

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Case No. 17-10064 (KG)
)	
Chieftain Sand and Proppant, LLC, <i>et al.</i> ,)	Chapter 11
)	
Debtors. ¹)	(Jointly Administered)
)	

NOTICE OF ORDER (A) APPROVING COMBINED PLAN AND DISCLOSURE STATEMENT ON A PRELIMINARY BASIS, (B) SCHEDULING COMBINED HEARING ON APPROVAL AND CONFIRMATION OF COMBINED PLAN AND DISCLOSURE STATEMENT, (C) ESTABLISHING PROCEDURES FOR SOLICITATION AND TABULATION OF VOTES ON COMBINED PLAN AND DISCLOSURE STATEMENT, AND (D) APPROVING RELATED MATTERS

YOU ARE ADVISED TO CAREFULLY REVIEW AND CONSIDER THE COMBINED PLAN AND DISCLOSURE STATEMENT, INCLUDING THE TERMS OF THE RELEASE, EXCULPATION, INJUNCTION AND BAR PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

BY ORDER OF THE COURT, TO ALL PARTIES IN INTEREST, PLEASE TAKE NOTICE THAT:

- 1. Filing of the Combined Plan and Disclosure Statement.** On July 6, 2017, the debtors and debtors-in-possession in the above-captioned cases (the “Debtors”) filed the *Debtors’ Combined Plan and Disclosure Statement for Chieftain Sand and Proppant, LLC and Chieftain Sand and Proppant Barron, LLC*, [Docket No. 263], (as may be amended, supplemented or otherwise modified from time to time, the “Combined Plan and Disclosure Statement”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).²
- 2. Interim Bankruptcy Court Approval of the Disclosure Statement and the Notice Procedures.** On July 25, 2017, the Bankruptcy Court entered the *Order (A) Approving Combined Plan and Disclosure Statement on a Preliminary Basis, (B) Scheduling Combined Hearing on Approval and Confirmation of Combined Plan and Disclosure Statement, (C) Establishing Procedures for Solicitation and Tabulation of Votes on Combined Plan and Disclosure Statement, and (D) Approving Related Matters* [Docket

¹ The Debtors in these chapter 11 cases, and the last four digits of their respective federal tax identification numbers, are Chieftain Sand and Proppant, LLC (1729) and Chieftain Sand and Proppant Barron, LLC (0418). The Debtors’ service address is: 331 27th Street, New Auburn, WI 54757.

² Terms not defined herein shall have the meanings ascribed to them in the Combined Plan and Disclosure Statement.

No. 286] (the “Interim Approval and Procedures Order”), which approves, among other things, the Combined Plan and Disclosure Statement on an interim basis, as required under Local Bankruptcy Rule 3017-2, and authorizes the Debtors to provide notice of their intent to seek final approval of the Combined Plan and Disclosure Statement pursuant to certain procedures set forth herein.

- 3. The Combined Hearing.** Pursuant to the Interim Approval and Procedures Order, a combined hearing on final approval and Confirmation of the Combined Plan and Disclosure Statement (the “Combined Hearing”) will be held before the Honorable Kevin Gross, United States Bankruptcy Judge, United States Bankruptcy Court for the District of Delaware, 824 N. Market St., 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801, on **September 14, 2017 at 10:00 a.m. (prevailing Eastern Time)** or as soon thereafter as counsel can be heard, to consider the entry of an Order confirming the Combined Plan and Disclosure Statement within the meaning of section 1129 of title 11 of the United States Code (11 U.S.C. §§ 101 *et seq.*, the “Bankruptcy Code”). The Combined Hearing may be continued from time to time by way of announcement of such continuance in open court, without further notice to parties in interest.
- 4. Objections to Final Approval and Confirmation of the Combined Plan and Disclosure Statement.** Any responses or objections to final approval and Confirmation of the Combined Plan and Disclosure Statement (“Objection”) must (i) be made in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules; (iii) state the name and address of the objecting party and the nature and amount of any Claim or Equity Interest asserted by such party against the Debtors, their Estates or property; (iv) state with particularity the legal and factual bases and nature of any objection to the Combined Plan and Disclosure Statement; and (v) be filed with the Bankruptcy Court and served so as to be received, **on or before 4:00 p.m. (prevailing Eastern Time) on September 5, 2017** (the “Objection Deadline”) by the following parties (collectively, the “Notice Parties”): (i) counsel for the Debtors, Gibbons P.C., 300 Delaware Avenue, Ste. 1015, Wilmington, Delaware 19801 (Attn: Howard A. Cohen, Esq. (hcohen@gibbonslaw.com)); (ii) counsel for the DIP Agent, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, (Attn: Mitchell A. Seider, Esq. (mitchell.seider@lw.com)) and Annemarie V. Reilly, Esq. (annemarie.reilly@lw.com)) and Richards Layton & Finger, One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (Attn: Mark D. Collins (collins@rlf.com)) ; and (iii) the United States Trustee, 844 King Street, Suite 2207, Lockbox #35, Wilmington, DE 19801, Attn: Hannah M. McCollum (Hannah.McCollum@usdoj.gov).. Any party in interest in these chapter 11 cases may object to final approval and Confirmation of the Combined Plan and Disclosure Statement, even if such Person or Entity is not eligible to vote on the Combined Plan and Disclosure Statement. Objections that are not timely filed by the Objection Deadline shall not be considered by the Bankruptcy Court and shall be overruled.
- 5. Voting Procedures.** Holders of Class 2 (Lender Secured Claims) and Class 4 (Knapp Railroad Builders, Inc. – Mechanics Lien/Secured Claim) are entitled to vote to accept or reject the Combined Plan and Disclosure Statement. If you hold such a Claim you will receive the Solicitation Package containing a Ballot and the following: (i) a copy of this

Notice; (ii) a copy of the Combined Plan and Disclosure Statement; (iii) a copy of the Interim Approval and Procedures Order (without exhibits) as entered by the Bankruptcy Court; (iv) a copy of IRS Form W-9; (v) a pre-addressed return envelope; and (vi) such other materials as the Bankruptcy Court may direct or approve. If you hold a Claim in Class 2 or Class 4 and do not receive a Solicitation Package, contact the Voting Agent.

6. **Voting Deadline.** The deadline to vote on the Combined Plan and Disclosure Statement is **September 1, 2017 at 5:00 p.m. (prevailing Eastern Time)** (the “Voting Deadline”). Please review carefully the Ballot and instructions included therewith for how to complete and submit your vote on the Combined Plan and Disclosure Statement. Failure to follow the instructions may disqualify your vote.
7. **Record Date.** The record date (the “Record Date”) for determining Holders of Claims entitled to vote on the Combined Plan and Disclosure Statement and thus receive the Solicitation Package pursuant to the Solicitation Procedures is the earlier of (i) **the date of entry of the Interim Approval and Procedures Order at 5:00 p.m. (prevailing Eastern Time)** or (ii) **July 28, 2017 at 5:00 p.m. (prevailing Eastern Time)**. If a Holder of a Claim in one of the Voting Class transfers all of such Claim to one or more parties before the Holder has cast its vote on the Combined Plan and Disclosure Statement, such Holder will be automatically deemed to have provided a voting proxy to the purchaser(s) of the Holder’s Claim, and the purchaser(s) will be deemed to be the Holder(s) as of the Record Date for purposes of voting on the Combined Plan and Disclosure Statement.
8. **Temporary Allowance of Claims for Voting Purposes.** The date for filing and serving motions to temporarily allow a Claim or Equity Interest for voting purposes pursuant to Bankruptcy Rule 3018(a) (“Rule 3018(a) Motions”) is **August 21, 2017 at 5:00 p.m. (prevailing Eastern Time)** (the “Rule 3018(a) Motion Deadline”). Rule 3018(a) Motions must be: (i) be made in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules; (iii) state the name and address of the party asserting the Rule 3018(a) Motion; (iv) state with particularity the legal and factual bases for the Rule 3018(a) Motion; and (v) be filed with the Bankruptcy Court, and served on the Notice Parties, so as to be received no later than the Rule 3018(a) Motion Deadline. Any party timely filing and serving a Rule 3018(a) Motion will be provided a Ballot and be permitted to cast a provisional vote to accept or reject the Combined Plan and Disclosure Statement. To the extent that the Debtors and such party are unable to resolve the issues raised by the Rule 3018(a) Motion prior to the Combined Hearing, such Rule 3018(a) Motion will be considered by the Bankruptcy Court at the Combined Hearing, and the Bankruptcy Court will determine whether the provisional Ballot should be counted as a vote on the Combined Plan and Disclosure Statement and, if so, the amount, if any, in which the party filing the Rule 3018(a) Motion will be entitled to vote.
9. **Non-Voting Classes.** Administrative Expense Claims and Priority Tax Claims asserted against the Debtors (collectively, the “Unclassified Claims”) are not classified under the Combined Plan and Disclosure Statement, are deemed to have accepted the Combined Plan and Disclosure Statement, and are not entitled to vote. Holders of Claims in Class 1 (Other Priority Claims) and Class 3 (Other Miscellaneous Secured Claims) under the

Combined Plan and Disclosure Statement are Unimpaired, are deemed to have accepted the Combined Plan and Disclosure Statement, and are not entitled to vote. Holders of Claims and Equity Interests in Class 5 (General Unsecured Claims), Class 6 (Intercompany Claims), Class 7 (Equity Interests in Chieftain Sand and Proppant, LLC) and Class 8 (Equity Interests in Chieftain Sand and Proppant Barron, LLC) under the Combined Plan and Disclosure Statement are Impaired, are deemed to have rejected the Combined Plan and Disclosure Statement, and are not entitled to vote.

- 10. Further Modification of Combined Plan and Disclosure Statement.** The Combined Plan and Disclosure Statement may be further modified, if necessary, pursuant to section 1127 of the Bankruptcy Code, prior to, during or as a result of the Combined Hearing, without further notice to parties in interest. To the extent there is a material modification of the Combined Plan and Disclosure Statement, the Debtors will file the revised Combined Plan and Disclosure Statement on the docket for these Chapter 11 cases.
- 11. Rejection of Executory Contracts and Unexpired Leases.** Executory Contracts and Unexpired Leases are deemed rejected under the Combined Plan and Disclosure Statement, except to the extent that such Executory Contract or Unexpired Lease: (a) was assumed or rejected previously by the Debtors; (b) previously expired or terminated pursuant to its own terms or (c) is the subject of a motion to assume Filed on or before the Effective Date of the Combined Plan and Disclosure Statement (the “Rejection Exceptions”). Any Proof of Claim based on the Debtors’ rejection of an Executory Contract or Unexpired Lease must be filed by the Rejection Claim Bar Date. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease for which a Proof of Claim is not timely filed by the Rejection Claim Bar Date will be automatically Disallowed, barred from assertion, and will not be enforceable against the Debtors or the Debtors’ Estates or property. All Allowed Claims arising from the rejection of an Executory Contract or Unexpired Lease shall be classified as Class 5 - General Unsecured Claim against the Debtors.
- 12. Releases, Exculpation, Injunction and Bar Provisions in the Combined Plan and Disclosure Statement.** Article X of the Combined Plan and Disclosure Statement contains certain release, exculpation, injunction and bar provisions. These provisions may materially affect your rights. Please review carefully.

Exculpation

The Debtors, the Debtors’ Estates and the Exculpated Parties shall not have or incur any liability to any Person or Entity, including any holder of a Claim or Equity Interest, for any act or omission taken or not taken in connection with, relating to, or arising out of the Chapter 11 Cases, the negotiation and Filing of this Combined Plan and Disclosure Statement, the Filing of the Chapter 11 Cases, the prosecution and/or settlement of Claims, the performance, termination or rejection of Executory Contracts, the pursuit of confirmation of this Combined Plan and Disclosure Statement, the consummation of this Combined Plan and Disclosure Statement, the administration of this Combined Plan and Disclosure Statement or the property to be Distributed under this Combined Plan and Disclosure Statement, except for their willful misconduct or gross negligence or any

obligations that they have under or in connection with this Combined Plan and Disclosure Statement or the transactions contemplated in this Combined Plan and Disclosure Statement. Nothing herein shall preclude the Exculpated Parties from asserting as a defense to any claim of willful misconduct or gross negligence that he reasonably relied upon the advice of counsel with respect to his duties and responsibilities under the Combined Plan and Disclosure Statement or otherwise.

Release by the Debtors

Effective as of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors, the Debtors' Estates, and any Estate representative appointed or selected pursuant to the Bankruptcy Code shall be deemed to, completely, conclusively, absolutely, unconditionally, irrevocably and forever release, waive, void, extinguish and discharge each of the Released Parties and their respective assets and properties from any claim, Claim, Cause of Action, obligation, suit, judgment, damages, debt, right, remedy or liability whatsoever, whether known or unknown, foreseen or unforeseen, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, based in whole or in part on any act, omission, transaction, or other occurrence or circumstances (i) that took place prior to or after the Petition Date relating to and/or in connection with either of the Debtors prior to or on the Effective Date; and (ii) that was taken or not taken in connection with, relating to, or arising out of, in whole or in part the Chapter 11 Cases, the Sale (and the auction in connection therewith), the negotiation and Filing of this Combined Plan and Disclosure Statement and any related documents, the Filing of the Chapter 11 Cases, the prosecution and/or settlement of Claims prior to or during the Chapter 11 Cases, the subject matter of, or the transactions or events giving rise to, any Claim that is treated in this Combined Plan and Disclosure Statement, the performance, termination or rejection of Executory Contracts, the pursuit of confirmation of or the solicitation of votes on this Combined Plan and Disclosure Statement, the consummation of this Combined Plan and Disclosure Statement, or the administration of this Combined Plan and Disclosure Statement or the property to be Distributed under this Combined Plan and Disclosure Statement, except for their willful misconduct or gross negligence or any obligations that they have under or in connection with this Combined Plan and Disclosure Statement or the transactions contemplated in this Combined Plan and Disclosure Statement.

Injunction

Except as expressly otherwise provided in the Combined Plan and Disclosure Statement, on the Effective Date of the Combined Plan and Disclosure Statement, all Entities or Persons that hold, have held or may hold or have asserted, assert or may assert Claims against or Equity Interests in the Debtors and their Estates shall be permanently, forever and completely stayed, restrained, prohibited, barred and enjoined from taking any of the following actions against any of the Debtors, the Post-Effective Date Debtors, their Estates or any of their property, whether directly or indirectly, derivatively or otherwise, on account of or based on the subject matter of such Claim or Equity Interest: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding (including, without limitation, any judicial, arbitral,

administrative or other proceeding) in any forum; (ii) enforcing, attaching (including, without limitation, any prejudgment attachment), collecting, or in any way seeking to recover any judgment, award, decree, or other order; (iii) creating, perfecting or in any way enforcing in any matter, directly or indirectly, any Lien; (iv) setting off, seeking reimbursement or contributions from, or subrogation against, or otherwise recouping in any manner, directly or indirectly, any amount against any liability or obligation owed to any Person or Entity released under this Combined Plan and Disclosure Statement, except with respect to any right of setoff asserted prior to the entry of the Confirmation Order, whether asserted in a Proof of Claim or otherwise, or as otherwise contemplated or allowed by the Combined Plan and Disclosure Statement; and (v) commencing or continuing in any manner, in any place of any judicial, arbitration or administrative proceeding in any forum, that does not comply with or is inconsistent with the provisions of the Combined Plan and Disclosure Statement or the Confirmation Order.

13. **Directions to Obtain Documents.** The Combined Plan and Disclosure Statement and Solicitation Package (excluding Ballots other than replacement Ballots) can be obtained from Donlin, Recano & Company, Inc. (the “Voting Agent”) by (a) download free of charge (<https://www.donlinrecano.com/chieftainsand>); (b) email request at chieftainsandinfo@donlinrecano.com (reference to “Chieftain Sand” in the subject line), (c) mail at Voting Agent, Donlin, Recano & Company, Inc., Re: Chieftain Sand, Attn: Voting Department, P.O. Box 192016 Blythebourne Station, Brooklyn, NY 11219, or (d) telephone at (212) 771-1128.
14. **Inquiries about this Notice.** If you have any questions regarding this Notice, you should contact the Voting Agent by email at chieftainsandinfo@donlinrecano.com (reference to “Chieftain Sand” in the subject line) or by telephone at (212) 771-1128. The Voting Agent is not permitted to provide legal advice.
15. **Inconsistency.** To the extent that there is any inconsistency between this Notice and the Combined Plan and Disclosure Statement or the Interim Approval and Procedures Order, the provisions of the Combined Plan and Disclosure Statement or the Interim Approval and Procedures Order, as applicable, shall govern.

Dated: July 25, 2017
Wilmington, Delaware

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