0	0	35,000
Insurance - Monthly Payment	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	6,561	102,734
Lodging for Quality Control Manger	840	840	840	840	840	840	840	840	840	840	840	840	840	10,080
Per Diem for Quality Control Manger	361	361	361	361	361	361	361	361	361	361	361	361	361	4,334
Diesel Fuel	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	84,061
Propane/Natural Gas Fuel Cost	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	20,999	251,987
Equipment Repairs and Supplies	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	7,573	90,879
Other Plant Operating Expenses	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	72,547
Contingency at 2%	4,010	3,905	3,905	3,905	3,905	3,905	3,905	3,905	3,905	3,905	3,905	3,905	3,905	48,824
Total Direct Cost of Sales Debursed	\$1,090,990	\$1,046,699	\$1,046,699	\$1,046,699	\$1,046,699	\$1,046,699	\$1,149,993	\$1,091,173	\$1,091,173	\$1,091,173	\$1,126,673	\$1,091,173	\$1,091,173	\$12,876,846
Disbursement of Administrative Overhead														
Administrative Wages	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$28,265	\$339,186
Administrative Office Expense	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	33,742
Legal Fees	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Total Administrative Overhead	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$38,577	\$462,928
Plant Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Equipment Purchases/Repairs & Maintenance	0	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	0	\$300,001
Total Repairs and Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,001
Reorganization Plan Payments:														
Priority Tax Claims	\$0	\$0	\$0	\$0	\$0	\$0	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$79,265
Class 1-Administrative Professional and U.S. Trustee	0	0	0	0	0	0	0	0	0	0	0	0	0	209,750
Class 2-Summit Investment Management	0	0	0	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	601,239
Class 3-Frio County	0	0	0	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	10,866
Class 4-LaSalle County	0	0	0	459	459	459	459	459	459	459	459	459	459	4,588
Class 5-Dilley ISD	0	0	0	5,881	5,881	5,881	5,881	5,881	5,881	5,881	5,881	5,881	5,881	54,871
Class 6-General Unsecured (Not Otherwise Classified)	0	0	0	166,215	166,215	166,215	166,215	166,215	166,215	166,215	166,215	166,215	166,215	604,600
Class 7-Carousel Specialty Products, Inc.-Secured	0	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	0
Class 9-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Irasel, Inc. and Select 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	\$0	\$590,942	\$590,942	\$73,431	\$239,647	\$239,647	\$73,431	\$73,431	\$239,647	\$73,431	\$73,431	\$239,647	\$239,647	\$1,710,471
Ending Cash Balance	\$839,196	\$1,157,170	\$860,326	\$1,040,993	\$1,221,660	\$1,236,112	\$1,315,493	\$1,473,805	\$1,472,608	\$1,637,627	\$1,766,945	\$1,465,748	\$1,465,748	\$1,465,748

Irasel 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	
<b>Projected Production Tonnage:</b>													
Average Production Rate Per Hour	90	\$66.46	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
Average Days	20		24	24	24	25	24	24	24	24	24	24	32
<b>Sales Price Per Ton</b>	\$66.46	\$66.46	\$66.46	\$66.46	\$66.46	\$66.46	\$67.78	\$67.78	\$67.78	\$67.78	\$67.78	\$67.78	\$67.78
<b>Wet Sand Delivered By Rail:</b>													
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
<b>Wet Sand Delivered By Truck</b>													
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	24
	958	958	958	958	958	958	958	958	958	958	958	958	11,508
<b>Inventory of Lehigh Hanson Delivered Sand:</b>													
Beginning Wet Sand Inventory	19,000	20,000	21,000	22,000	23,000	21,000	22,000	23,000	24,000	24,000	26,000	27,000	19,000
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	43,000	44,000	45,000	46,000	44,000	45,000	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	254,000
Ending Wet Sand Inventory	20,000	21,000	22,000	23,000	24,000	22,000	23,000	24,000	25,000	25,000	27,000	28,000	31,000
<b>Drying Capacity</b>													
Actual Yield of Wet Sand Fed Into Dryer @ 95%	36,000	43,200	43,200	43,200	45,200	45,000	48,000	48,000	48,000	48,000	48,000	48,000	541,800
	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	250,800
<b>Beginning Dried Sand Inventory</b>	1,300	1,200	1,100	1,000	900	1,100	1,000	900	800	700	600	500	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	250,800
Total Available Sand	22,200	22,100	22,000	21,900	21,800	22,000	21,900	21,800	21,700	21,600	21,500	21,400	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	252,000
Ending Dried Sand Inventory	1,200	1,100	1,000	900	800	1,000	900	800	700	600	500	400	100
<b>Number of Truck Loads Shipped Out</b>	875	875	875	875	875	875	875	875	875	875	875	875	1,300
Average Daily Number of Truckloads Shipped Out	88	36	36	36	36	36	36	36	36	36	36	36	36
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	10.9	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
<b>Revenues Earned by Irasel Sand, LLC:</b>													
Frac Sand Customers:													
Dried Sand Sold	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,914,267
Total Frac Sand Revenues	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,914,267
Total Revenues Earned	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,914,267
<b>Cash Flow Analysis:</b>													
<b>Beginning Cash Balance</b>	\$1,465,749	\$1,618,456	\$1,798,415	\$1,818,988	\$2,005,777	\$2,192,566	\$2,213,140	\$2,294,461	\$2,457,583	\$2,461,469	\$2,631,569	\$2,764,195	\$1,465,748
<b>Sources of Cash:</b>													
Cash From Revenues Earned:													
Frac Sand Sales	\$1,361,498	\$1,368,726	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,395,567	\$1,416,500	\$1,423,478	\$1,423,478	\$1,423,478	\$1,423,478	\$16,838,465
Available Cash to Irasel Sand, LLC	\$2,827,244	\$3,007,192	\$3,193,981	\$3,214,555	\$3,401,344	\$3,588,133	\$3,608,707	\$3,710,961	\$3,881,061	\$3,884,946	\$4,055,047	\$4,187,662	\$18,304,214
<b>Cash Disbursements:</b>													
Disbursement of Direct Cost of Sales:													
Purchase of Sand	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$691,997	\$10,971,565
Unloading Cost at Millet Sile	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Monthly Lease Payment to Martin Menietts	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	724,492

Irsael 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

Operation Period

Jan 19 Feb 19 Mar 19 Apr 19 May 19 Jun 19 Jul 19 Aug 19 Sep 19 Oct 19 Nov 19 Dec 19 Total

Description	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Total
Annual Lease Payment to Martin Marietta	0	0	0	0	0	0	59,675	0	0	0	0	0	59,675
Payment of Past Due Lease Amount to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expense and Burden	61,945	61,945	61,945	61,945	61,945	61,945	61,945	61,945	61,945	61,945	61,945	61,945	743,343
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	34,376
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	272,927
Insurance - Down Payment (Increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	36,750	0	36,750
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	107,671
Logging for Quality Control Manager	882	882	882	882	882	882	882	882	882	882	882	882	10,584
Per Diem for Quality Control Manager	379	379	379	379	379	379	379	379	379	379	379	379	4,551
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	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	277,185
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	95,423
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	76,174
Contingency at 2%	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	4,058	50,690
Total Direct Cost of Sales Disbursed	<u>\$1,098,980</u>	<u>\$1,098,980</u>	<u>\$1,098,980</u>	<u>\$1,098,980</u>	<u>\$1,098,980</u>	<u>\$1,098,980</u>	<u>\$1,204,448</u>	<u>\$1,143,590</u>	<u>\$1,143,590</u>	<u>\$1,143,590</u>	<u>\$1,161,085</u>	<u>\$1,143,590</u>	<u>\$13,553,710</u>
Diaburament of Administrative Overhead:													
Administrative Wages	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$29,679	\$356,145
Administrative Office Expenses	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	94,500
Total Administrative Overhead	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$40,506</u>	<u>\$489,075</u>
Plant Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
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	<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>\$300,000</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	\$70,570
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	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	721,487
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	13,033
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)	0	0	166,215	0	0	0	0	0	166,215	0	0	0	664,860
Class 7 - Carousal Specialty Products, Inc.-Secured	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 8 - Carousal 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 - Irsael, Inc. and Salsed 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>\$69,292</u>	<u>\$69,292</u>	<u>\$235,507</u>	<u>\$69,292</u>	<u>\$69,292</u>	<u>\$235,507</u>	<u>\$69,292</u>	<u>\$69,292</u>	<u>\$235,507</u>	<u>\$69,292</u>	<u>\$69,292</u>	<u>\$235,507</u>	<u>\$1,496,359</u>
Ending Cash Balance	<u>\$1,618,266</u>	<u>\$1,739,415</u>	<u>\$1,816,988</u>	<u>\$2,005,777</u>	<u>\$2,192,566</u>	<u>\$2,213,140</u>	<u>\$2,284,461</u>	<u>\$2,457,583</u>	<u>\$2,461,469</u>	<u>\$2,631,569</u>	<u>\$2,764,185</u>	<u>\$2,468,070</u>	<u>\$2,468,070</u>

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**Irasel 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'	
<b>Projected Production Tonnage:</b>													
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
<b>Sales Price Per Ton</b>	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$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	276,000
Number of Tons of Wet Sand Per Truck	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	11,508
<b>Inventory of Lehigh Hanson Delivered Sand:</b>													
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	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	364,000
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	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
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	1,250	2,100	2,950	3,800	3,650	3,500	3,350	3,200	3,050	2,900	2,750	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	23,100	23,950	24,800	25,650	25,500	25,350	25,200	25,050	24,900	24,750	24,600	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	2,100	2,950	3,800	3,650	3,500	3,350	3,200	3,050	2,900	2,750	2,600	2,600
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	88	36	36	36	36	37	38	38	38	38	38	38	38
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	10.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
<b>Revenues Earned by Irasel Sand, LLC:</b>													
Frac Sand Customers:													
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	\$16,159,023
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	\$16,159,023
Total 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	\$16,159,023
<b>Cash Flow Analysis:</b>													
<b>Beginning Cash Balance</b>	\$2,468,070	\$2,619,687	\$2,799,635	\$2,820,484	\$3,007,549	\$3,184,613	\$3,287,316	\$3,413,094	\$3,645,886	\$3,719,489	\$3,859,265	\$4,159,702	\$2,468,070
<b>Sources of Cash:</b>													
Cash From Revenues Earned:													
Frac Sand Sales	\$1,416,500	\$1,444,830	\$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	\$16,159,023
Available Cash to Irasel Sand, LLC	\$3,884,570	\$4,064,517	\$4,251,582	\$4,272,431	\$4,459,496	\$4,638,416	\$4,788,406	\$4,957,599	\$5,197,395	\$5,270,977	\$5,510,774	\$5,711,212	\$20,660,076
<b>Cash Disbursements:</b>													
Disbursement of Direct Cost of Sales:													
Purchase of Sand	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$936,597	\$11,520,143
Unloading Cost at Millnet Site	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Monthly Lease Payment to Martin Manetta	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	724,482

Irazel 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 Marietta	0	0	0	0	0	0	61,764	0	0	0	0	0	61,764
Payment of Past Due Lease Amount to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expense and Burden	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	780,511
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	34,376
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	0
Insurance - Monthly Payment	9,439	9,439	9,439	9,439	9,439	9,439	9,439	9,439	9,439	9,439	9,439	9,439	113,264
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	318,703
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	100,194
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	79,993
Contingency at 2%	4,244	4,244	4,244	4,244	4,244	4,244	4,244	4,244	4,244	4,244	4,244	4,244	52,939
<b>Total Direct Cost of Sales Disbursed</b>	<b>\$1,153,060</b>	<b>\$1,153,060</b>	<b>\$1,153,060</b>	<b>\$1,153,060</b>	<b>\$1,153,060</b>	<b>\$1,153,060</b>	<b>\$1,262,888</b>	<b>\$1,199,890</b>	<b>\$1,199,890</b>	<b>\$1,188,090</b>	<b>\$1,239,749</b>	<b>\$1,199,890</b>	<b>\$14,250,953</b>
<b>Disbursement of Administrative Overhead:</b>													
Administrative Wages	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$31,163	\$373,953
Administrative Office Expense	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
Legal Fees	8,269	8,269	8,269	8,269	8,269	8,269	8,269	8,269	8,269	8,269	8,269	8,269	98,325
<b>Total Administrative Overhead</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$42,532</b>	<b>\$510,379</b>
<b>Plant Upgrade</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>
Equipment Purchase/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
<b>Total Repairs and Renovations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>
<b>Reorganization Plan Payments:</b>													
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	\$70,574
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	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	721,487
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	20,884
Class 6-General Unsecured (Not Otherwise Classified)	0	0	0	0	0	0	0	0	0	0	0	0	0
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-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Irabel, 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
<b>Total Reorganization Plan Payments</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$1,496,359</b>
<b>Ending Cash Balance</b>	<b>\$2,619,687</b>	<b>\$2,739,635</b>	<b>\$2,820,484</b>	<b>\$3,007,549</b>	<b>\$3,194,613</b>	<b>\$3,267,318</b>	<b>\$3,413,694</b>	<b>\$3,645,886</b>	<b>\$3,719,469</b>	<b>\$3,959,265</b>	<b>\$4,159,702</b>	<b>\$3,933,284</b>	<b>\$3,933,284</b>

Irasel 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'	
<b>Projected Production Tonnage:</b>													
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	24	24	24	24	24	24	20
Average Days	20	24	24	24	24	25	24	24	24	24	24	24	32
<b>Sales Price Per Ton</b>	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$69.14	\$70.52	\$70.52	\$70.52	\$70.52	\$70.52	\$70.52	
<b>Wet Sand Delivered By Rail</b>													
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
<b>Wet Sand Delivered By Truck</b>													
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	276,000
	958	958	958	958	958	958	958	958	958	958	958	958	11,800
<b>Inventory of L'high Hanson Delivered Sand:</b>													
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
<b>Drying Capacity</b>													
Actual Yield of Wet Sand Fed into Dryer @ 95%	35,000	43,200	43,200	43,200	45,000	49,000	48,000	48,000	48,000	48,000	48,000	48,000	541,800
	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	282,200
<b>Beginning Dried Sand Inventory</b>													
Add: Dry Sand Yielded	2,600	2,450	2,300	2,150	2,000	1,850	1,700	1,550	1,400	1,250	1,100	950	2,600
Total Available Sand	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
Less: Dried Sand Sold	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
Ending Dried Sand Inventory	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
	2,450	2,300	2,150	2,000	1,850	1,700	1,550	1,400	1,250	1,100	950	800	200
<b>Number of Truck Loads Shipped Out</b>													
Average Daily Number of Truckloads Shipped Out	917	917	917	917	917	917	917	917	917	917	917	917	917
Average Load Time Per Truck (Minutes)	82	38	38	37	37	38	38	38	38	38	38	38	38
Average Load Time Per Time	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
	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
<b>Revenues Earned by Irasel Sand, LLC:</b>													
Frac Sand Customers:													
Dried Sand Sold	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$18,435,584
Total Frac Sand Revenues	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$18,435,584
Total Revenues Earned	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$18,435,584
<b>Cash Flow Analysis:</b>													
<b>Beginning Cash Balance</b>	\$3,933,284	\$4,357,714	\$4,369,642	\$4,407,749	\$4,612,072	\$4,816,394	\$4,854,502	\$4,944,449	\$5,122,417	\$5,141,774	\$5,327,547	\$5,471,593	\$3,933,284
<b>Sources of Cash:</b>													
Cash From Revenues Earned:													
Frac Sand Sales	\$1,543,904	\$1,520,693	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,521,088	\$1,543,904	\$1,551,510	\$1,551,510	\$1,551,510	\$1,551,510	\$18,427,979
Available Cash to Irasel Sand, LLC	\$5,477,188	\$5,686,407	\$5,890,730	\$5,926,837	\$6,133,160	\$6,337,482	\$6,375,589	\$6,488,353	\$6,673,926	\$6,693,284	\$6,878,857	\$7,023,103	\$22,361,263
<b>Cash Disbursements:</b>													
Disbursement of Direct Cost of Sales:													
Purchase of Sand	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$983,427	\$12,006,150
Unloading Cost at Milliet Site	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Monthly Lease Payment to Martin Manetta	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	724,492

Irasel Sand, LLC  
 United States Bankruptcy Court for the  
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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 Marietta	0	0	0	0	0	0	63,925	0	0	0	0	0	63,925
Payment of Past Due Lease Amount to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expense and Burden	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	65,043	780,511
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	34,376
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	118,828
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	29,220	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	26,564	324,078
Equipment Repairs and Supplies	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	8,767	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%	4,355	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,355	4,355	53,616
Total Direct Cost of Sales Disbursed	\$1,205,925	\$1,202,810	\$1,202,810	\$1,202,810	\$1,202,810	\$1,202,810	\$1,317,191	\$1,251,987	\$1,251,987	\$1,293,314	\$1,254,696	\$1,254,696	\$14,640,765
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	\$392,650
Administrative Office Expense	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	8,682	8,682	8,682	8,682	8,682	8,682	8,682	8,682	8,682	8,682	8,682	8,682	104,186
Total Administrative Overhead	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$44,658	\$535,897
Plant Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
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	\$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	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$5,881	\$70,574
Class 1-Administrative Professional and U.S. Trustees	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 2-Summit Investment Management	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	721,487
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)	0	166,215	166,215	0	0	166,215	0	0	0	0	0	166,215	664,860
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-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Irasel, 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	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$69,292	\$1,498,359
Ending Cash Balance	\$4,157,714	\$4,369,642	\$4,407,749	\$4,612,072	\$4,816,394	\$4,856,502	\$4,944,449	\$5,122,417	\$5,141,774	\$5,327,347	\$5,471,593	\$5,188,242	\$5,188,242

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'	
<b>Projected Production Tonnage:</b>													
Average Production Rate Per Hour	90	90	90	90	90	90	100	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	25	24	24	24	24	24	24	265
<b>Sales Price Per Ton</b>	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$71.93	\$73.37	\$73.37	\$73.37	\$73.37	\$73.37	\$73.37	\$73.37
<b>Wet Sand Delivered By Rail</b>	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
<b>Wet Sand Delivered By Truck</b>	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
<b>Inventory of Lehigh Hanson Delivered Sand:</b>													
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	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	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
<b>Drying Capacity</b>	35,000	43,200	43,200	43,200	43,200	45,000	48,000	48,000	48,000	48,000	48,000	48,000	541,800
Actual Yield of Wet Sand Fed Into Dryer @ 95%	22,900	22,800	22,800	22,800	21,850	21,850	21,850	21,850	21,850	21,850	21,850	21,850	256,000
<b>Beginning Dried Sand Inventory</b>	800	1,600	2,400	3,200	4,000	3,650	3,700	3,550	3,400	3,250	3,100	2,950	800
Add: Dry Sand Yielded	22,800	22,800	22,800	22,600	21,650	21,650	21,650	21,650	21,650	21,650	21,650	21,650	266,000
Total Available Sand	23,600	24,400	25,200	25,800	25,650	25,300	25,350	25,400	25,400	25,400	25,400	25,400	266,800
Less: Dried Sand Sold	23,000	22,000	22,000	21,000	20,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Ending Dried Sand Inventory	1,600	2,400	3,200	4,000	3,850	3,300	3,550	3,400	3,250	3,100	2,950	2,800	2,800
<b>Number of Truck Loads Shipped Out</b>	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	37	37	38	38	38	38	38	38	38
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	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
<b>Revenues Earned by Irasel Sand, LLC:</b>													
Frac Sand Customers:													
Dried Sand Sold	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$19,190,382
Total Frac Sand Revenues	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$19,190,382
Total Revenues Earned	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$19,190,382
<b>Cash Flow Analysis:</b>													
<b>Beginning Cash Balance</b>	\$5,188,242	\$5,350,472	\$5,443,300	\$5,487,067	\$5,697,048	\$5,908,455	\$5,953,647	\$6,054,128	\$6,246,811	\$6,250,912	\$6,459,508	\$6,616,710	\$5,188,242
<b>Sources of Cash:</b>													
Cash From Revenues Earned:													
Frac Sand Sales	\$1,543,904	\$1,574,782	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,582,540	\$1,606,278	\$1,614,191	\$1,614,191	\$1,614,191	\$1,614,191	\$19,094,425
Available Cash to Irasel Sand, LLC	\$6,732,146	\$6,925,254	\$7,025,840	\$7,069,606	\$7,279,588	\$7,490,995	\$7,536,187	\$7,660,406	\$7,861,001	\$7,873,103	\$8,073,698	\$8,230,900	\$24,282,667
<b>Cash Disbursements:</b>													



Insel 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'	
<b>Disbursement of Direct Cost of Sales:</b>													
Purchase of Sand	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$1,032,598	\$12,700,958
Unloading Cost at Millet Site	0	0	0	0	0	0	0	0	0	0	0	0	0
Monthly Lease Payment to Martin Marietta	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	60,374	724,492
Annual Lease Payment to Martin Marietta	0	0	0	0	0	0	67,122	0	0	0	0	0	67,122
Payment of Past Due Lease Amount to Martin Marietta	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expense and Burden	68,295	68,295	68,295	68,295	68,295	68,295	68,295	68,295	68,295	68,295	68,295	68,295	819,536
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	34,376
Other Equipment Leases	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	26,319	315,931
Insurance - Down Payment (Increase 5% Annually)	0	0	0	0	0	0	0	0	0	0	42,543	0	42,543
Insurance - Monthly Payment	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
Lodging for Quality Control Manager	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	12,252
Per Diem for Quality Control Manager	439	439	439	439	439	439	439	439	439	439	439	439	5,268
Diesel Fuel	6,515	6,515	6,515	6,515	6,515	6,515	6,515	6,515	6,515	6,515	6,515	6,515	102,176
Propane/Natural Gas Fuel Cost	33,539	33,539	33,539	32,142	32,142	32,142	32,142	32,142	32,142	32,142	32,142	32,142	391,293
Equipment Repairs and Supplies	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
Other Plant Operating Expenses	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
Contingency at 2%	4,587	4,587	4,587	4,587	4,587	4,587	4,587	4,587	4,587	4,587	4,587	4,587	59,769
<b>Total Direct Cost of Sales Disbursed</b>	<b>\$1,265,492</b>	<b>\$1,265,492</b>	<b>\$1,265,492</b>	<b>\$1,265,492</b>	<b>\$1,265,492</b>	<b>\$1,265,492</b>	<b>\$1,384,160</b>	<b>\$1,315,696</b>	<b>\$1,315,696</b>	<b>\$1,315,696</b>	<b>\$1,315,696</b>	<b>\$1,315,696</b>	<b>\$15,690,135</b>
<b>Disbursement of Administrative Overhead:</b>													
Administrative Wages	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$34,357	\$412,283
Administrative Office Expense	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
Legal Fees	9,116	109,396	0	0	0	0	0	0	0	0	0	0	119,512
<b>Total Administrative Expenses</b>	<b>\$46,891</b>	<b>\$147,171</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$37,775</b>	<b>\$571,609</b>
<b>Plant Upgrade</b>													
Equipment Purchases/Repairs & Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Construction and Engineering Services	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Repairs and Renovations</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>
<b>Reorganization Plan Payments:</b>													
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	\$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	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	60,124	721,487
Class 3-Frigo 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	5,905
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	17,643
Class 6-General Unsecured (Not Otherwise Classified)	0	0	0	0	0	0	0	0	0	0	0	0	0
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-Convenience Unsecured Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0
Class 10-Insel, 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
<b>Total Reorganization Plan Payments</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$89,292</b>	<b>\$1,465,912</b>
<b>Ending Cash Balance</b>	<b>\$5,350,472</b>	<b>\$5,443,300</b>	<b>\$5,487,067</b>	<b>\$5,697,048</b>	<b>\$5,908,455</b>	<b>\$5,953,647</b>	<b>\$6,054,128</b>	<b>\$6,246,811</b>	<b>\$6,258,912</b>	<b>\$6,459,508</b>	<b>\$6,616,710</b>	<b>\$6,328,811</b>	<b>\$6,328,811</b>

Irsaf 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 2022

**Assumptions:**

**Projected Monthly Volume of Sand Delivered for Processing:**

Year Ending December 31, 2018	23,000.00
Year Ending December 31, 2019	23,000.00
Year Ending December 31, 2020	23,000.00
Year Ending December 31, 2021	23,000.00
Year Ending December 31, 2022	23,000.00

**Projected Pricing for Frac Sand Sales:**

	Beginning Period	Frac Sand Price Before Increase	% Increase	Adjusted Purchase Price
Starting Per Ton Rate on Lehigh Hanson Sand Sold	01/01/17	\$64.00	0.00%	\$64.00
Increased Per Ton Rate Due to Rail Rate Increase	04/01/17	\$64.00	0.00%	\$64.00
Increased Per Ton Rate Due to Rail Rate Increase	10/01/17	\$63.88	0.00%	\$63.88
Economic Supply and Demand Increase	01/01/18	\$63.88	0.00%	\$63.88
Economic Supply and Demand Increase	07/01/18	\$63.88	2.00%	\$65.15
Economic Supply and Demand Increase	01/01/19	\$65.15	2.00%	\$66.46
Economic Supply and Demand Increase	07/01/19	\$66.46	2.00%	\$67.78
Economic Supply and Demand Increase	01/01/20	\$67.78	2.00%	\$69.14
Economic Supply and Demand Increase	07/01/20	\$69.14	2.00%	\$70.52
Economic Supply and Demand Increase	01/01/21	\$70.52	2.00%	\$71.93
Economic Supply and Demand Increase	07/01/21	\$71.93	2.00%	\$73.37

**Projected Inflation Applied Across the Board:**

	BLS Average	% Inflation	Average Inflation Rate Used	Inflation Rate Used
2017 Through October 2018	244.824	4.816%	3.05%	5%
2018	240.008	2.991%		
2015	237.017	0.281%		
2014	236.736	3.779%		
2013	232.957	3.363%		
2012	229.594	0.000		

**Lehigh Hanson Rates**

Date	Rail Rate	Increase	Adj. Rail Rate	LH Billing	Total Rate	Truck Rate
December 31, 2016 - March 31, 2017	\$13.39	\$0.00	\$13.39	\$23.43	\$36.82	\$36.00
March 31, 2017 - June 30, 2017	\$13.39	\$2.61	\$16.00	\$23.43	\$39.43	\$38.00
July 1, 2017 - June 30, 2018	\$18.00	\$1.31	\$17.31	\$23.43	\$40.74	\$38.57
July 1, 2018 - June 30, 2019 (4%-6% increase, 5%)	\$17.31	\$0.87	\$18.17	\$23.43	\$41.60	\$38.40
July 1, 2019 - June 30, 2020 (4%-6% increase, 5%)	\$18.17	\$0.91	\$19.08	\$23.43	\$42.51	\$40.32
July 1, 2020 - June 30, 2021 (4%-6% increase, 5%)	\$18.06	\$0.95	\$20.03	\$23.43	\$43.46	\$42.33
July 1, 2021 - June 30, 2022 (4%-6% increase, 5%)	\$20.03	\$1.00	\$21.03	\$23.43	\$44.46	\$44.45
July 1, 2022 - June 30, 2023 (4%-6% increase, 5%)	\$21.03	\$1.05	\$22.09	\$23.43	\$45.52	\$46.67

**Unloading Unit Train of Lehigh Hanson Sand:**

Excavator Services-Bush Construction  
 Trucking Services-Franclaco Garcia

**Martin Marietta Lease:**

Minimum Lease Payments.

**Rail Car Rates**

From	To	Amount	% Increase
Mar-16	Feb-17	\$32,825.74	3.50%
Mar-17	Feb-18	\$33,767.64	3.50%
Mar-18	Feb-19	\$34,849.51	3.50%
Mar-19	Feb-20	\$36,172.74	3.50%
Mar-16	Feb-17	\$243.46	3.50%
Mar-17	Feb-18	\$252.00	3.50%
Mar-18	Feb-19	\$260.82	3.50%
Mar-19	Feb-20	\$269.95	3.50%

**Rates for Shipment by Rail**

Rail Rate	Increase	Adj. Rail Rate	LH Billing	Total Rate	Truck Rate
\$13.39	\$0.00	\$13.39	\$23.43	\$36.82	\$36.00
\$13.39	\$2.61	\$16.00	\$23.43	\$39.43	\$38.00
\$18.00	\$1.31	\$17.31	\$23.43	\$40.74	\$38.57
\$17.31	\$0.87	\$18.17	\$23.43	\$41.60	\$38.40
\$18.17	\$0.91	\$19.08	\$23.43	\$42.51	\$40.32
\$18.06	\$0.95	\$20.03	\$23.43	\$43.46	\$42.33
\$20.03	\$1.00	\$21.03	\$23.43	\$44.46	\$44.45
\$21.03	\$1.05	\$22.09	\$23.43	\$45.52	\$46.67

**FROM MARTIN MARIETTA'S FILES**

Lease Paragraph	Millett Rail Car Rate Lease Schedule	Escalator	Payment
19	Year 1 3/1/14-2/28/2012	3.5%	\$205.00
	Year 2 3/1/12-2/28/2013	3.5%	\$212.18
	Year 3 3/1/13-2/28/2014	3.5%	\$219.60
	Year 4 3/1/14-2/28/2015	3.5%	\$227.29
	Year 5 3/1/15-2/28/2016	3.5%	\$235.34
	Year 6 3/1/16-2/28/2017	3.5%	\$243.48
	Year 7 3/1/17-2/28/2018	3.5%	\$252.00
18	Millett Annual Lease Schedule	Escalator	Payment
	Year 1 7/20/11-7/19/2012	3.5%	\$46,904.00
	Year 2 7/20/12-7/19/2013	3.5%	\$48,545.64
	Year 3 7/20/13-7/19/2014	3.5%	\$50,244.74
	Year 4 7/20/14-7/19/2015	3.5%	\$52,003.30
	Year 5 7/20/15-7/19/2016	3.5%	\$53,813.47
	Year 6 7/20/16-7/19/2017	3.5%	\$55,707.24
	Year 7 7/20/17-7/18/2018	3.5%	\$57,656.99

**Israel Sand, LLC**  
 United States Bankruptcy Court for the  
 Western District of Texas  
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 Annual Projections for  
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Truck Rates:	Milliet Monthly Minimum Lease Schedule	Escalator	Payment
Mar-16	Year 1	3.5%	\$27,470.00
Mar-17	Year 2	3.5%	\$28,431.45
Mar-18	Year 3	3.5%	\$29,426.55
Mar-19	Year 4	3.5%	\$30,456.48
Jul-16	Year 5	3.5%	\$31,522.46
Jul-17	Year 6	3.5%	\$32,625.74
Jul-18	Year 7	3.5%	\$33,767.64
Jul-19			

Annual Lease Payment	Month	Rate	Year 1		Year 2		Year 3	
			1st 1/2	2nd 1/2	1st 1/2	2nd 1/2	1st 1/2	2nd 1/2
Mar-16	Mar-17	3.50%	\$60.87					
Mar-17	Feb-18	3.50%	\$83.00					
Mar-18	Feb-19	3.50%	\$65.20					
Mar-19	Feb-20	3.50%	\$67.49					
Jul-16	Jun-17	3.50%	\$55,707.24					
Jul-17	Jun-18	3.50%	\$57,656.99					
Jul-18	Jun-19	3.50%	\$58,674.89					
Jul-19	Jun-20	3.50%	\$61,763.61					

**Payroll:**  
 Installation of dryer drum will increase dryer output, which in turn will reduce the amount of manpower necessary to operate dryer and this work schedule. Eventually work schedule will be modified from three 8 hour shift to two ten hours shifts. 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	\$ 16,850.54	\$ 219,057.00
Quarterly Workers Compensation Payment		\$ 8,057.00
Utilities - October to December 2016	\$ 2,864.67	\$ 8,594.00
Other Equipment Leases - October to December 2016	\$ 4,795.77	\$ 62,345.00
Insurance - Prior Year Amt Financed plus 10%	\$ 8,153.90	\$ 81,535.00

**Diesel, Propane, Equipment Repairs, Other Plant Expenses:**  
 Diesel Costs October to December 2016  
**Proposed reduction in Diesel Costs:**

Because cleaner sand is being delivered, it is estimated that diesel fuel and equipment lease costs will be reduced by at least 30%.  
 Propane Costs October to December 2016  
 Projected Propane and Natural Gas Costs below were determined from the details of the "Fuel" worksheet

Propane Consumption:					
Sand with a moisture content above 4% will not be processed in the dryer. The fuel rate calculated by Husck Corporation, plus 20% allowance is budgeted for propane fuel cost.					
Natural Gas Consumption:					
Contract with the City of Cotulla for the installation of a natural gas pipeline has been executed. After months of delay, Union Pacific has issued its rail permit to allow the gas pipeline to traverse under its track. It is expected that the final pipeline installation would be completed and put into use by the second week of December 2017. The above described twenty percent allowance and rule for moisture content will remain.					
Equipment Repairs and Supplies - July to Sept 2016	\$ 1.10	\$0.91	\$1.00	\$1.11	\$1.47
Other Plant Expenses - July to September	\$ 3,354.69	\$ 43,611.00	\$ 13	\$ 14,425.16	\$ 1.34
	\$ 1,339.00	\$ 17,407.00	\$ 13	\$ 5,757.70	\$ 10%

Per Ton Fuel Cost-2017  
 Pre-Repair Post-Repair  
 \$2.45 \$2.04

2018	2019	2020	2021	2022
10%	10%	10%	10%	10%

**Administrative Payroll and Legal/Professional Fees:**

Administrative Payroll - October to December 2016	\$ 6,573.37	\$ 65,453.83
Administrative Office Expenses - October to December 2017	\$ 653.92	\$ 8,501.00
Legal and Professional - October to December 2016	\$ 4,145.92	\$ 53,697.00
		\$7,500.00 Used



**Exhibit 6 - Monthly Operating Report**

**UNITED STATES BANKRUPTCY COURT**

**MOR-1**  
 CASE NAME: Irsael Sand, LLC  
 CASE NUMBER: 17-51420-rbk  
 PROPOSED PLAN DATE: \_\_\_\_\_

PETITION DATE: June 19, 2017  
 DISTRICT OF TEXAS: Western  
 DIVISION: San Antonio

MONTHLY OPERATING REPORT SUMMARY FOR MONTH	YEAR		
	October	September	October
REVENUES (MOR-6)	0.00	600,000.00	1,066,425.41
INCOME BEFORE INT; DEPREC. TAX (MOR-6)	-8,731.87	-84,209.60	112,801.88
NET INCOME (LOSS) (MOR-6)	-8,731.87	-84,209.60	112,801.88
PAYMENTS TO INSIDERS (MOR-9)	0.00	5,358.00	9,089.23
PAYMENTS TO PROFESSIONALS (MOR-9)	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)	8,731.87	64,208.60	1,097,997.00

\*\*\*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	YES (x) NO ( )	EXP. DATE
CASUALTY	YES (x) NO ( )	11/30/17
LIABILITY	YES (x) NO ( )	11/30/17
VEHICLE	YES (x) NO ( )	07/01/18
WORKERS	YES (x) NO ( )	11/30/17
PROPERTY	YES (x) NO ( )	11/30/17

Are all accounts receivable being collected within terms? **NO**  
 Are all post-petition liabilities, including taxes, being paid within terms? **Yes**  
 Have any pre-petition liabilities been paid? **Yes**  
 If so, describe **Expense Reimbursement and Payroll Taxes**  
 Are all funds received being deposited into DIP bank accounts? **Yes**  
 Were any assets disposed of outside the normal course of business? **No**  
 If so, describe \_\_\_\_\_  
 Are all U.S. Trustee Quarterly Fee Payments current? **Yes**  
 What is the status of your Plan of Reorganization? **Currently preparing to submit.**

ATTORNEY NAMES: Dean W. Greer  
 FIRM NAME: Dean W. Greer, Attorney at Law  
 ADDRESS: 2829 Mosatock, Suite 117  
 CITY, STATE, ZIP: San Antonio, Texas 78230  
 TELEPHONE/FAX: 210-342-7100 210-342-3633

INITIALS \_\_\_\_\_  
 DATE \_\_\_\_\_  
 JUST USE ONLY

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/Treasurer of Managing Member  
 (ORIGINAL SIGNATURE)  
 Bates H. Whiteside (PRINT NAME OF SIGNATORY) DATE 11-16-2017 Revised 07/01/98

**EXHIBIT 6**

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

**COMPARATIVE BALANCE SHEETS**

ASSETS	PLING DATE*	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	06/19/17 0:00	06/30/17 0:00	07/31/17 0:00	08/31/17 0:00	09/30/17 0:00	10/31/17 0:00	MONTH
<b>CURRENT ASSETS</b>							
Cash	-482.84	157.36	157.36	157.36	34,691.02	15,119.43	
Accounts Receivable, Net	422,769.06	422,769.06	422,769.06	422,769.06	422,769.06	422,769.06	
Inventory: Lower of Cost or Market	513,000.00	513,000.00	513,000.00	513,000.00	513,000.00	513,000.00	
Prepaid Expenses							
Investments	1,615,950.00	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	628,564.00	
<b>TOTAL CURRENT ASSETS</b>	<b>3,179,800.22</b>	<b>3,180,440.42</b>	<b>3,180,440.42</b>	<b>3,180,440.42</b>	<b>3,214,974.08</b>	<b>3,195,402.49</b>	<b>0.00</b>
PROPERTY, PLANT & EQUIP. @ COST	2,091.00	2,091.00	2,091.00	2,091.00	2,091.00	2,091.00	
Less Accumulated Depreciation							
<b>NET BOOK VALUE OF PP &amp; E</b>	<b>2,091.00</b>	<b>2,091.00</b>	<b>2,091.00</b>	<b>2,091.00</b>	<b>2,091.00</b>	<b>2,091.00</b>	<b>0.00</b>
<b>OTHER ASSETS</b>							
1. Vendor Deposits and Prepayments	51,675.00	51,675.00	51,675.00	51,675.00	55,675.00	55,675.00	
2. Employee Advances					2,170.00	1,870.00	
3. Investments in Subsidiaries							
Claims against Martin, Martens, Carroll and Select Sand	5,407,044.95	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	2,659,193.35	2,659,193.35	2,659,193.35	2,758,064.09	2,923,747.99	
<b>TOTAL ASSETS</b>	<b>\$11,299,803.52</b>	<b>\$11,300,444.72</b>	<b>\$11,300,444.72</b>	<b>\$11,300,444.72</b>	<b>\$11,440,019.12</b>	<b>\$11,585,831.43</b>	<b>\$0.00</b>

\* Per Schedules and Statement of Affairs

MOR-2

Revised 07/01/18

CASE NAME: Irabel Send, LLC  
 CASE NUMBER: 17-51420-rbk

**COMPARATIVE BALANCE SHEETS**

	MONTH June 2017	MONTH July 2017	MONTH August 2017	MONTH September 2017	MONTH October 2017	MONTH
<b>LIABILITIES &amp; OWNER'S EQUITY</b>						
<b>LIABILITIES</b>						
POST-RETENTION LIABILITIES (MOR-4)	9,372.07	16,285.70	80,495.30	39,409.51	77,995.83	
PRE-RETENTION LIABILITIES						
Notes Payable - Secured						
Priority Debt						
Federal Income Tax						
FICA/Withholding						
Unsecured Debt						
Other						
<b>TOTAL PRE-RETENTION LIABILITIES</b>	9,491,957.83	9,491,957.83	9,491,957.83	9,491,957.83	9,491,957.83	0.00
<b>TOTAL LIABILITIES</b>	9,491,957.83	9,508,243.53	9,572,453.13	9,531,367.34	9,569,953.66	0.00
<b>OWNER'S EQUITY (DEFICIT)</b>						
PREFERRED STOCK						
COMMON STOCK	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
ADDITIONAL PAID-UP CAPITAL	2,630,463.00	2,630,463.00	2,630,463.00	2,630,463.00	2,630,463.00	
RETAINED EARNINGS: Ret Filing Due	-823,616.31	-823,616.31	-823,616.31	-823,616.31	-823,616.31	
RETAINED EARNINGS: Post Filing Due	-8,731.87	-15,645.49	-79,855.09	100,805.09	219,406.97	
<b>TOTAL OWNER'S EQUITY (NET WORTH)</b>	1,807,845.69	1,792,201.20	1,727,991.60	1,908,651.78	2,021,253.66	0.00
<b>LIABILITIES &amp; OWNER'S EQUITY</b>						
<b>TOTAL</b>	\$11,299,803.52	\$11,300,444.73	\$11,300,444.73	\$11,440,019.12	\$11,591,207.32	\$0.00

\* Per Schedules and Statement of Affairs

MOR-3

Revised 07/01/18



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

**SCHEDULE OF POST-PETITION LIABILITIES**

	MONTH June	MONTH July	MONTH August	MONTH September	MONTH October	TOTAL
<b>TRADE ACCOUNTS PAYABLE</b>						
<b>TAX PAYABLE</b>						
Federal Payroll Taxes				4,527.10	30,486.56	35,013.66
State Payroll Taxes					6,302.75	6,302.75
Ad Valorem Taxes						
Other Taxes						
<b>TOTAL TAXES PAYABLE</b>	0.00	0.00	0.00	4,527.10	36,789.31	41,316.41
<b>SECURED DEBT POST-PETITION</b>						
<b>ACCRUED INTEREST PAYABLE</b>						
<b>ACCRUED PROFESSIONAL FEES*</b>						
<b>OTHER ACCRUED LIABILITIES</b>						
1. Expenses Reports Payable	9,372.07	5,913.63	64,209.60	-45,612.89	1,797.01	36,679.42
2.						
3.						
<b>TOTAL POST-PETITION LIABILITIES (MOR-3)</b>	\$9,372.07	\$5,913.63	\$64,209.60	(\$41,085.79)	\$38,586.32	\$77,995.83

\*Payment requires Court Approval

MOR-4

Revised 07/01/18

DE NAME: Irabel Sand, LLC  
 DE NUMBER: 17-51420-rbk

**AGING OF POST-PETITION LIABILITIES**  
 MONTH Oct-17

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	MONTH
0-30	50,966.32	18,704.11	25,959.46	6,302.75	0.00	
31-60	27,029.51	22,502.41	4,527.10	0.00	0.00	
61-90	0.00	0.00	0.00	0.00	0.00	
91+	0.00	0.00	0.00	0.00	0.00	
<b>TOTAL</b>	<b>\$77,995.83</b>	<b>\$41,206.52</b>	<b>\$30,486.56</b>	<b>\$6,302.75</b>	<b>\$0.00</b>	<b>\$0.00</b>

**AGING OF ACCOUNTS RECEIVABLE**

MONTH					
0-30 DAYS		0.00	0.00	0.00	
31-60 DAYS		0.00	0.00	0.00	
61-90 DAYS		0.00	0.00	0.00	
91+ DAYS	\$422,769.06	\$422,769.06	422,769.06	422,769.06	
<b>TOTAL</b>	<b>\$422,769.06</b>	<b>\$422,769.06</b>	<b>\$422,769.06</b>	<b>\$422,769.06</b>	<b>\$0.00</b>

MOR-5

Revised 07/01/98

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

**STATEMENT OF INCOME (LOSS)**

	MONTH June	MONTH July	MONTH August	MONTH September	MONTH October	MONTH November	MONTH TO DATE
REVENUES (MOR-I)				600,000.00	1,066,425.41		1,666,425.41
TOTAL COST OF REVENUES				200,000.00	200,000.00		200,000.00
GROSS PROFIT	0.00	0.00	0.00	600,000.00	866,425.41	0.00	1,466,425.41
OPERATING EXPENSES:							
Selling & Marketing	0.00		0.00	0.00	0.00		0.00
General & Administrative	3,183.07	4,524.29	2,721.36	8,993.41	8,065.17		27,487.30
Insiders Compensation	0.00		0.00	0.00	0.00		0.00
Professional Fees	5,000.00		0.00	0.00	0.00		5,000.00
Operating Expenses	548.80	2,389.33	61,488.24	410,346.41	745,758.36		1,220,531.14
Other			0.00				0.00
TOTAL OPERATING EXPENSES	8,731.87	6,913.62	64,209.60	419,339.82	753,823.53	0.00	1,253,018.44
INCOME BEFORE INT. DEDUCTION (MOR-I)	-8,731.87	-6,913.62	-64,209.60	180,660.18	112,601.88	0.00	213,406.97
INTEREST EXPENSE							0.00
DEPRECIATION							0.00
OTHER (INCOME) EXPENSE*							0.00
OTHER ITEMS**							0.00
TOTAL INT. DEPR. & OTHER ITEMS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME BEFORE TAXES	-8,731.87	-6,913.62	-64,209.60	180,660.18	112,601.88	0.00	213,406.97
FEDERAL INCOME TAXES							0.00
NET INCOME (LOSS) (MOR-I)	(\$8,731.87)	(\$6,913.62)	(\$64,209.60)	\$180,660.18	\$112,601.88	\$0.00	\$213,406.97

\* Actual Accounting Required, Otherwise Footnote with Explanation.

\*\* Footnote Mandatory.

\*\*\* Unusual and/or Infrequent Item(s) outside the ordinary course of business requires footnote.

**MOR-6**

Revised 07/01/18

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

CASH RECEIPTS AND DISBURSEMENTS	MONTH 6-19-17 to 6-30-17 (\$482.84)	MONTH July \$157.36	MONTH August \$157.36	MONTH September \$157.36	MONTH October \$34,691.02	MONTH November \$482.84
1. CASH RECEIPTS						
2. CASH SALES				600,000.00	1,066,425.41	1,666,425.41
3. COLLECTION OF ACCOUNTS RECEIVABLE						0.00
4. LOANS & ADVANCES (net of fee)						0.00
5. SALE OF ASSETS						0.00
6. OTHER (check box)	9,372.07	6,913.62	64,209.60	12,567.35	12,000.00	105,062.64
TOTAL RECEIPTS**	9,372.07	6,913.62	64,209.60	612,567.35	1,078,425.41	1,771,488.05
7. NET PAYROLL				36,133.46	93,849.57	132,983.03
8. PAYROLL TAXES PAID				8,900.00	1,036.72	9,936.72
9. SALES, USE & OTHER TAXES PAID						0.00
10. SECURITIES/IR/401K						0.00
11. UTILITIES & TELEPHONE						0.00
12. INSURANCE						0.00
13. PLANT OPERATING (see below)				357,785.85	818,609.86	1,176,395.71
14. VEHICLE EXPENSES						0.00
15. TRAVEL & ENTERTAINMENT	494.76					494.76
16. REPAIRS, MAINTENANCE & SUPPLY						0.00
17. ADMINISTRATIVE & SELLING	3,183.07	4,524.29	2,721.36	8,993.41	8,065.17	27,487.30
18. OTHER (check box)	5,054.04	2,389.33	61,488.24	107,090.73	176,435.68	352,458.02
TOTAL DISBURSEMENTS FROM OPERATIONS	8,731.87	6,913.62	64,209.60	521,903.45	1,097,997.00	1,699,755.54
19. PROVISIONAL PAID						0.00
20. V.A. TRUSTEE FEE				56,130.24		0.00
21. OTHER REORGANIZATION EXPENSES (check box)						56,130.24
TOTAL DISBURSEMENTS**	8,731.87	6,913.62	64,209.60	578,033.69	1,097,997.00	1,755,885.78
22. NET CASH FLOW	640.20	0.00	0.00	34,633.66	-19,571.59	15,602.27
23. CASH, END OF MONTH (MOR-2)	\$157.36	\$157.36	\$157.36	\$34,691.02	\$0.00	\$15,119.43

Revised 07/2019

\*\*Applies to individual debitors only  
 \*\*\*Numbers for the current month should balance (match)  
 RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

MOR-7

MOR- 7 Other Expenditures

Other Expenditures	October
T. Pankey Const. Mgmt	\$0.00
Dryer Improvements	\$0.00
Other Expenditures	\$5,375.89
Loader Purchase	\$0.00
	<hr/>
	<b>\$5,375.89</b>

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

**CASH ACCOUNT RECONCILIATION**  
**MONTH OF** Oct-17

BANK NAME	Capital One Bank	Capital One Bank			
ACCOUNT NUMBER	#2082698677	#2082698658			
ACCOUNT TYPE	OPERATING	TAX	PAYROLL	OTHER FUNDS	TOTAL
BANK BALANCE					\$0.00
DEPOSITS IN TRANSIT					\$0.00
OUTSTANDING CHECKS					\$0.00
ADJUSTED BANK BALANCE	\$34,656.95	\$34.07		\$0.00	\$34,691.02
BEGINNING CASH - PER BOOKS	\$34,656.95	34.07			\$34,691.02
RECEIPTS*	\$1,078,425.41	1,036.72			\$1,079,462.13
TRANSFERS BETWEEN ACCOUNTS (WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2					\$0.00
CHECKS/OTHER DISBURSEMENTS*	1,097,997.00	1,037.10			\$1,099,034.10
ENDING CASH - PER BOOKS	\$15,085.36	\$33.69	\$0.00	\$0.00	\$15,119.05

Revised 07/01/28

\*Numbers should balance (match) TOTAL RECEIPTS and  
 TOTAL DISBURSEMENTS lines on MOR-7

**MOR-8**

CASE NAME: Irabel 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(31)(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 6-19-17 to 6-30-17						MONTH
	July	August	September	October	MONTH	MONTH	
1. Louis R. Butler	500.00	3,250.00	24,000.00				
2. Bates H. Whiteside - Salary Advance		2,108.00					
3. Expense Reimbursement		0.00	2,050.00				
4. Bates Whiteside Salary		0.00	3,269.23	3,269.23			
5. Louis Butler Salary				5,800.00			
6.							
<b>TOTAL INSIDERS (MOR-1)</b>	<b>\$0.00</b>	<b>\$5,358.00</b>	<b>\$29,319.23</b>	<b>\$9,069.23</b>		<b>\$0.00</b>	

PROFESSIONALS	MONTH 6-19-17 to 6-30-17						MONTH
	July	August	September	October	MONTH	MONTH	
1.							
2.							
3.							
4.							
5.							
6.							
<b>TOTAL PROFESSIONALS (MOR-1)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Revised 07/01/98

MOR-9