

ENTERED

September 25, 2024

Nathan Ochsner, Clerk

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

)	
In re:)	Chapter 11
)	
VERTEX ENERGY, INC., <i>et al.</i> , ¹)	Case No. 24-90507 (CML)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 12

INTERIM ORDER

**(I) AUTHORIZING THE DEBTORS TO (A) CONTINUE
TO OPERATE THEIR CASH MANAGEMENT SYSTEM AND
MAINTAIN EXISTING BANK ACCOUNTS, (B) CONTINUE TO PERFORM
INTERCOMPANY TRANSACTIONS, AND (C) MAINTAIN EXISTING BUSINESS
FORMS AND BOOKS AND RECORDS, AND (II) GRANTING RELATED RELIEF**

Upon the emergency motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”):

(i) authorizing the Debtors to (a) continue to operate their cash management system and maintain their existing bank accounts, including honoring certain prepetition obligations related thereto and (b) continue to perform intercompany transactions and funding consistent with historical practice, as modified as set forth herein, and (c) maintain existing business forms and books and records; and (ii) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over 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); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant

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.



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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 final hearing (the "Final Hearing") on the Motion shall be held on October 16, 2024, at 9:00 a.m., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on October 9, 2024. In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

2. Subject to the limitations of this Interim Order, the Debtors are authorized to:

- (a) continue using the Cash Management System as described in the Motion in the ordinary course of business and honor any prepetition obligations related to the use thereof;
- (b) designate, maintain, close, and continue to use on an interim basis any or all of their existing Bank Accounts, including, but not limited to, the Bank Accounts identified on Exhibit B attached to the Motion, in the names and with the account numbers existing immediately before the Petition Date;
- (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, electronic fund transfers, ACH transfers, and other debits or electronic means;
- (d) treat their prepetition Bank Accounts for all purposes as debtor in possession accounts;
- (e) open new debtor-in-possession

Bank Accounts (subject to paragraph 16 herein); and (f) pay any Bank Fees, irrespective of whether such fees arose prior to the Petition Date, and perform their obligations under the documents and arrangements governing the Bank Accounts; *provided* that in the case of each of (a) through (f), such action is taken in the ordinary course of business and consistent with prepetition practices; *provided, further*, however that the Debtors shall give notice of the opening or closing of any Bank Account to the U.S. Trustee and any statutory committee appointed in these chapter 11 cases.

3. To the extent any of the Debtors' Bank Accounts are not in compliance with section 345(b) of the Bankruptcy Code or any of the U.S. Trustee's requirements or guidelines, the Debtors shall have until November 8, 2024, without prejudice to seek an additional extension or waiver, to come into compliance with section 345(b) of the Bankruptcy Code; *provided* that nothing herein shall prevent the Debtors or the U. S. Trustee from seeking further relief from the Court to the extent that an agreement cannot be reached. The Debtors may obtain a further extension of the period referenced above by entering into a written stipulation with the U.S. Trustee and filing such stipulation on the Court's docket without the need for further Court order.

4. The Debtors are authorized to maintain the Credit Card Programs and pay prepetition and postpetition amounts incurred on account of the Credit Card Programs pursuant to the terms of the Credit Card Programs.

5. The Debtors are authorized to continue using, in their present form, the Business Forms (including purchase cards), as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, and maintain and continue using, in their present form, the Books and Records; *provided* that once the Debtors have exhausted their existing stock of Business Forms, they shall ensure that any new Business Forms are clearly labeled "Debtor in Possession" as soon as it is reasonably practicable to do so. To the extent the Debtors

print any new checks or use any electronic Business Forms, they will include the designation “Debtor in Possession” and the corresponding bankruptcy number on all such checks within ten (10) days.

6. Except as otherwise provided in this Interim Order and only to the extent funds are available in each applicable Bank Account, the Cash Management Bank at which the Bank Accounts are maintained is authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business, and to receive, process, honor, and pay any and all checks, drafts, electronic fund transfers, and ACH transfers issued, whether before or after the Petition Date, including any transfers drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be. For the avoidance of doubt, the Cash Management Bank and other payroll check processors are authorized to receive, process, honor, and pay, to the extent funds are available in each applicable Bank Account, any and all payroll checks that were issued prior to and remain outstanding as of the Petition Date.

7. Those certain prepetition deposit, cash management, and treasury services agreements existing between the Debtors and the Cash Management Bank shall continue to govern the postpetition cash management relationship between the Debtors and the Cash Management Bank and, subject to applicable bankruptcy or other law, all of the provisions of such agreements, including the termination, fee provisions, rights, benefits, offset rights and remedies afforded under such agreements, shall remain in full force and effect absent further order of the Court (including, for the avoidance of doubt, any rights of the Cash Management Bank to use funds from the Bank Accounts to remedy any overdraft of another Bank Account to the extent permitted under the applicable deposit agreement) unless the Debtors and such Cash Management Bank agree

otherwise, and any other legal rights and remedies afforded to the Cash Management Bank under applicable law shall be preserved, subject to applicable bankruptcy law.

8. The Cash Management Bank is authorized to charge, and the Debtors are authorized to pay, honor, or allow any Bank Fees or charges associated with the Bank Accounts, and charge back returned items to the Bank Accounts in the ordinary course, including any prepetition amounts. Any postpetition fees, costs, charges, and expenses, including Bank Fees, or charge-backs or any other reimbursement or payment obligations that are not paid are hereby accorded priority as administrative expenses pursuant to section 503(b)(1) of the Bankruptcy Code.

9. The Cash Management Bank is authorized to debit the Bank Accounts in the ordinary course of business without the need for any further order of this Court for: (a) all checks drawn on the Bank Accounts which are cashed at the Cash Management Bank's counters or exchanged for cashier's checks by the payees thereof prior to or after the Petition Date; (b) all checks or other items deposited in one of the Bank Accounts with the Cash Management Bank prior to or after the Petition Date which have been dishonored or returned unpaid for any reason, including returned items that result from wire transfers, ACH transactions, or other electronic transfers of any kind, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to or after the Petition Date; (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to the Cash Management Bank as service charges for the maintenance of the Cash Management System, including any Bank Fees incurred in the ordinary course of business; and (d) any postpetition amounts due and owing to the Cash Management Bank as service charges for the maintenance of the Cash Management System, including any Bank Fees incurred in the ordinary course of business.

10. As soon as practicable after entry of this Interim Order, the Debtors shall serve a copy of this Interim Order on the Cash Management Bank.

11. The Debtors are authorized to: (a) pay undisputed prepetition amounts outstanding as of the Petition Date, if any, owed in the ordinary course to the Cash Management Bank as service charges for the maintenance of the Cash Management System; and (b) reimburse the Cash Management Bank for any claims arising before or after the Petition Date in connection with customer checks deposited with the Cash Management Bank that have been dishonored or returned as a result of insufficient funds in the Bank Accounts in the ordinary course of business, to the same extent the Debtors were responsible for such items prior to the Petition Date.

12. The Debtors are authorized to enter into, engage in, and satisfy any payments in connection with the Intercompany Transactions and to take any actions related thereto, in each case on the same terms as, and materially consistent with, the Debtors' operation of the businesses in the ordinary course during the prepetition period, as further described in the Motion.

13. The Debtors are authorized to set off mutual postpetition obligations relating to intercompany receivables and payables through the Cash Management System in the ordinary course of business consistent with prepetition practices, as further described in the Motion. The Debtors shall continue to maintain accurate, current, and detailed records with respect to all transfers of cash so that all transactions, including Intercompany Transactions, may be readily ascertained, traced, and recorded properly on applicable intercompany accounts.

14. Pursuant to section 503(b)(1) of the Bankruptcy Code, all postpetition payments on account of any Intercompany Transaction, including any interest and fees related thereto, shall in each case be accorded administrative expense status, except to the extent such Intercompany Transactions are on account of antecedent debts (including with respect to "netting" or setoffs),

and the priority of any claims on account of such Intercompany Transactions shall be subject to the DIP Order (as defined below) and the priorities set forth therein.

15. Except as otherwise set forth herein, the Debtors and the Cash Management Bank may, without further order of the Court, agree and implement changes to the policies and procedures related to the Cash Management System in the ordinary course of business.

16. The Debtors are authorized to open new bank accounts so long as any such new account is with the Debtors' existing Cash Management Bank or with a bank that (a) is insured with the FDIC or the Federal Savings and Loan Insurance Corporation, (b) is designated as an authorized depository by the U.S. Trustee, and (c) agrees to be bound by the terms of this Interim Order (such bank, if not the Cash Management Bank, a "Qualifying Bank"); *provided* that all accounts opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Interim Order, be deemed a Bank Account as if it had been listed on Exhibit B attached to the Motion.

17. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors after the date hereof, and in accordance with the terms hereof, which account shall be deemed a Bank Account, and to the bank at which such account is opened, which bank shall be deemed a Qualified Bank. The Debtors shall provide notice of the opening of a new bank account in accordance with the terms of this Interim Order.

18. Notwithstanding any other provision of this Interim Order, should the Cash Management Bank or any Qualifying Bank honor a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors to honor such prepetition check or item, including the Debtors' failure to stop payment on any such check or item, (b) in a good faith belief that the Court has authorized such prepetition check or item to be

honored, or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, the Cash Management Bank or Qualifying Bank shall not be deemed to be nor shall be liable to the Debtors or their estates or otherwise be in violation of this Interim Order. Without limiting the foregoing, the Cash Management Bank or Qualifying Bank may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of the Court, and such Cash Management Bank or Qualifying Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

19. Nothing contained herein shall prevent the Debtors from closing any Bank Accounts as they may deem necessary and appropriate, to the extent consistent with any orders of this Court relating thereto, any relevant bank is authorized to honor the Debtors' requests to close such Bank Accounts.

20. Notwithstanding entry of this Interim Order, nothing herein shall create, or is intended to (a) create, any rights in favor of or enhance the status of any claim held by any party or (b) alter or impair any security interest or perfection thereof, in favor of any person or entity, that existed as of the Petition Date.

21. Notwithstanding anything to the contrary set forth herein, any payment made hereunder, and any authorization contained herein, shall be subject to the requirements imposed under any interim or final orders authorizing the Debtors' use of cash collateral and/or postpetition debtor-in-possession financing (any such order, a "DIP Order") and any approved budget in connection therewith. To the extent there is any inconsistency between the terms of any DIP Order (including any approved budget in connection therewith) and any approval or action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

22. All time periods set forth in this Interim Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

23. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the amount of, basis for, priority of, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion or any order granting the relief requested by the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (i) to alter or impair any security interest or perfection thereof, in favor of any person or entity, that existed as of the Petition Date or that arises after the Petition Date; (j) create, any rights in favor of or enhance the status of any claim held by any party; or (k) impact or prejudice the ability of any party to challenge, avoid, unwind, recharacterize, or assert any other claim or cause of action with respect to any Intercompany Transactions.

24. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

25. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).


26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

27. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

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

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

Signed: September 25, 2024



Christopher Lopez
United States Bankruptcy Judge

United States Bankruptcy Court
Southern District of Texas

In re:
Vertex Energy, Inc.
Debtor

Case No. 24-90507-cml
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: Sep 25, 2024

User: ADIuser
Form ID: pdf002

Page 1 of 3
Total Noticed: 2

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Sep 27, 2024:

Recip ID	Recipient Name and Address
db	+ Vertex Energy, Inc., 1331 Gemini Street, Suite 250, Houston, TX 77058-2764

TOTAL: 1

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
op	+ Email/Text: kccnoticing@kccllc.com	Sep 25 2024 20:00:00	Kurtzman Carson Consultants, LLC dba Verita Global, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245-5614

TOTAL: 1

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
tr		U.S. Bank in its Capacity as the Indenture Trustee
cr		Ad Hoc Group of Consenting Term Loan Lenders

TOTAL: 2 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Sep 27, 2024

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on September 25, 2024 at the address(es) listed below:

Name	Email Address
Andrew Jimenez	on behalf of U.S. Trustee US Trustee andrew.jimenez@usdoj.gov
Evan Gershbein	

District/off: 0541-4
Date Rcvd: Sep 25, 2024

User: ADIuser
Form ID: pdf002

Page 2 of 3
Total Noticed: 2

on behalf of Other Prof. Kurtzman Carson Consultants LLC dba Verita Global ECFpleadings@kccllc.com,
ECFpleadings@kccllc.com

James S Carr

on behalf of Trustee U.S. Bank in its Capacity as the Indenture Trustee for the 6.25% Convertible Senior Notes Due 2027
KDWBankruptcyDepartment@kelleydrye.com;MVicinanza@ecf.inforuptcy.com

Jana Smith Whitworth

on behalf of U.S. Trustee US Trustee jana.whitworth@usdoj.gov

Jason Gary Cohen

on behalf of Debtor Vertex Energy Operating LLC jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Vertex Acquisition Sub LLC jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Bango Oil LLC jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Vertex Recovery L.P. jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Tensile-Heartland Acquisition Corporation jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Tensile-Myrtle Grove Acquisition Corporation jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor H&H Oil L.P. jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

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Jason Gary Cohen

on behalf of Debtor Crystal Energy LLC jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor HPRM LLC jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

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Jason Gary Cohen

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Jason Gary Cohen

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Jason Gary Cohen

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Jason Gary Cohen

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Jason Gary Cohen

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Jason Gary Cohen

on behalf of Debtor Cedar Marine Terminals LP jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Vertex Marine Fuel Services LLC jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Vertex Refining Alabama LLC jason.cohen@bracewell.com mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Crossroad Carriers L.P. jason.cohen@bracewell.com, mary.kearney@bracewell.com

Jason Gary Cohen

on behalf of Debtor Vertex Refining Texas LLC jason.cohen@bracewell.com mary.kearney@bracewell.com

Maegan Quejada

District/off: 0541-4

User: ADIuser

Page 3 of 3

Date Rcvd: Sep 25, 2024

Form ID: pdf002

Total Noticed: 2

on behalf of Creditor Ad Hoc Group of Consenting Term Loan Lenders mquejada@sidley.com
txefilingnotice@sidley.com;maegan-quejada-3302@ecf.pacerpro.com;efilingnotice@sidley.com

US Trustee

USTPRegion07.HU.ECF@USDOJ.GOV

TOTAL: 30