

**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
	)	
Reorganized Debtors. <sup>1</sup>	)	(Jointly Administered)
	)	
	)	Hearing Date: November 20, 2017 at 2:00 p.m. (ET)
	)	Obj. Deadline: November 2, 2017 at 4:00 p.m. (ET)

**APPLICATION OF GIBBONS P.C. AS COUNSEL TO THE DEBTORS FOR AN  
ORDER GRANTING FINAL ALLOWANCE OF FEES  
AND REIMBURSEMENT OF EXPENSES**

**SUMMARY COVER SHEET**

Name of Applicant:	Gibbons P.C.
Authorized to Provide Professional Services to:	Chieftain Sand and Proppant, LLC, <i>et al.</i>
Date of Retention:	January 31, 2017 [Docket No. 99] <i>nunc pro tunc</i> to January 9, 2017
Period for which compensation and reimbursement is sought:	January 9, 2017 through September 30, 2017 (the " <u>Final Period</u> ")
Amount of Compensation sought as actual, reasonable and necessary:	\$626,199.50
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$16,325.38
Amount of fees held back for period:	\$22,285.20
This is a:	Final Application

<sup>1</sup> 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: P.O. Box 37, Birchwood, WI 54817.

<b>COMPENSATION BY PROFESSIONAL or STAFF</b>					
<b>Billing Category/ Name</b>	<b>Practice Group</b>	<b>Admitted</b>	<b>Billing Rate</b>	<b>Hours Billed</b>	<b>Fees Billed</b>
<b>DIRECTORS:</b>					
Richard S. Zackin	Employment	1971	\$590.00	26.40	\$15,576.00
Lawrence A. Goldman	Corporate	1979	\$655.00	228.60	\$149,733.00
Steven H. Sholk	Corporate	1981	\$565.00	0.30	\$169.50
Dale E. Barney	Financial Restructuring & Creditors' Rights	1987	\$630.00	0.30	\$189.00
Christopher Viceconte	Business & Commercial Litigation	1997	\$473.03	72.10	\$34,105.50
Howard A. Cohen	Financial Restructuring & Creditors' Rights	2001	\$554.02	639.80	\$354,460.50
Natasha M. Songonuga	Financial Restructuring & Creditors' Rights	2003	\$505.00	1.80	\$909.00
<b>ASSOCIATES:</b>					
Robert L. Johnson	Corporate	2007	\$395.00	49.60	\$19,592.00
Laura S. Dunn	Financial Restructuring & Creditors' Rights	2009	\$415.00	9.30	\$3,859.50
Brett S. Theisen	Financial Restructuring & Creditors' Rights	2010	\$425.00	10.80	\$4,590.00
Thomas B. Jones	Business & Commercial Litigation	2015	\$295.00	14.90	\$4,395.50
<b>CASE MANAGERS OR PARALEGALS:</b>					
Ellen Rosen	Financial Restructuring & Creditors' Rights	N/A	\$265.50	126.60	\$33,612.00
Virginia Biscari	Corporate	N/A	\$210.00	6.40	\$1,344.00
<b>LITIGATION SUPPORT AND KNOWLEDGE MANAGEMENT:</b>					
Juliana Valles	Litigation Support	N/A	\$220.00	16.20	\$3,564.00
Carrie Hayter	Knowledge Management	N/A	\$200.00	0.50	\$100.00

Grand Total Compensation: \$626,199.50

Grand Total Hours: 1,203.60

Blended Rate: \$520.27<sup>2</sup><sup>2</sup> The Blended Rate excluding paraprofessionals is \$557.53.

<b>SUMMARY OF COMPENSATION BY PROJECT CATEGORY</b>		
<b>Project Category</b>	<b>Hours</b>	<b>Fees</b>
a) Asset Disposition (AD)	3.00	\$1,275.00
b) Business Operations (BO)	5.60	\$2,545.00
c) Case Administration (CA)	47.90	\$17,139.00
d) Claims Administration/Objections (CL)	38.70	\$21,159.50
e) Corporate General (CGL)	28.50	\$10,879.00
f) Corporate Governance (CG)	2.90	\$1,899.50
g) Court Hearings (CH)	39.90	\$17,192.50
h) Employee Benefits/Pensions (EB)	49.60	\$28,400.00
i) Employment Applications (EA)	10.70	\$5,561.50
j) Employee Matters (EM)	0.20	\$131.00
k) Retention of Others (RO)	21.50	\$11,932.50
l) Executory Contracts (EC)	206.50	\$96,975.00
m) Fee Applications (FE)	89.70	\$33,028.00
n) Fee/Employment Objections (FO)	1.30	\$721.50
o) Financing and Cash Collateral (FI)	2.00	\$1,210.00
p) Lien Investigation (LInv)	1.10	\$713.00
q) Litigation (General) (LIT)	5.90	2,487.50
r) Creditors Meetings and Negotiations (CM)	0.80	\$212.00
s) Plan and Disclosure Statement (PD)	155.30	\$84,549.00
t) Post-Petition Financing (PF)	5.50	\$3,052.50
u) Real Estate (RE)	4.90	\$2,719.50
v) Relief from Stay and Adequate Protection (RS)	0.20	\$111.00
w) Reporting (RT)	27.10	\$15,058.50
x) Sale Motion/363 Sales (SM)	417.80	\$248,273.00
y) Tax Issues (TI)	2.40	\$1,332.00
z) U.S. Trustee Requirements (UTR)	15.60	\$8,658.00
aa) Creditor Inquiries (CI)	1.00	\$555.00
bb) Travel (Non-working) (TR)	4.20	\$1,165.50
cc) Fees of Others	0.80	\$444.00
dd) Other Motion Practice	3.00	\$1,590.00
ee) Other (Miscellaneous <sup>3</sup> )	10.00	\$5,230.00
<b>SERVICES TOTAL:</b>	<b>1,203.60</b>	<b>\$626,199.50</b>

<sup>3</sup> This category includes nine time entries in six topical areas including formation meeting; second day orders; settlement and confidentiality provisions; accountant audit and reporting; data room documents; and URL and Officer Certificate.

<b>SUMMARY OF EXPENSE REIMBURSEMENT BY CATEGORY</b>		
<b>Category</b>	<b>Service Provider (if applicable)</b>	<b>Amount</b>
a) Online Research	Lexis Westlaw	\$650.00 \$1,156.00
b) Delivery Service/Couriers	PARCELS FEDEX	\$185.00 \$172.73
c) Out-of-Town Travel		
a. Transportation	Airfare Car Rental Train	\$1,255.19 \$328.46 \$284.00
b. Hotel	(7 days)	\$1,126.91
c. Meals	(7 days)	\$313.32
d. Other (Parking)	(6 days)	\$125.00
d) Outside Printing	PARCELS	\$722.16
e) Court Filing Fees		243.00
f) Court Reporting	Depositions	\$5,893.41
g) Other	Lunch for Auction Attendees Formation Meeting Venue – DE State Bar	659.70 \$600.00
<b>TOTAL:</b>		<b>\$16,325.38</b>

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Chieftain Sand and Proppant, LLC, <i>et al.</i> ,	)		)	Chapter 11	)	
	)		)		)	
Reorganized Debtors. <sup>1</sup>	)		)	(Jointly Administered)	)	
	)		)		)	
	)		)	<b>Hearing Date: November 20, 2017 at 2:00 p.m. (ET)</b>	)	
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**APPLICATION OF GIBBONS P.C. AS COUNSEL TO THE DEBTORS FOR AN  
ORDER GRANTING FINAL ALLOWANCE OF FEES  
AND REIMBURSEMENT OF EXPENSES**

Pursuant to sections 330 and 331 of title 11, United States Code, 11 U.S.C. §§ 101 -1532 (the “Bankruptcy Code”), in accordance with Fed. R. Bankr. P. 2016, the Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 97], and Del. Bankr. L.R. 2016-2, Gibbons P.C. (“Gibbons” or the “Firm”) submits this interim and final fee application (the “Final Application”) for allowance of reasonable compensation for professional legal services rendered as counsel to the Debtors in the amount of \$626,199.50 together with reimbursement for actual and necessary expenses incurred in the amount of \$16,325.38 for the period from January 9, 2017 through September 30, 2017 (the “Final Period”). In support of this Final Application, Gibbons respectfully represents as follows:

**BACKGROUND**

1. On January 9, 2017 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief with this United States Bankruptcy Court for the District of Delaware (the

<sup>1</sup> 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: P.O. Box 37, Birchwood, WI 54817.

“Court”) under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no committee has been appointed. By order of the Court entered on January 10, 2017, these chapter 11 cases are being jointly administered for procedural purposes only.

2. Since the filing of these cases, the Debtors (a) obtained entry of a final DIP Order on January 31, 2017 [Docket No. 103]; (b) timely filed their schedules and statements of financial affairs; (c) obtained entry of a bar date order [Docket No. 114]; and (d) ran a successful sale process that materially increased the initial bid for substantially all of the Debtors’ assets by over \$30 million and resulted in entry of a sale order on March 27, 2017 [Docket No. 178]. The Debtors closed on the sale on May 26, 2017.

3. On January 31, 2017, the Court entered its *Order Authorizing the Employment and Retention of Gibbons P.C. as General Bankruptcy Counsel to the Debtors, Nunc Pro Tunc to the Petition Date* [Docket No. 99] approving the employment of Gibbons and authorizing Gibbons to be compensated on an hourly basis and reimbursed for actual and necessary out-of-pocket expenses.

4. On January 31, 2017, the Court entered its *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 97] (the “Interim Compensation Order”), authorizing retained professionals (“Professionals”) which sets forth the procedures for interim compensation and reimbursement of expenses for all professionals in the Chapter 11 Case. At three-month intervals, each of the Professionals must file and serve an interim application for allowance of the amounts sought in its monthly fee

applications for the period. All fees and expenses are paid on an interim basis until final allowance by the Court.

5. Additional information concerning the Debtors can be found in the Declaration of Victor Serri in Support of Chapter 11 Petition and First Day Pleadings [Docket No. 4].

6. On September 14, 2017 the Court considered final approval of the Disclosure Statement and confirmation of the Plan and on the same day entered the *Findings of Fact, Conclusions of Law, and Order Confirming Combined Plan and Disclosure Statement for Chieftain Sand and Proppant, LLC and Chieftain Sand and Proppant Barron, LLC* [Docket No. 327].

**APPLICATIONS FOR COMPENSATION AND FOR  
REIMBURSEMENT OF EXPENSES FILED BY GIBBONS P.C.**

7. On April 21, 2017 Gibbons filed its first interim application for compensation and reimbursement of expenses [Docket No. 201] (the “First Interim Application”). By the First Interim Application, Gibbons sought approval of compensation of \$297,443.00 and reimbursement of expenses in the amount of \$4,448.47 for the period of January 9, 2017 through March 31, 2017. On May 19, 2017, the Court entered an omnibus order that approved the First Interim Application and allowed Gibbons’ compensation of \$237,954.40 as well as reimbursement of expenses in the amount of \$4,448.47 on an interim basis [Docket No. 224].

8. On July 24, 2017 Gibbons filed its second interim application for compensation and reimbursement of expenses [Docket No. 281] (the “Second Interim Application”). By the Second Interim Application, Gibbons sought approval of compensation of \$217,330.50 and reimbursement of expenses in the amount of \$2,284.65 for the period of April 1, 2017 through June 30, 2017. On August 30, 2017, the Court entered an omnibus order that approved the Second Interim Application and allowed Gibbons’ compensation of \$173,864.40 as well as

reimbursement of expenses in the amount of \$2,284.65 on an interim basis [Docket No. 312]. (First Interim Application and Second Interim Application together “Interim Applications”)

9. Gibbons submits the Final Application for final allowance of compensation for professional services rendered to the Debtors in the amount of \$626,199.50 and reimbursement of actual and necessary expenses incurred of in the amount of \$16,325.38.

10. Gibbons expended a total of 1,203.60 hours in connection with this matter during the Final Period.

11. In accordance with the Interim Compensation Order, Gibbons filed and served monthly fee applications (the “Monthly Fee Applications”) for the months of January through August, 2017. Below is chart summarizing the Monthly Fee Applications:

Date Filed	Dkt No	Period Covered	Requested		Approved		20% Hold Back
			Fees	Expenses	Fees	Expenses	
2/14/2017	134	January 2017	\$78,125.00	\$38.12	\$78,125.00	\$38.12	N/A
3/15/2017	163	February 2017	\$49,232.50	\$1,017.88	\$49,232.50	\$1,017.88	N/A
4/7/2017	191	March 2017	\$170,085.50	\$4,492.47	\$170,085.50	\$4,492.47	N/A
05/19/2017	226	April 2017	\$96,399.00	\$402.05	\$96,399.00	\$402.05	N/A
06/07/2017	239	May 2017	\$89,919.00	\$695.10	\$89,919.00	\$695.10	N/A
07/13/2017	270	June 2017	\$31,012.50	\$1,187.50	\$31,012.50	\$1,187.50	N/A
08/21/2017	306	July 2017	\$73,785.50	\$9,523.95	\$59,028.40	\$9,523.95	\$14,757.10
09/13/2017	324	August 2017	\$15,343.00	\$22.50	\$12,274.40	\$22.50	\$3,068.80
10/04/2017	336	September 2017	\$22,297.50	\$45.81	\$17,838.00 <i>Pending</i>	\$45.81 <i>Pending</i>	\$4,459.50 <i>Pending</i>
<b>TOTALS:</b>			<b>\$626,199.50</b>	<b>\$16,325.38</b>	<b>\$603,914.30</b>	<b>\$16,325.38</b>	<b>\$22,285.20</b>

12. The Monthly Fee Applications covered by this Final Application contain detailed daily time logs describing the actual and necessary services provided and expenses incurred by Gibbons during the periods covered by such applications, as well as other detailed information required to be included in fee applications, and are incorporated herein by reference as if set forth in their entirety.



13. All services for which compensation is or was requested herein by Gibbons were performed for or on behalf of the Debtors.

14. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of the Debtors' chapter 11 cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under chapter 11 of the Bankruptcy Code.

15. The Interim Fee Applications covered by this Final Application contained detailed daily time logs describing the actual and necessary services provided and expenses incurred by Gibbons during the periods covered by such applications, as well as other detailed information required to be included in fee applications, and are incorporated herein by reference as if set forth in their entirety.

#### **NOTICE**

16. Notice of this Final Application has been provided in accordance with the Interim Compensation Order to: (a) the Office of the United States Trustee for the District of Delaware; (b) counsel to the Secured Lender; and (c) those persons who have formally appeared in these cases and requested service pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested in this Final Application, the Debtors submit that no further notice is necessary.

#### **CERTIFICATION**

17. Undersigned counsel for the Reorganized Debtors has reviewed the foregoing Final Application and the facts set forth therein are true and correct to the best of my

knowledge, information and belief. Moreover, I have reviewed Del. Bankr. L.R. 2016-2, and submit that the Final Application substantially complies with the applicable Local Rules.

**CONCLUSION**

WHEREFORE, Gibbons respectfully requests that the Court enter an order (i) granting the Final Application and authorizing final allowance of compensation in the total amount of \$642,524.88 including compensation for necessary professional legal services rendered to the Debtors during the Final Period in the amount of \$626,199.50 and for reimbursement of actual and necessary costs and expenses incurred during the Final Period the amount of \$16,325.38; (ii) directing payment by the Debtor of the foregoing amounts, including the 20% holdback of fees as provided by the Interim Compensation Order; and (iii) granting such other and further relief as the Court deems just and proper.

Dated: October 13, 2017  
Wilmington, Delaware

**GIBBONS P.C.**

By: /s/ Howard A. Cohen  
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Natasha M. Songonuga (DE 5391)  
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**ATTORNEYS FOR THE DEBTORS**