

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

In re:

VERTEX ENERGY, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 24-90507 (CML)
)
) (Joint Administration Requested)
) (Emergency Hearing Requested)

**DEBTORS' EMERGENCY MOTION FOR
ENTRY OF AN ORDER (I) AUTHORIZING
THE DEBTORS TO (A) FILE A CONSOLIDATED
CREDITOR MATRIX AND A CONSOLIDATED LIST OF THE
30 LARGEST UNSECURED CREDITORS AND (B) REDACT CERTAIN
PERSONALLY IDENTIFIABLE INFORMATION OF NATURAL PERSONS,
(II) WAIVING THE REQUIREMENT TO FILE A LIST OF EQUITY
SECURITY HOLDERS, (III) APPROVING THE FORM AND MANNER OF
NOTIFYING CREDITORS OF THE COMMENCEMENT OF THE CHAPTER 11
CASES AND OTHER INFORMATION, AND (IV) GRANTING RELATED RELIEF**

Emergency relief has been requested. Relief is requested not later than 12:30 p.m. (prevailing Central Time) on September 25, 2024.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on September 25, 2024, at 12:30 p.m. (prevailing Central Time) in Courtroom 401, 4th floor, 515 Rusk Street, Houston, Texas 77002. Participation at the hearing will only be permitted by an audio and video connection.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at (832) 917-1510. Once connected, you will be asked to enter the conference room number. Judge Lopez's conference room number is 590153. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Lopez's homepage. The meeting code is "JudgeLopez". Click the settings icon in the upper right corner and enter your name under the personal information setting.

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://www.veritaglobal.net/vertex>. The location of Debtor Vertex Energy, Inc.'s corporate headquarters and the Debtors' service address in these chapter 11 cases is 1331 Gemini Street, Suite 250, Houston, Texas 77058.



Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the “Electronic Appearance” link on Judge Lopez’s homepage. Select the case name, complete the required fields and click “Submit” to complete your appearance.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) state as follows in support of this motion (this “Motion”):²

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto (the “Order”), (a) authorizing the Debtors to (i) file a consolidated creditor matrix (the “Consolidated Creditor Matrix”) and a consolidated list of the Debtors’ thirty (30) largest unsecured creditors (the “Consolidated Top 30 Creditors List”) and (ii) redact certain personally identifiable information of natural persons, (b) waiving the requirement to file a list of, and provide notice directly to, certain equity security holders of Debtor Vertex Energy, Inc. (“Vertex Energy”), (c) approving the form and manner of notifying creditors of the commencement of these chapter 11 cases and other information; and (d) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Order of Reference to Bankruptcy Judges*, dated May 24, 2012, from the United States District Court for the Southern District of Texas. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

² A description of the Debtors, their businesses, and the facts and circumstances supporting this Motion and the Debtors’ chapter 11 cases are set forth in greater detail in the *Declaration of R. Seth Bullock, Chief Restructuring Officer of Vertex Energy, Inc., in Support of the Debtors’ Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith and incorporated by reference herein. Capitalized terms used but not otherwise defined in this Motion shall have the meanings ascribed to them in the First Day Declaration.

The Debtors confirm their consent to the Court's entry of a final order in connection with this Motion.

3. Venue is proper pursuant to 28 U.S.C. § 1408.

4. The bases for the relief requested herein are sections 105(a), 107(c), and 521 of title 11 of the United States Code, 11 U.S.C. §§ 101 – 1532 (the “Bankruptcy Code”), rules 1007, 2002, 6003, and 9007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rules 1075-1, 9013-1(i), and 9037-1(b) of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and the *Procedures for Complex Cases in the Southern District of Texas* (the “Complex Case Procedures”).

Background

5. On the date hereof (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors have filed a motion requesting joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). The Debtors are operating their businesses and managing their properties 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 official committees have been appointed or designated.

Basis for Relief

I. Authorizing the Debtors to (A) File a Consolidated Creditor Matrix and a Consolidated Top 30 Creditors List and (B) Redact Certain Personally Identifiable Information Is Warranted Under the Circumstances of These Chapter 11 Cases.

A. Consolidated Creditor Matrix and Consolidated Top 30 Creditors List.

6. Bankruptcy Rule 1007(a)(1) requires a debtor to file “a list containing the name and address of each entity included or to be included on Schedules D, E/F, G, and H[.]” Fed. R. Bankr.

P. 1007(a)(1). Because the preparation of separate lists of creditors for each Debtor would be

expensive, time consuming, and administratively burdensome, the Debtors respectfully request authority to file one Consolidated Creditor Matrix for all Debtors. Such relief is permitted by Section F. Rule 14(a) of the Complex Case Procedures.

7. Pursuant to Bankruptcy Rule 1007(d), a debtor shall file “a list containing the name, address and claim of the creditors that hold the 20 largest unsecured claims, excluding insiders[.]” Fed. R. Bankr. P. 1007(d). The Complex Case Procedures require the lead debtor in a jointly administered complex case to “file a single, consolidated list of unsecured creditors on Official Form 204 consisting of the 30 largest unsecured creditors of all jointly administered debtors.” *See* Complex Case Procedures, Section F., par. 14(a). Because a significant number of creditors may be shared amongst the Debtors, consistent with Section F. paragraph 14(a) of the Complex Case Procedures, the Debtors request authority to file the Consolidated Top 30 Creditors List for all Debtors. The Consolidated Top 30 Creditors List will help alleviate administrative burden, costs, and the possibility of duplicative service. For the avoidance of doubt, the Debtors are not requesting authority pursuant to this Motion to (i) file consolidated schedules of assets and liabilities and statements of financial affairs or (ii) substantively consolidate the Debtors.

B. Redaction of Certain Personally Identifiable Information of Natural Persons.

8. Section 107(c)(1) of the Bankruptcy Code provides that the Court:

[F]or cause, may protect an individual, with respect to the following types of information to the extent the court finds that disclosure of such information would create undue risk of identity theft or other unlawful injury to the individual or the individual’s property:

(A) Any means of identification . . . contained in a paper filed, or to be filed, in a case under [the Bankruptcy Code].

(B) Other information contained in a paper described in subparagraph (A).

11 U.S.C. § 107(c)(1).

9. Bankruptcy Local Rule 9037-1 further recognizes that “[c]ertain documents are routinely redacted to remove personal identifying information or other content that is not relevant to a decision by the Court.” This rule provides that: “In those instances, (i) the document may be filed in redacted form only; (ii) no document should be filed that contains the redacted information; and (iii) the balance of this Rule 5003-1 [sic] does not apply.” Bankruptcy Local Rule 9037-1(b).

10. In addition, privacy and data protection regulations have been enacted in key jurisdictions in which the Debtors and their non-debtor affiliate do business. For example, on June 18, 2023, the State of Texas enacted the Texas Data Privacy and Security Act (the “TDPSA”), which became effective on July 1, 2024. *See* Tex. Bus. & Com. Code Ann. § 541. The TDPSA grants Texas residents certain access and control rights concerning their personal data, including the right to delete personal data provided by or obtained by the controller of the data and the right to opt-out of the processing or sale of their personal data to third parties. Violators risk civil penalties of up to \$7,500 for *each* violation, and if the violation is found to be willful or knowing, treble damages may be awarded. *Id.* at 541.155 (a).³

11. The Debtors and Kurtzman Carson Consultants, LLC dba Verita Global (“Verita”), the proposed claims and noticing agent, therefore request authority to redact from any paper filed or to be filed with this Court in these chapter 11 cases, including but not limited to the Consolidated

³ *See also* the California Consumer Privacy Act of 2018 Cal. Civ. Code § 1798.155 (effective on Jan. 1, 2020), the Virginia Consumer Data Protection Act Va. Code §§ 59.1-575-59.1-585 (effective on Jan. 1, 2023), the Connecticut Act Concerning Personal Data Privacy and Online Monitoring, Public Act § 22-15 (effective on July 1, 2023), the Colorado Privacy Act, Colo. Rec. Stat. § 6-1 (effective on July 1, 2023), the Utah Consumer Privacy Act, Utah Code § 13-61 (effective on Dec. 31, 2023), the Florida Digital Bill of Rights, Fla. Stat. § 501.701 (effective on July 1, 2024), the Montana Consumer Data Privacy Act, Mont. Code Ann. § 35 (effective on Oct. 1, 2024), the Delaware Personal Data Privacy Act, Del. Code Ann. tit. 6 § 12D-102 (effective as of Jan. 1, 2025), the Iowa Data Privacy Law, Iowa Code § 715D.1 (effective on Jan. 1, 2025), the New Hampshire Privacy Law, N.H. Rev. Stat. § 507-H:1 (effective on Jan. 1, 2025), the Tennessee Information Protection Act, Tenn. Code Ann. § 47-18 (effective on July 1, 2025), the New Jersey Data Privacy Act, N.J. Rev. Stat. § 56:1 (effective on Jan. 15, 2025), and the Indiana Data Privacy Law, Ind. Code § 24-15 (effective on Jan. 1, 2026).

Creditor Matrix, the Schedules and Statements,⁴ and any related affidavits of service, the names, home and email addresses, and other personally identifiable information of all individual creditors, and individual parties in interest—including the Debtors’ current and former employees, officers and directors, litigation counterparties, individual parties in interest, and individual equity holders. This relief is requested because (a) such personally identifiable information can be used to perpetrate identity theft⁵ and phishing scams or to locate survivors of domestic violence, harassment, or stalking under section 107(c)(1) of the Bankruptcy Code and (b) disclosure of such personally identifiable information risks violating data and privacy laws and regulations, thereby exposing the Debtors to potential civil liability and significant financial penalties.

12. Redaction is necessary to protect information that would create an “undue risk of identity theft or other unlawful injury to the individual or the individual’s property.” 11 U.S.C. § 107(c)(1). The risk described in section 107(c)(1) of the Bankruptcy Code is real and not merely speculative. In at least one chapter 11 case in Delaware, the abusive former partner of a debtor’s employee used the publicly accessible creditor and employee information filed in the chapter 11 case to track the employee at her new address that was previously not publicly available,

⁴ As defined in the Debtors’ *Emergency Motion for Entry of an Order Extending Time to File (I) Schedules of Assets and Liabilities, (II) Schedules of Current Income and Expenditures, (III) Schedules of Executory Contracts and Unexpired Leases, (IV) Statements of Financial Affairs, and (V) Rule 2015.3 Financial Reports*, filed contemporaneously herewith.

⁵ See *In re Endo Int’l PLC*, No. 22-22549 (JLG), 2022 WL 16640880, at *7, 11, 12 (Bankr. S.D.N.Y. Nov. 2, 2022) (taking “judicial notice of the fact that identity theft is a world-wide problem,” recognizing that the right of public access to judicial records “is not absolute,” and authorizing the debtors to redact the names, home addresses, and e-mail addresses of certain litigation claimants located in the US, EU, UK, and Australia from any paper filed with that court and/or otherwise made publicly available by the debtors and the claims and noticing agent thereof); see also *In re Genesis Glob. Holdco, LLC*, 652 B.R. 618, 636–37 (Bankr. S.D.N.Y. 2023) (quoting *Endo* and finding that “[h]ome addresses fall within that category of information, as it is taken as a ‘given’ that they constitute personally identifiable information that is vital information to perpetrators of identity theft, stalking and intimate partner violence alike, and that publishing such information facilitates an identity thief’s search for data and a stalker’s or abuser’s ability to find his or her target”). *Id.* at 635, 637.

forcing the employee to change addresses again.⁶ More recently, in a chapter 11 case in the Southern District of New York, at least twelve phishing scams have been uncovered.⁷ These phishing incidents targeted individuals whose names were publicized in the creditor matrix, including one in which scammers modified a court order and sent it to individuals whose names were disclosed, two where scammers posed as associates of debtors' counsel using fake e-mail accounts purportedly from debtors' counsel and requested that individual creditors reply with their account and other personal information, and another where scammers posed as the debtor's claims agent and requested the same information from individual creditors.

13. Courts in this jurisdiction have granted the relief requested herein in comparable chapter 11 cases. *See, e.g., In re Digit. Media Sols.*, No. 24-90468 (ARP) (Bankr. S.D. Tex. Sept 13, 2024) (authorizing the debtors to redact personally identifiable information, including the names, home addresses and personal email addresses, of individuals listed on the creditor matrix or other documents filed with the court); *In re Audacy, Inc.*, No. 24-90004 (CML) (Bankr. S.D. Tex. Jan. 8, 2024) (same); *In re Center for Autism and Related Disorders, LLC*, No. 23-90709 (DRJ) (Bankr. S.D. Tex. June 12, 2023) (same); *In re SmileDirectClub, Inc.*, No. 23-90786 (CML) (Bankr. S.D. Tex. Oct. 2, 2023) (same); *In re Conn's, Inc.*, No. 24-33357 (ARP) (Bankr. S.D. Tex. July 24, 2024) (same) (authorizing the debtors to redact personally identifiable information, including home addresses and personal email addresses, of individuals listed on the creditor matrix or other documents filed with the court); *In re DRF Logistics, LLC*, No. 24-90447 (CML) (Bankr.

⁶ The incident, which took place during the first Charming Charlie chapter 11 proceedings in 2017, is described in the "creditor matrix motion" filed in *Charming Charlie Holdings Inc.*, Case No. 19-11534 (CSS) (Bankr. D. Del. Jul. 11, 2019), Docket No. 4.

⁷ *See In re Celsius Network, LLC*, Case No. 22-10964 (MG), Docket Nos. 1527, 1681, 1904, 1992, 2082, 2896, 3121, 3251, 3422, 3722, 3932, and 4070.

S.D. Tex. Aug. 9, 2024) (same); *In re QualTek Servs. Inc.*, No. 23-90584 (CML) (Bankr. S.D. Tex. May 24, 2023) (same);⁸

14. For these reasons, the Debtors submit that cause exists to authorize the Debtors to redact, pursuant to section 107(c)(1) of the Bankruptcy Code, and in compliance with applicable privacy or data protection laws and regulations, the names, home addresses, and email addresses of natural persons listed on the Consolidated Creditor Matrix, Schedules and Statements, proofs of claim, any related affidavits of service, or any other document filed with the Court. Absent such relief, the Debtors (a) may be in violation of applicable privacy or data protection laws, thereby exposing the Debtors to severe monetary penalties which could threaten the Debtors' operations during this sensitive stage of their restructuring, (b) would unnecessarily render individuals more susceptible to identity theft and phishing scams, and (c) could jeopardize the safety of individuals who, unbeknownst to the Debtors, are survivors of domestic violence, harassment, or stalking by publishing their home and e-mail addresses without any advance notice or opportunity to opt out or take protective measures.

15. The Debtors propose to provide unredacted versions of the Consolidated Creditor Matrix, Schedules and Statements, proofs of claim, any related affidavits of service, and any other filings redacted pursuant to the proposed order to (a) the Court, (b) the United States Trustee for the Southern District of Texas (the "U.S. Trustee"), (c) counsel to any official committee appointed in these chapter 11 cases, (d) Verita as proposed claims and noticing agent, and (e) any party in interest upon a request to the Debtors (email being sufficient) or to the Court that is reasonably related to these chapter 11 cases and that represents that the unredacted version(s) will be maintained in confidence. In each case, this would be subject to a review of whether such

⁸ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

disclosure, on a case-by-case basis, would violate any obligation under any privacy or data protection law or regulation. Nothing requested herein is intended to preclude a party in interest's right to file a motion requesting that the Court unseal the information redacted by the Order. The Debtors will also distribute, as applicable, any notices that are received at the Debtors' corporate headquarters and that are intended for a current employee.

II. Waiver of the Requirement to File a List of the Equity Security Holders Is Warranted Under the Circumstances of These Chapter 11 Cases.

16. The Bankruptcy Rules contain certain requirements with respect to a debtor's equity security holders. Bankruptcy Rule 1007(a)(3) requires a debtor to file, within fourteen (14) days after the petition date, a list of the debtor's equity security holders. *See* Fed. R. Bankr. P. 1007(a)(3). Bankruptcy Rule 2002(d), in turn, requires that equity security holders be provided notice of, among other things, the commencement of the bankruptcy case and the confirmation hearing. *See* Fed. R. Bankr. P. 2002(d). Bankruptcy courts have authority to modify or waive the requirements under both rules. Fed. R. Bankr. P. 1007(a)(3) (“[U]nless the court orders otherwise, the debtor shall file . . . a list of the debtor's equity security holders”); Fed. R. Bankr. P. 2002(d) (“[U]nless otherwise ordered by the court, the clerk . . . shall in the manner and form directed by the court give notice to all equity security holders”); *see also* 11 U.S.C. § 105(a) (“The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.”); Fed. R. Bankr. P. 9007 (“When notice is to be given under these rules, the court shall designate, if not otherwise specified herein, the time within which, the entities to whom, and the form and manner in which the notice shall be given.”).

17. The requirements to file a list of, and to provide notice directly to, equity security holders should be waived as to Vertex Energy. Vertex Energy's common stock is traded over-the-counter with 93,514,346 shares of Common Stock outstanding as of September 18, 2024,

that, with the exception of a small subset of registered equity security holders, cannot be readily traced to specific individual holders. Prior to the Petition Date, Vertex Energy's common stock was traded on the NASDAQ Capital Market, under the ticker symbol "VTNR." In addition, a series of warrants exercisable for up to 165,100 shares of Common Stock are also publicly traded on the NASDAQ under the ticker symbol "VTNR". Vertex Energy must therefore obtain the names and addresses of its widely-dispersed equity security holders from a securities agent. Preparing and submitting such a list with last known addresses for each equity security holder and sending notices to all such parties would create undue expense and an administrative burden with limited corresponding benefit to the estates or parties in interest.

18. Vertex Energy has taken, or will take, several actions to inform its equity security holders of the commencement of these chapter 11 cases. On or about the date hereof, Debtor Vertex Energy will issue a press release and file an 8-K with the U.S. Securities and Exchange Commission announcing the filing. Vertex Energy also filed with its petition a list of persons and entities with significant holdings of its outstanding Common Stock. Additionally, as soon as is practicable following the date hereof, the Debtors intend to cause the notices required under Bankruptcy Rule 2002(d) to be served on registered holders of Debtor Vertex Energy's Common Stock and published in full in *The New York Times (National Edition)*.

19. For these reasons, the Debtors request that the Court waive the requirements to file a list of, and to provide notice directly to, Vertex Energy's equity security holders (other than registered holders), as courts in this jurisdiction have done in comparable chapter 11 cases. See e.g., *In re Digit. Media Sols.*, No. 24-90468 (ARP) (Bankr. S.D. Tex. Sept 13, 2024) (waiving the requirement that the debtors file a list of equity security holders pursuant to Bankruptcy Rule 1007(a)(3)); *In re Conn's, Inc.*, No. 24-33357 (ARP) (Bankr. S.D. Tex. July 24, 2024)

(same); *In re SmileDirectClub, Inc.*, No. 23-90786 (CML) (Bankr. S.D. Tex. Oct. 2, 2023) (same); *In re QualTek Servs. Inc.*, No. 23-90584 (CML) (Bankr. S.D. Tex. May 24, 2023) (same); *In re Cineworld Group PLC*, No. 22-90168 (MI) (Bankr. S.D. Tex. Sept. 9, 2022) (same).⁹

III. Service of Required Notices to Creditors Is Appropriate and Should Be Approved.

20. Bankruptcy Rule 2002(a) provides, in relevant part, that “the clerk, or some other person as the court may direct, shall give the debtor, the trustee, all creditors and indenture trustees at least 21 days’ notice by mail of: the meeting of creditors under § 341 or § 1104(b) of the Code.” Fed. R. Bankr. P. 2002(a). Subsection (f) provides that notice of the order for relief shall be sent by mail to all creditors. *See* Fed. R. Bankr. P. 2002(f).

21. The Debtors propose that Verita undertake all mailings directed by the Court or the U.S. Trustee or as required in section 342(a) of the Bankruptcy Code and Bankruptcy Rule 2002(a) and (f), including the notice of commencement of these chapter 11 cases, substantially in the form attached to the Order as Exhibit A (the “Notice of Commencement”), on all parties listed on the Creditor Matrix to advise them of the meeting of creditors under section 341 of the Bankruptcy Code. Service of the Notice of Commencement on the Creditor Matrix will not only avoid confusion among creditors but also will prevent the Debtors’ estates from incurring unnecessary costs associated with serving multiple notices to the parties listed on the Debtors’ voluminous Creditor Matrix. Accordingly, service of the Notice of Commencement is warranted.

22. The Debtors believe that using Verita to promptly provide notices to all applicable parties will maximize efficiency in administering these chapter 11 cases and will ease administrative burdens that would otherwise fall upon the Court and the U.S. Trustee. Additionally, Verita will assist the Debtors in preparing creditor lists and mailing or electronic

⁹ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors’ proposed counsel.

mailing initial notices. Therefore, it is more efficient to authorize Verita to mail the Notice of Commencement of these chapter 11 cases. Accordingly, the Court should authorize Verita to undertake such mailings, as courts in this jurisdiction have done in other comparable chapter 11 cases. *See, e.g., In re Digit. Media Sols.*, No. 24-90468 (ARP) (Bankr. S.D. Tex. Sept 13, 2024); (authorizing the debtors' claims agent to notify creditors of the commencement of the chapter 11 cases and other information); *In re SmileDirectClub, Inc.*, Case No. 23-90786 (CML) (Bankr. S.D. Tex. Oct. 2, 2023) (same); *In re QualTek Servs. Inc.*, No. 23-90584 (CML) (Bankr. S.D. Tex. May 24, 2023) (same); *In re Cineworld Group PLC*, No. 22-90168 (MI) (Bankr. S.D. Tex. Sept. 9, 2022) (same).¹⁰

23. The Debtors further request authority to distribute notices to parties in interest via e-mail in lieu of mailing. The Debtors do not maintain records of mailing addresses for many of these contacts, and, accordingly, distribution of notices via e-mail to such parties is warranted under the circumstances and will alleviate an administrative burden otherwise imposed on the Debtors. In other large chapter 11 cases, courts in this district have allowed debtors to distribute notices to parties in interest via e-mail in lieu of mailing. *See, e.g., In re Digit. Media Sols.*, No. 24-90468 (ARP) (Bankr. S.D. Tex. Sept 13, 2024) (authorizing the debtors to distribute notices to parties in interest via e-mail in lieu of mail); *In re SmileDirectClub, Inc.*, No. 23-90786 (CML) (Bankr. S.D. Tex. Oct. 2, 2023) (same); *In re QualTek Servs. Inc.*, No. 23-90584 (CML) (Bankr. S.D. Tex. May 24, 2023) (same); *In re Cineworld Group PLC*, No. 22-90168 (MI) (Bankr. S.D. Tex. Sept. 9, 2022) (same).¹¹

¹⁰ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

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Emergency Consideration

24. Pursuant to Bankruptcy Local Rule 9013-1(i) and Bankruptcy Rule 6003, the Debtors request emergency consideration of this Motion, which empowers a court to grant relief within the first twenty-one (21) days after the commencement of a chapter 11 case “to the extent that relief is necessary to avoid immediate and irreparable harm.” This Motion requests relief from procedural rules and requirements that pertain to matters of immediate significance or which involve deadlines sooner than twenty-one (21) days after the Petition Date. The relief will save costs and avoid undue administrative burden and confusion only if granted immediately. The Debtors have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 and request that the Court approve the relief requested in this Motion on an emergency basis.

Notice

25. The Debtors will provide notice of this Motion to the following parties or their respective counsel: (a) the U.S. Trustee; (b) the holders of the thirty (30) largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the Consenting Term Loan Lenders; (d) the agent under the Debtors’ Term Loan Facility, and counsel thereto; (e) the agent under the Debtors’ DIP Facility and counsel thereto; (f) counsel to Macquarie; (g) the United States Attorney’s Office for the Southern District of Texas; (h) the Internal Revenue Service; (i) the United States Securities and Exchange Commission; (j) the state attorneys general for states in which the Debtors conduct business; and (k) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, no other or further notice need be given.

The Debtors request that the Court enter the Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Houston, Texas
September 25, 2024

/s/ Jason G. Cohen

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*Proposed Co-Counsel to the Debtors
and Debtors in Possession*

Certificate of Accuracy

I certify that the foregoing statements are true and accurate to the best of my knowledge.
This statement is being made pursuant to Bankruptcy Local Rule 9013-1(i).

/s/ Jason G. Cohen

Jason G. Cohen

Certificate of Service

I certify that on September 25, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Jason G. Cohen

Jason G. Cohen

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
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Upon the emergency motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) authorizing the Debtors to (i) file a Consolidated Creditor Matrix and a Consolidated Top thirty Creditors List and (ii) redact certain personally identifiable information of natural persons; (b) waiving the requirement to file a list of, and provide notice directly to, certain equity security holders of Debtor Vertex Energy; (c) approving the form and manner of notifying creditors of the commencement of these chapter 11 cases and other information; and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://www.veritaglobal.net/vertex>. The location of Debtor Vertex Energy, Inc.’s corporate headquarters and the Debtors’ service address in these chapter 11 cases is 1331 Gemini Street, Suite 250, Houston, Texas 77058.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue is proper pursuant to 28 U.S.C. § 1408; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors are authorized to file a Consolidated Creditor Matrix and a Consolidated Top 30 Creditors List.

2. The Debtors and Verita (as claims and noticing agent) are authorized to redact on the Consolidated Creditor Matrix, the Schedules and Statements, proofs of claim, any related affidavits of service, and any other documents filed with this Court, the names, home addresses, email addresses, and other personally identifiable information of any natural person. The Debtors shall provide unredacted versions of the Consolidated Creditor Matrix, the Schedules and Statements, proofs of claim, any related affidavits of service, and any other filings redacted pursuant to this Order to (a) this Court, (b) the U.S. Trustee, (c) counsel to any official committee appointed in these chapter 11 cases, (d) Verita as the proposed claims and noticing agent, and (e) any party in interest upon a request to the Debtors (email being sufficient) or to this Court that

is reasonably related to these chapter 11 cases, *provided* that any receiving party shall not transfer or otherwise provide such unredacted document to any person or entity not party to the request and shall represent that the unredacted version(s) of the documents will be maintained in confidence. The Debtors shall inform the Court and the U.S. Trustee promptly after denying any request for an unredacted document pursuant to this Order. Nothing herein precludes a party in interest's right to file a motion requesting that this Court unseal the information redacted by this Order.

3. The requirement that Debtor Vertex Energy file a list of equity security holders pursuant to Bankruptcy Rule 1007(a)(3) is waived, and the Debtors are authorized to serve the notices required under Bankruptcy Rule 2002(d) on the registered holders of Debtor Vertex Energy's equity securities and, to the extent they are known, on beneficial holders through the appropriate broker, or other intermediary, to the extent a beneficial equity holder holds such equity interest through such intermediary.

4. Any requirement that Vertex Energy provide notice directly to equity security holders under Bankruptcy Rule 2002(d) is waived. The Debtors shall also publish the Notice of Commencement on the Debtors' case website located at <https://www.veritaglobal.net/vertex> and file a Form 8-K with the United States Securities and Exchange Commission as soon as practicable after entry of this Order, notifying their investors and other parties of the commencement of these Chapter 11 Cases. The Debtors are further authorized to issue a press release announcing the bankruptcy filing and will as soon as is practicable cause the notices required under Bankruptcy Rule 2002(d) to be served on registered holders of Debtor Vertex Energy's Common Stock to be published in full in *The New York Times (National Edition)* or similar publication in the Debtors' business judgment.

5. The Notice of Commencement, substantially in the form attached hereto as **Exhibit A**, is hereby approved. Service of the Notice of Commencement shall be deemed adequate and sufficient notice of (a) the commencement of these chapter 11 cases and (b) the scheduling of the meeting of creditors under section 341 of the Bankruptcy Code.

6. The Debtors shall cause Verita to post the Notice of Commencement on the case website <https://www.veritaglobal.net/vertex> as soon as practicable.

7. The Debtors, through Verita, are authorized to serve all pleadings and papers, including the Notice of Commencement, on all parties listed on the Consolidated Creditor Matrix.

8. The Debtors, through Verita, are authorized to distribute all pleadings and papers to parties in interest via email.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of the Bankruptcy Rules and the Bankruptcy Local Rules are satisfied by such notice.

10. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

11. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2024

CHRISTOPHER M. LOPEZ
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Notice of Commencement

Information to identify the case:Debtor: Vertex Energy, Inc., et al.
Name

EIN: 94-3439569

United States Bankruptcy Court for the Southern District of Texas

Case Number: 24-90507 (CML)

Date case filed for Chapter 11:
September 24, 2024

Official Form 309F1 (For Corporations or Partnerships)

Notice of Chapter 11 Bankruptcy Case**10/20**

For the debtor listed above, a case has been filed under chapter 11 of the Bankruptcy Code. An order for relief has been entered.

This notice has important information about the case for creditors and debtors, including information about the meeting of creditors and deadlines. Read both pages carefully.

The filing of the case imposed an automatic stay against most collection activities. This means that creditors generally may not take action to collect debts from the debtor or the debtor's property. For example, while the stay is in effect, creditors cannot sue, assert a deficiency, repossess property, or otherwise try to collect from the debtor. Creditors cannot demand repayment from the debtor by mail, phone, or otherwise. Creditors who violate the stay can be required to pay actual and punitive damages and attorney's fees.

Confirmation of a chapter 11 plan may result in a discharge of debt. A creditor who wants to have a particular debt excepted from discharge may be required to file a complaint in the bankruptcy clerk's office within the deadline specified in this notice. (See line 11 below for more information.)

To protect your rights, consult an attorney. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below or through PACER (Public Access to Court Electronic Records at <https://pacer.uscourts.gov>).

The staff of the bankruptcy clerk's office cannot give legal advice.

Do not file this notice with any proof of claim or other filing in the case.

1. Debtors' full name: See chart below.

List of Jointly Administered Cases

NO.	DEBTOR	ADDRESS	CASE NO.	EIN #
1	Vertex Energy, Inc.	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90507	94-3439569
2	Bango Oil LLC	4601 W. Sahara Avenue, Suite L Las Vegas, NV 89102	24-90508	20-3898855
3	Cedar Marine Terminals, LP	2323 Clear Lake City Blvd. No. 180 - 184 Houston, Texas, 77062	24-90509	33-1119617
4	Crossroad Carriers, L.P.	2323 Clear Lake City Blvd. No. 180 - 184 Houston, Texas, 77062	24-90510	68-0655641
5	Crystal Energy, LLC	2311 Highland South Avenue Birmingham, Alabama 35205	24-90511	81-3789327
6	H&H Oil, L.P.	2323 Clear Lake City Blvd. No. 180 - 184 Houston, Texas, 77062	24-90512	26-0678070
7	HPRM LLC	4001 E. 5th Avenue Columbus, OH 43219	24-90513	83-3670623
8	Tensile-Heartland Acquisition Corporation	1209 Orange Street Wilmington, Delaware 19801	24-90514	84-2360638
9	Tensile-Myrtle Grove Acquisition Corporation	1209 Orange Street Wilmington, Delaware 19801	24-90515	84-2375079

10	Vertex Acquisition Sub, LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90516	46-0848130
11	Vertex Energy Operating, LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90506	46-5235228
12	Vertex II GP, LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90521	46-0867237
13	Vertex Marine Fuel Services LLC	108 W. 13th Street Wilmington, Delaware 19801	24-90518	88-3991565
14	Vertex Merger Sub, LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90519	94-3439569
15	Vertex Recovery Management, LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90520	47-4736381
16	Vertex Recovery, L.P.	2323 Clear Lake City Blvd. No. 180 - 184 Houston, Texas, 77062	24-90517	81-0562942
17	Vertex Refining Alabama LLC	108 W. 13th Street Wilmington, Delaware 19801	24-90522	38-4179507
18	Vertex Refining LA, LLC	5616 Corporate Blvd. Suite 400B Baton Rouge, Louisiana 70808	24-90523	46-5101732
19	Vertex Refining Myrtle Grove LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90524	83-3714295
20	Vertex Refining NV, LLC	9107 West Russell Road Suite 100 Las Vegas, NV, 89148	24-90525	46-5117656
21	Vertex Refining Texas LLC	1331 Gemini Street, Suite 250 Houston, TX 77058	24-90526	92-0270847
22	Vertex Renewables Alabama LLC	108 W. 13th Street Wilmington, Delaware 19801	24-90527	88-4363896
23	Vertex Renewables LLC	108 W. 13th Street Wilmington, Delaware 19801	24-90528	92-1258314
24	Vertex Splitter Corporation	108 W. 13th Street Wilmington, Delaware 19801	24-90529	84-2358505

2. All other names used in the last 8 years: See Rider 1.

3. Address: See chart above.

4. Debtors' attorneys:

BRACEWELL LLP

Jason G. Cohen (TX Bar No. 24050435)
Jonathan L. Lozano (TX Bar No. 24121570)
711 Louisiana Street, Suite 2300
Houston, Texas 77002
Telephone: (713) 223-2300
Facsimile: (800) 404-3970
Email: jason.cohen@bracewell.com
Email: jonathan.lozano@bracewell.com

-and-

BRACEWELL LLP

Mark E. Dendinger (*pro hac vice* pending)
31 W. 52nd Street, Suite 1900
New York, NY 10019
Telephone: (212) 508-6100
Facsimile: (800) 404-3970
Email: mark.dendinger@bracewell.com

-and-

Debtors' notice and claims agent (for court documents and case information inquiries):

Case Website:

<https://www.veritaglobal.net/vertex>

Email: VertexEnergyInfo@veritaglobal.com

Telephone: (877) 709-4747 (Toll-free)
+1 (424) 236-7228 (International)

If by First-Class Mail:

Vertex Energy Claims Processing Center
c/o KCC dba Verita Global LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

If by Hand Delivery or Overnight Mail:

Vertex Energy Claims Processing Center
c/o KCC dba Verita Global LLC
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
 Brian Schartz, P.C. (TX Bar No. 24099361)
 601 Lexington Avenue
 New York, New York 10022
 Telephone: (212) 446-4800
 Facsimile: (212) 446-4900
 Email: brian.schartz@kirkland.com

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
 John R. Luze (*pro hac vice* pending)
 Rachael M. Bentley (*pro hac vice* pending)
 333 West Wolf Point Plaza
 Chicago, Illinois 60654
 Telephone: (312) 862-2000
 Facsimile: (312) 862-2200
 Email: john.luze@kirkland.com
 Email: rachael.bentley@kirkland.com

Proposed Co-Counsel to the Debtors
 and Debtors in Possession

5. Bankruptcy Clerk's Office

Documents in this case may be
 filed at this address.

United States Courthouse
515 Rusk Avenue
Houston, Texas 77002

Hours Open: Monday - Friday
8:00 AM - 5:00 PM CT
Contact phone: 713-250-5500

You may inspect all records
 filed in this case at this office or
 online at www.pacer.gov

All documents in this case are available
 free of charge on the website of the
 Debtors' notice and claims agent at
<https://www.veritaglobal.net/vertex>

6. Meeting of Creditors

October [●], 2024, at [●] [●].m.
(prevailing Central Time)

Location:
Telephone Conference Call

Dial: (866) 707-5468
Code: 6166997#

The debtor's representative
 must attend the meeting to be
 questioned under oath.
 Creditors may attend, but are
 not required to do so.

The meeting may be continued or
 adjourned to a later date. If so, the date
 will be on the court docket.

7. Proof of Claim Deadline:

Deadline for filing proof of claim:

General Bar Date: [●]

Governmental Bar Date: [●]

A proof of claim is a signed statement describing a creditor's claim. A proof of
 claim form may be obtained at www.uscourts.gov or any bankruptcy clerk's
 office.

Your claim will be allowed in the amount scheduled unless:

- Your claim is designated as *disputed*, *contingent*, or *unliquidated*;
- You file a proof of claim in a different amount; or
- You receive another notice.

If your claim is not scheduled or if your claim is designated as *disputed*,
contingent, or *unliquidated*, you must file a proof of claim or you might not be
 paid on your claim and you might be unable to vote on a plan. You may file a
 proof of claim even if your claim is scheduled.

	<p>You may review the schedules at the bankruptcy clerk's office or online at https://pacer.uscourts.gov.</p> <p>Secured creditors retain rights in their collateral regardless of whether they file a proof of claim. Filing a proof of claim submits a creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a proof of claim may surrender important nonmonetary rights, including the right to a jury trial.</p>
<p>8. Exception to discharge deadline</p> <p>The bankruptcy clerk's office must receive a complaint and any required filing fee by the following deadline.</p>	<p>If § 523(c) applies to your claim and you seek to have it excepted from discharge, you must start a judicial proceeding by filing a complaint by the deadline stated below.</p> <p>Deadline for filing the complaint: Not applicable</p>
9. Creditors with a foreign address	<p>If you are a creditor receiving notice mailed to a foreign address, you may file a motion asking the court to extend the deadlines in this notice. Consult an attorney familiar with United States bankruptcy law if you have any questions about your rights in this case.</p>
10. Filing a Chapter 11 bankruptcy case	<p>Chapter 11 allows debtors to reorganize or liquidate according to a plan. A plan is not effective unless the court confirms it. You may receive a copy of the plan and a disclosure statement telling you about the plan, and you may have the opportunity to vote on the plan. You will receive notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the property and may continue to operate its business.</p>
11. Discharge of debts	<p>Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See 11 U.S.C. § 1141(d). A discharge means that creditors may never try to collect the debt from the debtor except as provided in the plan. If you want to have a particular debt owed to you excepted from the discharge and § 523(c) applies to your claim, you must start a judicial proceeding by filing a complaint and paying the filing fee in the bankruptcy clerk's office by the deadline.</p>

Rider 1
Other Names Used in the Last 8 Years

Current Entity Name	Former Entity Name
Crystal Energy, LLC	H&H Waste Oil Incorporated, H&H Oil
Vertex Merger Sub, LLC	World Waste Technologies Inc.
Vertex Recovery, L.P.	NickCo Recycling
H & H Oil, L.P.	H&H Oil Recovery Services