

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	)	Chapter 11
In re:	)	
	)	Case No. 17-10064 (KG)
CHIEFTAIN SAND AND PROPPANT, LLC., <i>et al.</i> ,	)	
	)	(Jointly Administered)
Debtors.	)	
	)	

**NOTICE OF MECHANICS’ LIEN AND NOTICE OF  
PERFECTION OF MECHANICS’ LIEN PURSUANT TO SECTION 546(B)**

Knapp Railroad Builders, Inc. (hereinafter “Knapp”), hereby give notice to the Debtors, Chieftain Sand and Proppant, LLC, et al. (the “Debtors”) and to all other parties in interest pursuant to Section 546(b) of title 11 of the United States Code (the “Bankruptcy Code”) of its perfection of a mechanic’s lien claim against certain property of the Debtors’ estates, and in support thereof respectfully represents as follows:

1. Knapp is engaged in the business of providing work, services, labor, equipment, and materials for the installation and repair of railroad track, rails, and related equipment and fixtures.
2. On or about August 2, 2016, the Debtors gave Knapp a series of purchase orders for the installation and repair of rail at related work at it plant and main office located 331 27th Street, New Auburn, Wisconsin 54757-8757 (the “Chieftain Property”). The Debtors and Knapp reviewed the purchase orders and agreed upon the scope of the work to be performed. The work primarily involved replacing existing rail with new rail. On September 7, 2016, Knapp mobilized to perform the work, and continued on the job through October 28, 2016.

3. The real estate where Knapp performed its work (the “Chieftain Property”) is on information and belief, and as show by public record, is owned by the debtor Chieftain Sand and Proppant Barron, LLC. The work which Knapp provided added substantial value to the Chieftain Property.

4. On November 1, 2016, Knapp sent the Debtors four invoices totaling \$161,220 representing the entire balance due for its work. The Debtors failed to pay all or any part of these invoices.

5. Under Wisconsin law, Knapp has a construction lien upon the Chieftain Property for its labor and materials dating back to “the visible commencement in place of the work of improvement.” § 779.01, Wis. Stats., which would have been September 7, 2016. To perfect and maintain its construction lien, Knapp must provide the owner with a thirty-day notice of its intention to file a claim for lien and then file a claim for lien.

6. Debtors commenced the above-captioned cases under Chapter 11 of the Bankruptcy Code in this Court on or about January 9, 2017 (the “Petition Date”).

7. 11 U.S.C. § 362(b)(3) provides for an exception to the automatic stay for “any act to perfect, or to maintain or continue the perfection of, an interest in property for those with an interest in property that predates the bankruptcy petition. [11 U.S.C. § 546(b); *In re Constr. Supervision Servs., Inc.*, 753 F.3d 124, 126 (4th Cir. 2014)]

8. On January 13, 2017, Knapp, through its counsel, gave the Debtors and their counsel notice of its intention to perfect its construction lien against the Chieftain Property in reliance on 11 U.S.C. § 362(b)(3) and 11 U.S.C. § 546(b). Knapp plans to perfect and maintain its lien pursuant to §779.06, Wis. Stats., by timely filing its claim at the office of the Clerk of

Courts in Barron County, Wisconsin.

9. Knapp reserves its rights to supplement and/or amend this Notice, and further reserves its rights with respect to its construction lien under applicable law. Nothing in this Notice shall be construed as a waiver of Knapp's rights to assert any claims, including, without limitation, any administrative expense claim, priority claim, general unsecured claim, or other secured claim, against the Debtors under the Bankruptcy Code or other applicable state or federal law.

Date: January 25, 2017  
Wilmington, Delaware

*/s/ Curtis A. Hehn*

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