

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
VICTORIA DIVISION**

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>HII TECHNOLOGIES, INC., <i>et al.</i><sup>1</sup></b>	§	<b>15-60070 (DRJ)</b>
<b>Debtors</b>	§	<b>(Jointly Administered)</b>

**EXPEDITED MOTION TO EMPLOY AUCTIONEERS  
AND HOLD AUCTION UNDER 11 U.S.C. § § 327, 328 and 363**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

EXPEDITED RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED; YOU SHOULD FILE AN IMMEDIATE RESPONSE.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

**A HEARING HAS BEEN REQUESTED FOR OCTOBER 5, 2015 BEFORE  
THE COURT AT 515 RUSK, COURTROOM 400, HOUSTON TX, 77002  
AT 2:30 P.M. CENTRAL TIME.**

**To the Honorable David R. Jones, United State Bankruptcy Judge:**

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: (i) Apache Energy Services, LLC (4404); (ii) Aqua Handling of Texas, LLC (4480); (iii) HII Technologies, Inc. (3686); (iv) Sage Power Solutions, Inc. fka KMHVC, Inc. (1210); and (v) Hamilton Investment Group, Inc. (0150).

HII Technologies, Inc. (“HII”) and its subsidiaries, as debtors and debtors in possession in these chapter 11 cases (collectively, the “Debtors”), seek entry of an order, pursuant to Bankruptcy Code section 327(a) and 328(a), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (i) authorizing the Debtors’ to engage Hilco Industrial, LLC (“Hilco”) as auctioneer for certain assets of the Debtors and (ii) authorizing the auction of those assets.

### **BACKGROUND**

1. On September 18, 2015, the Debtors each filed voluntary petitions under chapter 11 of title 11, United States Code. The Debtors’ cases are jointly administered.

2. The Debtors have assets used in frac water management, safety services and portable power used by exploration and production companies in the United States. Additional background information on the Debtors may be found in the first day affidavit.

### **JURISDICTION**

3. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334, and venue is proper under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b). The Court has authority to enter final orders in this case.

### **RELIEF REQUESTED**

4. The Debtors seek to engage Hilco to market and sell assets at auction under the Asset Marketing Agreement (the “AMA”, attached hereto as **Exhibit C**). Hilco will expend an estimated \$40,000 on marketing the assets and promoting their auction. Thereafter, the Debtors request authority for Hilco to auction the assets.

### **BASIS FOR EXPEDITED RELIEF**

5. Expedited relief is justified. The Debtors believe that the value of its equipment and intellectual property will be maximized via a sale by auction to be held within sixty days following the petition date. Immediate engagement of Hilco is necessary to begin the audit process and timely complete the sale. In addition, Debtors were locked out of several yards immediately prior to bankruptcy and did not have a complete accounting of its equipment as of the petition date. Debtors are engaging Hilco to inventory and account for the equipment held at various yards, in addition to conducting the auction and acting as auctioneer. These additional tasks increase the time necessary to successfully complete the auction. In order to maximize the assets' value and meet the sixty-day deadline, it is important that Hilco be retained and begin work as quickly as possible.

### **FACTS SPECIFIC TO THE RELIEF REQUESTED**

#### **The Auction**

6. In connection with the chapter 11 cases, the Debtors are pursuing a sale of designated assets. The auction to be conducted by Hilco will consist primarily of the Debtors' equipment. (Subsequently, the Debtors will attempt to sell the public company form and certain remaining non-equipment assets such as contract rights).

7. In May and June, the Debtors inventoried the Hamilton yards in Guthrie and Colgate, Oklahoma, where the largest collection of equipment remains. Hilco and the Debtors visited the yards in July and equipment was missing. Some missing equipment was subsequently located, some was not. The yard is under the control of the Hamilton family, former insiders of the Debtor.

8. The Debtors have equipment at other yards in Tuleta, Goliad, and Midland, Texas. Landlords at some of those yards had prevented inspection of the property in the days preceding the bankruptcy. Now that the Debtors have access, Hilco will be able to review the equipment at each location.

9. Until Hilco and the Debtors finalize their list of assets, a complete list of the Debtors' auctioned assets cannot be provided. In the meantime, a list of the equipment that the Debtors believe they can account for and propose to have Hilco auction, is attached as **Exhibit A**. As additional assets are returned to the Debtors, and after Hilco is engaged and can visit the yards the Debtors have been prevented from accessing and account for the equipment, the Debtors will amend Exhibit A to include additional assets to be auctioned by Hilco.

10. As part of the auction process, Hilco will access the remaining yards and account for the Debtors' remaining equipment.

#### **Auction Proposed**

11. The Debtors propose to sell the assets via a live auction to be held at the location containing the largest amount of the Debtors' equipment in Guthrie, Oklahoma, which will be simultaneously broadcast online for participation by remote bidders. The auction will be broadly advertised, and bidding will be open to the public. Hilco may choose to offer the assets for sale by piece or by lot. Under the AMA, the Debtors and Hilco also reserve the right to sell the assets pursuant to other sale strategies as Hilco and the Debtors mutually agree.

12. To maximize recoveries for the Debtors' estates, the Debtors propose that the assets be sold at the auction free and clear of all liens, claims and encumbrances, with any liens attaching to the proceeds of the assets, and without the need for further Court approval. The Debtors believe further Court approval of the sale should not be required. If the auctioneer

requires Court approval, that requirement would chill bidding for the assets, as bidders normally expect to take ownership of purchased assets at the auction.

### **Hilco's Qualifications**

13. Hilco is in the business of marketing and selling assets on behalf of its clients. Hilco is a leading international industrial auctioneer and liquidator specializing in valuing and converting idle capital equipment into cash through a multitude of creative sales methodologies and disposition channels including auction, liquidation, private treaty and sealed bid sales.

14. The Debtors seek to retain Hilco because of its extensive experience and international reputation in industrial auctions, liquidations, and other industrial capital asset disposition services. Its expertise spans countless industries, from automotive manufacturing plants, to woodworking shops; from high capacity power generation equipment, to plastic manufacturing machinery; from construction equipment to high-tech electronics manufacturing.

15. Hilco specializes in assisting and advising debtors, creditors, creditor's committees, shareholders, bondholders and other parties involved with financially distressed companies, both during and outside of bankruptcy cases, and has served as financial and strategic advisors for debtors, creditors, and other constituents in numerous chapter 11 cases in this District and others. *See, e.g., Highway Technologies, Inc.*, Case No. 12-11326 (KJC) (Bankr. D. Del. June 27, 2013); *In re Hostess Brands, Inc.*, Case No. 12-22052 (RDD) (Bankr. S.D.N.Y. Dec. 21, 2012); *In re FormTech Industries, LLC*, Case No. 09-12964 (MFW) (Bankr. D. Del. Jan. 5, 2010); *In re Autoseis, Inc., et al.*, Case No. 14-21130 (RSS) (Bankr. S.D. Tex. Mar. 25, 2014).

### **Services to be Provided**

16. Pursuant to the AMA, Hilco has agreed to provide the following services:

- (i) develop an advertising and marketing plan for the sale of the Assets;
- (ii) implement the advertising and marketing plan as deemed necessary or appropriate by Hilco to maximize the net recovery on the Assets;
- (iii) prepare for the sale of the Assets, including gathering specifications and photographs for pictorial brochures and arranging the Assets in a manner, which in Hilco's judgment would be designed to enhance the net recovery on the Assets;
- (iv) provide fully qualified and experienced personnel who will prepare for and sell the Assets in accordance with the terms of this Agreement;
- (v) provide a complete auction crew to handle computerized accounting functions necessary to provide auction buyers with invoices and the Company with a complete accounting of all Assets sold at the auction
- (vi) oversee the removal of Assets by buyers from the Locations;
- (vii) sell the Assets for cash or other immediately available funds to the highest bidder(s) on an "AS IS," "WHERE IS" and "all sales are final" basis and in accordance with the terms of this Agreement;
- (viii) charge and collect on behalf of Company from all purchasers any purchase price together with all applicable taxes in connection therewith;
- (ix) deposit all collected Gross Proceeds into a separate account maintained by Hilco and remit such proceeds to the Company by transferring them to the account described on Exhibit B attached hereto and by this reference incorporated herein, (the "Client Account"), (less any amounts due to Hilco hereunder) within thirty (30) days after the sale of each Asset. "Gross Proceeds" shall be defined as cumulative collected gross receipts from the sale of the Assets, exclusive of sales taxes and buyer's premiums; and
- (x) submit an initial sales report to the Company within fourteen (14) days after the sale of the Assets and a final complete sales report to the Company within fourteen days after the end of the Term.

### **Professional Compensation**

17. Hilco will be compensated in accordance with the fee structure (the "Fee Structure") set forth in the AMA. Under the Fee Structure, Hilco will be entitled to charge and retain for its own account an industry-standard buyer's premium of 18% for any of the assets

that are sold (the “Buyer’s Premium”). The Buyer’s Premium is a fee charged in addition to the sale price and is paid by the buyer.

18. Hilco will be responsible for any out-of-pocket expenses related to advertising, promotion and sales costs, lodging, travel, and labor associated with project management (the “Hilco Expenses”).

19. Hilco shall advance and shall be entitled to reimbursement for out-of-pocket expenses related to anything other than the Hilco Expenses—including, but not limited to asset marshaling, asset repair, or asset refurbishment regardless whether or not any assets are sold (the “Company Expenses”).

20. In light of the Fee Structure and general industry practice for auction firms such as Hilco, the Debtors, along with Hilco, request that notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, any applicable orders of this Court or any guidelines regarding submission and approval of fee applications, Hilco and its professionals shall not be required to file fee applications or keep time records.

21. The overall compensation structure described above is comparable to compensation generally charged by asset liquidators of similar stature to Hilco for comparable engagements, both in and out of court. Hilco’s liquidation expertise was an important factor in Hilco’s determination of the amount of its fees, and the Debtors believe that the ultimate benefit to the Debtors of Hilco’s services hereunder cannot be measured merely by reference to the number of hours to be expended by Hilco’s professionals in the performance of services. Moreover, the Debtors believe that the compensation arrangement contained in the AMA is beneficial to the Debtors’ estates as it provides proper inducement for Hilco to act expeditiously and prudently with respect to the matters for which it will be employed.

**Indemnification of Hilco**

22. The Debtors have agreed to indemnify and hold Hilco, its affiliates, members, directors, and agents under certain circumstances specified in the AMA, provided that the Debtors will have no obligation to indemnify Hilco, or provide contribution or reimbursement to Hilco, for any claim or expense that is either (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from Hilco's gross negligence, willful misconduct, or fraud; (ii) incurred by Hilco as a direct result of a contractual dispute in which the Debtors allege the material breach of Hilco's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *United Artists Theatre Co. v. Walton (In re United Artists Theatre Co.)*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court (the determination having become final and no longer subject to appeal), after notice and a hearing, to be a claim or expense for which Hilco should not receive indemnity, contribution, or reimbursement under (i) or (ii).

**Disinterestedness of Hilco**

23. To the best of the Debtors' knowledge, (i) Hilco is a "disinterested person" within the meaning of Bankruptcy Code section 101(14), as required by Bankruptcy Code section 327(a), and does not hold or represent an interest adverse to the Debtors' estates, and (ii) Hilco has no connection to the Debtors, their creditors, or any parties in interest, except as may be disclosed in the Declaration of Jody Bacque, Senior Vice President of Hilco Industrial, LLC ("Bacque Declaration," attached hereto as **Exhibit D**). Hilco has fully informed the Debtors of its ongoing representations of entities that may have a connection to the Debtors as described in



the Bacque Declaration, and the Debtors have consented to Hilco's continuing to represent such entities in matters unrelated to these proceedings.

24. As required by Fed. R. Bankr. P. 6005 ("Rule 6005") Hilco is not an officer or employee of the Judicial Branch. Hilco's buyers' premium and reimbursement rights will be set forth in the order approving auctioneer. As required by Fed. R. Bankr. P. 6004(f), Hilco will file a statement of assets sold upon completion of the auction and transmit a copy to the United States trustee and furnish a copy to the debtor-in-possession.

### **LEGAL BASIS FOR RELIEF REQUESTED**

#### **Rule 6005 and 11 U.S.C. §§ 327 and 328 Authorizes Auctioneers Under a Fixed Percentage**

25. Pursuant to Sections 327, 328 and Rule 6005, a debtor in possession may employ an auctioneer, but that auctioneer must have their payment terms set forth in the order appointing them. Hilco does not hold or represent an interest adverse to the estate and is a disinterested person.

26. Specifically, Bankruptcy Code section 327(a) provides that a debtor in possession, subject to court approval:

may employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [debtor] in carrying out the [debtor's] duties under this title.

11 U.S.C. § 327(a). Section 328(a) of the Bankruptcy Code provides that a debtor in possession, with the court's approval:

may employ or authorize employment of a professional person under Section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. Notwithstanding such terms and conditions, the court may allow compensation different from the compensation provided under such terms and conditions after the conclusion of such employment, if such terms and conditions prove to

have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.

11 U.S.C. § 328(a). Bankruptcy Rule 2014 requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee.

FED. R. BANKR. P. 2014.

### **The Auction Should be Approved**

27. Bankruptcy Code section 363(b) authorizes a debtor to use or sell assets of the estate other than in the ordinary course of business. *See* 11 U.S.C. § 363(b)(1). Although Bankruptcy Code section 363 does not specify a standard for determining when it is appropriate for a court to authorize the use, sale or lease of property of the estate, courts in this district and elsewhere have found that a debtor's sale or use of assets outside the ordinary course of business should be approved if the debtor can demonstrate a sound business justification for the proposed transaction. *See In re Martin*, 91 F.3d 389, 395 (3d Cir. 1996); *In re Abbotts Dairies of Penn., Inc.*, 788 F.2d 143 (3d Cir. 1986); *In re Lionel Com.*, 722 F.2d 1063, 1071 (2d Cir. 1983); *see also In re Dura Auto. Sys.*, 2007 Bankr. LEXIS 2764 (Bankr. D. Del. Aug. 15, 2007).

28. Once a court is satisfied that there is a sound business justification for the proposed sale, the court must then determine whether (i) the debtor in possession has provided the interested parties with adequate and reasonable notice, (ii) the sale price is fair and reasonable, and (iii) the purchaser is proceeding in good faith. *See Delaware & Hudson Railway*, 124 B.R. at 166; *In re Decora Indus., Inc.*, 2002 WL 32332749, \*2 (Bankr. D. Del. May 20, 2002).

29. Sales under section 363(b) of the Bankruptcy Code may be by public auction. *See* FED. R. BANKR. P. 6004(f)(1); *Krebs Chrysler-Plymouth, Inc. v. Valley Motors, Inc.*, 141 F.3d 490, 498 (3d Cir. 1998) (noting that assets were sold pursuant to section 363 by public auction); *Invankovich v. Canney (In re Summit Ventures, Inc.)*, 161 B.R. 9, 11 (D. Vt. 1993) (affirming order approving sale of assets by public auction where bankruptcy court found auction process was fair and successful bidder was a purchaser in good faith); *see also In re Condere Coro.*, 228 B.R. 615 (Bankr. S.D. Miss. 1998) (approving private sale of a chapter 11 debtor's assets where the standards of section 363(b) were met); *In re Embrace Systems Coro.*, 178 B.R. 112, 123 (Bankr. W.D. Mich. 1995) (holding that private sale of a chapter 11 debtor's assets is appropriate if all provisions of section 363 are followed, the bid is fair and the sale is in the best interests of the estate and its creditors).

30. Ample business justification exists in this case to approve the proposed sale of the assets and any transactions effectuated in accordance therewith. The assets are no longer necessary for the Debtors' businesses. The Debtors have considered all alternatives, with the assistance of their advisors, and determined that the sale of equipment by Hilco pursuant to an auction will preserve and maximize the value of the Debtors' estates and, accordingly, is in the best interests of the Debtors' estates and creditors. Because the equipment is no longer needed, selling it will bring cash into the estates and save the costs of storing and preserving the assets.

31. Hilco will implement the appropriate marketing strategies and advertisements in order to give interested buyers adequate notice. The public nature of the auction will ensure that the sale price is fair and reasonable since purchasers will be bidding on the assets in a competitive environment. Additionally, because Hilco will be acting as the auctioneer of the assets, all transactions will be completed at arms' length. Accordingly, the Debtors believe that

the procedures outlined herein will permit the Debtors and Hilco to efficiently and expeditiously sell the assets.

32. To maximize proceeds of the assets, the Debtors seek prospective approval of the sales of the assets without the need to seek further Court approval of each individual sale as contemplated by Rule 6004(f). Because there will likely be numerous purchasers of the assets and those purchasers will expect to consummate their transactions and take possession of purchased assets immediately.

33. Notwithstanding the foregoing, Hilco will require each purchaser to comply with the prohibitions of 18 U.S.C. §154(a), and shall, in furtherance of the goals of an arms-length sale, further require that all current or former “insider” of the Debtors not participate in the auction (absent court approval or Debtors’ consent), or (if the Debtors’ consent) that any sale to an insider requires court approval.

**Sale of the Assets Should be Free and Clear**

34. The Debtors submit that it is appropriate that the assets be sold free and clear of liens, claims and encumbrances pursuant to Bankruptcy Code section 363(1), with any such liens, claims, encumbrances, or interests attaching to the sale proceeds thereof. Bankruptcy Code section 363(1) provides:

The trustee may sell property under subsection (b) or ( c) of this section free and clear of any interest in such property of an entity other than the estate, only if-

(1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;

(2) such entity consents;

(3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;

(4) such interest is in bona fide dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

35. Because section 363(1) is stated in the disjunctive, when selling property of the estate it is only necessary to meet one of the five conditions of that section. *See In re Kellstrom Indus. Inc.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“Section 363(1) is written in the disjunctive, not the conjunctive, and if any of the five conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.” citing *Citicorp Homeowners Servs., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988)).

36. The Debtors submit that the sales of the assets will satisfy one or more conditions of Bankruptcy Code section 363(f). For example, the sales will satisfy section 363(f)(2) with respect to any entity with an interest in the assets that consents to the sales. Alternatively, the Debtors may sell the assets free and clear interests under section 363(f)(1) because applicable non-bankruptcy law permits sale of the assets free and clear of such interests or under section 363(f)(5) because entities holding such interests could be compelled to accept money satisfaction in legal or equitable proceedings.

37. Accordingly, the Debtors request that the assets be sold and transferred to the purchaser(s) at the auction free and clear of all liens, claims, encumbrances, and other interests pursuant to Bankruptcy Code section 363(f).

#### **RULE 6004(h)**

38. The Debtors intend to hold the auction only after 14 days after the order approving the auction is entered. Therefore, no waiver of Rule 6004(h) is proposed. Bankruptcy Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property

... is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” FED. R. BANKR. P. 6004(h).

**WHEREFORE**, the Debtor respectfully requests entry of an order, substantially in the form attached hereto as **Exhibit B**, authoring engagement of the auctioneer and holding the auction and for such other further relief as is just and proper.

Dated: September 30, 2015.

**McKool SMITH, P.C.**

By: /s/ Hugh M. Ray, III  
Hugh M. Ray, III  
State Bar No. 24004246  
Christopher D. Johnson  
State Bar No. 24012913  
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***Proposed Counsel for the Debtors and  
Debtors-in-Possession***

**CERTIFICATE OF SERVICE**

The undersigned certifies that on September 30, 2015, a true and correct copy of this document was served via the ECF system to the parties on the ECF service list, including the United States Trustee, and to all parties on the Master Service List.

/s/ Hugh M. Ray, III  
Hugh M. Ray, III

HII Technologies, Inc.  
Equipment Inventory by Yard  
Summary

<b>Yard</b>	<b>Total Appraised Value</b>
Oklahoma	\$ 1,869,500.00
Crowley, TX	\$ 300,903.06
Midland, TX	\$ 206,522.30
Total	\$ 2,376,925.36

**EXHIBIT  
A**



Oklahoma  
Equipment Inventory

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
1	62	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1624DW042433	2013	Good	With Marelli Generator S/N: 7343710 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
2	67	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1628DW042404	2013	Good	With Marelli Generator S/N: 7342916 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
3	72	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU162XDW042405	2013	Good	With Marelli Generator Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
4	73	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1621DW042406	2013	Good	With Marelli Generator S/N: 7328852; Model: LDW2204/+GE; With 300 gallon diesel tank	\$ 3,500.00
5	83	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1623DW042407	2013	Good	With Marelli Generator S/N: 7342901 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
6	85	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1625DW042408	2013	Good	With Marelli Generator S/N: 7342912 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
7	94	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1622DW042429	2013	Good	With Marelli Generator S/N: 7342904 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
8	95	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1629DW042430	2013	Good	With Marelli Generator S/N: 7342790 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
9	96	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1620DW042431	2013	Good	With Marelli Generator S/N: 7342903 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
10	97	1	Flatbed Trailer	TexMex	16' Tandem Flatbed	41MAU1622DW042432	2013	Good	With Marelli Generator S/N: 7343699 Model: LDW2204; With 300 gallon diesel tank	\$ 3,500.00
11	321	1	Air Compressor	Sullair	375H	2.01109E+11	N/A	Good		\$ 8,500.00
12	300	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2028DH004475	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
13	301	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2025DH004479	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
14	302	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2023DH004478	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
15	303	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL202XDH004476	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
16	304	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2026DH004474	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
17	305	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2021DH004477	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
18	306	1	Flatbed Trailer	Lone Star	20' Tandem Flatbed	5VYBL2021DH004480	2013	Good	14,000 GVWR; steel diamond plate decking	\$ 1,500.00
20	38	1	Pipe Spool	Midland Carrier	PL'6000	1S9ES19250E464003	2010	Good	12,000 GVWR	\$ 6,000.00
21	51	1	Pipe Spool	Midland Carrier	PL'6000	1S9ES19290E464005	2010	Good	12,000 GVWR	\$ 6,000.00
22	89	1	Pipe Spool	Midland Carrier	PL'6000	1S9ES19200E464006	2010	Good	12,000 GVWR	\$ 6,000.00
23	313	1	Pipe Spool	Midland Carrier	N/A	1Z9CS1229CW276153	2012	Good		\$ 7,000.00
24	315	1	Flatbed Trailer	Ironworks	20' Tandem Flatbed	129CS20287W276126	2007	Good		\$ 2,500.00
25	61	1	Water Pump	Pioneer Pump, Inc.	SC108S17	9071	N/A	Good	8"x10" pump Unit# RP' 614'99'7074	\$ 23,500.00
26	334	1	Water Pump	Pioneer Pump, Inc.	SC10X8S1	7862	N/A	Good	8"x10" pump; Pump unit#RP'614'99'7033	\$ 23,500.00
27	7	1	Water Pump	Pioneer Pump, Inc.	SC85C17	8052	N/A	Good	6"x8" pump; Pump S/N: 8052; Engine Model: 6068HF475	\$ 23,500.00
28	8	1	Water Pump	Pioneer Pump, Inc.	SC85C18	8053	N/A	Good	6"x8" pump; Pump S/N: 8053	\$ 23,500.00
29	346	1	Travel Trailer	Layton	Skyline Model 300 LTD	1SE200P293F001419	2006	Excellent		\$ 5,000.00
30	35	1	Gooseneck Trailer	Sure'Pull	DG32	1J9DG3227AJ143007	2010	Good	32'; GVWR 12,000	\$ 4,000.00
31	32	1	Gooseneck Trailer	Sure'Pull	DG32	1J9DG3225AJ143006	2010	Good	32'; GVWR 12,000	\$ 4,000.00
32	43	1	Gooseneck Trailer	Sure'Pull	DG32	1J9DG3229AJ143008	2010	Good	32'; GVWR 12,000	\$ 4,000.00
33	22	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	5B5BA3429DC028238	2013	Good	32'; GVWR 12,000	\$ 5,000.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
34	26	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA3429DC028239	2013	Good	32'; GVWR 12,000	\$ 5,000.00
35	31	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA3424DC028292	2013	Good	32'; GVWR 12,000	\$ 5,000.00
36	41	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA3426DC028293	2013	Good	32'; GVWR 12,000	\$ 5,000.00
37	42	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA3428DC028294	2013	Good	32'; GVWR 12,000	\$ 5,000.00
38	49	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA342XDC028295	2013	Good	32'; GVWR 12,000	\$ 5,000.00
39	52	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA4027DC028296	2013	Good	32'; GVWR 12,000	\$ 5,000.00
40	53	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA4029DC028297	2013	Good	32'; GVWR 12,000	\$ 5,000.00
41	29	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSCA24298C025383	2011	Good	32'; GVWR 12,000	\$ 4,500.00
42	22	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSCA24278C025382	2011	Good	32'; GVWR 12,000	\$ 4,500.00
44	34	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA34258C025379	2011	Good	32'; GVWR 12,000	\$ 4,500.00
45	54	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA34238C025378	2011	Good	24'; GVWR 12,000; Custom built cages to carry shorter pipe	\$ 4,500.00
46	30	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	SBSBA34218C025380	2011	Good	32'; GVWR 12,000	\$ 4,500.00
48	308	1	Flatbed Trailer	Shop	Fillable flatbed trailer	122633707A	2012	Good	16' fillable flatbed tandem axle trailer for pressure washing system, with Landa Hot 2'1000D pressure washer	\$ 3,500.00
49	56	1	Light Tower	Warren Cat	WCN64MH/6KW	C08'02'03005	N/A	Good	2849 hours	\$ 500.00
51	58	1	Light Tower	Warren Cat	WCN64MH/6KW	C07'04'02434	N/A	Good		\$ 500.00
52	59	1	Light Tower	Warren Cat	WCN64MH/6KW	C08'07'03393	N/A	Good	4028 hours	\$ 500.00
54	63	1	Light Tower	Warren Cat	WCN64MH/6KW	C08'07'03379	N/A	Good		\$ 500.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
55	9	1	Light Tower	Warren Cat	6KW	C08'12'03696	N/A	Good	2106 hours	\$ 500.00
56	10	1	Light Tower	Warren Cat	6KW	N/A	N/A	Good	4120 hours	\$ 500.00
57	39	1	Light Tower	Warren Cat	WCW84MH/8KW	C11'03'04671	N/A	Good	2344 hours	\$ 500.00
59	49	1	Flatbed Trailer	Parker	16' Tandem Flatbed	41MAU12281W010117	2001	Good	Wood bed	\$ 1,000.00
60	69	1	Flatbed Trailer	Maxey	16' Tandem Flatbed	5GXSL16208M008769	2008	Good	Wood bed	\$ 2,500.00
61	36	1	Water Pump	Godwin	ISO8050320	1060542'04	N/A	Good	On a skid only; 2862 hours	\$ 21,500.00
63	48	1	Water Pump	Godwin	ISO8050320	0957815'03	N/A	Good	On Godwin trailer	\$ 23,500.00
69	3	1	Water Pump	Godwin	ISO8050320	1060542'05	N/A	Good	On Godwin trailer	\$ 23,500.00
72	76	1	Flatbed Trailer	BestBilt	16' Tandem Utility	5YHBU16238M5028066	2011	Good	Wood bed	\$ 3,500.00
74	74	1	Coiled Pipe Trailer	Sweetwater Metal Products	CT27	1RCFBCY2091000816	2009	Good	McElroy Line Tamer Model: LT0048 S/N: C30981; No Automatic Pipe Loading arm	\$ 3,000.00
75	68	1	Flatbed Trailer	BestBilt	16' Tandem Flatbed	5YHBU16238M602873	2011	Good		\$ 3,500.00
76	66	1	Trash Trailer	RoadClipper / Diamond C	18' Trash Trailer / Pace	46UFU1825A1125170	2010	Good	18'L x 7'W x 8'H built on chassis	\$ 2,500.00
77	78	1	Trash Trailer	RoadClipper / Diamond C	18' Trash Trailer / Pace	46UFU1827A1125171	2010	Good	18'L x 7'W x 8'H built on chassis	\$ 2,500.00
78	65	1	Trash Trailer	RoadClipper / Diamond C	18' Trash Trailer / Pace	46UFU1829A1125172	2010	Good	18'L x 7'W x 8'H built on chassis	\$ 2,500.00
79	340	1	Trash Trailer	RoadClipper / Diamond C	18' Trash Trailer / Pace	464UFU1829A1125169	2010	Good	18'L x 7'W x 8'H built on chassis	\$ 2,500.00
80	101	1	Truck	Peterbilt	388	1XPWD4EXX80762914	2008	Good	Tandem Axle; 86,000 CGVW; 93,000 miles	\$ 44,500.00
81	105	1	Trailer	Trail King	TK110HDG'S13	1TKJ051378M072241	2008	Good	53' X 8.5'; 130,700 GVWR	\$ 40,000.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
83	335	1	Flatbed Trailer	StarLite	DoveTail Flatbed	13YFS2026CC117391	2012	Good	16' bed with 5' dovetail	\$ 3,500.00
84	86	1	Skid Loader	Case	TV380	JAFTV380CBM441072	2011	Good	461 hours	\$ 35,000.00
85	25	1	Trackhoe	Komatsu	PC78MR-6	3233	2007	Good	1464 hours	\$ 20,000.00
86	338	1	Flatbed Trailer	Diamond C	18eeq	46UFU2028D1147671	2013	Good	20' wood flatbed with 4' dovetail; 14,000 GVWR	\$ 1,500.00
87	311	1	Flatbed Trailer	Stagecoach	8312 / bass	5NYBU12238NSC5223	2011	Good	12' x 7'; tandem axle; wood flatbed	\$ 1,000.00
88	221	1	Side 'by' side	John Deere	825' WCH Gator	1M0825GSABN021953	2011	Good		\$ 2,500.00
91	316	1	Semi Trailer	HMDE	Float	ARKAVTL0550369442	2005	Good	40'	\$ 5,000.00
92	19	1	Flatbed Trailer	Overbilt	20 Ton tilt flatbed	129HD4127CO058458	2012	Good	35'; 20 ton capacity; tilt bed; tandem axle. See invoice	\$ 4,000.00
93	100	1	Motor Grader	John Deere	670B	DW670BX555011	N/A	Good		\$ 25,000.00
94	11	1	Forklift	SkyTrack	6036	144658	1999	Good	5041 hours	\$ 12,500.00
95	341	1	Flatbed Trailer	BestBilt	16' Tandem Flatbed	5YHBU162XAM902103	2010	Good	wood bed	\$ 3,000.00
98	67	1	Stock Trailer	W'W	Stock Trailer	11WHS162XRW203131	1994	Fair	16'L x 6'W x 6'H; GVWR 10400	\$ 1,000.00
103		1	Ditcher	Bradco	625	229210	N/A	Good	Model#89220	\$ 3,000.00
104		1	Ditcher	Bradco	625	229209	N/A	Good	Model#89221	\$ 3,000.00
105		3	Forks	OTC	16870	228283	N/A	Good	48" forks; 44" wide span	\$ 750.00
110	322	1	Generator	Warren Cat	DCA'25SSIU3	7109994		Good	25KVA (20KW); 7000 Hours	\$ 2,000.00
111	47	1	Forklift	SkyTrack	8042	160028712	2007	Good	27,025lb capacity; 1789 hours	\$ 20,000.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
114	328	1	Trackhoe	Komatsu	PC200LC-8	C60960	2007?	Good	With thumb bucket; 110HP	\$ 50,000.00
115	46	1	Bulldozer	Komatsu	D65EX 15EO	69911		Fair	3784 hours; undercarriage is 50%	\$ 80,000.00
116			Bucket for Trackhoe	N/A	N/A	N/A	N/A	Good		\$ 250.00
117	105	1	Water Rig Truck	Peterbilt	PB330	2NPNPZ0X74M815280	2004	Good	85,000 CGVW; water rig; bed can be filled with 2100 gallons of water; 42,409 miles;	\$ 43,500.00
118	71	1	Flatbed Trailer	C&M	20' Tandem Flatbed	1CABC20225T030203	2005	Good	14,000 GVWR; steel diamond plate bed	\$ 2,000.00
119	337	1	Flatbed Trailer	BestBilt	16' Tandem Flatbed	5YHBU1629AM701862	2010	Good	5000 CGVW; wood bed	\$ 3,000.00
120	348	1	Flatbed Trailer	BestBilt	16' Tandem Flatbed	5YHBU1629AM801919	2010	Good	5001 CGVW; wood bed	\$ 3,000.00
122	87	1	Flatbed Trailer	Ironworks	20' Tandem Flatbed	129CS20257W276817	2007	Good	14,000 GVWR	\$ 2,500.00
123	13	1	Light Tower	Warren Cat	WCW204MH	C09'03'03818	N/A	Good	20KW; 3097 hours	\$ 500.00
124	28	1	Manifold Trailer	Horsecreek	8 Outlet Manifold Trailer	5BSBA3226BC025166	2011	Good	8 outlets	\$ 3,500.00
126	108	1	Fuel Truck	International	4900	1HTSDAAN85H651557	1995	Fair/Poor	445,567 miles; 2100 gallon tank; 26,000 CGVW	\$ 10,000.00
127	339	1	Flatbed Fuel Trailer	Ironworks	20HH	129CS2023AW276722	2010	Good	620 gallon tank built into trailer bed; diamond plate steel bed; 14,000 GVWR;	\$ 5,000.00
129	99	1	Flatbed Generator Set	TexMex	16' Tandem Flatbed	41MAU1628AW038834	2010	Good	With 45KVA (36KW) generator; 16964 hours; with 300 gallon fuel tank; wood bed	\$ 4,500.00
130	23	1	Skid Loader	Case	440	JAF00440N8M483168	N/A	Good	Series 3; has steel tracks for it	\$ 10,000.00
133	24	1	Manifold Trailer	Horsecreek	10 Outlet Manifold Trailer	5BSBA4026AC024185	2010	N/A	10 Outlet Manifold Trailer	\$ 4,500.00
135	314	1	Flatbed Generator Set	BestBilt	16' Tandem Flatbed	5YHBU16278MD02342	2011	N/A	25KW Generator; Fuel Tank size 300 gallon	\$ 3,500.00
136	307	1	Pipe Spool	Ironworks	Spool Trailer	129CS1220CW276154	2012	N/A		\$ 7,000.00

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes July 2014	Hilco Appraised Value June 2015
142	21	1	Generator	Warren Cat	20KW	C07'11'02867	N/A	N/A		\$ 1,500.00
145		1	Generator	Warren Cat	45KVA (36KW)	7205051	N/A	N/A		\$ 3,000.00
147		25	Single Crossings	N/A	Single Crossings	N/A	N/A	Good		\$ 42,500.00
152		1	10" Lay Flat	Midwest Hose	10" Lay Flat	N/A	N/A	Good	7 miles of layflat pipe	\$ 300,000.00
153		1	2" Poly pipe	Rainmaker Sales, Inc.	SDR'11	N/A	N/A	Good	3 miles of 2" poly pipe	\$ 7,500.00
154		1	3" Poly pipe	Rainmaker Sales, Inc.	SDR'11	N/A	N/A	Good	52 miles of 3" poly pipe	\$ 475,000.00
155		1	4" Poly pipe	Rainmaker Sales, Inc.	SDR'11	N/A	N/A	Good	5 miles of 4" poly pipe	\$ 75,000.00
156		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16191	N/A	Good	On trailer, item #12; 1552 hours	\$ 23,500.00
158		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16051	N/A	Good	On trailer, item #14	\$ 23,500.00
159		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16046	N/A	Good	On trailer, item #15	\$ 23,500.00
160		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16547	N/A	Good	On trailer, item #16; 1906 hours	\$ 23,500.00
161		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16063	N/A	Good	On trailer, item #17; 2848 hours	\$ 23,500.00
162		1	Water Pump	Pioneer Pump, Inc.	PP108S17L72'E01 14	16546	N/A	Good	On trailer, item #18	\$ 23,500.00
		1	Dual Spool Trailer	Texas Custom Trailer		JPW401082		Good		\$ 10,000.00
									<b>Total</b>	<b>\$ 1,869,500</b>

Crowley Yard  
Equipment Inventory

Item	HIG	QTY	Type	Manufacturer	Model / Description	Serial / VIN Number	Year	Condition	Comments / Notes	Appraised Value
19	50	1	Pipe Spool	Midland Carrier	PL'6000	1S9ES19230E464002	2010	Good	12,000 CLAMP	\$ 6,000.00
47	55	1	Gooseneck Trailer	Horsecreek	Gooseneck Trailer	5BS8A3423BC025381	2011	Good	32'; GVWR 12,000	\$ 4,500.00
			MANIFOLD TRAILER			MAT2	2013			\$ 5,000.00
			28' Yellow Gooseneck Trailer			TR203819 / TX022C003	2012			\$ 2,000.00
			11' Red Overhead Water Bridge			4T91P201CP083129	2014			\$ 1,750.00
			30' Pipe Trailer			5VYGP3627DH00467/ TX485203H				\$ 2,000.00
			Poly pipe reel trailer				2015			\$ 7,000.00
			Manifold Trailer			ARKAVTLO1680512890				\$ 750.00
			Homemade generator trailer			AES-G1				\$ 750.00
			18' Utility Trailer			TX CMXN74				\$ 1,500.00
			2 double road crossings							\$ 1,900.00
			6 single road crossings							\$ 5,400.00
			11,220' - 10" Layflat Hose							\$ 97,395.00
			11,700' - 10" Aluminum pipe							\$ 23,751.00
			17 - 10" Aluminum fittings	approx 102 ft						\$ 207.06
			Water Pumps			s/n 10645203				\$ 23,500.00
			Water Pumps			s/n 10645201				\$ 23,500.00
			Water Pumps			s/n 0957815/04				\$ 23,500.00
			Water Pumps			#HP4				\$ 23,500.00
			Water Pumps			#HP5				\$ 23,500.00
			Water Pumps			#HP7				\$ 23,500.00
Total										\$ 300,903.06



Midland, TX  
Equipment Inventory

Item	Asset #	Qty	Type	Manufacturer	Model/Description	Serial/VIN	Year	Condition	Comments	Appraised Value
All info gather from paper registration, NO vin on trailer. Est 650 ft of lay flat										
1		1	Trailer	?	Poly Reel	20143571430A	2007	OK	hose on the poly reel	\$ 12,850.00
2		1	Trailer	Luttrel Welding	Poly Reel	iL91F2021EB498067	2014	Good	Blue trailer, empty	\$ 7,000.00
3		1	Trailer	Larson	Triple reel trailer	1L9PU1724EH280623	2014	Good	Empty, no lay flat on trailer	\$ 7,000.00
4		1	Trailer	FMC	Compressor	N/A	N/A	OK	Red FMC Compressor trailer	
5		1	Trailer	Pero Trailer Man.	Utility trailer	N/A	N/A	OK	Empty utility trailer	\$ 4,000.00
6		1	Trailer	Lone Star Trailer	Gooseneck Monorail	5VYGL2027DH004960	2013	Good	Empty	\$ 4,500.00
7	TT11	1	Travel Trailer	Gulfstream	Cavalier MPV-CVDH	1NL1GTR2961017821	2006	OK	57-6-TCVH-17821	\$ 3,000.00
8	TT10	1	Travel Trailer	Gulfstream	Cavalier MPV-CVDH	iNL1GTR2461002630	N/A	OK	2630	\$ 3,000.00
9		47	Alum. Pipe	N/A	N/A	N/A	N/A	OK	47 - 30ft joints	\$ 2,862.30
10	VR56	1	Trailer	N/A	N/A	OK1422702	N/A	OK	MAT9 Manifold trailer	\$ 750.00
11		1	Trailer	Water Pipe Rental	N/A	OK1422701	N/A	OK	MAT10 Manifold trailer	\$ 750.00
12		1	Trailer	N/A	N/A	N/A	N/A	OK	MAT11 Manifold trailer	\$ 750.00
13	VR517	1	Trailer	TRL welding	N/A	N/A	N/A	OK	Open floor pipe trailer, VIN is	\$ 4,000.00
14		15	Roadcrossings	N/A	N/A	N/A	N/A	N	15 - Misc. road crossings	\$ 13,500.00
15		24	Layflat hose						Approx. = 24 pieces of 660 ft lat flat hose	\$ 142,560.00
Total										\$ 206,522.30

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
VICTORIA DIVISION**

<b>In re:</b>  <b>HII TECHNOLOGIES, INC., et al.<sup>1</sup></b> <b>Debtors</b>	§ § § §	<b>Chapter 11</b>  <b>15-60070 (DRJ)</b> <b>(Jointly Administered)</b>
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**ORDER APPROVING DEBTORS' EXPEDITED MOTION TO EMPLOY AUCTIONEERS  
AND HOLD AUCTION UNDER 11 U.S.C. §§ 327, 328 and 363**

On consideration of the Debtors' *Expedited Motion to Employ Auctioneers and Hold Auction Under 11 U.S.C. §§ 327, 328, and 363* (the "Motion," Docket # \_\_\_\_), the Court finds that Hilco<sup>2</sup> is a disinterested person under the meaning of 11 U.S.C. § 101(14) and that its engagement is beneficial to the estate and necessary. Moreover, the Court finds that sale of the assets listed on Exhibit A to the Motion (as amended, from time to time, to add additional assets) free and clear of all liens, claims and encumbrances, with any liens attaching to the proceeds of the assets, without further Court approval, is in the best interest of the Debtors as well as the creditors. The Motion is GRANTED and it is therefore:

ORDERED that the Debtors are authorized to enter into the Asset Marketing Agreement attached to the Motion as Exhibit B; and it is further

ORDERED that Hilco is to be compensated for its services as follows, as set forth in the Asset Marketing Agreement attached to the Motion as Exhibit B:

A. In consideration of its services hereunder, Hilco shall be entitled to charge and retain for its own account an industry standard buyer's premium of eighteen percent (18%) of the Gross Proceeds for Assets that are sold. For purposes of clarification, the buyer's premium is a fee charged in addition to the sale price of the Assets and is paid for by the buyer. All commission and buyer's premiums shall be withheld by Hilco upon collection of proceeds from applicable buyer(s).

B. Hilco shall be responsible for, at Hilco's sole cost and expense, any out-of-pocket expenses incurred by Hilco in connection with Hilco's performance of its services hereunder associated specifically with advertising, inventory, cataloging, inspection, promotion and sales costs, lodging, travel, and labor associated with project management (the "Hilco Expenses"). Hilco shall advance and shall be entitled to reimbursement by the Company for any out-of-pocket expenses incurred

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: (i) Apache Energy Services, LLC (4404); (ii) Aqua Handling of Texas, LLC (4480); (iii) HII Technologies, Inc. (3686); (iv) Sage Power Solutions, Inc. fka KMHVC, Inc. (1210); and (v) Hamilton Investment Group, Inc. (0150).

<sup>2</sup> All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion.

by Hilco in connection with Hilco's performance of its services hereunder associated with anything other than the Hilco Expenses including, but not limited to Asset marshaling, Asset repair, or Asset Refurbishment regardless whether or not any Assets are sold (the "Company Expenses"). The Company agrees that all Company Expenses may be withheld from any Gross Proceeds of the sale of any Assets.

And it is further

ORDERED that the Company Expenses will be administrative expenses; and it is further

ORDERED that Hilco is authorized to auction the assets listed on Exhibit A to the Motion (as amended, from time to time, to add additional assets); and it is further

ORDERED that the sale of the assets listed on Exhibit A to the Motion (as amended, from time to time, to add additional assets) shall be free and clear of all liens, claims and encumbrances, with any liens attaching to the proceeds of the assets, and without the need for further Court approval; and it is further

ORDERED that after completion of the auction, in accordance with Federal Rule of Bankruptcy Procedure 6004(f)(1), the Debtors will provide to the Court an itemized statement of the property sold, the name of each purchaser, and the price for each item or lot or for the property as a whole if sold in bulk.

SIGNED: \_\_\_\_\_, 2015.

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UNITED STATES BANKRUPTCY JUDGE

## **ASSET MARKETING AGREEMENT**

This Asset Marketing Agreement (this "Agreement") is dated as of the \_\_\_\_ day of September, 2015, by and between Hilco Industrial, LLC ("Hilco"), and HII Technologies, Inc. (the "Company").

WHEREAS, on September 18, 2015, the Company filed a voluntary petition under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Case number 15-60070, in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court");

WHEREAS, the Company continues to own certain assets identified in below;

WHEREAS, as a result of a competitive search, which included evaluating the proposed liquidators' marketing and auctioneering capabilities, product knowledge, involvement and commitment of principals, technology, sales methodologies and references, the Company has selected and desires to engage Hilco as its exclusive agent to sell the assets as more fully described herein;

WHEREAS, substantially contemporaneously with the date hereof, the Company will file a motion with the Bankruptcy Court seeking authority to retain and employ Hilco as liquidator to sell the assets without further court approval and for Hilco to be compensated and reimbursed in accordance with this Agreement in case number 15-60070 pending before the Bankruptcy Court.

NOW THEREFORE, in consideration of the foregoing and the mutual agreements and covenants contained in this Agreement, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, Hilco and the Company (individually, each "Party," and together, the "Parties") do hereby agree as follows:

### **I. Engagement and Agreement to Market Assets**

A. The Company hereby engages Hilco as its exclusive marketing and sales agent, and Hilco hereby accepts such engagement, with respect to (but not limited to) certain assets identified in Exhibit A attached hereto and by this reference incorporated herein, (the "Assets") located at \_\_\_\_\_ (the "Locations"). Notwithstanding any of the foregoing, the Company is not engaging Hilco to sell the Company's public shell and tax attributes.

B. For purposes of selling the Assets, Hilco shall conduct a global online auction sale and such other sale strategies as the Parties mutually agree.

### **II. Exclusivity**

In order to permit successful marketing and sale of the Assets, the Company grants to Hilco the exclusive right to sell the Assets for a period beginning on the date hereof (the "Commencement Date") and continuing until the earlier of (a) the date that is 120 days from the Commencement Date and (b) the date on which the Assets are removed from the Locations (such period, the "Term"). The Company acknowledges that Hilco or its affiliated entities may be



engaged to sell or market similar assets by other persons or entities, and that any such engagement shall not constitute or be deemed to be a violation of this Agreement. All inquiries regarding the Assets made to the Company, its representatives or related parties to the Company, shall be redirected to Hilco.

### **III. Method of Sale and Certain Covenants**

- A. In connection with the services to be provided by Hilco hereunder, Hilco will:
- (i) develop an advertising and marketing plan for the sale of the Assets;
  - (ii) implement the advertising and marketing plan as deemed necessary or appropriate by Hilco to maximize the net recovery on the Assets;
  - (iii) prepare for the sale of the Assets, including gathering specifications and photographs for pictorial brochures and arranging the Assets in a manner, which in Hilco's judgment would be designed to enhance the net recovery on the Assets;
  - (iv) provide fully qualified and experienced personnel who will prepare for and sell the Assets in accordance with the terms of this Agreement;
  - (v) provide a complete auction crew to handle computerized accounting functions necessary to provide auction buyers with invoices and the Company with a complete accounting of all Assets sold at the auction
  - (vi) oversee the removal of Assets by buyers from the Locations;
  - (vii) sell the Assets for cash or other immediately available funds to the highest bidder(s) on an "AS IS," "WHERE IS" and "all sales are final" basis and in accordance with the terms of this Agreement;
  - (viii) charge and collect on behalf of Company from all purchasers any purchase price together with all applicable taxes in connection therewith;
  - (ix) deposit all collected Gross Proceeds into a separate account maintained by Hilco and remit such proceeds to the Company by transferring them to the account described on Exhibit B attached hereto and by this reference incorporated herein, (the "Client Account"), (less any amounts due to Hilco hereunder) within thirty (30) days after the sale of each Asset. "Gross Proceeds" shall be defined as cumulative collected gross receipts from the sale of the Assets, exclusive of sales taxes and buyer's premiums; and
  - (x) submit an initial sales report to the Company within fourteen (14) days after the sale of the Assets and a final complete sales report to the Company within fourteen days after the end of the Term.

B. In connection with the services to be provided by Hilco hereunder, the Company hereby grants to Hilco the following rights and authority:

- (i) The Company hereby grants Hilco a license to use the name "HII Technologies, Inc." and similar derivations in all of its advertising and promotional activities related to this Agreement. Hilco's license to use such name shall continue until the end of the Term of this Agreement.
- (ii) The Company hereby grants Hilco a license to allow Hilco to enter and use the Locations. Specifically, Hilco shall have the right to enter and use the Locations during the Term solely for the purposes of performing its obligations under this Agreement, including (without limitation) taking photographs and preparing the marketing material for the Assets, and selling and overseeing the removal of the Assets. Hilco shall have quiet enjoyment of the Locations during its use of the Locations with no interference from any labor unions or any other third parties. Hilco will use the Locations as licensee and shall not be obligated to pay any rent, taxes, utilities, or other charges therefore. The Company agrees to continue to provide and pay for all utilities during the course of Hilco's use. The Company agrees to maintain and bear the cost of any existing security personnel on the Locations during the term of this Agreement. The Company acknowledges that Hilco is not an insurer of the Company's personal property. Hilco shall have the right to abandon at the Locations any Asset not sold.
- (iii) The parties hereto agree, and the Company hereby expressly acknowledges, that Hilco shall not be responsible for the removal or disposition of any environmentally hazardous chemicals, solvents or substances found at the Locations or in the Assets or obtaining or maintaining any Environmental Permits. The Company shall be responsible for ensuring that the Company possesses and is in compliance with all Environmental Permits that are required for the operation of the Company's business. As used in this Agreement, "Environmental Laws" means all federal, state and local statutes, regulations, ordinances, rules, regulations and policies, all court orders and decrees and arbitration awards, and the common law, which pertain to environmental matters or contamination of any type whatsoever; and "Environmental Permits" means licenses, permits, registrations, governmental approvals, agreements and consents which are required under or are issued pursuant to Environmental Laws. The Company hereby agrees to defend, indemnify and hold Hilco harmless from any and all claims, losses, damages and liabilities of any kind whatsoever which arise from or are in connection with any hazardous chemicals, solvents or substances found at the Locations or in the Assets, Environmental Laws or Environmental Permits.
- (iv) The Company acknowledges that with respect to any export transaction involving any of the Assets sold hereunder, and unless the Company and



purchaser agree otherwise, the Company shall be the United States principal party in interest. Accordingly, the Company authorizes Hilco to provide the Company's federal employer identification number ('EIN') to purchasers, their agents, customs officials or similar parties for the purposes of completing a Shipper's Export Declaration form or any documentation necessary to facilitate the respective purchaser's export of the purchased Assets.

#### **IV. Commission Payable to Hilco; Expense Reimbursement**

A. In consideration of its services hereunder, Hilco shall be entitled to charge and retain for its own account an industry standard buyer's premium of eighteen percent (18%) of the Gross Proceeds for Assets that are sold. For purposes of clarification, the buyer's premium is a fee charged in addition to the sale price of the Assets and is paid for by the buyer. All commission and buyer's premiums shall be withheld by Hilco upon collection of proceeds from applicable buyer(s).

B. Hilco shall be responsible for, at Hilco's sole cost and expense, any out-of-pocket expenses incurred by Hilco in connection with Hilco's performance of its services hereunder associated specifically with advertising, inventory, cataloging, inspection, promotion and sales costs, lodging, travel, and labor associated with project management (the "Hilco Expenses"). Hilco shall advance and shall be entitled to reimbursement by the Company for any out-of-pocket expenses incurred by Hilco in connection with Hilco's performance of its services hereunder associated with anything other than the Hilco Expenses including, but not limited to Asset marshaling, Asset repair, or Asset Refurbishment regardless whether or not any Assets are sold (the "Company Expenses"). The Company agrees that all Company Expenses may be withheld from any Gross Proceeds of the sale of any Assets.

C. Within ten (10) calendar days after expiration of the Term or earlier termination of this Agreement, Hilco may provide the Company with a list of third parties (each, a "Prospect") that Hilco has engaged in negotiations with respect to the Assets covered hereunder. If Hilco provides a Prospect list and within one hundred and eighty (180) days after the expiration of the Term of this Agreement or earlier termination (if applicable), the Company and one or more Prospects should enter into one or more written agreements to purchase all or any portion of the Assets, Hilco shall be entitled to fee(s) calculated in accordance with the terms of this Agreement. Each fee shall be paid by the Company to Hilco within five (5) business days after applicable closing between the Company and each Prospect.

#### **V. Representations and Covenants of the Company and Hilco**

A. The Company represents and warrants to Hilco and covenants that: (i) the Company has all legal right and authority to sell the Assets, (ii) the Company has taken all necessary actions required to authorize the execution, delivery and performance of this Agreement and the related documents contemplated hereby, and no further consent or approval is required for the Company to enter into and deliver the Agreement and to perform its obligations under the Agreement, (iii) no court order or decree of any federal, state or local governmental authority or regulatory body is in effect that would prevent or impair, or is required for the

Company's consummation of, the transactions contemplated by this Agreement, and no consent of any third party which has not been obtained is required therefore, (iv) Company has the authority to grant the license to Hilco to utilize the Locations and to use the name "HII Technologies, Inc." as provided for under this Agreement, (v) Hilco shall have access to the Assets and the Locations in accordance with this agreement; (vi) the Asset representations and descriptions on Exhibit A are accurate, true and complete; and (vii) all Assets are free and clear of all liens, claims, and encumbrances of any kind whatsoever. The Company further represents and warrants to Hilco that any amounts due and payable hereunder shall be free and clear of any liens, claims, or encumbrances of any kind whatsoever.

B. Hilco represents and warrants to Company that (i) Hilco is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and (ii) Hilco has taken all necessary actions required to authorize the execution, delivery and performance of this Agreement and the related documents contemplated hereby, and no further consent or approval is required for Hilco to enter into and deliver the Agreement and to perform its obligations under the Agreement.

## **VI. Indemnification**

A. Hilco understands that the Assets will be sold AS IS and WHERE IS, and the Company does not make any representations or warranties with respect to the Assets, except for specifically stated under Section V of this Agreement. The Company hereby agrees to indemnify and hold Hilco harmless from any and all claims, causes of actions, damages, losses, or liabilities (including, without limitation, reasonable attorney's fees) of any kind arising from or related to (i) the Company's breach of any of its obligations, representations and warranties hereunder, (ii) its performance or failure to perform hereunder, or (iii) the Company's failure to pay any personal property taxes associated with the Assets. The Company further agrees to indemnify and hold Hilco harmless from any and all claims, causes of actions, damages, losses, or liabilities (including, without limitation, reasonable attorney's fees) of any kind arising from or related to the demonstration and sale of the Assets or any inaccurate statements or representations concerning the Assets made by the Company to Hilco.

B. Hilco hereby agrees to indemnify and hold the Company harmless from any and all claims, causes of actions, damages, losses, or liabilities (including, without limitation, reasonable attorney's fees) by any buyer or prospective buyer of the Assets based on Hilco's breach of any of its obligations, representations or warranties hereunder or its performance or failure to perform hereunder.

C. Notwithstanding any of the foregoing, the Company will have no obligation to indemnify Hilco, or provide contribution or reimbursement to Hilco, for any claim or expense that is either (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from Hilco's gross negligence, willful misconduct, or fraud; (ii) incurred by Hilco as a direct result of a contractual dispute in which the Debtors allege the material breach of Hilco's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *United Artists Theatre Co. v. Walton (In re United Artists Theatre Co.)*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court (the determination having



become final and no longer subject to appeal), after notice and a hearing, to be a claim or expense for which Hilco should not receive indemnity, contribution, or reimbursement under (i) or (ii).

## **VII. Insurance**

The Company agrees to procure and maintain, during the Term of this Agreement, fire and other perils insurance in appropriate amounts in respect of all Assets until sold and removed from the Locations.

## **VIII. Personal Property Taxes**

Hilco shall not be responsible or liable for the payment of any personal property taxes associated with the Assets. Prior to distribution the any proceeds from the sale of the Assets to the Company, the Company hereby agrees to provide Hilco with evidence of payment of all personal property taxes associated with the Assets in a form reasonably satisfactory to Hilco in its discretion. To the extent any personal property taxes remain unpaid, the Company hereby authorizes Hilco, without any liability to the Company whatsoever, to (i) remit payment for any personal property taxes to applicable taxing authorities from the proceeds remaining from the sale of the Assets after payment of any and all amounts due to Hilco under this Agreement or (ii) retain the proceeds pending payment of the personal property taxes, provided that Hilco receives evidence of payment in a form reasonably satisfactory to Hilco in which case Hilco shall thereafter remit the proceeds (less all amounts payable to Hilco under this Agreement) to the Company.

## **IX. General Provisions**

A. Hilco shall not subcontract the whole of its obligations under this Agreement, but shall be permitted to utilize independent contractors and subcontractors for performing various obligations, including (without limitation) as part of the auction crew and overseeing the removal of the Assets.

B. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

C. Hilco shall be entitled to compensation for services rendered under this Agreement and this Agreement shall be binding upon the Company or any successor or assignee.

D. The parties hereto agree, and the Company hereby expressly acknowledges, that Hilco has not guaranteed the Company any return from the sale of the Assets.

E. The Company and Hilco shall deal with each other fairly and in good faith so as to allow both parties to perform its duties and earn the benefits of this Agreement.

F. TECHNOLOGY DISCLAIMER: HILCO DOES NOT WARRANT THAT THE FUNCTIONS, FEATURES OR CONTENT CONTAINED IN ANY WEBSITE USED IN CONNECTION WITH THE SALE OF THE ASSETS, INCLUDING ANY THIRD-PARTY

SOFTWARE, PRODUCTS OR OTHER MATERIALS USED IN CONNECTION WITH ANY SUCH WEBSITE, WILL BE TIMELY, SECURE, UNINTERRUPTED, OR THAT DEFECTS WILL BE CORRECTED.

G. The Company recognizes and acknowledges that the services to be provided by Hilco pursuant to this Agreement are, in general, transactional in nature, and Hilco will not be billing the Company by the hour nor maintaining time records. It is agreed that Hilco is not requested or required to maintain such time records and that its compensation will be fixed on the percentages set forth herein. Hilco represents and warrants that it has the expertise in performing the services under this Agreement.

H. Any correspondence or required notice shall be addressed as follows:

If to Hilco: Hilco Industrial, LLC  
5 Revere Drive, Suite 206  
Northbrook, Illinois 60062  
Tel.: (847) 418-2086  
Fax: (847) 897-0868  
Email: [rlawlor@hilcotrading.com](mailto:rlawlor@hilcotrading.com)  
Attn: Ryan Lawlor

If to the Company:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Tel.: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_  
Attn: \_\_\_\_\_

I. This Agreement shall be deemed drafted by the parties hereto, and there shall be no presumption against either party in the interpretation of this Agreement.

J. By executing or otherwise accepting this Agreement, the Company and Hilco acknowledge and represent that they are represented by and have consulted with independent legal counsel with respect to the terms and conditions contained herein.

K. The Company shall provide Hilco with:

- all reasonably requested Asset information to the extent in the Company's possession;
- titles, if applicable, to all of the Assets; and
- information on prospect interest and evidence of all Asset inquiries, to the extent that the Company has such information and evidence.

L. This Agreement may be executed in original counterparts, and if executed and delivered via facsimile shall be deemed the equivalent of an original.

M. This Agreement creates no third-party beneficiaries.

N. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to conflict of law's provisions.

O. Hilco recognizes that it may come into possession of information relating to the business of the Company that is not available to the general public or that reasonably or logically may be considered to be confidential or proprietary ("Confidential Information"). Hilco shall hold confidential and not use (except as necessary to perform its obligations under this Agreement) or disclose, and shall cause its employee, agents, directors, and other representatives to hold confidential all Confidential Information. Upon the Company's request, all such information shall be returned to the Company in any physical medium. Confidential Information shall not include information that is or becomes publicly available through no wrongful act of the Hilco, is furnished to others by the Company without similar restrictions on their right to use or disclose, is known by Hilco without any proprietary restrictions at the time of receipt of such information from the Company or becomes rightfully known to Hilco without proprietary restrictions from a source other than the Company or is independently developed by Hilco by persons who did not have access, directly or indirectly, to the Confidential Information.

#### **X. Miscellaneous**

This Agreement may not be transferred or assigned without the express written consent of the other Parties, provided that Hilco shall be permitted to joint venture with certain third parties. This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person not a Party to this Agreement. The Parties hereto are acting as independent contractors and nothing contained herein shall be deemed to create any other type of partnership, joint venturer or other relationship. This Agreement may not be modified or amended except by an instrument in writing executed by an authorized representative of each party to this Agreement. If any part or subpart of this agreement is found or held to be invalid, that invalidity shall not affect the enforceability and binding nature of any other part of this agreement. No Party shall be considered in default hereunder to the extent that performance by such Party is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such Party.

#### **XI. Retention Order**

The effectiveness of this Agreement is subject to and contingent upon the entry of an order (the "Retention Order") under section 327 and 328 of the Bankruptcy Code in form and substance acceptable to Hilco, authorizing the Company's entry into and approval of this Agreement, which the Company agrees to use the Company's reasonable best efforts to obtain. The Company shall use the Company's reasonable best efforts to ensure that the Retention Order shall specifically provide that: (i) Hilco is being retained by the Company pursuant to sections 327 and 328 of the Bankruptcy Code; (ii) the payment of all fees and reimbursement of expenses hereunder to Hilco is approved under section 328(a) of the

Bankruptcy Code and shall be free and clear of all liens, claims, and encumbrances; (iii) all such payments of fees and reimbursement of expenses shall be made without further order of the Bankruptcy Court and in accordance with this Agreement; and (iv) Hilco is not required to maintain time records or file interim or final fee applications.

\* \* \*

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the date written below.

[company name]

**HILCO INDUSTRIAL, LLC**

\_\_\_\_\_  
By:

Title:

Date: \_\_\_\_\_

\_\_\_\_\_  
By: Ryan Lawlor

Title: VP & Assistant General Counsel,  
Managing Member

Date: \_\_\_\_\_

**EXHIBIT A**

**ASSETS**

**EXHIBIT B**

**CLIENT ACCOUNT INFORMATION**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
VICTORIA DIVISION**

<b>In re:</b>  <b>HII TECHNOLOGIES, INC., <i>et al.</i><sup>1</sup></b> <b>Debtors</b>	§ § § §	<b>Chapter 11</b>  <b>15-60070 (DRJ)</b> <b>(Jointly Administered)</b>
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**DECLARATION OF JODY BACQUE IN SUPPORT OF DEBTORS'  
EXPEDITED MOTION TO EMPLOY AUCTIONEERS AND HOLD  
AUCTION UNDER 11 U.S.C. §§ 327, 328, and 363**

Jody Bacque makes this declaration under 28 U.S.C. § 1746:

1. I am a Senior Vice President of Hilco Industrial, LLC ("Hilco"), and I am authorized to make and submit this declaration on behalf of Hilco. This declaration is submitted in support of the application (the "Hilco Retention Application") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for authorization pursuant to 11 U.S.C. §§ 327, 328, and 363, to employ and retain Hilco as marketing and sales agent (the "Marketing and Sales Agent") in connection with the above-captioned chapter 11 cases and in accordance with the terms and conditions of the Asset Marketing Agreement ("AMA"), attached to the Hilco Retention Application as Exhibit C. Except as otherwise indicated, the statements contained herein are based upon my personal knowledge. I am authorized to submit this declaration and, if called upon to testify, I could and would testify competently to the facts set forth herein.

2. Hilco is in the business of marketing and selling assets on behalf of its clients. Hilco is a leading international industrial auctioneer and liquidator specializing in valuing and

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: (i) Apache Energy Services, LLC (4404); (ii) Aqua Handling of Texas, LLC (4480); (iii) HII Technologies, Inc. (3686); (iv) Sage Power Solutions, Inc. fka KMHVC, Inc. (1210); and (v) Hamilton Investment Group, Inc. (0150).



converting idle capital equipment into cash through a multitude of creative sales methodologies and disposition channels including auction, liquidation, private treaty and sealed bid sales. Hilco specializes in assisting and advising debtors, creditors, creditor's committees, shareholders, bondholders and other parties involved with financially distressed companies, both during and outside of bankruptcy cases, and has served as financial and strategic advisors for debtors, creditors, and other constituents in numerous chapter 11 cases in this District and others. *See, e.g., Highway Technologies, Inc.*, Case No. 12-11326 (KJC) (Bankr. D. Del. June 27, 2013); *In re Hostess Brands, Inc.*, Case No. 12-22052 (RDD) (Bankr. S.D.N.Y. Dec. 21, 2012); *In re FormTech Industries, LLC*, Case No. 09-12964 (MFW) (Bankr. D. Del. Jan. 5, 2010); *In re Autoseis, Inc., et al.*, Case No. 14-21130 (RSS) (Bankr. S.D. Tex. Mar. 25, 2014).

3. The Debtors selected Hilco to serve as the Marketing and Sales Agent for the Debtors' estates, as set forth in more detail in the Hilco Retention Application filed contemporaneously herewith.

4. In connection with the proposed employment and retention of Hilco by the Debtors, Hilco undertook a lengthy conflicts analysis process to determine whether it had any conflicts or other relationships that might cause it not to be disinterested or to hold or represent an interest adverse to the Debtors' estates.

5. Specifically, to check and clear potential conflicts of interest in these cases, Hilco reviewed its client relationships to determine whether it had any relationships with parties that were provided to Hilco by the Debtors and their advisors (collectively, the "Potential Parties in Interest"), which list of Potential Parties in Interest is attached hereto as Exhibit A.

6. Based on that search, Hilco represents that, to the best of its knowledge, neither Hilco nor any of its professional personnel have any relationship with the Debtors that would

impair Hilco's ability to perform services for the Debtors. To the best of my knowledge, Hilco has no connections with the Debtors or the Potential Parties in Interest.

7. Hilco will review its files periodically during the pendency of these cases to ensure that no conflicts of interest or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, Hilco will use reasonable efforts to identify such further developments and will file promptly a supplemental declaration, as required by Federal Rule of Bankruptcy Procedure 2014(a).

8. Hilco (i) has represented, and will continue to represent, clients in matters unrelated to these Chapter 11 Cases and (ii) has had, and will continue to have, relationships in the ordinary course of its business with certain vendors and professionals in matters unrelated to these Chapter 11 Cases.

9. HILCO is a "disinterested person," as that term is defined in section 101(14) of the Bankruptcy Code, in that HILCO and its professional personnel:

- a. are not creditors, equity security holders or insiders of the Debtors;
- b. are not, and were not within two years before the date of the filing of these Chapter 11 Cases, directors, officers or employees of the Debtors; and
- c. do not have an interest materially adverse to the interests of the Debtors' estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors.

10. Hilco has not been retained to assist any entity or person other than the Debtors on matters relating to, or in connection with, these Chapter 11 Cases. If Hilco's proposed retention is approved by this Court, Hilco will not accept any engagement or perform any services for any entity or person other than the Debtors in these Chapter 11 Cases without the prior express consent and authority of the Debtors. In addition, Hilco may provide professional

services to entities or persons that may be creditors or parties in interest in these Chapter 11 Cases, which services do not relate to, or have any direct connection with, these Chapter 11 Cases or the Debtors.

11. Hilco has not received a retainer from the Debtors.

12. Subject to the Court's approval, the Debtors have agreed to compensate Hilco for professional services rendered in connection with these Chapter 11 Cases according to the terms and conditions of the AMA and any Court orders approving the retention of Hilco.

13. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Dated: September 29, 2015

Respectfully submitted,



Jody Bacque, Senior Vice President  
Hilco Industrial, LLC

- 1 Power Reserve Corp
- 2 Hertz Equipment Rental
- 3 United Rentals (North America), Inc.
- 4 Holt CAT Power Systems
- 5 Enterprise FM Trust
- 6 Bold Production Services
- 7 Nitro-Lift Technologies, LLC
- 8 Sunbelt Rentals Oil & Gas Services
- 9 Titan Test Pumps
- 10 LHB Energy Consultants, LLC
- 11 WorldWide Power Products
- 12 Sutherland Asbill & Brennan LLP
- 13 Odessa Pump & Equipment
- 14 Timekeepers, Inc.
- 15 Water Transfer LLC, Rental Division
- 16 Sunstream Services Co.
- 17 SJ Water Solutions, LLC
- 18 Howard Supply - Flowback Equipment
- 19 Fischer Bush Equipment Rentals
- 20 Indeglia & Carney LLP (New)
- 21 Strasburger & Price, LLP
- 22 GSS Construction & Oilfield Supply
- 23 Production Equipment Sales & Service
- 24 Sendero Sales & Rental Inc.
- 25 Black Gold Energy, LLC
- 26 Earnheart Oil, Inc.
- 27 Nations Equipment Finance
- 28 MZHCI, LLC
- 29 Eagle Propane & Fuels
- 30 Hydro-Flo Dynamics LLC

**Additional Parties**

Jackson Walker LLP  
Arent Fox LLP  
Weaver & Tidwell, LLP  
L.L. Bradford & Company  
Malone & Bailey  
Gilman & Gilman  
Ham, Langston & Brezina, LLP  
Chamberlain Hrdlicka Law Firm  
Stradley Ronon Stevens & Young, LLP  
Radack & Borunda, PC  
Magna Capital  
Heartland Bank  
McClarty Capital Partners SBIC, L.P.