

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
MIDLAND DIVISION

In Re: § Chapter 11
§
Saul Rodriguez Welding & Trucking, § Case No. 17-70115-tmd
LLC §
§
Debtor. §

**DISCLOSURE STATEMENT REGARDING
DEBTOR'S FIRST AMENDED PROPOSED PLAN OF REORGANIZATION**

**I.
INTRODUCTION AND SUMMARY OF PLAN**

Debtor, Saul Rodriguez Welding & Trucking, LLC, debtor and debtor-in-possession in the above-captioned case (the "Debtor"), hereby submits this *Disclosure Statement Regarding Debtor's First Amended Proposed Plan of Reorganization* (the "Disclosure Statement"). This Disclosure Statement is to be used in connection with the solicitation of votes on the *Debtor's First Amended Proposed Plan of Reorganization* (the "Plan") [Docket No. 52]. A copy of the Plan is attached hereto as **Exhibit "A."** Unless otherwise defined herein, capitalized terms used herein have the meanings ascribed thereto in the Plan (see Article I of the Plan entitled "Definitions"). This Disclosure Statement describes transactions 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.

The Plan proposes to pay all Allowed Claims in full. The Debtor will fund the Plan from the operation of the Reorganized Debtor after the Effective Date. Saul Rodriguez, the Debtor's sole member, will continue to own and operated the Reorganized Debtor. After the Effective Date of the Plan, the Reorganized Debtor will pay all Allowed Claims in full within five (5) years. It is estimated that all claims will be paid in full in less than two (2) years. The employee wage claims will be paid before the claims of the Internal Revenue Service and general unsecured claims as set forth in the Plan. The details and terms of the Plan are described more fully below.

**II.
NOTICE TO HOLDERS OF CLAIMS**

The purpose of this Disclosure Statement is to enable creditors whose Claims are impaired to make an informed decision in exercising their right to vote to either accept or reject the Plan.

THIS DISCLOSURE STATEMENT CONTAINS INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN. PLEASE READ THIS DOCUMENT WITH CARE.

On [REDACTED], 2018, the Bankruptcy Court entered an order pursuant to section 1125 of the Bankruptcy Code (the “Disclosure Statement Order”) approving this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor, typical of the solicited Holders of Claims against the Debtor, to make an informed judgment with respect to the acceptance or rejection of the Plan. A copy of the Disclosure Statement Order is included in the materials accompanying this Disclosure Statement.

APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT REGARDING THE FAIRNESS OR MERITS OF THE PLAN.

Each Holder of a Claim entitled to vote to accept or reject the Plan should read this Disclosure Statement and the Plan in their entirety before voting. No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. Except for the Debtor and its professionals, no person has been authorized to use or promulgate any information concerning the Debtor or the Plan, other than the information contained herein, in connection with the solicitation of votes to accept or reject the Plan. No Holder of a Claim entitled to vote on the Plan should rely upon any information relating to the Debtor or the Plan other than that contained in the Disclosure Statement and the exhibits hereto. Unless otherwise indicated, the sources of all information set forth herein are from Debtor and its professionals.

After carefully reviewing this Disclosure Statement, including the attached exhibits, please indicate your acceptance or rejection of the Plan by voting in favor of or against the Plan on the enclosed ballot and returning the same to the address set forth on the ballot, in the enclosed return envelope, so that it will be received by the Debtor’s counsel, M. J. Watson & Associates, P.C., no later than 5:00 p.m., prevailing Central Time, on [REDACTED], 2018.

If you do not vote to accept the Plan, or if you are the Holder of an unimpaired Claim, you may be bound by the Plan if the requisite Holders of Claims accept it.

TO BE SURE YOUR BALLOT IS COUNTED, YOUR BALLOT MUST BE RECEIVED NO LATER THAN 5:00 p.m., PREVAILING CENTRAL TIME, ON [REDACTED], 2018. For detailed voting instructions and the name, address, and phone number of the person you may contact if you have questions regarding the voting procedures, see “Confirmation of the Plan — Solicitation of Votes; Voting Procedures” in section IV.B. below.

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan (the “Confirmation Hearing”), on [REDACTED], 2018, at [REDACTED] m., prevailing Central Time, in the Bankruptcy Court. The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan, be filed and served on or before 5:00 p.m. prevailing Central Time on [REDACTED], 2018.

THE DEBTOR SUPPORTS CONFIRMATION OF THE PLAN AND URGES ALL HOLDERS OF IMPAIRED CLAIMS TO ACCEPT THE PLAN.

III. EXPLANATION OF CHAPTER 11

A. Overview of Chapter 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Pursuant to chapter 11, the debtor in possession attempts to reorganize its business for the benefit of the debtor, its creditors, and other parties in interest.

The commencement of a chapter 11 case creates an estate comprising all the legal and equitable interests of the debtor in property as of the date the petition is filed. Sections 1101, 1107, and 1108 of the Bankruptcy Code provide that a debtor may continue to operate its business and remain in possession of its property as a “debtor in possession” unless the bankruptcy court orders the appointment of a trustee. In the present chapter 11 case, the Debtor has remained in possession of its assets and has continued to operate its business and manage its assets as a debtor in possession.

The filing of a chapter 11 petition also triggers the automatic stay provisions of the Bankruptcy Code. Section 362 of the Bankruptcy Code provides, *inter alia*, for an automatic stay of all attempts to collect prepetition claims from the debtor or otherwise interfere with its property or business. Except as otherwise ordered by the Bankruptcy Court, the automatic stay remains in full force and effect until the effective date of a confirmed plan of reorganization.

The formulation of a plan of reorganization is the principal purpose of a chapter 11 case. The plan sets forth the means for satisfying the claims against and interests in the debtor.

B. Plan of Reorganization

Although referred to as a plan of reorganization, a plan may provide anything from a complex restructuring of a debtor’s business and its related obligations to a simple liquidation of the debtor’s assets. After a plan of reorganization has been filed, the holders of claims against or interests in a debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the proposed plan, section 1125 of the Bankruptcy Code requires the debtor to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to Holders of Claims against the Debtor to satisfy the requirements of section 1125 of the Bankruptcy Code.

If all classes of claims and equity interests accept a plan of reorganization, the bankruptcy court may nonetheless still not confirm the plan unless the court independently determines that the requirements of section 1129 of the Bankruptcy Code have been satisfied. Section 1129 sets forth the requirements for confirmation of a plan and, among other things, requires that a plan meet the “best interests” test and be “feasible.” The “best interests” test generally requires that the value of the consideration to be distributed to the holders of claims and equity interests under a plan may not be less than those parties would receive if the debtor was liquidated pursuant to a hypothetical liquidation occurring under chapter 7 of the Bankruptcy Code. Under the “feasibility” requirement, the court generally must find that there is a reasonable probability that the debtor will be able to meet its obligations under its plan without the need for further financial reorganization.

The Debtor believes that the Plan satisfies all the applicable requirements of section 1129 of the Bankruptcy Code, including, in particular, the “best interests” test and the “feasibility” requirement. The Debtor supports confirmation of the Plan and urges all Holders of Allowed Claims entitled to vote to accept the Plan.

Chapter 11 does not require that each holder of a claim against or interest in a debtor vote in favor of a plan of reorganization in order for the bankruptcy court to confirm the plan. At a minimum, however, the plan must be accepted by a majority in number and two-thirds in amount of those claims actually voting in at least one class of impaired claims under the plan. The Bankruptcy Code also defines acceptance of the plan by a class of equity interests (equity securities) as acceptance by Holders of two-thirds of the number of shares actually voting. In the present case, only the Holders of Claims who actually vote will be counted as either accepting or rejecting the Plan.

In addition, classes of claims or equity interests that are not “impaired” under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not entitled to vote. Accordingly, acceptances of a plan will generally be solicited only from those persons who hold claims or equity interests in an impaired class. A class is “impaired” if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. Modification for purposes of determining impairment, however, does not include curing defaults and reinstating maturity or payment in full in cash.

The bankruptcy court may also confirm a plan of reorganization even though fewer than all the classes of impaired claims and interests accept it. For a plan of reorganization to be confirmed despite its rejection by a class of impaired claims or interests, the proponents of the plan must show, among other things, that the plan does not “discriminate unfairly” and that the plan is “fair and equitable” with respect to each impaired class of claims or interests that has not accepted the plan.

Under section 1129(b) of the Bankruptcy Code, a plan is “fair and equitable” as to a class of rejecting claims if, among other things, the plan provides: (a) with respect to secured claims, that each such Holder will receive or retain on account of its claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim; and (b) with respect to unsecured claims and equity interests, that the Holder of any claim or equity interest that is junior to the claims or equity interests of such class will not receive or retain on account of such junior claim or equity interest any property at all unless the senior class is paid in full.

A plan does not “discriminate unfairly” against a rejecting class of claims if: (a) the relative value of the recovery of such class under the plan does not differ materially from that of any class (or classes) of similarly situated claims, and (b) no senior class of claims is to receive more than 100% of the amount of the claims in such class.

The Debtor believes that the Plan has been structured so that it will satisfy these requirements as to any rejecting Class of Claims, and can therefore be confirmed, if necessary, over the objection of any Classes of Claims. The Debtor, therefore, reserves the right to request confirmation of the Plan under the “cramdown” provisions of section 1129 of the Bankruptcy Code.

**IV.
OVERVIEW OF THE PLAN**

A. General

The Plan you are being asked to vote on is attached as **Exhibit “A.”** You must carefully review the Plan before voting in favor of or against it.

Debtor believes that the Plan provides for: (a) fair and equitable treatment of all classes of Claims that is in the best interest of Creditors of Debtor and is fair and equitable to those Creditors. The Plan provides that the assets of the Debtor will revert in the Reorganized Debtor on the Effective Date, free and clear of all Claims except as provided under the Plan.

This summary describes certain major elements of this Plan. The remaining sections of this Plan deal with each of these subjects in greater detail. Those sections are controlling, and this summary will not change or be used to construe the other provisions of this Plan. As with all business plans, the Plan has risk and you should review the information presented, using your business judgment to make your determination.

The Claims (except for Administrative Claims, which are set forth above and which are not required to be classified pursuant to section 1123(a)(i) of the Bankruptcy Code) against Debtor are classified as follows:

	<u>Class</u>	<u>Status</u>	<u>Voting Rights</u>
Class I	Pecos County Secured Tax Claim	Impaired	Entitled to Vote
Class II	Secured Ford Motor Credit Company, LLC Claim	Unimpaired	Not Entitled to Vote
Class III	Priority Unsecured Employee Priority Wage Claims	Impaired	Entitled to Vote
Class IV	Priority Unsecured Internal Revenue Service Tax Claim	Impaired	Entitled to Vote
Class V	General Unsecured Claims	Impaired	Entitled to Vote
Class VI	Equity Interests	Impaired	Entitled to Vote

B. Voting Procedures.

1. Designation of Impaired and Unimpaired Classes.

- a. Impaired Classes. Classes I, III, IV, V, and VI are impaired under the Plan.
- b. Unimpaired Class. Class II is unimpaired under the Plan.

c. Classes Entitled to Vote. Classes I, III, IV, V, and VI are entitled to vote.

2. Ballots.

IT IS IMPORTANT THAT HOLDERS OF IMPAIRED CLAIMS EXERCISE THEIR RIGHT TO VOTE TO ACCEPT OR REJECT THE PLAN. All known holders of Claims entitled to vote on the Plan have been sent a ballot, together with instructions for voting, with this Disclosure Statement. In voting for or against the Plan, use only the ballot sent with this Disclosure Statement.

THE VOTING DEADLINE IS [REDACTED], 2018. ALL BALLOTS MUST BE RETURNED SO THAT THEY ARE RECEIVED BY THE BALLOTING AGENT PRIOR TO THE VOTING DEADLINE. THE NAME AND ADDRESS OF THE BALLOTING AGENT IS SET FORTH ON THE BALLOT.

C. Assets and Liabilities of the Debtor.

1. Assets

The Debtor’s assets have remained relatively constant since the Petition Date. A comparison of the approximate amounts of the major categories of assets between June 28, 2017 and the month ending December 31, 2017 is set forth below. A complete copy of the Debtor’s pre-petition scheduled and filed Claims is described in more detail in the feasibility analysis attached hereto as **Exhibit “B”**.

Asset Category	Petition Date	December 31, 2017
Cash and cash equivalents	\$158,886.30	\$358,198.79
Accounts Receivable, Net	\$85,000.00	\$389,943.87
Equipment (office and machinery)	\$348,263.38	\$130,107.48
Totals	\$592,149.68	\$878,250.14

2. Secured Liabilities and Priority Tax Claims

The following chart details the approximate amount of known Secured Claims and Priority Claims against the Debtor as of the date hereof:

Name of Creditor	Amount
Pecos County Secured Tax Claim (Class I)	\$7,668.92
Ford Motor Credit Company, LLC Claims (Class II)	\$91,886.58
Unsecured Employee Wage Claims (Class III)	\$164,054.50
Priority Unsecured Internal Revenue Tax Claim (Class IV)	\$199,438.71
Total	\$516,031.93

3. General Unsecured Liabilities

a. Pre-Petition

Pre-petition scheduled unsecured liabilities and filed claims amount to approximately \$83,708.59. However, the Debtor estimates that the Allowed Unsecured Claims against the estate will be \$81,746.71.

b. Post-Petition

The Debtor has kept its post-petition trade debt current by paying its post-petition creditors on an ongoing basis.

D. Background of the Debtor

The Debtor is a welding and trucking company, which provides roustabout services to oil and gas companies in the Midland/Odessa, Texas region. Prior to the formation of the Debtor, its sole member, Saul Rodriguez (“Mr. Rodriguez”), executed a factoring agreement to receive advances secured by that certain Factoring, Security and Service Agreement (the “Factoring Agreement”) with TCI Business Capital, Inc. (“TCI”). The Debtor and TCI later executed that certain Factoring, Security and Service Agreement Amendment (the “Factoring Agreement Amendment” collectively with the Factoring Agreement, the “Agreement”) dated April 7, 2014. The Agreement provides that all invoices generated by the Debtor will be sent to TCI and funds would be advanced subject to fees, charges security reserves or chargebacks.

The Debtor’s prepetition invoices were provided to TCI since its formation. TCI managed a cash reserve and a security reserve. The cash reserve funds were released to the Debtor after TCI received payment and deducted its fees from the proceeds of the Debtor’s invoices, accounts receivable and other general intangibles. As of the Petition Date, there was approximately \$101,053.14 held in the cash reserve. The security reserve is an account where 20% of the Debtor’s cash proceeds are held to secure payment of outstanding invoices, accounts receivable and other general intangibles until TCI receives more than the 20% threshold. Once the 20% threshold is met, the funds are sent to the cash reserve and the Debtor is entitled to have the funds released.

The Debtor sells services to its customers on net 30-day terms, but customers in the industry regularly pay their invoices in 45 to 90 days. Thus, factoring allows the Debtor to access up to 80% of the face value of its accounts receivable in 24 to 72 hours and the balance upon payment of the invoice from the customer. In March of 2017, the Internal Revenue Service assessed the Debtor approximately \$100,000.00 for nonpayment of its employment taxes. On June 26, 2017, the Internal Revenue Service assessed the Debtor an additional \$85,152.05 for unpaid employment taxes. The Internal Revenue Service contacted TCI and advised that it had a claim to approximately \$100,000.00 in the cash reserve for the nonpayment of the Debtor’s employment taxes. In June of 2017, the Debtor requested that TCI release approximately \$101,053.14 in the cash reserve, yet TCI refused citing the Internal Revenue Service notifications.

On November 2, 2016, Mr. Rodriguez, the Debtor’s sole member, dissolved his marriage, and his former spouse’s entitlement to the Debtor’s assets within the 1 year preceding this bankruptcy filing was \$72,000.00. Around the same time, the Debtor employed a bookkeeper who failed to timely pay certain of its debts and payroll obligations. The Debtor later discovered that its former bookkeeper embezzled approximately \$14,000.00 from the Debtor during her employment.

On May 8, 2017, the U.S. Department of Labor assessed the Debtor with penalties for unpaid overtime and required Debtor to make payments to current and former employees both on the unpaid overtime and penalties by July 1, 2017. Based on the foregoing events, the Debtor sought relief under chapter 11 of the Bankruptcy Code to reorganize and proposed a confirmable plan to benefit creditors.

E. Developments during the Chapter 11 Case

The Debtor filed for bankruptcy protection on June 28, 2017. The Debtor filed its proposed plan on December 27, 2017. The Debtor filed an amended chapter 11 plan on January 24, 2018. The firm of M. J. Watson & Associates, P.C. was authorized as bankruptcy counsel for the Debtor by Order of the Bankruptcy Court entered on July 25, 2017. An Order authorizing use of cash collateral was entered on August 4, 2017. An Order approving a compromise and settlement between the Debtor and TCI Business Capital Inc. was entered on September 18, 2017.

F. Summary of Plan of Reorganization.

1. The following table summarizes the treatment of the creditors under the Plan:

<u>Class</u>	<u>Description</u>	<u>Impairment</u>	<u>Collateral and Treatment</u>
Class I	Pecos County Secured Tax Claim	Impaired	<p>Collateral – all of the Debtor’s Assets including accounts receivables, inventory and cash.</p> <p>The Class I Pecos County Secured Tax Claim is impaired and shall be satisfied as follows: Pecos County has a secured claim against the Debtor in the base amount of \$7,668.92. Pecos County’s allowed secured claim shall be paid in full on or before January 31, 2018. Pecos County shall retain its lien securing its pre-petition and post-petition tax debt until such time as the tax debt is paid in full. In the event, the Pecos County allowed secured claim is not paid in full on or before January 31, 2018, statutory interest at the rate of twelve percent (12%) per annum shall accrue on the entire balance</p>

		<p>from February 1, 2018 until the tax debt is paid in full.</p> <p>The Reorganized Debtor shall pay all post-petition ad valorem tax liabilities (tax year 2018 and subsequent tax years) on all tax accounts owing to Pecos County in the ordinary course of business as such tax debt comes due and prior to said ad valorem taxes becoming delinquent without the need of Pecos County to file an administrative expense claim and/or request for payment. The Reorganized Debtor shall have ninety (90) days from the Effective Date to object to the Pecos County claim otherwise, the Pecos County claim shall be deemed as an allowed secured claim in the amount of its amended Proof of Claim, provided however; that nothing herein is intended expand deadlines otherwise established by applicable bankruptcy or non-bankruptcy law relating to the finality of the tax obligation.</p> <p>In the event the Reorganized Debtor sells, conveys or transfers any of the properties which is collateral for the Pecos County pre-petition tax claim and/or any post-petition/post confirmation tax debt, the Reorganized Debtor shall remit such sales proceeds first to Pecos County to be applied to the Pecos County tax debt incident to any such property sold, conveyed or transferred and such proceeds sale be disbursed by the closing agent at the time of closing; or if a title company does not perform the closing, said tax debt shall be paid by the Reorganized Debtor within fifteen (15) days of receipt of the sale proceeds and said disbursement (whether by the title company or the Reorganized Debtor) shall be made prior to any disbursement of the sale proceeds to any other person or entity.</p> <p>Should the Reorganized Debtor default, Pecos County shall provide written notice of that default by sending written notice by certified mail to the Reorganized Debtor and Reorganized Debtor's counsel advising of that default and providing the Reorganized Debtor with a period of fifteen (15) days to cure the default. In the event that the default is not cured within fifteen (15) days, Pecos County may, without further order of this Court or notice to the Reorganized Debtor, pursue all of their rights and remedies available to them under the Texas Property Tax Code in Texas State District Court to collect the full amount of all taxes, penalties and interest owed.</p>
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			<p>The Holder of the Pecos County Secured Tax Claim is impaired and is entitled to vote on the Plan.</p> <p>Estimated recovery: 100%</p>
Class II	Secured Ford Motor Credit Company, LLC Claim	Unimpaired	<p>Collateral - 2017 Ford F550, VIN 1FD0W5HT1HEB30549 (Vehicle No. 1); and the 2015 Ford F450, VIN 1FD0W4GT6FEB69050 (Vehicle No. 2) (collectively, the “Vehicles”)</p> <p>The Class II Secured Ford Motor Credit Company, LLC (“<u>FMCC</u>”) Claim is unimpaired and shall be satisfied as follows: FMCC shall retain its liens in the Vehicles under the notes securing each Vehicle on the Effective Date. The Reorganized Debtor shall pay the amounts specified under the notes when due for each Vehicle in cash from the Reorganized Debtor’s operations until fully repaid.</p> <p>In the event of the Reorganized Debtor defaults in its payments to FMCC under the Plan or otherwise under the terms of the contract between the parties (e.g., failure to make a payment when due, failure to maintain insurance, etc.), and failure to cure such default within 15 days after the date written notice of default is provided by FMCC to the Reorganized Debtor, FMCC shall be entitled to all of its rights available to it under state law to enforce its secured Claim, without the necessity of seeking further orders or relief from the Bankruptcy Court.</p> <p>Such notice shall be provided to the Reorganized Debtor as follows: Saul Rodriguez Welding & Trucking, LLC, PO Box 1445, Fort Stockton, Texas 79735; with a copy emailed to the Reorganized Debtor’s counsel at the following email address: jwatson@mjwatsonlaw.com. FMCC shall be obligated to provide the notice described in the foregoing paragraph two (2) times only; a default by the Reorganized Debtor after a second notice has previously been provided shall entitle FMCC to pursue all of its rights available to it under state law to enforce its secured Claim only, without the necessity of further notice of any kind or seeking any further orders or relief from the Bankruptcy Court.</p>

			<p>The Holder of the Class II Secured Ford Motor Credit Company, LLC Claim is unimpaired and is not entitled to vote on the Plan.</p> <p>Estimated Recovery: 100%</p>
Class III	Priority Unsecured Employee Priority Wage Claims	Impaired	<p>Collateral - None.</p> <p>The Class III Priority Unsecured Employee Priority Wage Claims are impaired and shall be satisfied as follows: The Allowed amount of the Class II Priority Tax Claim shall be paid in full pro rata in cash from the Reorganized Debtor's operations. These Claims are alleged to be unpaid prepetition employee wages asserted to be approximately \$164,054.50. The Reorganized Debtor intends to treat these Claims as Priority Unsecured Claims. The Class III Priority Unsecured Employee Priority Wages will be paid in full pro rata in cash from the Reorganized Debtors' business operations within five years after the Effective Date.</p> <p>The Holders of the Class III Priority Unsecured Employee Priority Wage Claims are impaired and are entitled to vote on the Plan.</p> <p>Estimated recovery: 100%</p>
Class IV	Priority Unsecured Internal Revenue Service Tax Claim	Impaired	<p>Collateral - None.</p> <p>The Class IV Priority Unsecured Internal Revenue Service Tax Claim is impaired and shall be satisfied as follows: The Allowed amount of the Class IV Priority Unsecured Internal Revenue Service Tax Claim shall be paid in full with applicable statutory interest under the Internal Revenue Code in cash from the Reorganized Debtor's operations. The Class IV Priority Unsecured Internal Revenue Service Tax Claim is alleged to be unpaid prepetition unemployment taxes and are asserted to be approximately \$199,438.71. The Reorganized Debtor intends to treat this Claim as a Priority Unsecured Claims.</p> <p>The Class IV Priority Unsecured Internal Revenue Service Tax Claim will be paid in full pro rata in cash from the Reorganized Debtors' business operations within five years after the Effective Date. No distributions shall be permitted until Holders of Claims in Class III are paid in full. The debt owed by the Debtor to the Internal Revenue Service ("IRS") is a Non-Dischargeable</p>

			<p>debt, except as otherwise provided for in the Code, and that if the Reorganized Debtor defaults, the IRS is not subject to the provisions of the Bankruptcy Code so that the IRS can take whatever actions are necessary to collect said debt in the event of default; the federal tax liens survive the plan confirmation, a bankruptcy discharge, and dismissal of the case. The Liens continue to be enforceable against all of the Reorganized Debtor's property under federal law.</p> <p>A failure by the Reorganized Debtor to make a payment to the IRS pursuant to the terms of the Plan and/or failure to remain current on filing and paying post-confirmation taxes, shall be an event of default, and as to the IRS, there is an event of default if payment is not received by the 15th day of each month. If there is a default, the IRS must send written demand for payment, and said payment must be received by the IRS within 15 days of the date of the demand letter. The Reorganized Debtor can receive up to three notices of default from the IRS; however, on the third notice of default from the IRS the third notice cannot be cured, and the IRS may accelerate its allowed claim(s), past and future, and declare the outstanding amount of such claim(s) to be immediately due and owing and pursue any and all available state and federal rights and remedies. These default provisions pertain to the entire claim(s) of the IRS, secured, unsecured priority and unsecured general.</p> <p>The IRS is bound by the provisions of the confirmed plan and is barred under 11 USC 1141 from taking any collection actions against the Reorganized Debtor for prepetition claims during the duration of the Plan (provided there is no default as to the IRS). The period of limitations on collection remains suspended under 26 USC 6503 (h) for the tax periods being paid under the Plan and terminates on the earlier of (1) all required payments to the IRS have been made; or (2) 30 days after the date of the demand letter (described above) for which the debtor failed to cure the default.</p> <p>The Holder of the Class IV Priority Unsecured Internal Revenue Service Tax Claim is impaired and is entitled to vote on the Plan.</p> <p>Estimated recovery: 100%</p>
Class V	General Unsecured Claims	Impaired	<p>Collateral - None.</p> <p>The Class V General Unsecured Claims are impaired and shall be satisfied as follows: The</p>

			<p>Allowed amount of all General Unsecured Claims shall be paid in full pro rata in cash from the Reorganized Debtor’s business operations. The General Unsecured Claims are alleged to be \$83,708.59. The Reorganized Debtor intends to treat the Class V General Unsecured Claims as Unsecured Claims. The Allowed amount of these Claims will be paid in full pro rata from the Reorganized Debtors’ business operations within five years after the Effective Date. No distributions shall be permitted until Holders of Claims in Classes III and IV are paid in full.</p> <p>The Holders of the Class V General Unsecured Claims are impaired and are entitled to vote on the Plan.</p> <p>Estimated recovery: 100%</p>
Class VI	Equity Interests	Impaired	<p>The Class VI Equity Interests are impaired and shall be satisfied as follows: The Reorganized Debtor shall be deemed to have issued and authorized new membership interests to the Holder of each Equity Interest on the Effective Date. No distributions to the Holder of Equity Interests shall be permitted until Holders of Claims in Classes I – V are paid in full.</p> <p>The Holder of the Class IV Equity Interests is entitled to vote on the Plan.</p>

**V.
APPROVAL OF DISCLOSURE STATEMENT**

This Disclosure Statement is provided pursuant to Section 1125 of the Bankruptcy Code in connection with the solicitation of acceptance of the Plan, as it may be 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 their rights either to accept or reject the Plan. A copy of the Plan is attached hereto as “**Exhibit A.**”

The Bankruptcy Court conditionally 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. Final approval of this Disclosure Statement will be considered at the time of the Confirmation Hearing.

NO REPRESENTATIONS CONCERNING THE PLAN ARE AUTHORIZED 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 BUT NOT CONTAINED HEREIN SHOULD BE REPORTED TO THE ATTORNEY FOR THE DEBTOR WHO SHALL DELIVER SUCH INFORMATION TO THE COURT FOR SUCH ACTION AS MAY BE APPROPRIATE.

THE 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 IS AN INTEGRAL PART OF THIS DISCLOSURE STATEMENT, AND HOLDERS OF IMPAIRED CLAIMS ARE URGED TO CAREFULLY REVIEW THE PLAN PRIOR TO VOTING ON IT.

VI. FEASIBILITY ANALYSIS

The Debtor has analyzed the performance of its business operations from June 28, 2017 through December 31, 2017. This period includes traditionally high and low revenue months associated with the Debtor's operations. "**Exhibit B**," attached hereto reflects the projected cash flow that will be generated by the Debtor after the Effective Date, which will be available for use under the Plan to service Allowed Claims. The Debtor intends to make a plan payment of \$20,000.00 per month. The Debtor does not believe or anticipate that there will be material fluctuations on a year to year basis that will impair the abilities of the Debtor to perform under the Plan. Similarly, "**Exhibit C**" details the monthly income and utilization of cash under the Plan, and the Debtor is able to make all payments under the Plan from its available Cash and Assets. Accordingly, the Debtor submits that the Plan is feasible.

VII. RISKS TO CREDITORS UNDER THE PLAN

The Plan is subject to a number of material risks, including those enumerated below. Prior to deciding how to vote on the Plan, each Holder of an Impaired Claim should carefully consider all of the information contained in this Disclosure Statement, especially the factors mentioned in the following paragraphs:

A. Forward-Looking Information May Prove Inaccurate – This Disclosure Statement contains various forward-looking statements and information that are based on the Debtor's belief as well as assumptions made by and information currently available to the

Debtor. If reality varies from these beliefs and assumptions, actual results may vary materially from those anticipated, estimated or projected.

B. Certain Risks of Non-Confirmation – There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Court will confirm the Plan. Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation and requires, among other things, a finding by the Court that the confirmation of the Plan is not likely to be followed by a liquidation or a need for further financial reorganization and that the value of the distributions to non-accepting creditors and interest holders will not be less than the value of the distributions that such creditors and interest holders would receive if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code. Although the Debtor believes that these requirements will be satisfied, there can be no assurance that the Court will concur. The confirmation and consummation of the Plan are also subject to certain other conditions, which are described in this Disclosure Statement. If the Plan were not to be confirmed and consummated, it is unclear whether a reorganization comparable to the reorganization contemplated hereby could be implemented in a timely manner and, if so, what distributions holders of Claims ultimately would receive with respect to their Claims. Moreover, if an alternative reorganization could not be implemented in a timely manner, it is possible that the Debtor would have to liquidate its assets, in which case it is likely the Holders of Claims would receive less than they would have received pursuant to the Plan.

VIII. PROCEDURES FOR RESOLVING AND TREATING DISPUTED CLAIMS UNDER THE PLAN

All Holders of Claims should be advised that a vote in favor of the Plan does not necessarily shield their Claims from objection by the Debtor or Reorganized Debtor. The Plan provides that no later than ninety (90) days after the Effective Date, unless otherwise ordered by the Bankruptcy Court or provided in the Plan, objections to Claims shall be filed with the Bankruptcy Court and served upon the Holders of each of the Claims to which objections are made. No payment or distribution shall be made with respect to any Claim to the extent it is a Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim. The Reorganized Debtor shall establish one or more separate Disputed Claim Reserves under the Plan, which shall be an amount of Cash sufficient to be distributed on account of all Claims that are not Allowed Claims. With respect to any Claim that is a Disputed Claim on the Effective Date, as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim becomes a Final Order or a Disputed Claim otherwise becomes an Allowed Claim, the Reorganized Debtor shall distribute to the Holder of such Claim from the Disputed Claim Reserves any Cash payment, without interest, that would have been distributed to such Holder if the Claim had been Allowed on the Effective Date. If any Cash remains in the Disputed Claim Reserves, any remainder of the Disputed Claim Reserves attributable to the Disallowed Claims shall be distributed as soon as practicable in accordance with the provisions of the Plan.

IX.

EXECUTORY CONTRACTS

The Plan constitutes and incorporates a motion by the Debtor to assume, as of the Confirmation Date, all executory contracts to which the Debtor is a party, except for any executory contracts that have been rejected pursuant to order of the Bankruptcy Court prior to the Confirmation Date.

X. BAR TO REJECTION DAMAGES

If the rejection of an executory contract by the Debtor results in damages to the other party or parties to such executory contract, a Claim for such damages, if not heretofore evidenced by a filed proof of Claim, shall be forever barred and shall not be enforceable against the Debtor, the Reorganized Debtor or their respective property or their agents, successors or assigns, unless a proof of Claim is filed with the Bankruptcy Court and served upon counsel for the Debtor on or before sixty (60) days following the Effective Date.

XI. INSURANCE POLICIES

Notwithstanding anything in the Plan or Sections IX.K of the Plan, all insurance policies under which the Debtor is the insured party shall be deemed assumed as of the Confirmation Date. All payments upon such policies are current; no Cure Payments are necessary.

XII. RETENTION OF JURISDICTION

The Bankruptcy Court's jurisdiction shall be retained under the Plan as set forth in Article XI of the Plan.

XIII. SETOFF RIGHTS

In the event that the Debtor has a claim of any nature whatsoever against the Holder of a Claim, the Debtor may, but is not required to, setoff against the Claim (and any payments or other distributions to be made in respect of such Claim hereunder), subject to the provisions of Section 553 of the Bankruptcy Code. Neither the failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor of any claim that the Debtor may have against the Holder of a Claim.

XIV. PERMANENT INJUNCTIONS

OTHER THAN ENFORCING THE RIGHTS AFFORDED IN THE PLAN AND THE PAYMENTS AND DISTRIBUTIONS TO BE MADE HEREUNDER, ALL HOLDERS OF EXISTING DEBTS AND CLAIMS OF ANY KIND, NATURE OR

DESCRIPTION WHATSOEVER AGAINST THE DEBTOR OR ANY OF ITS ASSETS OR PROPERTY SHALL, UPON THE CONFIRMATION ORDER BECOMING A FINAL ORDER, BE PERMANENTLY ENJOINED FROM PROSECUTING SUCH DEBTS AND CLAIMS.

**XV.
OTHER INJUNCTIONS**

The Confirmation Order shall contain such injunctions as may be necessary and helpful to effectuate the discharge of the Debtor provided herein. **WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SUCH INJUNCTION SHALL INCLUDE AN ABSOLUTE PROHIBITION FROM COLLECTING CLAIMS AGAINST THE DEBTOR IN ANY MANNER OTHER THAN AS PROVIDED FOR IN THE PLAN.** Any applicable statute of limitations relating to collection of amounts owed by the Debtor to any third party is specifically tolled from the period of time from the Petition Date until the date upon which the Debtor fails to cure any written notice of default as set forth in the Plan.

**XVI.
PRE-PETITION LAWSUITS/INSURANCE**

On the Effective Date, all pre-petition lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a Claim shall be dismissed as to the Reorganized Debtor. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. All parties to any such action shall be enjoined by the Bankruptcy Court in the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions. Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Debtor is or was the insured party; the Reorganized Debtor shall become the insured party under any such policies. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtor's bankruptcy, the Plan or any provision within the Plan, including the treatment or means of liquidation set out within the Plan.

**XVII.
PAYMENT OF STATUTORY FEES**

The Reorganized Debtor shall be responsible for the timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6) until (i) the clerk of the Bankruptcy Court closes the case, (ii) the case is converted, or (iii) the case is dismissed. The Reorganized Debtor shall file with the Court and serve upon the U.S. Trustee a quarterly financial report for each quarter (or portion thereof) that the case remains open in a format prescribed by the U.S. Trustee.

**XVIII.
POST-EFFECTIVE DATE FEES AND
EXPENSES OF PROFESSIONAL PERSONS**

Except as provided in this Plan, after the Effective Date, the Reorganized Debtor shall, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable fees and expenses of the Professional Persons employed by the Reorganized Debtor, related to the implementation and consummation of the Plan, provided, however, that no such fees and expenses shall be paid except upon receipt by the Reorganized Debtor of a written invoice, which invoice shall also be served upon counsel for the Debtor by the Professional Person seeking fees and expense reimbursement and provided, further, however, that the Reorganized Debtor may, within 10 days after receipt of an invoice for fees and expenses, request the Bankruptcy Court to determine any such request and the Bankruptcy Court shall have jurisdiction to do so. In such event, the Bankruptcy Court shall apply the same standard for approval of fees and expenses as applied throughout this Chapter 11 Case.

**XIX.
BANKRUPTCY RESTRICTIONS**

From and after the Effective Date, the Reorganized Debtor shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code (*e.g.*, Section 363 or 364). The Reorganized Debtor may conduct its affairs in such a manner as is consistent with persons not in bankruptcy without the need of seeking Bankruptcy Court approval. No monthly operating reports will be filed after the Effective Date; however, the Reorganized Debtor shall provide the U.S. Trustee such financial reports as the U.S. Trustee may reasonably request until the entry of a final decree.

**XX.
BINDING EFFECT**

The Plan shall be binding upon and inure to the benefit of the Reorganized Debtor, the holders of Claims and their respective successors and assigns; provided, however, that if the Plan is not confirmed, the Plan shall be deemed null and void and nothing contained herein shall be deemed (i) to constitute a waiver or release of any Claims by the Debtor, or any other Person, (ii) to prejudice in any manner the rights of the Debtor, or any other Person, or (iii) to constitute any admission by the Debtor, or any other Person.

**XXI.
GOVERNING LAW**

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the internal laws of the state of Texas shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan or the Chapter 11 Case, except as may otherwise be provided in such agreements, documents and instruments.

**XXII.
LIQUIDATION ANALYSIS**

As of December 31, 2017, the Debtor's total assets have a liquidation value of approximately \$879,525.14 as described on **Exhibit "D"**. Accordingly, the holders of General Unsecured Claims would realize the full amount of their Allowed Claims if the Debtor's estate was liquidated under Chapter 7 of the Bankruptcy Code.

**XXIII.
MODIFICATION OF PLAN**

Modifications of the Plan may be proposed in writing by the Debtor at any time before the Confirmation Date, provided that: (a) the Plan, as modified, meets the requirements of Sections 1122 and 1123 of the Bankruptcy Code and (b) the Debtor has complied with Section 1125 of the Bankruptcy Code. The Plan may be modified at any time after the Confirmation Date and before substantial consummation by the Debtor, provided that: (a) the Plan, as modified, meets the requirements of Sections 1122 and 1123 of the Bankruptcy Code, (b) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under Section 1129 of the Bankruptcy Code and (c) the circumstances warrant such modifications. A holder of a Claim that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection.

**XXIV.
CREDITOR DEFAULTS**

Any act or omission by a creditor in contravention of a provision within this Plan shall be deemed an event of default under this Plan. Upon an event of default, the Reorganized Debtor may seek to hold the defaulting party in contempt of the Confirmation Order. If such creditor is found to be in default under the Plan, such party shall pay the reasonable attorney's fees and costs of the Reorganized Debtor in pursuing such matter. Furthermore, upon the finding of such a default by a creditor, the Bankruptcy Court may (a) designate a party to appear, sign and/or accept the documents required under the Plan on behalf of the defaulting party, in accordance with Federal Rule of Civil Procedure 70 or (b) make such other order as may be equitable, which does not materially alter the terms of the Plan as confirmed.

**XXV.
DEBTOR'S DEFAULTS**

In the event that the holder of an Allowed Claim asserts that a default under the Plan has occurred, such creditor must provide the Reorganized Debtor with written notice (the "Notice") of such default to the following address: P.O. Box 1445, Fort Stockton, TX 79735. If the default asserted in the Notice remains uncured on the fifteenth (15th) day from the date on which such Notice is received by the Reorganized Debtor for Holders of Claims in Classes I, II, and IV, the Holder of such Allowed Claim may pursue any rights or remedies it may have under applicable nonbankruptcy law, whether state, federal or otherwise.

**XXVI.
SEVERABILITY**

Should the Bankruptcy Court determine that any provision of the Plan is unenforceable either on its face or as applied to any claim or transaction, the Debtor may modify the Plan in accordance with Section X.E of the Plan so that such provision shall not be applicable to the holder of any Claim. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

**XXVII.
INTEGRATION CLAUSE**

This Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, creditors, and the parties-in-interest upon the matters herein. Parol evidence, including previously proposed but unconfirmed plans or drafts thereof, shall not be admissible in an action regarding this Plan or any of its provisions.

**XXVIII.
RELEASES OF LIEN UPON PAYMENT**

Upon the payment in full of any Allowed Secured Claim as provided under this Plan, the holder of such Allowed Secured Claim shall execute, deliver and file a release of all liens and security interests securing its Allowed Secured Claim within forty-five (45) days of such payment unless this Plan provides a shorter time period for same. In the event it fails to do so, shall, as liquidated damages, pay to the Debtor a sum in cash equal to the greater of \$3,000 or the Debtor's actual costs of enforcing this provision.

**XXIX.
DISCHARGE OF DEBTOR**

The Court shall grant the Reorganized Debtor a discharge on (a) completion of all payments under the Plan or (b) after notice and a hearing, if: (i) the value as of the Effective Date of property actually distributed under the Plan on account of each Allowed Unsecured Claim against the Reorganized Debtor is not less than the amount that would have been paid on such Claim if the estate of the Reorganized Debtor had been liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date; (ii) modification of the Plan under Section 1127 of the Bankruptcy Code is not practicable; and (iii) the requirements of Section 1141(d)(5)(C) of the Bankruptcy Code are met. Such discharge shall apply as to all existing debts and Claims of any kind, nature or description whatsoever against the Reorganized Debtor or any of their assets or properties to the fullest extent permitted by Section 1141 of the Bankruptcy Code, including but not limited to Claims based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date and all debts of the kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not a Proof of Claim based upon such

debt is filed or deemed filed under Section 501 of the Bankruptcy Code; a Claim based upon such debt is allowed under Section 502 of the Bankruptcy Code; or the holder of a Claim has accepted the Plan. As provided in section 524 of the Bankruptcy Code, entry of the discharge shall void any judgment against the Reorganized Debtor at any time obtained to the extent it relates to a Claim discharged and operates as an injunction against the prosecution of any action against the Reorganized Debtor or any of its property, to the extent it relates to a Claim discharged. The order of the Bankruptcy Court discharging the Reorganized Debtor shall constitute a judicial determination of the discharge of all such Claims and other debts and liabilities of the Reorganized Debtor, pursuant to Sections 524 and 1141 of the Bankruptcy Code and such discharge shall void and extinguish any judgment obtained against the Reorganized Debtor, at any time, to the extent such judgment is related to a discharged Claim.

XXX.

KNOWN CLAIMS AND DEFENSES TO CLAIMS

The Debtor has conducted a preliminary review of Claims against its estate. Accordingly, the Debtor is aware of the following claims and defenses, which it reserves the right to assert as causes of action or claim objections:

- Objection to the proof of claim filed by Unifirst Corporation.

[THIS SPACE IS INTENTIONALLY LEFT BLANK.]

**XXXI.
CONCLUSION**

Through confirmation of the Plan, the Debtor believes that it can resolve all claims that have been, or could be, asserted against it in a timely and cost-effective manner. The Debtor believes that the Plan provides a mechanism to resolve and provide just compensation to all claimants. The Debtor believes that the Plan is fair to all parties-in-interest and should be approved by creditors. The Debtor urges Holders of Claims to vote to **ACCEPT** the Plan and to evidence such acceptance by returning their ballots so that they will be received by 5:00 p.m., prevailing Central Time, on [REDACTED], 2018.

THE DEBTOR URGES YOU TO VOTE TO ACCEPT THE PLAN.

Dated: January 31, 2018

Respectfully submitted by,

**SAUL RODRIGUEZ WELDING &
TRUCKING, LLC**

By: /s/ Saul Rodriguez
Saul Rodriguez

Its: Sole Member

and

/s/ M. Jermaine Watson
M. Jermaine Watson
State Bar No. 24063055
M. J. WATSON & ASSOCIATES, P.C.
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**COUNSEL TO DEBTOR AND DEBTOR-IN-
POSSESSION SAUL RODRIGUEZ WELDING
& TRUCKING, LLC**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
MIDLAND DIVISION**

In Re: § **Chapter 11**
§
Saul Rodriguez Welding & Trucking, § **Case No. 17-70115-tmd**
LLC §
§
Debtor. §

DEBTOR’S FIRST AMENDED PROPOSED PLAN OF REORGANIZATION

Debtor, Saul Rodriguez Welding & Trucking, LLC, debtor and debtor-in-possession in the above-captioned case (the “Debtor”), hereby files and proposes the following first amended proposed plan of reorganization (the “Plan”) pursuant to the provisions of Chapter 11 of title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”).

The Plan contemplates the reorganization of the Debtor and the resolution of all outstanding claims and interests of the Debtor on the Effective Date of the Plan. Subject to the restrictions on modifications set forth in Bankruptcy Code section 1127 and Bankruptcy Rule 3019, the Debtor reserves its right to alter, amend, or modify this Plan one or more times before its substantial consummation.

**ARTICLE I
DEFINITIONS**

A. Definitions.

Unless otherwise noted, or unless the context otherwise requires, the following terms used in the Plan shall have the respective meanings set forth below:

1. **“Administrative Claim”** means a Claim for any cost or expense of administration of the Chapter 11 Case incurred after the Petition Date and on or before the Effective Date entitled to priority under Bankruptcy Code section 507(a)(2) and allowed under Bankruptcy Code section 503(b), including, without limitation, (a) the actual, necessary costs and expenses of preserving the Debtor’s Estate and operating the Debtor’s business, including wages, salaries, and commission for services rendered after the commencement of the Chapter 11 Case; (b) certain taxes, fines, and penalties; (c) obligations for goods received and services rendered after the Petition Date; (d) Allowed Fee Claims and all other Allowed Claims for compensation or reimbursement of expenses; (e) all fees and charges assessed against the Estate under 28 U.S.C. § 1930; and (f) any other Claim determined by a Final Order to be entitled to administrative priority.

2. **“Allowed”** means, with reference to a Claim or Interest (or any portion thereof), a Claim or Interest (or any portion thereof) that (a) has been listed by the Debtor in the Schedules as liquidated in amount and not disputed or contingent, and for which no contrary or superseding proof of Claim or proof of Interest has been filed; (b) has been expressly allowed by Final Order or under the Plan; (c) has been compromised, settled, or otherwise resolved pursuant to a Final Order of the Bankruptcy Court or under Article IX of this Plan; or (d) has not been timely objected to under the Plan.

3. **“Asset”** means all assets of the Estate, as the case may be, as of the Effective Date, including, without limitation, “property of the estate” as described in Bankruptcy Code section 541.

4. **“Avoidance Actions”** means all avoiding powers and all rights, claims, causes of action, and remedies of the Debtor and/or Estate under, relating, or similar to chapter 7 of the Bankruptcy Code, including sections 506(c), 510, 542, 543, 544, 545, 548, 549, 550, 551, 553, and any fraudulent-conveyance, fraudulent-transfer, or preference law.

5. **“Bankruptcy Code”** means title 11 of the United States Code, 11 U.S.C. § 101, et seq., including all amendments thereto, to the extent such amendments are applicable to Chapter 11 Cases.

6. **“Bankruptcy Court”** means the United States Bankruptcy Court for the Western District of Texas (Midland Division) in which the Chapter 11 Case is pending.

7. **“Bar Date”** means the last date to file a proof of Claim or proof of Interest against the Debtor. In reference to the Debtor, the Bar Date is November 13, 2017, for non-governmental entities.

8. **“Business Day”** means any day other than a Saturday, a Sunday, or any “legal holiday” (as defined by Bankruptcy Rule 9006(a)).

9. **“Cash”** means legal tender of the United States of America or equivalents thereof, including, without limitation, currency, wire transfers, certified checks, money orders, negotiable instruments, or any other customary payment method of immediately available funds.

10. **“Causes of Action”** means, without limitation, any and all claims, actions, proceedings, causes of action, controversies, liabilities, obligations, rights, rights of setoff, recoupment rights, suits, damages, judgments, accounts, defenses, offsets, powers, privileges, licenses, franchises, claims, counterclaims, cross-claims, affirmative defenses, demands, and rights to legal or equitable remedies of any kind or character whatsoever, whether known or unknown, asserted or unasserted, reduced to judgment or otherwise, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, assertable directly or derivatively, disputed or undisputed, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in contract or in tort, in law, in equity or otherwise, based in whole or in part upon

any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Case, including through the Effective Date. Without limiting the generality of the foregoing, when referring to Causes of Action of the Debtor or its Estate, "Causes of Action" shall include (a) all rights of setoff, counterclaims, or recoupment and claims on contracts or for breaches of duties imposed by law or equity (b) claims pursuant to sections 362, 510, 542, and 543; (c) claims and defenses such as fraud, mistake, duress, usury, and other defenses set forth in Bankruptcy Code Section 558; and (d) all Avoidance Actions.

11. **"Chapter 11 Case"** means the case under chapter 11 of the Bankruptcy Code commenced by the Debtor on the Petition Date styled, *In re Saul Rodriguez Welding & Trucking, LLC*, Case No. 17-70115-tmd.

12. **"Claim"** has the meaning set forth in Bankruptcy Code section 101(5) that arose before the Petition Date.

13. **"Class"** means any group or category of Claims or Interests substantially similar in nature to the Claims or Interests placed in or classified by the Plan in the same category pursuant to Bankruptcy Code section 1122(a).

14. **"Confirmation"** means confirmation of the Plan pursuant to Bankruptcy Code section 1129.

15. **"Confirmation Date"** means the date on which the Bankruptcy Court enters the Confirmation Order on its docket.

16. **"Confirmation Hearing"** means the hearing held by the Bankruptcy Court to consider confirmation of the Plan pursuant to Bankruptcy Code sections 1128 and 1129, as such hearing may be adjourned or continued from time to time.

17. **"Confirmation Order"** means the order of the Bankruptcy Court confirming this Plan pursuant to Bankruptcy Code section 1129.

18. **"Creditor"** means Holder of a Claim.

19. **"Debtor"** means Saul Rodriguez Welding & Trucking, LLC, as debtor and debtor-in-possession and, as the context may require, Reorganized Debtor as reorganized, from and after the Effective Date.

20. **"Disallowed"** means, in reference to any Claim or Interest (or any portion thereof), a Claim or Interest (or any portion thereof) that: (a) has been disallowed, overruled, or expunged by a Final Order of the Bankruptcy Court; (b) is listed in the Schedules at zero in amount or contingent, disputed, or unliquidated and to which no proof of Claim or proof of Interest has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code or any Final Order of the Bankruptcy Court; (c) has been agreed to be zero in amount; (d) is not listed on the Schedules and for which no proof of Claim or proof of Interest has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code or any Final Order of the Bankruptcy Court; or (e) has been withdrawn.

21. **“Disbursing Agent”** means Reorganized Debtor in their sole discretion and without the need for any further order of the Bankruptcy Court, to serve in that capacity pursuant to the Plan.

22. **“Disclosure Statement”** means the disclosure statement and filed by the Debtor, and any amendments thereto, as approved by the Bankruptcy Court pursuant to Bankruptcy Code section 1125 and Bankruptcy Rule 3017.

23. **“Disputed”** means, with respect to a Claim or Interest (or any portion thereof), a Claim or Interest (or any portion thereof) that is neither an Allowed Claim, an Allowed Interest, a Disallowed Claim, or a Disallowed Interest.

24. **“Disputed Claim Reserve”** means that reserved portion of Cash, including all earnings thereon (net of any expenses relating thereto) set aside for possible future Distribution to Disputed Claims or Disputed Interests belonging to a particular Class of Claims or Interests.

25. **“Distribution”** means the transfer of property or interests required by this Plan.

26. **“Distribution Date”** means, for any Allowed Claim or Allowed Interest, the later of (a) fourteen (14) days after the Effective Date; (b) fourteen (14) days after the date on which a Disputed Claim becomes an Allowed Claim or a Disputed Interest becomes an Allowed Interest; and (c) such other date as may be or has been agreed by the Debtor or Reorganized Debtor and the Holder of an Allowed Claim or an Allowed Interest.

27. **“Effective Date”** means the first Business Day after the Confirmation Date that (a) all conditions precedent to the occurrence of the Effective Date specified in the Plan have been satisfied or waived and (b) no stay of the Confirmation Order is in effect.

28. **“Entity”** has the meaning set forth in Bankruptcy Code section 101(15).

29. **“Estate”** means the estate of the Debtor created under Bankruptcy Code section 541.

30. **“Executory Contract”** means any prepetition executory contract or unexpired lease to which the Debtor was a party that is governed by Bankruptcy Code section 365.

31. **“Fee Claim”** means any Claim by a Professional Person under Bankruptcy Code sections 330, 331, or 503 for the allowance of compensation and/or reimbursement of expenses in the Chapter 11 Case and entitled to treatment as an administrative expense of the Estate.

33. **“Final Order”** means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction that has not been reversed, vacated, stayed, modified, or amended, and is no longer subject to an appeal, certiorari, or other proceeding for review, reargument, or rehearing and as to which the time to appeal, seek certiorari, review, reargument, or reconsideration under Rule 59 of the Federal Rules of Civil Procedure, including to seek a new trial, has expired and no appeal or motion for reconsideration under Rule 59 of the Federal Rules of Civil Procedure, motion for a new trial, reargument, or rehearing, or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, or as to which any motion for reconsideration that has been filed pursuant to Rule 59 of the Federal Rules of Civil Procedure or any motion for a new trial, reargument or rehearing has been resolved by the court in which such motion was filed; provided, however, that the possibility that a motion pursuant to Rules 59 or 60 of the Federal Rules of Civil Procedure, or any analogous rule, may be filed relating to such order or judgment shall not cause such order or judgment not to be a Final Order.

34. **“General Unsecured Claim”** means any Claim (or portion thereof) against the Debtor other than a Priority Claim, or Unclassified Claim.

35. **“Holder”** means the holder of a Claim against or Interest in the Debtor.

36. **“Impaired”** means any Claim or Interest that is impaired within the meaning of Bankruptcy Code Section 1124.

37. **“Insider”** means any Claim or Interest within the meaning of Bankruptcy Code Section 101(31)(B).

38. **“Interest”** means any “equity security” within the meaning of Bankruptcy Code section 101(16), including, without limitation, all equity interests or contractual rights to purchase or acquire such equity interests at any time and all rights with respect thereto.

39. **“Lien”** has the meaning set forth in Bankruptcy Code section 101(37) of the Bankruptcy Code.

40. **“Local Rules”** means the local rules of the Bankruptcy Court.

41. **“Other Priority Claim”** means any Unsecured Claim (or portion thereof) other than an Administrative Claim or a Priority Tax Claim entitled to priority in right of payment pursuant to Bankruptcy Code section 507(a).

42. **“Person”** has the meaning set forth in Bankruptcy Code section 101(41).

43. **“Petition Date”** means June 28, 2017.

44. **“Plan”** means this Debtor’s proposed plan of reorganization either in its present form or as it may hereafter be altered, amended, or modified from time to time.

45. **“Priority Tax Claim”** means any Claim (or portion thereof) entitled to priority in payment under Bankruptcy Code section 507(a)(8) or specified under Bankruptcy Code section 502(i).

46. **“Professional Person”** means any Person employed under Bankruptcy Code sections 327, 328, or 1103 and to be compensated for services under Bankruptcy Code sections 327, 328, 329, 330, and 331 or order of the Bankruptcy Court.

47. **“Rejection Damages Claim”** means a Claim arising from the Debtor’s rejection of any executory contract or unexpired lease during the Chapter 11 Case or in connection with this Plan.

48. **“Rejection Damages Claims Bar Date”** means (a) the deadline set by an order of the Bankruptcy Court other than the Confirmation Order if such rejection was not sought through this Plan or (b) the first Business Day that is 30 days after the Confirmation Date of such rejection was sought through this Plan.

49. **“Reorganized Debtor”** means the Debtor on and after the Effective Date.

50. **“Schedules”** means any of the Schedules of Assets and Liabilities, as amended from time to time, filed by the Debtor.

51. **“Secured Property Tax Claim”** means any Claim of a Taxing Authority.

52. **“Taxing Authorities”** means all state and local taxing authorities with secured tax liens in Debtor’s Assets.

53. **“Unclaimed Property”** means any Distribution under the Plan that, for ninety (90) days after the Distribution Date (unless otherwise extended by an order of the Bankruptcy Court or agreement with Reorganized Debtor) is either: (a) returned to the Reorganized Debtor as undeliverable; or (b) otherwise unclaimed.

54. **“Unclassified Claims”** means Administrative Claims.

55. **“Unimpaired”** means any Claim or Interest that is not Impaired.

56. **“United States Trustee”** means the Office of the United States Trustee or a representative thereof.

57. **“Unsecured Claim”** means any Claim that is not an Unclassified Claim or a Secured Claim.

**ARTICLE II
TREATMENT OF UNCLASSIFIED CLAIMS**

A. Administrative Claims.

Notwithstanding the following, the Holder of an Allowed Administrative Claim and the Debtor or Reorganized Debtor may agree to less favorable treatment of such Allowed Administrative Claim.

1. **Bar Date for and Payment of Fee Claims.** Professional Persons asserting Fee Claims for services rendered or expenses incurred prior to the Effective Date must file and serve on all parties entitled to notice thereof, an application for final allowance of the Fee Claim no later than sixty (60) days after the Effective Date. Failure to timely and properly file and serve such an application as required under this section shall result in the Fee Claim being forever barred and discharged. No Fee Claim will be deemed allowed until an order allowing the Fee Claim becomes a Final Order. Objections to fee claims must be filed and served within twenty-four (24) days after the filing of the applicable application for a Fee Claim. All Fee Claims allowed by the Bankruptcy Court shall be paid no later than ten (10) days after the entry of a Final Order allowing such Fee Claims, or as soon thereafter as practical.

2. **Bar Date for All Other Administrative Claims.** No later than thirty-three (33) days after the Effective Date, the Holder of any Administrative claim (other than Fee claims and statutory fees as described in the Plan) that is incurred, accrued, or in existence prior to the Effective Date must file and serve on all parties required to receive such notice an application for the allowance of such Administrative Claim. That application must include, at a minimum, (a) the name of the Holder of the Claim, (b) the amount of the Claim, and (c) the basis for the Claim. Failure to timely and properly file and serve the application required under this section shall result in the Administrative Claim being forever barred and discharged. Objections to such requests for payment of an Administrative Claim must be filed and served within twenty-four (24) days after the filing of the applicable application for payment of an Administrative Claim.

3. **Allowance of Administrative Claims.** An Administrative Claim (other than a Fee Claim) with respect to which notice has been properly filed shall become an Allowed Administrative Claim if no timely objection is filed. If a timely objection is filed, the Administrative Claim shall become an Allowed Administrative Claim only to extent Allowed by a Final Order. An Administrative Claim that is a Fee Claim, and with respect to which an application for allowance of such Fee Claim has been properly filed shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order.

4. **Payment of Administrative Claims.** Except to the extent that the Holder of an Allowed Administrative Claim agrees otherwise, each Holder of an Allowed Administrative Claim (other than a Fee Claim) shall receive, in full satisfaction, release, and discharge of such Administrative Claim, Cash equal to the Allowed amount of such Claim, on or as soon as reasonably after the later of (a) the Distribution Date and (b) the date such Administrative Claim would be payable in the ordinary course of business.

B. **Statutory Fees.**

On or as soon as reasonably practicable after the Effective Date, all Holders of Allowed Administrative Claims for fees due and payable pursuant to 28 U.S.C. § 1930 will receive Cash in the amount of such Allowed Administrative Claim. Post-Confirmation fees due pursuant to 28 U.S.C. § 1930, if any, will be paid by Reorganized Debtor as and when due until the Chapter 11 Case closes.

**ARTICLE III
CLASSIFICATION OF CLAIMS AND INTERESTS**

- A. **Class I:** Pecos County Secured Tax Claim
- B. **Class II:** Secured Ford Motor Credit Company, LLC Claim
- C. **Class III:** Class III Priority Unsecured Employee Priority Wage Claims
- D. **Class IV:** Priority Unsecured Internal Revenue Service Tax Claim
- E. **Class V:** General Unsecured Claims
- F. **Class VI:** Equity Interests

**ARTICLE IV
IDENTIFICATION OF UNIMPAIRED AND IMPAIRED CLAIMS AND INTERESTS**

A. If a controversy about or related to the classification of any Claim or Interest or whether a Claim or Interest or any Class of Claims or Interests is Impaired under the Plan exists, the Bankruptcy Court will determine such controversy after notice and a hearing.

B. If any Class of Claims or Interests is determined to be Impaired by the Bankruptcy Court and if such Impaired Class of Claims or Interests votes not to accept the Plan by the requisite statutory majority required by Bankruptcy Code section 1126(c), the Debtor reserves the right to: (i) reclassify any Claim or Interest, including reclassifying any Impaired Claim or Interest as Unimpaired; (ii) amend the Plan; or (iii) ask the Bankruptcy Court to confirm the Plan under Bankruptcy Code section 1129(b).

ARTICLE V
TREATMENT OF CLAIMS AND INTERESTS IMPAIRED UNDER THE PLAN

A. The Class I Pecos County Secured Tax Claim is impaired and shall be satisfied as follows: Pecos County has a secured claim against the Debtor in the base amount of \$7,668.92. Pecos County's allowed secured claim shall be paid in full on or before January 31, 2018. Pecos County shall retain its lien securing its pre-petition and post-petition tax debt until such time as the tax debt is paid in full. In the event, the Pecos County allowed secured claim is not paid in full on or before January 31, 2018, statutory interest at the rate of twelve percent (12%) per annum shall accrue on the entire balance from February 1, 2018 until the tax debt is paid in full.

The Reorganized Debtor shall pay all post-petition ad valorem tax liabilities (tax year 2018 and subsequent tax years) on all tax accounts owing to Pecos County in the ordinary course of business as such tax debt comes due and prior to said ad valorem taxes becoming delinquent without the need of Pecos County to file an administrative expense claim and/or request for payment. The Reorganized Debtor shall have ninety (90) days from the Effective Date to object to the Pecos County claim otherwise, the Pecos County claim shall be deemed as an allowed secured claim in the amount of its amended Proof of Claim, provided however; that nothing herein is intended expand deadlines otherwise established by applicable bankruptcy or non-bankruptcy law relating to the finality of the tax obligation.

In the event the Reorganized Debtor sells, conveys or transfers any of the properties which is collateral for the Pecos County pre-petition tax claim and/or any post-petition/post confirmation tax debt, the Reorganized Debtor shall remit such sales proceeds first to Pecos County to be applied to the Pecos County tax debt incident to any such property sold, conveyed or transferred and such proceeds sale be disbursed by the closing agent at the time of closing; or if a title company does not perform the closing, said tax debt shall be paid by the Reorganized Debtor within fifteen (15) days of receipt of the sale proceeds and said disbursement (whether by the title company or the Reorganized Debtor) shall be made prior to any disbursement of the sale proceeds to any other person or entity.

Should the Reorganized Debtor default, Pecos County shall provide written notice of that default by sending written notice by certified mail to the Reorganized Debtor and Reorganized Debtor's counsel advising of that default and providing the Reorganized Debtor with a period of fifteen (15) days to cure the default. In the event that the default is not cured within fifteen (15) days, Pecos County may, without further order of this Court or notice to the Reorganized Debtor, pursue all of their rights and remedies available to them under the Texas Property Tax Code in Texas State District Court to collect the full amount of all taxes, penalties and interest owed.

The Holder of the Pecos County Secured Tax Claim is impaired and is entitled to vote on the Plan.

B. The Class II Secured Ford Motor Credit Company, LLC ("FMCC") Claim is unimpaired and shall be satisfied as follows: FMCC shall retain its liens in the 2017 Ford

F550, VIN 1FD0W5HT1HEB30549 (Vehicle No. 1); and the 2015 Ford F450, VIN 1FD0W4GT6FEB69050 (Vehicle No. 2) (collectively, the “Vehicles”) under the notes securing each Vehicle on the Effective Date. The Reorganized Debtor shall pay the amounts specified under the notes when due for each Vehicle in cash from the Reorganized Debtor’s operations until fully repaid.

In the event of the Reorganized Debtor defaults in its payments to FMCC under the Plan or otherwise under the terms of the contract between the parties (e.g., failure to make a payment when due, failure to maintain insurance, etc.), and failure to cure such default within 15 days after the date written notice of default is provided by FMCC to the Reorganized Debtor, FMCC shall be entitled to all of its rights available to it under state law to enforce its secured Claim, without the necessity of seeking further orders or relief from the Bankruptcy Court.

Such notice shall be provided to the Reorganized Debtor as follows: Saul Rodriguez Welding & Trucking, LLC, PO Box 1445, Fort Stockton, Texas 79735; with a copy emailed to the Reorganized Debtor's counsel at the following email address: jwatson@mjwtatsonlaw.com. FMCC shall be obligated to provide the notice described in the foregoing paragraph two (2) times only; a default by the Reorganized Debtor after a second notice has previously been provided shall entitle FMCC to pursue all of its rights available to it under state law to enforce its secured Claim only, without the necessity of further notice of any kind or seeking any further orders or relief from the Bankruptcy Court.

The Holder of the Class II Secured Ford Motor Credit Company, LLC Claim is unimpaired and is not entitled to vote on the Plan.

C. The Class III Priority Unsecured Employee Priority Wage Claims are impaired and shall be satisfied as follows: The Allowed amount of the Class II Priority Tax Claim shall be paid in full pro rata in cash from the Reorganized Debtor’s operations. These Claims are alleged to be unpaid prepetition employee wages asserted to be approximately \$164,054.50. The Reorganized Debtor intends to treat these Claims as Priority Unsecured Claims. The Class III Priority Unsecured Employee Priority Wages will be paid in full pro rata in cash from the Reorganized Debtors’ business operations within five years after the Effective Date.

The Holders of the Class III Priority Unsecured Employee Priority Wage Claims are impaired and are entitled to vote on the Plan.

D. The Class IV Priority Unsecured Internal Revenue Service Tax Claim is impaired and shall be satisfied as follows: The Allowed amount of the Class IV Priority Unsecured Internal Revenue Service Tax Claim shall be paid in full with applicable statutory interest under the Internal Revenue Code in cash from the Reorganized Debtor’s operations. The Class IV Priority Unsecured Internal Revenue Service Tax Claim is alleged to be unpaid prepetition unemployment taxes and are asserted to be approximately \$199,438.71. The Reorganized Debtor intends to treat this Claim as a Priority Unsecured Claims.

The Class IV Priority Unsecured Internal Revenue Service Tax Claim will be paid in full pro rata in cash from the Reorganized Debtors' business operations within five years after the Effective Date. No distributions shall be permitted until Holders of Claims in Class III are paid in full.

The debt owed by the Debtor to the Internal Revenue Service ("IRS") is a Non-Dischargeable debt, except as otherwise provided for in the Code, and that if the Reorganized Debtor defaults, the IRS is not subject to the provisions of the Bankruptcy Code so that the IRS can take whatever actions are necessary to collect said debt in the event of default; the federal tax liens survive the plan confirmation, a bankruptcy discharge, and dismissal of the case. The Liens continue to be enforceable against all of the Reorganized Debtor's property under federal law.

A failure by the Reorganized Debtor to make a payment to the IRS pursuant to the terms of the Plan and/or failure to remain current on filing and paying post-confirmation taxes, shall be an event of default, and as to the IRS, there is an event of default if payment is not received by the 15th day of each month. If there is a default, the IRS must send written demand for payment, and said payment must be received by the IRS within 15 days of the date of the demand letter. The Reorganized Debtor can receive up to three notices of default from the IRS; however, on the third notice of default from the IRS the third notice cannot be cured, and the IRS may accelerate its allowed claim(s), past and future, and declare the outstanding amount of such claim(s) to be immediately due and owing and pursue any and all available state and federal rights and remedies. These default provisions pertain to the entire claim(s) of the IRS, secured, unsecured priority and unsecured general.

The IRS is bound by the provisions of the confirmed plan and is barred under 11 USC 1141 from taking any collection actions against the Reorganized Debtor for prepetition claims during the duration of the Plan (provided there is no default as to the IRS). The period of limitations on collection remains suspended under 26 USC 6503 (h) for the tax periods being paid under the Plan and terminates on the earlier of (1) all required payments to the IRS have been made; or (2) 30 days after the date of the demand letter (described above) for which the debtor failed to cure the default.

The Holder of the Class IV Priority Unsecured Internal Revenue Service Tax Claim is impaired and is entitled to vote on the Plan.

E. The Class V General Unsecured Claims are impaired and shall be satisfied as follows: The Allowed amount of all General Unsecured Claims shall be paid in full pro rata in cash from the Reorganized Debtor's business operations. The General Unsecured Claims are alleged to be \$83,708.59. The Reorganized Debtor intends to treat the Class V General Unsecured Claims as Unsecured Claims. The Allowed amount of these Claims will be paid in full pro rata from the Reorganized Debtors' business operations within five years after the Effective Date. No distributions shall be permitted until Holders of Claims in Classes III and IV are paid in full.

The Holders of the Class V General Unsecured Claims are impaired and are entitled to vote on the Plan.

F. The Class VI Equity Interests are impaired and shall be satisfied as follows: The Reorganized Debtor shall be deemed to have issued and authorized new membership interests to the Holder of each Equity Interest on the Effective Date. No distributions to the Holder of Equity Interests shall be permitted until Holders of Claims in Classes I – V are paid in full. The Holder of the Class IV Equity Interests is entitled to vote on the Plan.

ARTICLE VI MEANS FOR EXECUTION OF THE PLAN

A. Plan Funding. The Cash necessary to pay Allowed Claims and Allowed Interests under the Plan will be the Cash generated by the Debtor’s business operations.

B. Distributions.

1. **Plan Funding.** The Disbursing Agent shall make all Distributions required under this Plan.

2. **Disbursing Agent.** Distributions to Holders of Allowed Claims and Allowed Interests shall be made at the addresses set forth on the proofs of Claims or proofs of Interest filed by such Holders (or at the last known addresses of such Holders if no proof of Claim or proof of Interest is filed, or if Reorganized Debtor have been notified of a change of address). If any Holder’s Distribution is returned as undeliverable, no further Distributions to such Holder shall be made until Reorganized Debtor are notified of such Holder’s then current address.

On or before one hundred twenty (120) days after the Effective Date, Reorganized Debtor will file a list of all Unclaimed Property with the Bankruptcy Court. All Claims for undeliverable Distributions shall be made to Reorganized Debtor on or before thirty (30) days after the date on which Reorganized Debtor filed a list of all Unclaimed Property with the Bankruptcy Court. If such a Claim is timely made, Reorganized Debtor will attempt to deliver such Distribution to such claimant. If no such Claim is made, all Unclaimed Property shall revert to Reorganized Debtor, and the Claim of any Holder with respect to such Unclaimed Property shall be discharged and forever barred.

3. **Timing and Delivery of Distributions.** Distributions made pursuant to the Plan will be made in Cash or as otherwise agreed between the payee and Reorganized Debtor. In the absence of an agreement, the Disbursing Agent will make such Distributions by any commercially reasonable manner as determined in its sole discretion.

4. **Means of Cash Payment.** Notwithstanding anything to the contrary in this Plan, the Disbursing Agent may round down Distributions of Cash required hereunder to the next lowest whole dollar amount.

5. **Name and Address of Holder.** For purposes of all Distributions, the Disbursing Agent will be entitled to rely on the name and address of the Holder of each Allowed Claim and Allowed Interest as shown on any timely filed proof of Claim or proof of Interest and, if none, as shown on the Schedules, except to the extent that the Disbursing

Agent first receives adequate written notice prior to the Effective Date of a transfer or change of address, properly executed by the Holder or its authorized agent.

6. **Setoffs and No Waiver.** The Debtor or Reorganized Debtor may, but are not required to, set off against any Claim or Interest and the payments or Distributions to be made pursuant to the Plan for such Claim or Interest, any claim, right, or Cause of Action, of any nature whatsoever, that the Debtor or Reorganized Debtor may have against the Holder of such Claim or Interest. Neither the failure to exercise such rights nor the Allowance of any Claim or Interest hereunder shall constitute a waiver or release by the Debtor or Reorganized Debtor of any such claim, right, or Cause of Action that the Debtor or Reorganized Debtor may have against such Claim or Interest Holder.

7. **Duty to Disgorge Overpayments.** To the extent the Holder of any Allowed Claim or Interest receives more than what such Holder is permitted to receive under the Plan, such Holder shall immediately return such excess to Reorganized Debtor, failing which, Reorganized Debtor may pursue legal action for the return of such overpayment in the Bankruptcy Court or any other court of competent jurisdiction.

ARTICLE VII EXECUTORY CONTRACTS

A. **General Treatment – Rejection.** All executory contracts of the Debtor not expressly assumed prior to confirmation of the Plan, or for which an application to assume is not pending at the time of confirmation, shall be deemed to be rejected by the Debtor.

B. **Rejection Damages Claim.** Any Rejection Damages Claim arising from rejection under Bankruptcy Code section 365 through this Plan or by separate motion to the Bankruptcy Court will (i) be determined to be Allowed or Disallowed under Bankruptcy Code section 502(g) and, to the extent Allowed, will be classified as a General Unsecured Claim unless the Plan or a Final Order of the Bankruptcy Court prescribes otherwise; and (ii) be unenforceable against the Debtor, their Estate, and their property, and will be forever barred from receiving any Distribution unless a proof of such Claim filed with the Bankruptcy Court and served on counsel for the Debtor by the Rejection Damages Claim Bar Date. Notwithstanding the rejection of any Executory Contract at any time during the Chapter 11 Case, the Debtor reserve all rights and defenses that they or their Estate may have against the other parties to such Executory Contracts.

ARTICLE VIII OBJECTIONS TO CLAIMS AND INTERESTS

A. **Objections to Claims and Interests.** Reorganized Debtor (or their designees, successors, and assigns) is not obligated to object to any Claim or Interest but will nevertheless have standing to object to any such Claim or Interest on or after the Effective Date. The Debtor and Reorganized Debtor are the exclusive parties authorized to object to Claims and Interests.

B. Objection Deadline. Except as otherwise set forth in the Plan, or as otherwise extended or ordered by the Bankruptcy Court, any objections to Claims and Interests must be filed no later than the later of ninety (90) days after the Effective Date and ninety (90) days after such claim is filed and served on Reorganized Debtor (unless such day is not a Business Day; in which case, such deadline will be the next Business Day thereafter unless otherwise extended by an order of the Bankruptcy Court). An objection to a Claim or Interest will be deemed properly served on the Holder thereof if service is effectuated by any of the following methods: (i) by first-class, postage-prepaid, U.S. Mail on the signatory to the proof of Claim or Interest or such other representative identified on the proof of Claim or Interest or any attachment thereto or, if no proof of Claim or Interest was filed, on any postage-prepaid U.S. Mail on any counsel who has appeared in the Bankruptcy Case on behalf of the Holder of a Claim or Interest.

C. Settlement of Objections to Claims or Interests.

On and after the Effective Date, and pursuant to Bankruptcy Code section 105 and Bankruptcy Rule 9019, Reorganized Debtor shall be entitled to compromise, settle, resolve, or withdraw any objection to a Claim or Interest and to compromise, settle, or resolve any Disputed Claims. After the Effective Date, Reorganized Debtor shall have the exclusive right to compromise and settle any Claim against the Debtor and any claims the Debtor may have against other Entities without approval from the Bankruptcy Court.

D. Procedures for Treating and Resolving Disputed, Contingent, and Unliquidated Claims

1. **No Distribution Pending Allowance.** Absent agreement between Reorganized Debtor and the Holder of a Claim or Interest, no Distributions shall be made with respect to all or any portion of a Disputed Claim or Disputed Interest until (a) all objections to such Disputed Claim or Disputed Interest have been settled, withdrawn, or determined by a Final Order, and (b) the Disputed Claim or Disputed Interest has become an Allowed Claim or Allowed Interest, respectively. When a Disputed Claim or Disputed Interest becomes an Allowed Claim or an Allowed Interest, the Debtor or Reorganized Debtor shall make Distributions with respect to such Allowed Claim or Allowed Interest and net of any setoff or any required withholding of applicable taxes. Notwithstanding the foregoing language, no Distributions will be made to Holders of Allowed Interests until all Disputed Interests are adjudicated to be either Allowed Interests or Disallowed Interests pursuant to a Final Order of the Bankruptcy Court.

2. **Disputed Claim Reserves.** On or after the Effective Date, Reorganized Debtor will create one or more separate Disputed Claim Reserves, as appropriate, from the Assets to be distributed to or for the benefit of Holders of Disputed Claims, pending allowance thereof. The amount held in such Disputed Claim Reserves may be adjusted from time to time as appropriate and in the sole discretion of Reorganized Debtor but shall not be less than the amount the Debtor acknowledge as being owed to the claimant. Nothing in the Plan will be deemed to entitle the Holder of a Disputed Claim to postpetition interest on such Claim, if Allowed, unless otherwise required under the Plan.

3. **Claim Estimation.** The Debtor or Reorganized Debtor may request estimation or limitation of any contingent, unliquidated, or Disputed Claim pursuant to Bankruptcy Code section 502(c), regardless of whether that Claim was previously objected to or whether the Bankruptcy Court has ruled on any such objection; provided however, that the Bankruptcy Court will determine: (a) whether such Disputed Claim is subject to estimation pursuant to Bankruptcy Code section 502(c); and (b) the timing and procedures for such estimation proceedings, if any. The Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of an appeal relating to such objection.

If the Bankruptcy Court estimates any contingent, unliquidated, or Disputed Claim, the amount so estimated shall constitute, as determined by the Bankruptcy Court, either the Allowed amount of such Claim or a maximum limitation on the amount of such Claim. If the estimated amount of such Claim constitutes a maximum limitation on the amount of such Claim, the Debtor or Reorganized Debtor may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation, and resolution procedures are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any procedural mechanism approved by the Plan or the Bankruptcy Court.

4. **Distribution After Allowance.** Distributions from a particular Disputed Claim Reserve to each respective Holder of a Disputed Claim, to the extent such Disputed Claim becomes an Allowed Claim, will be made in accordance with the provisions of the Plan governing Distributions to such Holders of Allowed Claims in the Class in which such Claim is classified. Unless otherwise provided in the Plan, as promptly as practicable after the date a Disputed Claim becomes an Allowed Claim, and in any event, not later than ten (10) days after the Disputed Claim becomes an Allowed Claim pursuant to a Final Order of the Bankruptcy Court, Reorganized Debtor will distribute to the Claim Holder the property from the Disputed Claim Reserve that would have been otherwise distributed to the Claim had its Claim been an Allowed Claim on the Effective Date. After all Disputed Claims have been resolved and all such Claims that become Allowed Claims have been paid in full, any property left in the Disputed Claim Reserves will be distributed to the Holders of Allowed Interests.

E. **Allowance of Claims Subject to Bankruptcy Code Section 502(d).**

Except as otherwise provided by a Final Order of the Bankruptcy Court or pursuant to a settlement agreement among the relevant parties, allowances of Claims will be in all respects subject to the provisions of Bankruptcy Code section 502(d).

**ARTICLE IX
EFFECT OF CONFIRMATION**

A. Legally Binding Effect. From and after the Effective Date, the Plan shall bind all present and future Holders of Claims and Interests, their respective successors and assigns, and all other parties in interest in the Chapter 11 Case. Confirmation of the Plan binds each of the Holders of Claims and Interests to the terms and conditions of the Plan, whether or not the Claim or Interest of such Claim or Interest Holder is Impaired under this Plan and whether or not such Claim or Interest Holder has accepted or is deemed to have accepted this Plan.

B. Permanent Injunction.

Except as otherwise provided in the Plan, on and after the Confirmation Date, all Holders of Claims are enjoined from threatening, commencing, or continuing any lawsuit or other legal or equitable action against the Debtor or property of the Debtor to recover any Claim.

C. Conditions Precedent to the Confirmation Date.

The occurrence of the Confirmation Date of the Plan is subject to satisfaction or waiver by the Debtor of each of the following conditions:

1. The Disclosures Statement shall be approved; and
2. The Confirmation Order shall be in form and substance reasonably acceptable to the Debtor.

D. Conditions Precedent to the Effective Date.

The Plan shall not become operative until the Effective Date occurs. The Effective Date shall occur after the following condition has been satisfied; provided, however, the Debtor may waive the following condition in whole or in part, whereupon the Effective Date shall occur without further action by any Person:

1. At the sole option of the Debtor, either (a) the Confirmation Order shall become a Final Order; or (b) as of the fifteenth (15) day after entry of the Confirmation Order, no stay of the Confirmation Order or motion for a stay (or any other motion described in Bankruptcy Rule 8002(b)) of the Confirmation Order shall be in effect or pending, and no other relief shall have been entered nor any facts exist that would render the doctrine of mootness inapplicable as a matter of law.

Without limiting the foregoing condition, if the Debtor so elects, the Effective Date may occur before the expiration of time to take an appeal or to seek reconsideration of the Confirmation Order. In the event of any such appeal, the Debtor may seek the

dismissal of such appeal as moot following the Effective Date of the Plan. The failure of the Debtor to exercise any of the forgoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time. Reorganized Debtor will file with the Bankruptcy Court a notice of the Effective Date within three (3) Business Days after its occurrence and serve a copy of the notice on all parties in interest.

E. Vesting of Assets Free and Clear of Liens, Claims, and Interests.

Except as otherwise provided by the Plan, upon the Effective Date, and pursuant to Bankruptcy Code sections 1141(b) and (c), all property and Assets of the Debtor and its Estate shall vest in Reorganized Debtor free and clear of all Claims, Liens, encumbrances, charges, and other interests. All Liens Claims, encumbrances, charges, and other interests shall be deemed fully released and discharged as of the Effective Date, except otherwise provided in the Plan. As of the Effective Date, and subject to its obligations under the Plan and Confirmation Order, Reorganized Debtor may use, acquire, and dispose of property and Assets and compromise Claims and Interests: (i) without supervision or approval by the Bankruptcy Court; (ii) free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules; and (iii) as if there were no pending case under any chapter or provision of the Bankruptcy Code.

F. Discharge and Injunction.

Except as otherwise provided in the Plan, upon the Effective Date, all existing Claims against the Debtor shall be, and shall be deemed to be discharged and terminated. The Confirmation Order shall be a judicial determination of the discharge of all Claims against, liabilities of, and Interests in the Debtor, subject to the occurrence of the Effective Date as provided for in Bankruptcy Code sections 524(a) and 1141.

ALL HOLDERS OF CLAIMS AND INTERESTS (AND ALL REPRESENTATIVES OR AGENTS ON BEHALF OF EACH HOLDER) SHALL BE PRECLUDED AND PERMANENTLY ENJOINED FROM ASSERTING AGAINST REORGANIZED DEBTOR, ITS SUCCESSORS OR ASSIGNEES, OR ANY OF ITS ASSETS, ANY CLAIM OR INTEREST BASED UPON ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BETWEEN THE PETITION DATE AND THE EFFECTIVE DATE, WHETHER OR NOT SUCH HOLDER HAS FILED A PROOF OF CLAIM OR PROOF OF INTEREST, AND WHETHER OR NOT THE FACTS OR LEGAL BASES THEREFORE WERE KNOWN OR EXISTED PRIOR TO THE EFFECTIVE DATE.

G. Setoff and Recoupment.

The Debtor and Reorganized Debtor may, but shall not be required to, setoff or recoup against any Claim and any Distribution to be made on account of such Claim and any and all claims, rights, and Causes of Action of any nature that the Debtor may have

against the Holder of such Claim pursuant to the Bankruptcy Code or applicable non-bankruptcy law; provided however, that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver, abandonment, or release by the Debtor or Reorganized Debtor of any such claims, rights, and Causes of Action that the Debtor or Reorganized Debtor may have against the Holder of such Claim.

I. Transfer and Preservation of Other of Causes of Action.

Except as otherwise provided in the Plan, or other agreement reached in connection with the Plan, and in accordance with Bankruptcy Code section 1123(b)(3), the Debtor shall transfer all other Causes of Action, claims, counterclaims, rights, defenses, setoffs, recoupments, and actions in law or equity to Reorganized Debtor as of the Effective Date. Reorganized Debtor shall retain the exclusive right to prosecute, settle, or compromise any claim or Cause of Action vested in it under the Plan. To the extent that any claim or Cause of Action is not transferable by the Debtor to Reorganized Debtor under applicable law, the Debtor shall retain such claims and Causes of Action and Reorganized Debtor shall be entitled to prosecute such claims and Causes of Action on behalf of the Debtor. Reorganized Debtor shall also receive, retain, and may prosecute and enforce all defenses, counterclaims, and rights that have been asserted or could be asserted by the Debtor against or with respect to all Claims asserted against the Debtor or property of the Debtor's Estate. No claim, right Cause of Action, or other Asset shall be deemed waived or otherwise forfeited by virtue of the Debtor's failure to identify such property in the Schedules or Disclosure Statement.

J. Compromise and Settlement of Claims and Controversies.

Pursuant to Bankruptcy Code sections 105 and 363 and Bankruptcy Rule 9019, and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good-faith compromise of all Claims, Causes of Action, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any Distribution to be made on account of such Allowed Claim. Further, pursuant to Bankruptcy Code section 105 and Bankruptcy Rule 9019, and in consideration for the benefits provided under the Plan, and as a mechanism to effect a fair distribution of value to the Debtor's constituencies, the provisions of the Plan shall also constitute a good-faith compromise of all Claims, Causes of Action, and controversies by the Debtor. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtor, its Estate, and the Holders of such Claims, and such compromise or settlement is fair, equitable, and reasonable. After the Effective Date, Reorganized Debtor shall have the exclusive right to compromise and settle any Claim against the Debtor and any claims the Debtor may have against other Entities without approval from the Bankruptcy Court.

K. Insurance.

Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Debtor is or was the insured party. Reorganized Debtor shall become the insured party under any such policies. Each insurance company is prohibited from – and the Confirmation Order shall include an injunction against denying, refusing, altering, or delaying coverage on any basis regarding or related to the Chapter 11 Case or Plan.

L. Good Faith.

Confirmation of the Plan shall constitute a finding that the Plan was proposed in good faith and in compliance with the applicable provisions of the Bankruptcy Code.

M. Full and Final Satisfaction.

The Distributions and rights that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Confirmation Date (but subject to the Effective Date), of all Claims and Causes of Action against, liabilities and obligations of the Debtor or Reorganized Debtor and the assets of the Debtor or Reorganized Debtor, whether known or unknown.

N. Term of Injunction or Stay.

Unless otherwise provide herein, any injunction or stay arising under or entered during the Chapter 11 Case under Bankruptcy Code sections 105 or 362 or otherwise that is in existence on the Confirmation Date shall remain in full force and effect until the later of (i) the Effective Date and (ii) the date indicated in an order providing for such injunction or stay.

**ARTICLE X
MISCELLANEOUS**

A. Request for relief under Section 1129(b).

In the event any Impaired Class of Creditors or Interests shall fail to accept this Plan in accordance with section 1129(a) of the Bankruptcy Code, the Debtor request the Bankruptcy Court to confirm this Plan in accordance with the provisions of Section 1129(b) of the Bankruptcy Code.

B. Notice.

Unless modified by the specific treatment of certain Claims in another provision of the Plan, any notice, request, or demand required or permitted to be given in connection with the Plan shall be (i) in writing; and (ii) served on the parties at the addresses set forth below ("Notice Parties") via certified mail, return-receipt requested, hand delivery, overnight delivery, first-class U.S. mail, or fax transmission (but any such notice given by

e-mail shall not be effective notice); and (iii) deemed to have been given or made when actually delivered and received by the Notice Parties.

Saul Rodriguez Welding & Trucking, LLC
c/o M. Jermaine Watson, Esq.
M. J. WATSON & ASSOCIATES, P.C.
325 N. Saint Paul Street, Suite 220
Dallas, Texas 75201

With copies to:

Saul Rodriguez Welding & Trucking, LLC
PO Box 1445
Fort Stockton, Texas 79735

C. Asserting and Curing Default Under the Plan.

Unless modified by the specific treatment of certain Claims in another provision of the Plan, if the Debtor or Reorganized Debtor default under the provisions of the Plan, any party-in-interest who wants to assert a default will provide the Debtor or Reorganized Debtor with written notice of the alleged default. Unless otherwise provided under the Plan, the Debtor or Reorganized Debtor will have thirty-three (33) days from the receipt of such written notice of default to cure the alleged default. If the default is not cured within thirty-three (33) Business Days from receipt of the written notice of default, any party-in-interest affected by the alleged default may then file with the Bankruptcy Court and serve on counsel for Reorganized Debtor a motion to compel compliance with the applicable provision of the Plan. The Bankruptcy Court may, on finding a material default, issue orders, as appropriate, compelling compliance with the pertinent provisions of the Plan.

D. Compliance with Tax Requirements.

In connection with the Plan, the Debtor and Reorganized Debtor will comply with any withholding and reporting requirements imposed by federal, state, and local taxing authorities.

E. Modification of the Plan.

Pursuant to the provisions of Bankruptcy Code section 1127, the Debtor and Reorganized Debtor reserve the right to modify or alter the provisions of this Plan at any time prior or subsequent to Confirmation of the Plan.

F. Due Authorization.

Each and every Holder of an Allowed Claim or Allowed Interest who elects to participate in the Distributions described in the Plan warrants that it is authorized to accept, in consideration of such Claim or Interest, the Distributions provided for in the Plan and further warrants that there are no outstanding commitments, agreements, or understandings,

express or implied, that may or can, in any way, defeat or modify the rights conveyed or obligations undertaken by the Holder of such Allowed Claim or Allowed Interest under the Plan.

G. Implementation.

The Debtor and Reorganized Debtor are authorized to take all necessary steps and perform all necessary acts to consummate the terms and conditions of the Plan.

H. Post-Effective Date Professional Persons.

Reorganized Debtor will be responsible for payment of fees and expenses incurred by their professionals following the Effective Date without the necessity of Bankruptcy Court approval.

I. Bankruptcy Restrictions.

Except as otherwise expressly provided in the Bankruptcy Code, from and after the Effective Date, Reorganized Debtor shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code. No monthly operating reports will be filed after the Effective Date. Reorganized Debtor shall, however, provide the U.S. Trustee such financial reports as may be required by law and timely pay such fees as are required by law until the case is closed.

J. Integration Clause.

The Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, Reorganized Debtor, the Holders of Claims and Interests, and other parties in interest on the matters addressed herein. Parol evidence of any statement or agreement contrary to the language of this Plan shall not be admissible in an action regarding the Plan or any of its provisions.

K. Severability.

Should the Bankruptcy Court determine, prior to the Confirmation Date, that any provision of the Plan is illegal as written or as applied to any Claim or Interest, as the case may be, such provision shall be either unenforceable generally or as applied to such Claim or Interest. A determination of unenforceability shall in no respect limit or affect the enforceability and operative effect of any other provision of the Plan or of that provision as applied to other Claims and Interests.

L. Governing Law.

Except to the extent that the Bankruptcy Code, Bankruptcy Rules, or Local Rules, the rights and obligations arising under this Plan will be governed by, and construed and enforced in accordance with, the laws of the State of Texas without giving effect to the principles of conflict of laws thereto.

M. Time.

In computing any period of time prescribed or allowed by this Plan, the provisions of Bankruptcy Rule 9006 will apply.

N. Headings.

The headings of the articles and sections of the Plan are for convenience only and shall in no way affect the interpretation of the Plan provisions.

O. Successors and Assigns.

The rights, benefits, and obligations of any Entity referred to in the Plan, including without limitation, the Debtor, Reorganized Debtor, and all Holders of Claims and Interests, shall be binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors, and assigns of such Entities.

P. Compliance with the Office of the United States Trustee

Fees payable to the United States Trustee shall be payable until a final decree is entered in this Chapter 11 Case. The proper measurement of the amount of such fees is expressly adjudicated by this Plan.

Q. Preservation of Rights.

Except as expressly set forth herein, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order. Prior to the Effective Date, neither the filing of (i) the Plan; (ii) any statement or provision contained herein; nor (iii) the taking of any action by the Debtor with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtor of any kind, including with respect to the Holders of Claims or Interests or as to any treatment or classification of any Executory Contract. The Debtor reserve the right to amend the Plan as may be necessary to obtain confirmation of the Plan under Bankruptcy Code section 1129(b).

**ARTICLE XI
RETENTION OF JURISDICTION**

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, to the fullest extent permissible under law, notwithstanding entry of the Confirmation Order for the following purposes:

1. To hear and determine all matters with respect to the assumption or rejection of Executory Contracts and the allowance of Claims arising therefrom;
2. To hear and determine any motion, adversary proceeding, application, contested matter, or other litigated matter pending on or commenced after the Confirmation Date;

3. To hear and determine all matters with respect to the allowance, disallowance, liquidation, classification, priority, or estimation of any Claim, including compromises and settlements of any Claim or Cause of Action;

4. To ensure that Distributions to Holders of Allowed Claims and Allowed Interests are accomplished as provided herein;

5. To hear and determine all requests for compensation and reimbursement of Fee Claims;

6. To hear and determine any application to modify the Plan in accordance with Bankruptcy Code section 1127, to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

7. To hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan, the Confirmation Order, any transactions or payment contemplated hereby or any agreement, instruments or other documents government or relating to any of the foregoing;

8. To issue injunctions, enter and implement other orders and take such other actions as may be necessary or appropriate to restrain interference by any Person with the consummation, implementation or enforcement of the Plan, the Confirmation Order or any other order of the Bankruptcy Court;

9. To issue such orders as may be necessary to construe, enforce, implement, excute, and consummate the Plan;

10. To enter, implement or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

11. To hear and determine matters concerning state, local, and federal taxes in accordance with Bankruptcy Code sections 346, 505, and 1146;

12. To hear and determine any other matters related to the Plan and not inconsistent with the Bankruptcy Code;

13. To determine any other matters that may arise in connection with or are related to the Plan, the Disclosure Statement, the Confirmation Order, and any other contract, instrument, release, agreement, or document related to the Plan or the Disclosure Statement;

14. To recover all Assets of the Debtor and property of the Estate, wherever located;

15. To hear and determine all disputes involving the existence, nature, or scope of the Debtor's discharge;

16. To hear and determine any rights, claims, or Causes of Action held by or accruing to the Debtor or the Reorganized Debtor pursuant to the Bankruptcy Code or pursuant to any federal or state statute or legal theory;

17. To enforce all orders, judgment, injunctions, releases, exculpations, and rulings entered in connection with the Chapter 11 Case or this Plan;

18. To hear any other matter not inconsistent with the Bankruptcy Code; and

19. To enter a final decree closing the Chapter 11 Case.

Unless otherwise specifically provided herein or in a prior order of the Bankruptcy Court, the Bankruptcy Court shall have exclusive jurisdiction to hear and determine disputes concerning Claims and Interests.

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**ARTICLE XII
CONFIRMATION REQUEST**

Based on the representations in the Plan, the Debtor hereby requests that the Bankruptcy Court confirm this Plan pursuant to Bankruptcy Code section 1129(a) and, if necessary, pursuant to Bankruptcy section 1129(b).

Dated: January 24, 2018

Respectfully submitted by,

**SAUL RODRIGUEZ WELDING &
TRUCKING, LLC**

/s/ Saul Rodriguez

Saul Rodriguez

and

/s/ M. Jermaine Watson

M. Jermaine Watson

State Bar No. 24063055

M. J. WATSON & ASSOCIATES, P.C.

325 N. Saint Paul Street, Suite 2200

Dallas, Texas 75201

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Facsimile: 214-999-1384

Email: jwatson@mjwatsonlaw.com

**COUNSEL TO DEBTOR AND DEBTOR
IN POSSESSION SAUL RODRIGUZ
WELDING & TRUCKING, LLC**

Exhibit "B"
SAUL RODRIGUEZ WELDING and TRUCKING, LLC
CASE NO. 17-70116-TMD
PROJECTED CASH FLOW ANALYSIS

Debtor's Operations during the Chapter 11 Proceeding (through December 31, 2017)

Operating Income	June/July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	Total
Cash Beginning of the Month	\$ -	\$ 143,158.45	\$ 29,800.73	\$ 65,740.69	\$ 106,041.97	\$ 147,554.87	\$ 492,296.71
Cash Sales	\$ 346,000.00	\$ 290,194.02	\$ 335,136.50	\$ 392,956.21	\$ 390,763.80	\$ 626,892.61	\$ 2,381,943.14
Total Operating Income	\$ 346,000.00	\$ 290,194.02	\$ 335,136.50	\$ 392,956.21	\$ 390,763.80	\$ 626,892.61	\$ 2,381,943.14
Expenses							
Net Payroll	\$ 72,500.00	\$ 91,362.29	\$ 50,063.28	\$ 49,319.00	\$ 58,037.64	\$ 63,272.80	\$ 384,555.01
Payroll Taxes Paid	22,800.00	19,130.88	15,136.26	29,828.00	24,790.58	9,548.00	121,233.72
Secured/Rental/ Leases	26,000.00	34,180.00	32,000.00	26,000.00	-	26,000.00	144,180.00
Utilities (Electrical, Phone & Data)	800.00	1,150.81	698.30	227.00	1,370.84	239.66	4,486.61
Insurance	9,852.00	22,963.77	14,825.15	18,247.00	7,918.46	9,293.34	83,099.72
Inventory Purchases	1,100.00	16,219.89	8,735.09	2,238.00	-	-	28,292.98
Vehicle Expenses	13,552.00	15,191.53	12,599.89	34,732.00	25,504.91	8,546.17	110,126.50
Travel & Entertainment	650.00	1,031.60	2,121.86	701.00	2,291.33	2,184.65	8,980.44
Repairs, Maintenance & Supplies	1,200.00	15,341.49	850.00	-	850.00	7,360.65	25,602.14
Other	-	179,124.13	163,166.77	186,487.93	223,973.20	289,803.42	1,042,555.45
Total Expenses	\$ 148,454.00	\$ 395,696.39	\$ 300,196.60	\$ 347,779.93	\$ 344,736.96	\$ 416,248.69	\$ 1,953,112.57
Net Income	\$ 197,546.00	\$ 37,656.08	\$ 64,740.63	\$ 110,916.97	\$ 152,068.81	\$ 358,198.79	\$ 921,127.28

Year 1 Under the Plan

Operating Income	April 2018	May 2018	June 2018	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	Total
Cash Beginning of the Month	\$ 243,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,372,656.76
Cash Sales	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	6,000,000.00
Total Operating Income	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 6,000,000.00
Expenses													
Net Payroll	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 759,273.60
Payroll Taxes Paid	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	114,576.00
Secured/Rental/ Leases	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	312,000.00
Utilities (Electrical, Phone & Data)	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	2,875.92
Insurance	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	111,520.08
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Expenses	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	102,554.04
Travel & Entertainment	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	26,215.80
Repairs, Maintenance & Supplies	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	88,327.80
Other	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	2,160,000.00
Plan Payments	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	240,000.00
Total Expenses	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	3,677,343.24
Net Income	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,322,656.76

Exhibit "B"
SAUL RODRIGUEZ WELDING and TRUCKING, LLC
CASE NO. 17-70116-TMD
PROJECTED CASH FLOW ANALYSIS

Year 2 Under the Plan

Operating Income	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	Total
Cash Beginning of the Month	\$ 243,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,372,656.76
Cash Sales	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	6,000,000.00
Total Operating Income	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 6,000,000.00
Expenses													
Net Payroll	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 759,273.60
Payroll Taxes Paid	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	114,576.00
Secured/Rental/ Leases	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	312,000.00
Utilities (Electrical, Phone & Data)	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	2,875.92
Insurance	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	111,520.08
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Expenses	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	102,554.04
Travel & Entertainment	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	26,215.80
Repairs, Maintenance & Supplies	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	88,327.80
Other	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	2,160,000.00
Plan Payments	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	14,870.72	-	214,870.72
Total Expenses	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	3,677,343.24
Net Income	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,322,656.76

Year 3 Under the Plan

Operating Income	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	Total
Cash Beginning of the Month	\$ 243,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,372,656.76
Cash Sales	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	6,000,000.00
Total Operating Income	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 6,000,000.00
Expenses													
Net Payroll	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 759,273.60
Payroll Taxes Paid	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	114,576.00
Secured/Rental/ Leases	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	312,000.00
Utilities (Electrical, Phone & Data)	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	2,875.92
Insurance	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	111,520.08
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Expenses	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	102,554.04
Travel & Entertainment	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	26,215.80
Repairs, Maintenance & Supplies	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	88,327.80
Other	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	2,160,000.00
Plan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	3,677,343.24
Net Income	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,322,656.76

Exhibit "B"
SAUL RODRIGUEZ WELDING and TRUCKING, LLC
CASE NO. 17-70116-TMD
PROJECTED CASH FLOW ANALYSIS

Year 4 Under the Plan													
Operating Income	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	Total
Cash Beginning of the Month	\$ 243,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,372,656.76
Cash Sales	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	6,000,000.00
Total Operating Income	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 6,000,000.00
Expenses													
Net Payroll	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 759,273.60
Payroll Taxes Paid	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	114,576.00
Secured/Rental/ Leases	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	312,000.00
Utilities (Electrical, Phone & Data)	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	2,875.92
Insurance	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	111,520.08
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Expenses	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	102,554.04
Travel & Entertainment	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	26,215.80
Repairs, Maintenance & Supplies	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	88,327.80
Other	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	2,160,000.00
Plan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	3,677,343.24
Net Income	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,322,656.76

Year 5 Under the Plan													
Operating Income	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	Total
Cash Beginning of the Month	\$ 243,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,372,656.76
Cash Sales	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	6,000,000.00
Total Operating Income	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 6,000,000.00
Expenses													
Net Payroll	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 63,272.80	\$ 759,273.60
Payroll Taxes Paid	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	9,548.00	114,576.00
Secured/Rental/ Leases	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	26,000.00	312,000.00
Utilities (Electrical, Phone & Data)	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	239.66	2,875.92
Insurance	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	9,293.34	111,520.08
Inventory Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Expenses	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	8,546.17	102,554.04
Travel & Entertainment	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	2,184.65	26,215.80
Repairs, Maintenance & Supplies	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	7,360.65	88,327.80
Other	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	2,160,000.00
Plan Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	\$ 306,445.27	3,677,343.24
Net Income	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 193,554.73	\$ 2,322,656.76

Exhibit "C"

SAUL RODRIGUEZ WELDING and TRUCKING, LLC

CASE NO. 17-70116-TMD

UTILIZATION OF CASH UNDER THE PLAN

		<u>Claim Amount</u>				
Class I	Pecos County Secured Tax Claim	\$	7,668.92			
Class II	Secured Ford Motor Credit Company, LLC Claim	\$	91,886.58			(Payments will be made monthly per sales contract)
Class III	Priority Unsecured Employee Priority Wage Claims	\$	164,054.50			
Class IV	Priority Unsecured Internal Revenue Service Tax Claim	\$	199,438.71			(Calculations made without statutory interest)
Class V	General Unsecured Claims	\$	83,708.59			
		\$	<u>546,757.30</u>			
			Year 1	Year 2	Year 3	Year 4
						Year 5
Actual Plan Payments to Creditors as Budgeted	\$	240,000.00	\$	240,000.00	\$	240,000.00
Payment to Pecos County		7,668.92		-		-
Payments to Unsecured Employee Priority Wage Claimants		164,054.50		-		-
Payments to Internal Revenue Service		68,276.58		131,162.13		-
Payments to General Unsecured Creditors		-		83,708.59		-
Excess (Shortfall)	\$	-	\$	<u>25,129.28</u>		

Exhibit 52

SAUL RODRIGUEZ WELDING and TRUCKING, LLC

CASE NO. 17-70116-TMD

CHAPTER 7 LIQUIDATION ANALYSIS

<u>ASSETS</u>	<u>Value</u>
Cash	\$ 358,198.79
Accounts Receivable, Net	389,943.87
Machinery, Equipment and Vehicles	130,107.48
Office Furniture, Fixtures and Equipment	1,275.00
TOTAL	\$ 879,525.14

<u>CREDITORS</u>	
<u>Secured Claims</u>	
Pecos County (POC No. 3)	\$ 7,668.92
Ford Motor Credit Company, LLC (POC No. 7)	52,867.50
Ford Motor Credit Company, LLC (POC No. 8)	39,019.08
TOTAL	\$ 99,555.50

<u>Priority Claims</u>	
Unsecured Employee Wage Claims	\$ 164,054.50
Priority Unsecured Internal Revenue Tax Claim (POC No. 1)	199,438.71
TOTAL	\$ 363,493.21

NET AVAILABLE TO GENERAL UNSECURED CREDITORS **\$ 416,476.43**

<u>General Unsecured Claims</u>	
Internal Revenue Service (POC No. 1)	\$ 22,650.12
Light Tower Rentals, Inc. (POC N. 2)	11,053.51
Ford Motor Credit Company, LLC (POC No. 4)	3,565.06
Ford Motor Credit Company, LLC (POC No. 5)	6,937.08
Ford Motor Credit Company, LLC (POC No. 6)	6,423.93
Unifirst Corporation (POC No. 9)	1,961.88
Jam Sky Force	3,600.00
Knox Oil Field Services	12,901.83
Trans Pecos Instrumentation	14,615.18
TOTAL	\$ 83,708.59

PERCENTAGE RECEIVED IN CHAPTER 7 LIQUIDATION 100.00%