UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-41828

Atlas Energy Solutions Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**93-2154509**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
5918 W. Courtyard Drive, Suite 500	
Austin, Texas	**78730**
(Address of principal executive offices)	**(Zip Code)**

(512) 220-1200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common stock, par value $0.01 per share	AESI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2024, the registrant had 109,850,496 shares of common stock, $0.01 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Atlas Energy Solutions Inc.
Condensed Consolidated Balance Sheets
(In thousands, except share data)

	March 31, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 187,120	$ 210,174
Accounts receivable	185,758	71,170
Inventories	13,914	6,449
Spare part inventories	20,977	15,408
Prepaid expenses and other current assets	17,728	15,485
Total current assets	425,497	318,686
Property, plant and equipment, net	1,287,505	934,660
Finance lease right-of-use assets	7,432	424
Operating lease right-of-use assets	13,931	3,727
Goodwill	91,171	—
Intangible assets	112,462	1,767
Other long-term assets	3,686	2,422
Total assets	$ 1,941,684	$ 1,261,686
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 102,072	$ 60,882
Accounts payable - related parties	236	277
Accrued liabilities	43,428	28,458
Current portion of long-term debt	24,129	—
Other current liabilities	20,260	2,975
Total current liabilities	190,125	92,592
Long-term debt, net of discount and deferred financing costs	457,170	172,820
Deferred tax liabilities	199,429	121,529
Other long-term liabilities	28,530	6,921
Total liabilities	875,254	393,862
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 500,000,000 authorized; no shares issued and outstanding as of March 31, 2024 and December 31, 2023.	—	—
Common Stock, $0.01 par value, 1,500,000,000 shares authorized, 109,850,496 and 100,025,584 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively.	1,098	1,000
Additional paid-in-capital	1,079,800	908,079
Accumulated deficit	(14,468)	(41,255)
Total stockholders' equity	1,066,430	867,824
Total liabilities and stockholders' equity	$ 1,941,684	$ 1,261,686

The accompanying notes are an integral part of these condensed consolidated financial statements.

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Operations
(Unaudited)
(In thousands, except per share data)

	Three Months Ended March 31,	
	2024	**2023**
Product sales	$ 113,432	$ 128,142
Service sales	79,235	25,276
Total sales	192,667	153,418
Cost of sales (excluding depreciation, depletion and accretion expense)	106,746	62,555
Depreciation, depletion and accretion expense	17,175	8,519
Gross profit	68,746	82,344
Selling, general and administrative expense (including stock and unit-based compensation expense of $4,206 and $622, for the three months ended March 31, 2024 and 2023, respectively)	29,069	8,504
Operating income	39,677	73,840
Interest expense, net	(4,978)	(3,442)
Other income	23	184
Income before income taxes	34,722	70,582
Income tax expense	7,935	7,677
Net income	$ 26,787	$ 62,905
Less: Pre-IPO net income attributable to Atlas Sand Company, LLC		54,561
Less: Net income attributable to redeemable noncontrolling interest		6,610
Net income attributable to Atlas Energy Solutions Inc.	$ 26,787	$ 1,734
Net income per common share		
Basic	$ 0.26	$ 0.03
Diluted	$ 0.26	$ 0.03
Weighted average common shares outstanding		
Basic	102,931	57,148
Diluted	103,822	57,408

The accompanying notes are an integral part of these condensed consolidated financial statements.

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Stockholders' and Members' Equity and Redeemable Noncontrolling Interest
(Unaudited)
(In thousands)

	Redeemable Noncontrolling Interest	Members' Equity Value	Old Atlas Class A Shares	Old Atlas Class A Value	Old Atlas Class B Shares	Old Atlas Class B Value	New Atlas Common Stock Shares	New Atlas Common Stock Value	Additional Paid-In-Capital	Retained Earnings	Stockholders' and Members' Equity
Balance at December 31, 2022	$ —	$ 511,357	—	$ —	—	$ —	—	$ —	$ —	$ —	$ 511,357
Member distributions prior to IPO	—	(15,000)	—	—	—	—	—	—	—	—	(15,000)
Net income prior to IPO and Reorganization	—	54,561	—	—	—	—	—	—	—	—	54,561
Effect of Reorganization and reclassification to redeemable noncontrolling interest	771,345	(550,918)	39,148	391	42,852	429	—	—	(221,247)	—	(771,345)
Issuance of Common Stock in IPO, net of offering costs	—	—	18,000	180	—	—	—	—	292,478	—	292,658
Deferred tax liability arising from the IPO	—	—	—	—	—	—	—	—	(17,753)	—	(17,753)
Stock-based compensation	—	—	—	—	—	—	—	—	253	—	253
Net income after IPO and Reorganization	6,610	—	—	—	—	—	—	—	—	1,734	1,734
Balance at March 31, 2023	$ 777,955	$ —	57,148	$ 571	42,852	$ 429	—	$ —	$ 53,731	$ 1,734	$ 56,465

	Redeemable Noncontrolling Interest	Members' Equity Value	Old Atlas Class A Shares	Old Atlas Class A Value	Old Atlas Class B Shares	Old Atlas Class B Value	New Atlas Common Stock Shares	New Atlas Common Stock Value	Additional Paid-In-Capital	Accumulated Deficit	Stockholders' and Members' Equity
Balance at December 31, 2023	$ —	$ —	—	$ —	—	$ —	100,026	$ 1,000	$ 908,079	$ (41,255)	$ 867,824
Net income	—	—	—	—	—	—	—	—	—	26,787	26,787
Dividends	—	—	—	—	—	—	—	—	(21,005)	—	(21,005)
Dividend equivalent rights	—	—	—	—	—	—	—	—	(464)	—	(464)
Stock-based compensation	—	—	—	—	—	—	—	—	4,206	—	4,206
Issuance of Common Stock upon vesting of RSUs	—	—	—	—	—	—	113	1	(1)	—	—
Equity issued in connection with Hi-Crush Transaction	—	—	—	—	—	—	9,711	97	188,985	—	189,082
Balance at March 31, 2024	$ —	$ —	—	$ —	—	$ —	109,850	$ 1,098	$ 1,079,800	$ (14,468)	$ 1,066,430

The accompanying notes are an integral part of these condensed consolidated financial statements.

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2024	**2023**
Operating activities:		
Net income	$ 26,787	$ 62,905
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and accretion expense	18,007	8,808
Amortization of debt discount	407	118
Amortization of deferred financing costs	78	87
Amortization of Hi-Crush intangible assets	1,061	—
Stock and unit-based compensation	4,206	622
Deferred income tax	7,521	3,808
Other	(5)	206
Changes in operating assets and liabilities:		
Accounts receivable	(18,195)	(21,771)
Accounts receivable - related party	—	868
Inventories	(3,230)	1,824
Spare part inventories	(2,467)	(1,459)
Prepaid expenses and other current assets	(63)	(953)
Other long-term assets	(770)	42
Accounts payable	3,627	(3,178)
Accounts payable - related parties	(41)	45
Deferred revenue	(558)	—
Accrued liabilities and other liabilities	3,197	2,263
Net cash provided by operating activities	39,562	54,235
Investing activities:		
Purchases of property, plant and equipment	(95,486)	(60,940)
Hi-Crush acquisition, net of cash acquired	(142,233)	—
Net cash used in investing activities	(237,719)	(60,940)
Financing Activities:		
Principal payments on term loan borrowings	(1,381)	(8,226)
Proceeds from borrowings	198,500	—
Issuance costs associated with debt financing	(730)	(530)
Payments under finance leases	(65)	(738)
Repayment of notes payable	(216)	—
Dividends and distributions	(21,005)	—
Net proceeds from IPO	—	303,426
Payment of offering costs	—	(1,581)
Member distributions	—	(15,000)
Net cash provided by financing activities	175,103	277,351
Net increase (decrease) in cash and cash equivalents	(23,054)	270,646
Cash and cash equivalents, beginning of period	210,174	82,010
Cash and cash equivalents, end of period	$ 187,120	$ 352,656
Supplemental cash flow information		
Cash paid during the period for:		
Interest	$ 6,134	$ 3,622
Supplemental disclosure of non-cash investing activities:		
Property, plant and equipment in accounts payable and accrued liabilities	$ 41,457	$ 30,648
Asset retirement obligations incurred	$ 4,231	$ —
Hi-Crush acquisition consideration, equity issuance	$ 189,082	$ —
Hi-Crush acquisition consideration, Deferred Cash Consideration Note	$ 109,253	$ —

The accompanying notes are an integral part of these condensed consolidated financial statements.

Note 1 – Business and Organization

Atlas Energy Solutions Inc., a Delaware corporation (f/k/a New Atlas HoldCo. Inc.) ("New Atlas" and together with its subsidiaries "we," "us," "our," or the "Company"), was formed on June 28, 2023, pursuant to the laws of the State of Delaware, and is the successor to AESI Holdings Inc. (f/k/a Atlas Energy Solutions Inc.), a Delaware corporation ("Old Atlas"). New Atlas is a holding company and the ultimate parent company of Atlas Sand Company, LLC ("Atlas LLC"), a Delaware limited liability company formed on April 20, 2017. Atlas LLC is a producer of high-quality, locally sourced 100 mesh and 40/70 sand used as a proppant during the well completion process. Proppant is necessary to facilitate the recovery of hydrocarbons from oil and natural gas wells. One hundred percent of Atlas LLC's sand reserves are located in Winkler and Ward Counties, Texas, within the Permian Basin and operations consist of proppant production and processing facilities, including two facilities near Kermit, Texas (together, the "Kermit facility") and a third facility near Monahans, Texas (the "Monahans facility"). Pursuant to the Hi-Crush Transaction discussed and defined below, we acquired additional facilities near Kermit and the OnCore distributed mining network.

We are currently building a logistics platform with the goal of increasing the efficiency, safety and sustainability of the oil and natural gas industry within the Permian Basin. This will include the Dune Express, an overland conveyor infrastructure solution currently under construction, coupled with our growing fleet of fit-for-purpose trucks and trailers. With the Hi-Crush Transaction, we expanded our logistics offering through the addition of Pronghorn, a leading multi-basin provider of proppant logistics and wellsite services.

We sell products and services primarily to oil and natural gas exploration and production companies and oilfield services companies primarily under supply agreements and also through spot sales on the open market.

Initial Public Offering

On March 13, 2023, Old Atlas completed its initial public offering (the "IPO") of 18,000,000 shares of Class A common stock, par value $0.01 per share (the "Old Atlas Class A Common Stock") at a price of $18.00 per share. The IPO generated $324.0 million of gross proceeds and net proceeds of approximately $291.2 million. The gross proceeds were offset by $20.6 million of underwriting discounts and commissions, $5.9 million of current offering costs in 2023, and $6.3 million in offering costs paid in 2022 that were recorded to other long-term assets on the condensed consolidated balance sheets as of December 31, 2022.

Reorganization

In connection with the IPO and pursuant to a master reorganization agreement dated March 8, 2023, by and among Old Atlas, Atlas Sand Management Company, LLC, a Texas limited liability company ("ASMC"), Atlas LLC, Atlas Sand Holdings, LLC, a Delaware limited liability company ("Holdings"), Atlas Sand Operating, LLC, a Delaware limited liability company ("Atlas Operating"), Atlas Sand Holdings II, LLC, a Delaware limited liability company ("Holdings II"), Atlas Sand Management Company II, LLC, a Delaware limited liability company ("ASMC II"), and Atlas Sand Merger Sub, LLC, a Delaware limited liability company ("Merger Sub"), Old Atlas and the parties thereto completed certain restructuring transactions (the "Reorganization"). As part of the Reorganization:

- Merger Sub merged with and into Atlas LLC, with Atlas LLC surviving as a wholly-owned subsidiary of Atlas Operating;
- Holdings, Holdings II and ASMC II were formed (collectively with ASMC, the "HoldCos"), through which certain holders who previously held membership interests in Atlas LLC (the "Legacy Owners") were issued the membership interests in Atlas Operating, as represented by a single class of common units ("Operating Units");
- certain Legacy Owners, through the HoldCos, transferred all or a portion of their Operating Units and voting rights, as applicable, in Atlas Operating to Old Atlas in exchange for an aggregate of 39,147,501 shares of Old Atlas Class A Common Stock and, in the case of Legacy Owners that continued to hold Operating Units through the HoldCos, an aggregate of 42,852,499 shares of Class B Common Stock, par value $0.01 per share, of Old Atlas (the "Old Atlas Class B Common Stock," and together with the Old Atlas Class A Common Stock, the "Old Atlas Common Stock"), so that such Legacy Owners that continued to hold Operating Units also held, through the HoldCos, one share of Old Atlas Class B Common Stock for each Operating Unit held by them immediately following the Reorganization;
- the 1,000 shares of Old Atlas Class A Common Stock issued to Atlas LLC at the formation of Old Atlas were redeemed and canceled for nominal consideration; and
- Old Atlas contributed all of the net proceeds received by it in the IPO to Atlas Operating in exchange for a number of Operating Units equal to the number of shares of Old Atlas Class A Common Stock outstanding after the IPO, and Atlas Operating further contributed the net proceeds received to Atlas LLC.

As a result of the Reorganization, (i) Old Atlas's sole material asset consisted, and still consists, of Operating Units, (ii) Atlas Operating's sole material asset consisted, and still consists, of 100% of the membership interests in Atlas LLC and (iii) Atlas LLC owned, and still owns, all of the Company's operating assets. Old Atlas is the managing member of Atlas Operating and is responsible for all operational, management and administrative decisions relating to Atlas LLC's business and consolidates the financial results of Atlas LLC and its subsidiaries.

As a result of the IPO and Reorganization:

- the Legacy Owners collectively owned all of the outstanding shares of Old Atlas Class B Common Stock and 39,147,501 shares of Old Atlas Class A Common Stock, collectively representing 82.0% of the voting power and 68.5% of the economic interest of Old Atlas (and 82.0% of the economic interest of Atlas LLC, including both direct and indirect ownership interests) at the closing of the IPO and Reorganization;
- Old Atlas owned an approximate 57.1% interest in Atlas Operating; and
- the Legacy Owners that continued to hold Operating Units collectively owned an approximate 42.9% interest in Atlas Operating.

On March 13, 2023, the date on which Old Atlas closed the IPO, a corresponding deferred tax liability of approximately $27.5 million was recorded associated with the differences between the tax and book basis of the investment in Atlas LLC. The offset of the deferred tax liability was recorded to additional paid-in capital. As there was no change in control of Atlas Operating, Atlas LLC, or the businesses or subsidiaries held by Atlas LLC as a result of the Reorganization, purchase accounting was not required and the Legacy Owners' interests in Operating Units were recognized as a noncontrolling interest in Atlas Operating.

On September 13, 2023, we distributed the Operating Units and shares of Old Atlas Common Stock previously held by the HoldCos to the Legacy Owners in accordance with the distribution provisions of each respective HoldCo operating agreement. Immediately following the distribution, the Legacy Owners held shares of Old Atlas Class A Common Stock or Old Atlas Class B Common Stock (and corresponding Operating Units) directly.

Up-C Simplification

On October 2, 2023, Old Atlas and the Company completed the Up-C Simplification (as defined below) contemplated by the Master Reorganization Agreement (the "Master Reorganization Agreement"), dated as of July 31, 2023, by and among the Company, Old Atlas, Atlas Operating, AESI Merger Sub Inc., a Delaware corporation ("PubCo Merger Sub"), Atlas Operating Merger Sub, LLC, a Delaware limited liability company ("Opco Merger Sub" and, together with PubCo Merger Sub, the "Merger Subs"), and Holdings, in order to, among other things, reorganize under a new public holding company (the "Up-C Simplification").

Pursuant to the Master Reorganization Agreement, (a) PubCo Merger Sub merged with and into Old Atlas (the "PubCo Merger"), as a result of which (i) each share of Old Atlas Class A Common Stock then issued and outstanding was exchanged for one share of Common Stock of New Atlas, par value $0.01 per share (the "New Atlas Common Stock" or the "Common Stock"), (ii) all of the shares of Old Atlas Class B Common Stock then issued and outstanding were surrendered and cancelled for no consideration and (iii) Old Atlas survived the PubCo Merger as a direct, wholly-owned subsidiary of the Company; and (b) Opco Merger Sub merged with and into Atlas Operating (the "Opco Merger" and, together with the PubCo Merger, the "Mergers"), as a result of which (i) each Operating Unit then issued and outstanding, other than those Operating Units held by Old Atlas, was exchanged for one share of New Atlas Common Stock and (ii) Atlas Operating became a wholly-owned subsidiary of New Atlas.

In connection with the Up-C Simplification:

- each share of Old Atlas Class A Common Stock issued and outstanding immediately prior to the effective time of the Mergers (the "Effective Time") was exchanged for one share of New Atlas Common Stock and the holders of Old Atlas Class A Common Stock became stockholders of New Atlas;
- all of the Old Atlas Class B Common Stock issued and outstanding immediately prior to the Effective Time was surrendered and cancelled for no consideration;
- each Operating Unit issued and outstanding immediately prior to the Effective Time, other than Operating Units held by Old Atlas, was exchanged for one share of New Atlas Common Stock, and the holders of such Operating Units became stockholders of New Atlas;
- Old Atlas continues to hold all of the issued and outstanding Operating Units it held as of immediately prior to the Effective Time, such Operating Units were otherwise unaffected by the Up-C Simplification (including the Opco Merger), and such Operating Units, together with the Operating Units received by New Atlas in connection with the Opco Merger, constitute all of the Operating Units currently issued and outstanding;
- Old Atlas became a direct, wholly-owned subsidiary of New Atlas, and all of the Old Atlas Class A Common Stock then held by New Atlas was recapitalized into a single share;

•as of the Effective Time, New Atlas assumed (a) the Atlas Energy Solutions Inc. Long Term Incentive Plan (the "LTIP"), (b) all awards of restricted stock units and performance share units, in each case, whether vested or unvested, that were then outstanding under the LTIP, (c) the grant notices and agreements evidencing such awards, and (d) the then remaining unallocated share reserve issuable under the LTIP; and the terms and conditions that were in effect immediately prior to the Up-C Simplification under each outstanding award assumed by New Atlas continue in full force and effect after the Up-C Simplification, with certain exceptions to reflect the completion of the Up-C Simplification, such as each award denominated with reference to shares of New Atlas Common Stock instead of Old Atlas Class A Common Stock and the performance share unit awards being in reference to performance of New Atlas instead of performance of Old Atlas (with respect to the portion of the applicable performance period following the Up-C Simplification);

•as of the Effective Time, (a) New Atlas assumed Old Atlas's existing Management Change in Control Severance Plan (and each participation agreement thereunder that was then outstanding) and (b) the terms and conditions of the director compensation program applicable to members of the board of directors of Old Atlas (and any committees thereof) were applied instead to members of the board of directors of New Atlas (the "Board") (and, any committees thereof) (and any portion of such compensation to be granted in the form of equity-based awards will be granted in awards denominated with reference to shares of New Atlas Common Stock instead of Old Atlas Class A Common Stock); and

•Old Atlas changed its name from "Atlas Energy Solutions Inc." to "AESI Holdings Inc.," and New Atlas changed its name from "New Atlas HoldCo Inc." to "Atlas Energy Solutions Inc." New Atlas was approved to have the shares of New Atlas Common Stock listed on the New York Stock Exchange under the ticker symbol "AESI," the trading symbol previously used by Old Atlas.

After completion of the Up-C Simplification, New Atlas replaced Old Atlas as the publicly held entity and, through its subsidiaries, conducts all of the operations previously conducted by Old Atlas, and Old Atlas remains the managing member of Atlas Operating.

The Up-C Simplification was a common control transaction; therefore, the redeemable noncontrolling interest was acquired as an equity transaction. The redeemable noncontrolling interest was adjusted to the maximum redemption amount based on the 10-day volume-weighted average closing price of shares of Old Atlas Class A Common Stock at the redemption date. The carrying amount of the redeemable noncontrolling interest was reclassified to reflect the change in the Company's ownership interest with an offsetting entry to additional paid-in capital. On October 2, 2023, the date the Up-C Simplification was completed, a corresponding deferred tax liability of approximately $62.7 million was recorded associated with the exchange of the redeemable noncontrolling interest in Old Atlas for shares of New Atlas Common Stock. The offset of the deferred tax liability was recorded to additional paid-in capital. As there was no change in control of Old Atlas, or the businesses or subsidiaries held by Old Atlas as a result of the Up-C Simplification, purchase accounting was not required and the carrying amount of the redeemable noncontrolling interest was removed to reflect the change in the Company's ownership interest.

Hi-Crush Transaction

On March 5, 2024 ("Closing Date"), the Company consummated the transaction (the "Hi-Crush Transaction") pursuant to that certain Agreement and Plan of Merger, dated February 26, 2024 (the "Merger Agreement"), by and among the Company, Atlas LLC, Wyatt Merger Sub 1 Inc., a Delaware corporation and direct, wholly-owned subsidiary of Atlas LLC, Wyatt Merger Sub 2, LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of Atlas LLC, Hi-Crush Inc., a Delaware corporation ("Hi-Crush"), each stockholder that had executed the Merger Agreement or a joinder thereto (each a "Hi-Crush Stockholder" and, collectively, the "Hi-Crush Stockholders"), Clearlake Capital Partners V Finance, L.P., solely in its capacity as the Hi-Crush Stockholders' representative and HC Minerals Inc., a Delaware corporation (collectively, the "Parties"), pursuant to which the Company acquired Hi-Crush's Permian Basin proppant production and logistics businesses and operations in exchange for mixed consideration totaling $452.9 million. Refer to Note 3 - *Hi-Crush Transaction* for further discussion.

The foregoing description of the Hi-Crush Transaction and the Merger Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, a copy of which is filed as Exhibit 2.1 to this Quarterly Report on Form 10-Q (this "Report").

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements (the "Financial Statements") have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and the requirements of the U.S. Securities and Exchange Commission (the "SEC"). All adjustments necessary for a fair presentation of the Financial Statements have been included. Such adjustments are of a normal, recurring nature. These Financial Statements include the accounts of New Atlas, Old Atlas, Atlas Operating, Atlas LLC, and Atlas LLC's wholly-owned subsidiaries: Atlas Sand Employee Company, LLC; Atlas OLC Employee Company, LLC; Atlas Construction Employee Company, LLC; Atlas Sand Employee Holding Company, LLC; Fountainhead Logistics Employee Company, LLC; Atlas Sand Construction, LLC; OLC Kermit, LLC; OLC Monahans, LLC; Fountainhead Logistics, LLC; Fountainhead Transportation Services, LLC; and Fountainhead Equipment Leasing, LLC.

The Company acquired Hi-Crush and certain of its wholly-owned subsidiaries on March 5, 2024. These Financial Statements include the accounts of Hi-Crush Operating, LLC ("Hi-Crush Operating") (f/k/a Hi-Crush Inc.) and the following wholly-owned subsidiaries of Hi-Crush Operating: Hi-Crush LMS LLC; Hi-Crush Investments LLC; OnCore Processing LLC; Hi-Crush Permian Sand LLC; Hi-Crush PODS LLC; NexStage LLC; FB Logistics LLC; BulkTracer Holdings LLC; PropDispatch LLC; Pronghorn Logistics Holdings, LLC; and Pronghorn Logistics, LLC. Refer to Note 3- *Hi-Crush Transaction* for further discussion.

The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the results to be expected for the year ending December 31, 2024 or for any other period. The Financial Statements and these notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2023 included within the Company's Annual Report on Form 10-K.

Reorganization

As discussed in Note 1 - *Business and Organization*, as a result of our IPO and the Reorganization and prior to the Up-C Simplification, Old Atlas became the managing member of Atlas Operating and consolidated entities in which it had a controlling financial interest. The Reorganization was considered a transaction between entities under common control. As a result, the Financial Statements for periods prior to the IPO and the Reorganization have been adjusted to combine the previously separate entities for presentation purposes. However, Old Atlas and Atlas Operating had no operations or assets and liabilities prior to our IPO. As such, for periods prior to the completion of our IPO, the Financial Statements represent the historical financial position and results of operations of Atlas LLC and its subsidiaries. For periods after the completion of our IPO through the end of the reporting period, the financial position and results of operations include those of Old Atlas and New Atlas.

Up-C Simplification

As discussed in Note 1 - *Business and Organization*, as a result of the Up-C Simplification, New Atlas replaced Old Atlas as the publicly held entity and, through its subsidiaries, conducts all of the operations previously conducted by Old Atlas, and Old Atlas remains the managing member of Atlas Operating. The Up-C Simplification was considered an acquisition of noncontrolling interest transaction between entities under common control. As such, the condensed consolidated financial statements and results of operations of Old Atlas are included in the Financial Statements of New Atlas on the same basis as previously presented except for the acquisition of noncontrolling interest which was accounted for as an equity transaction.

Consolidation

The Financial Statements include the accounts of the Company and controlled subsidiaries. All intercompany transactions and accounts have been eliminated in consolidation.

Use of Estimates

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in the preparation of these Financial Statements include, but are not limited to: the proppant reserves and their impact on calculating the depletion expense under the units-of-production method; the depreciation and amortization associated with property, plant and equipment; stock-based and unit-based compensation; asset retirement obligations; business combinations; valuation of goodwill and acquired intangible assets; and certain liabilities. The Company bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Business Combination

Business combinations are accounted for using the acquisition method of accounting in accordance with the Accounting Standards Codification ("ASC") 805, "Business Combinations." The purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values. Fair value of the acquired assets and liabilities is measured in accordance with the guidance of ASC 820, "Fair Value Measurement." Any excess purchase price over the fair value of the net identifiable assets acquired is recorded as goodwill. Any acquisition-related costs incurred by the Company are expensed as incurred. Operating results of an acquired business are included in the Company's results of operations from the date of acquisition. We use all available information to estimate fair values, including quoted market prices, the carrying value of acquired assets and assumed liabilities and valuation techniques such as discounted cash flows, relief-from-royalty method, with or without method, or multi-period excess earnings method. We engage third-party appraisal firms to assist in the fair value determination of identifiable long-lived assets, identifiable intangible assets, as well as any contingent consideration that provides for additional consideration to be paid to the seller if certain future conditions are met. These estimates are reviewed during the 12-month measurement period and adjusted based on actual results. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our financial condition or results of operations. The purchase price in the Hi-Crush Transaction includes a holdback, which is considered contingent consideration and estimated at fair value. The holdback is subject to increases or reductions based on changes in the estimated net working capital amounts compared to the final settlement of the net working capital. The holdback is payable the later of (i) seventy-five days after the closing of the Hi-Crush Transaction and (ii) thirty days after the date that the required Hi-Crush financial statements have been provided to the Company. The holdback is recorded in Other current liabilities on our condensed consolidated balance sheets. Contingent consideration liabilities are recorded at fair value on the acquisition date and are remeasured periodically based on the then assessed fair value and adjusted, if necessary.

Since the Closing Date, the acquired companies have adopted all of the Company's accounting policies.

Cash and Cash Equivalents

Cash and cash equivalents consist of all highly liquid investments that are readily convertible into cash and have original maturities of three months or less when purchased. As of March 31, 2024, we have deposits of $113.1 million in an Insured Cash Sweep ("ICS") Deposit Placement Agreement within IntraFi Network LLC facilitated by our bank. The ICS program provides the Company with access to FDIC insurance for our total cash held within the ICS. We had an additional $26.9 million in 2-month and 3-month United States Treasury Bills which are fully backed by the United States as of March 31, 2024. We place our remaining cash deposits with high-credit-quality financial institutions. At times, a portion of our cash may be uninsured or in deposit accounts that exceed or are not covered under the Federal Deposit Insurance Corporation limit.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at cost when earned and represent claims against third parties that will be settled in cash. These receivables generally do not bear interest. The carrying value of our receivables, net of allowance for credit losses, represents the estimated collectable amount. If events or changes in circumstances indicate specific receivable balances may be impaired, further consideration is given to our ability to collect those balances and the allowance is adjusted accordingly. We perform credit evaluations of new customers, and sometimes require deposits and prepayments, to mitigate credit risk. When it is probable that all or part of an outstanding balance will not be collected, we establish an allowance for credit losses.

On January 1, 2023, we adopted Accounting Standards Update ("ASU") 2016-13, "Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses on Financial Instruments," which replaced the prior incurred loss impairment model with an expected credit loss impairment model for financial instruments, including accounts receivable. The adoption of ASU 2016-13 did not result in a material cumulative-effect adjustment to retained earnings on January 1, 2023.

We are exposed to credit losses primarily through sales of products and services. We analyze accounts receivable on an individual customer and overall basis through review of historical collection experience and current aging status of our customer accounts. We also consider the financial condition and economic environment of our customers in evaluating the need for an allowance. As of March 31, 2024 and 2023, we had $0.3 million and de minimis in allowance for credit losses, respectively. Allowance for credit losses is included in accounts receivable on the condensed consolidated balance sheets. For the three months ended March 31, 2024 and 2023, we recognized de minimis bad debt expense.

As of March 31, 2024, two customers represented 17% and 12% of the Company's outstanding accounts receivable balance. As of March 31, 2023, two customers represented 19% and 12% of the Company's outstanding accounts receivable balance.

Goodwill and Acquired Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the net identifiable assets acquired in a business combination. Goodwill is not amortized, but is reviewed for each reporting unit for impairment annually during the fourth quarter or more frequently when events or changes in circumstances indicate that the carrying value may not be recoverable. Judgments regarding indicators of potential impairment are based on market conditions and operational performance of our business. We may assess our goodwill for impairment initially using a qualitative approach to determine whether conditions exist that indicate it is more likely than not that a reporting unit's carrying value is greater than its fair value, and if such conditions are identified, then a quantitative analysis will be performed to determine if there is any impairment.

The Company amortizes the cost of definite-lived intangible assets on a straight-line basis over their estimated useful lives of 3 to 10 years. An impairment assessment is performed if events or circumstances occur and may result in the change of the useful lives of the intangible assets.

Other Intangible Assets

Other intangible assets consist of internal-use software. The Company applies the provisions of ASC 350, "Intangibles-Goodwill and Other." Costs associated with the acquisition of an internal-use software are capitalized when incurred and amortized over the estimated useful life of the license or application, which is generally one to five years. As of March 31, 2024 and December 31, 2023, the balance of other intangible assets was $1.8 million. On the condensed consolidated balance sheets, the December 31, 2023 intangible assets balance was reclassified out of other long-term assets to intangible assets for comparable presentation with current period.

Amortization associated with the other intangibles was $0.1 million and de minimis for the three months ended March 31, 2024 and 2023. The amortization expense is recorded in depreciation, depletion and accretion expense in the condensed consolidated statements of operations and condensed consolidated statements of cash flows.

Asset Retirement Obligations

In accordance with ASC 410-20, Asset Retirement Obligations, the Company records a liability for asset retirement obligations at the fair value of the estimated costs to retire a tangible long-lived asset at the time the liability is incurred, when there is a legal obligation to incur costs to retire the asset and when a reasonable estimate of the fair value of the obligation can be made. The Company has asset retirement obligations with respect to certain assets due to various contractual obligations to clean and/or dispose of those assets at the time they are retired.

A liability for the fair value of an asset retirement obligation, with a corresponding increase to the carrying value of related long-lived assets, is recognized at the time of an obligating event. The asset is depreciated using the straight-line method, and the discounted liability is increased through accretion over the expected timing of settlement.

The estimated liability is based on third-party estimates of costs to abandon, including estimated economic lives and external estimates as to the cost to bring the land to a state required by the lease agreements. The Company utilized a discounted rate reflecting management's best estimate of the credit-adjusted risk-free rate. Revisions to the liability could occur due to changes in the estimated costs, changes in the economic life or if federal or state regulators enact new requirements regarding the abandonment. Accretion expense, which was $0.1 million for the three months ended March 31, 2024 and 2023, is recorded on the condensed consolidated statement of operations in depreciation, depletion and accretion expense. The current portion of the asset retirement obligation, $1.2 million, is recorded within other current liabilities and the long-term portion, $5.8 million, is recorded within other long-term liabilities on the Company's condensed consolidated balance sheets.

Changes in the asset retirement obligations are as follows for the three months ended (in thousands):

	March 31, 2024	March 31, 2023
Beginning Balance	$ 2,705	$ 1,245
Additions to liabilities	4,231	—
Accretion expense	91	18
Ending Balance	$ 7,027	$ 1,263

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management's estimate of assumptions that market participants would use in pricing the asset or liability.

The amounts reported in the balance sheets as current assets or liabilities, including cash and cash equivalents, accounts receivable, spare parts inventories, inventories, prepaid expenses and other current assets, accounts payable, accrued liabilities and deferred revenues approximate fair value due to the short-term maturities of these instruments. The Company's policy is to recognize transfers between levels at the end of the period. This disclosure does not impact the Company's financial position, results of operations or cash flows.

As of the dates indicated, our long-term debt consisted of the following (in thousands):

	At March 31, 2024		At December 31, 2023		
	Carrying Value	Fair Value	Carrying Value	Fair Value	Valuation Technique
Financial liabilities					
Outstanding principal amount of the 2023 Term Loan Credit Facility	$ 173,138	$ 194,610	$ 172,820	$ 182,446	Level 2 – Market Approach
Outstanding principal amount of the ADDT Loan	$ 146,970	$ 164,543	$ —	$ —	Level 2 – Market Approach
Outstanding principal amount of the 2023 ABL Credit Facility	$ 50,000	$ 50,000	$ —	$ —	Level 2 – Quoted Prices
Outstanding principal amount of the of the Deferred Cash Consideration Note	$ 109,242	$ 109,242	$ —	$ —	Level 2 – Market Approach
Outstanding amount of the other indebtedness	$ 1,949	$ 1,949	$ —	$ —	Level 1 – Quoted Prices

•Our credit agreement with Stonebriar Commercial Finance LLC ("Stonebriar"), pursuant to which Stonebriar extended a $180.0 million single advance seven-year term loan credit facility (the "2023 Term Loan Credit Facility") bears interest at a fixed rate of 9.50%, where its fair value will fluctuate based on changes in interest rates and credit quality. As of March 31, 2024 and December 31, 2023, the fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments. These inputs are not quoted prices in active markets, but they are either directly or indirectly observable; therefore, they are classified as Level 2 inputs.

•Our ADDT Loan (defined in Note 8 - *Debt*) with Stonebriar in the aggregate principal amount of $150 million, payable in 76 consecutive monthly installments, bears interest at a fixed rate of 10.86%, where its fair value will fluctuate based on changes in interest rates and credit quality. As of March 31, 2024 the fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments. These inputs are not quoted prices in active markets, but they are either directly or indirectly observable; therefore, they are classified as Level 2 inputs.

•The carrying amount of the Company's 2023 ABL Credit Facility (defined in Note 8- *Debt*) approximated fair value as it bears interest at variable rates over the term of the loan. Therefore, we have classified this long-term debt as Level 2 of the fair value hierarchy.

•The Deferred Cash Consideration Note (defined in Note 3- *Hi-Crush Transaction*) entered into in connection with the Hi-Crush Transaction was determined to not be at market. Therefore, in order to record the debt at fair value as of the acquisition date, the Company calculated a discount of $2.6 million. With the adjustment, the fair value of the Deferred Cash Consideration Note approximates the carrying value. We considered the implied debt rating of the Company and the associated interest rates available in the public debt market. Therefore we have classified this long-term debt as Level 2 of the fair value hierarchy.

•We believe the fair value of our other indebtedness approximates the carrying value. This balance is comprised of equipment financing agreements the Company acquired in the Hi-Crush Transaction. We considered the rates entered into for 2024 equipment financing agreements for the same equipment. Therefore we have classified this long-term debt as Level 1 of the fair value hierarchy.

See Note 8 - *Debt* for further discussion on our debt arrangements.

Revenues

Under ASC Topic 606 - Revenue from Contracts with Customers ("ASC 606"), revenue recognition is based on the transfer of control, or the customer's ability to benefit from the services and products in an amount that reflects the consideration expected to be received in exchange for those services and products. In recognizing revenue for products and services, the transaction price is determined from sales orders or contracts with customers.

The Company generates product revenues from the sale of product that customers purchase for use in the oil and gas industry. Revenues are derived from product sold to customers under supply agreements, the terms of which can extend for over one year, and from spot sales through individual purchase orders executed at prevailing market rates. The Company's product revenues are primarily a function of the price per ton realized and the volumes sold. Pricing structures under the supply agreements are, in certain cases, subject to certain contractual adjustments and consist of a combination of negotiated pricing and fixed pricing. These arrangements may undergo periodic negotiations regarding pricing and volume requirements, which may occur in volatile market conditions.

The Company generates service revenue by providing transportation, storage solutions, equipment rental, and contract labor services to companies in the oil and gas industry. Transportation services typically consist of transporting product from the plant facilities to the wellsite. The amounts invoiced reflect the transportation services rendered. Equipment rental services provide customers with use of the Company's fleet equipment either for a contractual period or for work orders. The amounts invoiced reflect either the contractual monthly minimum, or the length of time the equipment was utilized in the billing period. Labor services provide the customers with supervisory, logistics, or field personnel. The amounts invoiced for storage solutions and contract labor services reflect the amount of time these services were utilized in the billing period. Transportation, storage solutions, equipment rental, and contract labor services are contracted through formal agreements or work orders executed under established pricing terms.

The Company recognizes revenue for product at a point in time following the transfer of control and satisfaction of the performance obligation of such items to the customer, under ASC 606, which typically occurs upon customer pick-up at the facilities. The Company recognizes revenue for services when services are rendered to the customer and the performance obligation is satisfied. The Company's standard collection terms are generally 30 days, with certain customer payment terms extending up to 60 days.

Certain of the Company's contracts contain shortfall provisions that calculate agreed upon fees that are billed when the customer does not meet the minimum purchases over a period of time defined in each contract and when collectability is reasonably certain. As the Company does not have the ability to predict customers' orders over the period, there are constraints around the ability to recognize the variability in consideration related to this condition. The Company recognized shortfall provision revenue of $0.5 million for the three months ended March 31, 2024, which was recorded in product revenue in the condensed consolidated statements of operations. The Company did not recognize any shortfall revenue for the three months ended March 31, 2023.

The Company's revenue is generated in Texas, New Mexico, Ohio, and Oklahoma for the three months ended March 31, 2024 and in Texas and New Mexico for the three months ended March 31, 2023. Revenue is disaggregated by product and service sales, no further disaggregation of revenue information is provided.

The Company has elected to use the ASC 606 practical expedients, pursuant to which it has excluded disclosures of transaction prices allocated to remaining performance obligations and when it expects to recognize such revenue. The remaining performance obligations are primarily comprised of unfulfilled contracts to deliver product, most of which hold a remaining duration of less than one year, and of which ultimate transaction prices will be allocated entirely to the unfulfilled contracts. The Company's transaction prices under these contracts may be impacted by market conditions and potential contract negotiations, which have not yet been determined, and are therefore variable in nature.

Revenue from make-whole provisions in customer contracts is recognized as other revenue at the end of the defined period when collectability is certain. Customer prepayments in excess of customer obligations remaining on account upon the expiration or termination of a contract are recognized as other operating income during the period in which the expiration or termination occurs.

Deferred Revenues

The Company occasionally receives prepayments from customers for future deliveries of product. These prepayments represent consideration that is unconditional for which the Company has yet to transfer title to the product. Amounts received from customers in advance of product deliveries are recorded as contract liabilities referred to as deferred revenues and are recognized as revenue upon delivery of the product. In connection with the Hi-Crush Transaction, the Company acquired customer prepayments and recognized $13.2 million of deferred revenue as of March 05, 2024. The Company did not recognize any deferred revenue for the three months ended March 31, 2023.

Changes in the deferred revenues balance are as follows (in thousands):

	For The Three Months Ended March 31, 2024
Beginning Balance	$ —
Customer prepayment acquired in Hi-Crush acquisition	13,248
Revenue recognized	(558)
Ending Balance	$ 12,690

The current portion of deferred revenue, $2.8 million, is recorded in other current liabilities and the long-term portion of deferred revenue, $9.9 million, is recorded in other long-term liabilities on the Company's condensed consolidated balance sheets.

Stock-Based Compensation

We account for stock-based compensation, including grants of incentive units, restricted stock awards, time-based restricted stock units and performance share units, under the measurement and recognition provisions of ASC 718, Compensation – Stock Compensation ("ASC 718"). We account for stock-based compensation by amortizing the fair value of the stock, which is determined at the grant date, on a straight-line basis unless the tranche method is required.

We account for forfeitures as they occur and reverse any previously recognized stock-based compensation expense for the unvested portion of the awards that were forfeited. The number of forfeited shares will be available for purposes of awards under the LTIP. Stock-based compensation expense is recognized as selling, general and administrative expense on the Company's condensed consolidated statements of operations.

Earnings Per Share

We use the treasury stock method to determine the potential dilutive effect of outstanding restricted stock units and performance share units. We evaluated the potential dilutive effect of Old Atlas Class B Common Stock using the "if-converted" method, noting conversion of Old Atlas Class B Common Stock to Old Atlas Class A Common Stock would not have a dilutive impact to earnings per share. Each share of Old Atlas Class B Common Stock was issued in conjunction with and only as a consequence of the issuance by Atlas Operating of an Operating Unit to a securityholder other than Old Atlas. Old Atlas was a holding company the only assets of which were equity interests in Atlas Operating. Prior to the Up-C Simplification, the earnings of Atlas Operating per unit were attributable to Old Atlas and the other Legacy Owners, as the holders of the outstanding Operating Units. Because each holder of Operating Units other than Old Atlas also held one share of Old Atlas Class B Common Stock, and because Old Atlas consolidated the results of operations of Atlas Operating, the earnings per Operating Unit attributable to the Legacy Owners for the period prior to the Up-C Simplification were derivatively attributable to the corresponding shares of Old Atlas Class B Common Stock held by such Legacy Owners. For that reason, when a Legacy Owner determined to exercise its redemption right and exchange an Operating Unit (and corresponding share of Old Atlas Class B Common Stock), for a share of Old Atlas Class A Common Stock, there was not a dilutive impact to the earnings per share of the Old Atlas Class A Common Stock.

In connection with the Up-C Simplification, each Operating Unit issued and outstanding immediately prior to the effective time of the Mergers (the "Effective Time"), other than Operating Units held by Old Atlas, was exchanged for one share of New Atlas Common Stock, the holders of such Operating Units became stockholders of New Atlas, and all of the Old Atlas Class B Common Stock issued and outstanding immediately prior to the Effective Time was surrendered and cancelled for no consideration. See Note 12 –*Earnings Per Share* for additional information.

Income Taxes

For the purposes of this discussion, references to "Atlas Inc." are to Old Atlas for reporting periods prior to the completion of the Up-C Simplification (the "Closing"), and to New Atlas following the Closing. Atlas Inc. is a corporation and it is subject to U.S. federal, state and local income taxes. The financial statement implications related to deferred tax liabilities of the Reorganization and Up-C Simplification referenced in Note 1 - *Business and Organization* and the tax impact of the Company's status as a taxable corporation subject to U.S. federal, state and local income taxes have been reflected in the accompanying Financial Statements.

The Company uses the asset and liability method for accounting for income taxes and updates its annual effective income tax rate on a quarterly basis. Under this method an estimated annual effective rate is applied to the Company's year-to-date income excluding discrete items which are recorded when settled. Our effective tax rate may vary quarterly because of the timing of our actual quarterly earnings compared to annual projections which may affect periodic comparisons.

Atlas LLC, the predecessor of Old Atlas, was organized as a limited liability company. As a limited liability company, Atlas LLC has either been treated as a disregarded entity or a partnership for income tax purposes and, therefore, is not subject to U.S. federal income tax. Rather, the U.S. federal income tax liability with respect to the taxable income of Atlas LLC was passed through to its owners.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company evaluates the uncertainty in tax positions taken or expected to be taken in the course of preparing the Financial Statements to determine whether the tax positions are more likely than not of being sustained by the applicable tax authority. However, the conclusions regarding the evaluation are subject to review and may change based on factors including, but not limited to, ongoing analysis of tax laws, regulations, and interpretations thereof. As of March 31, 2024 and December 31, 2023, the Company did not have any liabilities for uncertain tax positions or gross unrecognized tax benefits. Our income tax returns from 2019, 2020, 2021 and 2022 are open to examinations by U.S. federal, state or local tax authorities. The Company cannot predict or provide assurance as to the ultimate outcome of any existing or future examinations.

Recently Issued Accounting Pronouncements Not Yet Effective

Income Taxes- In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions and applies to all entities subject to income taxes. The new standard is effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of the Financial Statements and related disclosures.

Segments- In November 2023, the Financial Accounting Standard Board, or FASB, issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses and information used to assess segment performance. The ASU is effective for fiscal years beginning after December 15, 2023 on a retrospective basis, and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its Financial Statements and related disclosures.

Disclosure Improvements- In October 2023, the FASB issued ASU 2023-06: Disclosure Improvements- Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative, which amends U.S. GAAP to reflect updates and simplifications to certain disclosure requirements referred to FASB by the SEC. The targeted amendments incorporate 14 of the 27 disclosures referred by the SEC into Codification. Some of the amendments represent clarifications to, or technical corrections of, the current requirements. ASU 2023-06 could move certain disclosures from the nonfinancial portions of SEC filings to the financial statement notes. Each amendment in ASU 2023-06 will only become effective if the SEC removes the related disclosure or presentation requirement from its existing regulation by June 30, 2027. No amendments were effective at December 31, 2023. The Company is currently evaluating the impact of the Financial Statements and related disclosures.

Note 3 – Hi-Crush Transaction

On March 5, 2024, the Company completed the Hi-Crush Transaction and acquired 100% of Hi-Crush's ownership interest and certain of its wholly-owned subsidiaries. The Hi-Crush Transaction expanded the Company's position as a leading provider of proppant and proppant logistics in the Permian Basin to meet the needs of our large-scale customers in the Permian Basin.

The acquisition-date fair value of the consideration was comprised of the following (in thousands):

Cash to sellers at close	$	140,146
Company Transaction Expenses (sellers' transaction expenses) (1)		9,019
Stock consideration (2)		189,082
Deferred Cash Consideration Note (1)		109,253
Stockholders' Representative Expense Fund (1)		50
Adjustment Holdback Amount (1) (3)		5,338
Total	$	452,888

(1) Refer to the Merger Agreement, a copy of which is filed as Exhibit 2.1 to this Report, for definitions of these terms.
(2) Stock consideration is measured at fair value as of the Closing Date by taking the product of (a) the closing shares of 9,711,432 as defined in the Merger Agreement and (b) the low price per share of $19.47 on March 5, 2024, which is in line with ASC 820, "Fair Value Measurement" and company policy as an accounting policy election under ASC 235, "Notes to Financial Statements."
(3) Represents a cash holdback subject to changes from estimated to actual net working capital amounts that is payable the later of (i) seventy-five days after the closing of the Hi-Crush Transaction and (ii) thirty days after the date that the required Hi-Crush financial statements have been provided to the Company.

The Company has applied the acquisition method of accounting in accordance with ASC 805, "Business Combinations," and recognized assets acquired and liabilities assumed at their fair values as of the date of acquisition, with the excess purchase consideration recorded to goodwill. The measurements of some assets acquired and liabilities assumed, such as intangible assets were based on inputs that are not observable in the market and thus represent Level 3 inputs, where market data was not readily available. The fair value of acquired property and equipment were based on both available market data and a cost approach. As the Company finalizes the estimation of the fair value of the assets acquired and liabilities assumed, additional adjustments may be recorded during the measurement period (a period not to exceed 12 months from the acquisition date).

The following table summarizes the preliminary allocation of the purchase price to the fair value of assets acquired and liabilities assumed (in thousands):

		Fair Value
Cash and cash equivalents	$	6,982
Accounts receivable		96,393
Inventories		4,235
Spare parts inventories		3,101
Prepaid expenses and other current assets		2,180
Property, plant and equipment		277,584
Intangible assets		111,723
Finance lease right-of-use assets		7,311
Operating lease right-of-use assets		10,868
Other long-term assets		92
Accounts payable		(37,736)
Accrued liabilities		(13,162)
Current portion of long-term debt		(1,914)
Other current liabilities		(14,210)
Long-term debt, net of discount and deferred financing costs		(252)
Deferred tax liabilities		(70,378)
Other long-term liabilities		(21,100)
Goodwill		91,171
Net Assets Acquired	$	452,888

The preliminary purchase price allocation is subject to further refinement and may require significant adjustments to arrive at the final purchase price allocation. The above fair values of assets acquired and liabilities assumed are preliminary and are based on the information that was available as of the reporting date. The Company retained an independent appraiser to determine the fair value of assets acquired and liabilities assumed. In accordance with the acquisition method of accounting, the purchase price of Hi-Crush has been allocated to the acquired assets and assumed liabilities based on their preliminary estimated acquisition date fair values. The fair value estimates were based on income, market and cost valuation methods. The excess of the total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill. In many cases, the determination of the fair values required estimates about discount rates, future expected cash flows and other future events that are based on the Company's best judgment from the information available. The final determination of the fair value of certain assets and liabilities will be completed as soon as the necessary information becomes available but no later than one year from the acquisition date.

The Company’s condensed consolidated statement of operations for the three months ended March 31, 2024 includes revenue of $47.7 million and net income of $9.5 million attributable to the acquired Hi-Crush operations from March 5, 2024 to March 31, 2024. Of the $91.2 million of goodwill recognized, $56.0 million is considered non-deductible goodwill and is primarily attributable to synergies and economies of scale expected from combining Hi-Crush's Permian Basin proppant production and logistics operations with the Company's operations.

The following transactions were recognized separately from the acquisition of assets and assumptions of liabilities in the Hi-Crush Transaction.

- Transaction costs consisting of legal and professional fees. For the three months ended March 31, 2024, the Company incurred $10.4 million of transaction costs, which were expensed as incurred, and presented in selling, general and administrative expenses in the condensed consolidated statements of operations.

- In connection with the Hi-Crush Transaction, the Company entered into the First Amendment to Loan, Security and Guaranty Agreement (the “ABL Amendment”) and the First Amendment to Credit Agreement (the “Term Loan Amendment”). See Note 8 – *Debt* for further information.

Identifiable Intangible Assets Acquired

The following table summarizes key information underlying identifiable intangible assets related to the Hi-Crush Transaction:

	Useful Life (In years)		Fair Value (In thousands)
Customer relationships	10	$	96,943
Trade name	3		14,780
Total		$	111,723

The preliminary estimate of the fair value of the identifiable intangible assets was determined primarily using the income approach, which requires a forecast of all of the expected future cash flows either through the with or without method or the relief-from-royalty ("RFR") method. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent Level 3 measurements of the fair value hierarchy as defined in ASC 820, "Fair Value Measurements." Intangible assets consisting of the customer relationships and trade name were valued using the with or without method and the RFR method, respectively, both of which are forms of the income approach.

- Customer relationships were valued using the with or without method. The with or without method is an approach that considers the hypothetical impact to the projected cash flows of the business if the intangibles asset were not put in place.
- Trade name was valued using the RFR method. The RFR method of valuation suggests that in lieu of ownership, the acquirer can obtain comparable rights to use the subject asset via a license from a hypothetical third-party owner. The asset's fair value is the present value of license fees avoided by owning it (i.e., the royalty savings).

Reserves

The preliminary estimate of the fair value of the reserves were valued at $141.4 million using the income approach. Reserves are recorded in property, plant and equipment, net on the Company's condensed consolidated balance sheets. Reserves were valued using the multi-period excess earnings method ("MPEEM"). The MPEEM is an approach where the net earnings attributable to the asset being measured are isolated from other "contributory assets" over the intangible asset's remaining economic life.

Pro Forma Financial Information

The following table summarizes, on an unaudited pro forma basis, the condensed combined results of operations of the Company for the three months ended March 31, 2024 and 2023, assuming the Hi-Crush Transaction had occurred on January 1, 2023.

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Revenue	$ 307,982	$ 297,552
Net income	$ 30,848	$ 64,208

The foregoing unaudited pro forma results are for informational purposes only and are not necessarily indicative of the actual results of operations that might have occurred had the Hi-Crush Transaction occurred on January 1, 2023, nor are they necessarily indicative of future results.

The unaudited pro forma information for all periods presented includes the following adjustments, where applicable, for business combination accounting effects resulting from the Hi-Crush Transaction: (i) additional amortization expense related to finite-lived intangible assets acquired, (ii) additional interest expense related to financing for the acquisition, (iii) depreciation or depletion expense on property, plant and equipment, (iv) depreciation and interest on finance leases, and (v) the related tax effects assuming that the acquisition occurred on January 1, 2023. No assumptions have been applied to the pro forma results of operations regarding potential operating cost savings or other business synergies expected to be achieved.

The significant nonrecurring adjustments reflected in the unaudited pro-forma consolidated information above include the reclassification of the transaction costs to the earliest period presented.

Note 4 – Goodwill and Acquired Intangible Assets

Goodwill

Changes in the carrying value of goodwill for the three months ended March 31, 2024 are as follows (in thousands):

Balance at December 31, 2023	$ —
Hi-Crush Transaction	91,171
Balance at March 31, 2024	$ 91,171

The Company has applied the acquisition method of accounting in accordance with ASC 805 and recognized assets acquired and liabilities assumed from the Hi-Crush Transaction at their fair value as of the date of acquisition, with the excess purchase consideration recorded to goodwill. As the Company finalizes the estimation of the fair value of the assets acquired and liabilities assumed, additional adjustments to the amount of goodwill may be necessary, refer to Note 3 - Hi-Crush Transaction for further discussion. Goodwill is not amortized, but we perform an annual goodwill impairment test in the fourth quarter and more frequently if events and circumstances indicate that the asset might be impaired.

Acquired Intangible Assets

The following table presents the detail of acquired intangible assets other than goodwill as of March 31, 2024 (in thousands):

	Carrying Amount	Accumulated Amortization	Net
Customer relationships	$ 96,943	$ (703)	$ 96,240
Trade name	14,780	(358)	14,422
Total	$ 111,723	$ (1,061)	$ 110,662

Amortization expense recognized during the three months ended March 31, 2024 was $1.1 million and was recorded in selling, general and administrative expenses in the condensed consolidated statements of operations. Refer to Note 3 - *Hi-Crush Transaction* for additional information over these acquired intangible assets.

Estimated future amortization expense is as follows (in thousands):

Remainder of 2024	$ 10,966
2025	14,621
2026	14,621
2027	10,568
2028	9,694
2029	9,694
Thereafter	40,498
Total	$ 110,662

Note 5 – Inventories

Inventories consisted of the following (in thousands):

	March 31, 2024	December 31, 2023
Raw materials	$ 1,733	$ 441
Work-in-process	8,982	4,937
Finished goods	3,199	1,071
Inventories	$ 13,914	$ 6,449

Note 6 – Property, Plant and Equipment, Net

Property, plant and equipment, net, consisted of the following (in thousands):

	March 31, 2024	December 31, 2023
Plant facilities associated with productive, depletable properties	$ 388,941	$ 243,618
Plant equipment	605,997	489,953
Land	5,377	3,197
Furniture and office equipment	4,097	2,362
Computer and network equipment	2,503	1,648
Buildings and leasehold improvements	35,879	32,558
Logistics equipment	66,663	48,139
Construction in progress	330,376	248,004
Property, plant and equipment	1,439,833	1,069,479
Less: Accumulated depreciation and depletion	(152,328)	(134,819)
Property, plant and equipment, net	$ 1,287,505	$ 934,660

Depreciation expense recognized in depreciation, depletion and accretion expense was $14.7 million and $7.0 million for the three months ended March 31, 2024, and 2023, respectively. Depletion expense recognized in depreciation, depletion and accretion expense was $2.5 million and $1.5 million for the three months ended March 31, 2024 and 2023, respectively. Depreciation expense recognized in selling, general and administrative expense was $0.8 million and $0.3 million for the three months ended March 31, 2024 and 2023, respectively. The Company did not recognize impairment of long-lived assets or loss on disposal of assets for the three months ended March 31, 2024 and 2023.

Note 7 – Leases

We have operating and finance leases primarily for office space, equipment, and vehicles. The terms and conditions for these leases vary by the type of underlying asset.

Certain leases include variable lease payments for items such as property taxes, insurance, maintenance, and other operating expenses associated with leased assets. Payments that vary based on an index or rate are included in the measurement of lease assets and liabilities at the rate as of the commencement date. All other variable lease payments are excluded from the measurement of lease assets and liabilities, and are recognized in the period in which the obligation for those payments is incurred.

The components of lease cost for the three months ended March 31, 2024 and 2023 were as follows (in thousands):

	For the Three Months Ended March 31,	
	2024	2023
Finance lease cost:		
Amortization of right-of-use assets	$ 305	$ 1,467
Interest on lease liabilities	35	575
Operating lease cost	762	262
Variable lease cost	157	211
Short-term lease cost	11,706	5,791
Total lease cost	$ 12,965	$ 8,306

Supplemental cash flow and other information related to leases for the three months ended March 31, 2024 and 2023 are as follows (in thousands):

	For the Three Months Ended March 31,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$ 294	$ 286
Operating cash outflows from finance leases	$ 5	$ 575
Financing cash outflows from finance leases	$ 65	$ 738
Right-of-use assets obtained in exchange for new lease liabilities:		
Operating leases	$ 7,311	$ —
Finance leases	$ 10,868	$ 7,602

Lease terms and discount rates as of March 31, 2024 and December 31, 2023 are as follows:

	March 31, 2024	December 31, 2023
Weighted-average remaining lease term:		
Operating leases	2.3 years	3.6 years
Finance leases	2.5 years	3.6 years
Weighted-average discount rate:		
Operating leases	5.3 %	4.7 %
Finance leases	5.6 %	5.2 %

Future minimum lease commitments as of March 31, 2024 are as follows (in thousands):

	Finance	Operating
Remainder of 2024	$ 2,821	$ 5,529
2025	3,041	6,462
2026	2,008	2,753
2027	334	815
2028	25	12
Thereafter	—	—
Total lease payments	8,229	15,571
Less imputed interest	531	892
Total	$ 7,698	$ 14,679

Supplemental balance sheet information related to our leases as of March 31, 2024 and December 31, 2023 was as follows (in thousands):

	Classification	March 31, 2024	December 31, 2023
Operating Leases			
Current operating lease liabilities	Other current liabilities	$ 6,947	$ 1,249
Noncurrent operating lease liabilities	Other long-term liabilities	$ 7,732	$ 3,498
Finance Leases			
Current finance lease liabilities	Other current liabilities	$ 3,410	$ 158
Noncurrent finance lease liabilities	Other long-term liabilities	$ 4,288	$ 264

On July 31, 2023, Atlas LLC entered into a credit agreement (the "2023 Term Loan Credit Agreement") with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprising a $180.0 million single advance term loan that was made on July 31, 2023 (the "Initial Term Loan") and commitments to provide up to $100.0 million of delayed draw term loans (collectively, the "2023 Term Loan Credit Facility"). Proceeds from the 2023 Term Loan Credit Facility were used to repay $133.4 million of 2021 Term Loan Credit Facility principal and accrued interest, terminate $42.8 million of finance lease liabilities, as well as acquire $39.5 million of finance lease assets associated with certain equipment lease arrangements with Stonebriar. There was no gain or loss recognized as a result of this transaction. See Note 8 - *Debt* for further discussion on the 2023 Term Loan Credit Facility.

On May 16, 2022, Atlas LLC entered into a master lease agreement with Stonebriar for the right, but not the obligation, to fund up to $70.0 million of purchases of transportation and logistics equipment. The interim financing for down payments on any purchased equipment is based on one-month Secured Overnight Financing Rate ("SOFR"), plus 8.0%. The final interest rate is set upon acceptance of the equipment based on the terms of the agreement. On July 31, 2023, in connection with entering into 2023 Term Loan Credit Agreement, all obligations under this master lease agreement were terminated, all associated assets were acquired and this master lease agreement was terminated. There was no gain or loss recognized as a result of this transaction.

On July 28, 2022, Atlas LLC entered into a master lease agreement with Stonebriar for the right, but not the obligation, to fund up to $10.0 million of purchases of dredges and related equipment. The interim financing for down payments on any purchased equipment is based on one-month SOFR, plus 8.0%. The final interest rate is set upon acceptance of the equipment based on the terms of the agreement. On July 31, 2023, in connection with entering into the 2023 Term Loan Credit Agreement, all obligations under this master lease agreement were terminated, all associated assets were acquired and this master lease agreement was terminated. There was no gain or loss recognized as a result of this transaction.

As of March 31, 2024, we had no additional leases that have not yet commenced. Certain transportation and logistics leases discussed here are a component of the purchase commitments discussed in Note 9 - *Commitments and Contingencies.*

Note 8 – Debt

Debt consists of the following (in thousands):

	March 31, 2024	December 31, 2023
2023 Term Loan Credit Facility	$ 180,000	$ 180,000
ADDT Loan	148,619	—
2023 ABL Credit Facility	50,000	—
Deferred Cash Consideration Note	111,828	—
Other indebtedness	1,949	—
Less: Debt discount, net of accumulated amortization of $888 and $480, respectively	(10,435)	(6,769)
Less: Deferred financing fees, net of accumulated amortization of $54 and $29, respectively	(662)	(411)
Less: Current portion (a)	(24,129)	—
Long-term debt	$ 457,170	$ 172,820

(a) The current portion of long-term debt reflects payments based on the terms of the 2023 Term Loan Credit Facility, the ADDT Loan, and Other Indebtedness.

Deferred Cash Consideration Note

In accordance with the Merger Agreement, the Company issued the Deferred Cash Consideration Note in favor of the Hi-Crush Stockholders in the original aggregate principal amount of $111.8 million, subject to customary purchase price adjustments, and payable in cash or in kind, at Atlas LLC's election. As discussed in Note 3 - *Hi-Crush Transaction*, the Deferred Cash Consideration Note was part of the consideration transferred and valued at fair value at the acquisition date. The Deferred Cash Consideration Note will mature on January 31, 2026 and bears interest at a rate of 5.00% per annum if paid in cash, or 7.00% per annum if paid in kind. Interest on the Deferred Cash Consideration Note is payable quarterly in arrears beginning March 29, 2024 through maturity. Interest expense associated with the Deferred Cash Consideration Note was $0.4 million for the three months ended March 31, 2024.

The Deferred Cash Consideration Note included $2.6 million of debt discount and approximately $0.1 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were approximately $0.1 million in total for the three months ended March 31, 2024.

Atlas LLC's obligations under the Deferred Cash Consideration Note are secured by certain of the assets acquired in connection with the Hi-Crush Transaction. The Deferred Cash Consideration Note is also unconditionally guaranteed by Atlas LLC on an unsecured basis.

2023 Term Loan Credit Facility

On July 31, 2023, Atlas LLC entered into the 2023 Term Loan Credit Agreement.

The Initial Term Loan is payable in 84 consecutive monthly installments and a final payment of the remaining outstanding principal balance at maturity. The Initial Term Loan has a final maturity date of July 31, 2030 (the "Maturity Date"). The Initial Term Loan bears interest at a rate equal to 9.50% per annum.

Each delayed draw term loan (the "DDT Loans") under the 2023 Term Loan Credit Facility will be payable in equal monthly installments, with the monthly installments comprising 80% of the DDT Loan and a final payment of the remaining 20% of the outstanding principal balance due at maturity, unless earlier prepaid. The DDT Loans will bear interest at a rate equal to the applicable Term SOFR Rate as of each Delayed Draw Funding Date (each as defined in the 2023 Term Loan Credit Agreement) plus 5.95% per annum. All monthly installments with respect to the Initial Term Loan and the DDT Loans payable on or prior to January 1, 2025 will be interest only. Interest expense associated with the debt was $4.3 million for the three months ended March 31, 2024.

At any time prior to the Maturity Date, Atlas LLC may redeem loans outstanding under the 2023 Term Loan Credit Facility, in whole or in part, at a price equal to 100% of the principal amount being prepaid (the "Prepayment Amount") plus a prepayment fee. The prepayment fee is equal to 8% of the Prepayment Amount for any prepayment that occurs on or prior to December 31, 2024, 4% of the Prepayment Amount for any prepayment that occurs after December 31, 2024 but on or prior to December 31, 2025, 3% of the Prepayment Amount for any prepayment that occurs after December 31, 2025 but on or prior to December 31, 2026 and 2% of the Prepayment Amount for any prepayment that occurs thereafter. Upon the maturity of the 2023 Term Loan Credit Facility, the entire unpaid principal amount of the loans outstanding thereunder, together with interest, fees and other amounts payable in connection with the facility, will be immediately due and payable without further notice or demand.

Dividends and distributions to equity holders are permitted to be made pursuant to certain limited exceptions and baskets described in the 2023 Term Loan Credit Agreement and otherwise generally subject to certain restrictions set forth in the 2023 Term Loan Credit Agreement, including the requirements that (a) no Event of Default (as defined under the 2023 Term Loan Credit Agreement) has occurred and is continuing and (b) Atlas LLC maintains at least $30.0 million of Liquidity (as defined under the 2023 Term Loan Credit Agreement) pro forma for the Restricted Payment (as defined under the 2023 Term Loan Credit Agreement).

The 2023 Term Loan Credit Facility includes certain non-financial covenants, including but not limited to restrictions on incurring additional debt and certain distributions. The 2023 Term Loan Credit Facility is subject to a maximum 4.0 to 1.0 Leverage Ratio (as defined in the 2023 Term Loan Credit Agreement) financial covenant. Such financial covenant is tested as of the last day of each fiscal quarter.

Proceeds from the 2023 Term Loan Credit Facility were used to repay outstanding indebtedness under our previous 2021 Term Loan Credit Facility with Stonebriar, to repay obligations outstanding under certain equipment lease arrangements with Stonebriar and for general corporate purposes. As of March 31, 2024, Atlas LLC was in compliance with the covenants of the 2023 Term Loan Credit Facility.

The 2023 Term Loan Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries. The 2023 Term Loan Credit Facility is unconditionally guaranteed on an unsecured basis by Atlas Energy Solutions Inc.

First Amendment to the 2023 Term Loan Credit Agreement

On February 26, 2024, the Company, Atlas LLC and certain other subsidiaries of the Company entered into the Term Loan Amendment, among Company, Atlas LLC, the lenders party thereto and Stonebriar, as administrative agent, which amends the 2023 Term Loan Credit Agreement.

The Term Loan Amendment provided an additional DDT Loan (the "ADDT Loan") in the aggregate principal amount of $150.0 million with interest (computed on the basis of a 365-day year for the actual number of days elapsed) on the unpaid principal amount thereof from and including the date of the amendment until paid in full at the rate per annum equal to 10.86%. The ADDT Loan is payable in 76 consecutive monthly installments of combined principal and interest each in the amount of $2.7 million commencing April 1, 2024 and continuing up to and including August 1, 2030. There was interest expense of $1.4 million for the three months ended March 31, 2024.

The ADDT Loan included $1.5 million of debt discount and $0.2 million in deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were de minimis in total for the three months ended March 31, 2024.

2023 ABL Credit Facility

On February 22, 2023, Atlas LLC, certain of its subsidiaries, as guarantors, Bank of America, N.A., as administrative agent (the "ABL Agent"), and certain financial institutions party thereto as lenders (the "2023 ABL Lenders") entered into a Loan, Security and Guaranty Agreement (the "2023 ABL Credit Agreement") pursuant to which the 2023 ABL Lenders provide revolving credit financing to the Company in an aggregate principal amount of up to $75.0 million (the "2023 ABL Credit Facility"), with Availability (as defined in the 2023 ABL Credit Agreement) thereunder subject to a "Borrowing Base" as described in the 2023 ABL Credit Agreement. The 2023 ABL Credit Facility includes a letter of credit sub-facility, which permits issuance of letters of credit up to an aggregate amount of $25.0 million. The scheduled maturity date of the 2023 ABL Credit Facility is February 22, 2028; provided that the 2023 ABL Credit Facility will mature on June 30, 2027 if any amount of the 2023 Term Loan Credit Facility that has a maturity date less than 91 days prior to February 22, 2028 is outstanding on June 30, 2027.

Atlas LLC may also request swingline loans under the 2023 ABL Credit Agreement in an aggregate principal amount not to exceed $7.5 million. During the three months ended March 31, 2024 and the year ended December 31, 2023, Atlas LLC had no outstanding swingline loans under the 2023 ABL Credit Facility.

Borrowings under the 2023 ABL Credit Facility bear interest, at Atlas LLC's option, at either a base rate or Term SOFR, as applicable, plus an applicable margin based on average availability as set forth in the 2023 ABL Credit Agreement. Term SOFR loans bear interest at Term SOFR for the applicable interest period plus an applicable margin, which ranges from 1.50% to 2.00% per annum based on average availability as set forth in the 2023 ABL Credit Agreement. Base rate loans bear interest at the applicable base rate, plus an applicable margin, which ranges from 0.50% to 1.00% per annum based on average availability as set forth in the 2023 ABL Credit Agreement. In addition to paying interest on outstanding principal under the 2023 ABL Credit Facility, Atlas LLC is required to pay a commitment fee which ranges from 0.375% per annum to 0.500% per annum with respect to the unutilized commitments under the 2023 ABL Credit Facility, based on the average utilization of the 2023 ABL Credit Facility. Atlas LLC is required to pay customary letter of credit fees, to the extent that one or more letter of credit is outstanding. For the three months ended March 31, 2024 and 2023, we recognized $0.4 million and de minimis of interest expense, unutilized commitment fees and other fees under the 2023 ABL Credit Facility, classified as interest expense, respectively.

The Borrowing Base was initially set at $75.0 million and the amount of available credit changes every month, depending on the amount of eligible accounts receivable and inventory we have available to serve as collateral. With the First Amendment to the 2023 ABL Credit Agreement, discussed below, the Borrowing Base increased to $125.0 million. The Borrowing Base components are subject to customary reserves and eligibility criteria.

On March 5, 2024, the Company drew down $50.0 million under the 2023 ABL Credit Facility to for general corporate purposes. The draw included $0.3 million in debt issuance costs and $0.2 million in deferred financing costs. These costs are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement. Interest expense associated with the amortization of these costs was de minimis for the three months ended March 31, 2024.

As of March 31, 2024, Atlas LLC had $50.0 million in outstanding borrowings and $1.2 million in outstanding letters of credit under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) $7.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the 2023 ABL Credit Agreement, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than $7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds $30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed $7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) $12 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Availability is higher than the greater of (x) $9 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

The 2023 ABL Credit Facility contains certain customary representations and warranties, affirmative and negative covenants, and events of default. As of March 31, 2024, the Company was in compliance with the covenants under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries.

First Amendment to the 2023 ABL Credit Agreement

On February 26, 2024, Atlas LLC and certain other subsidiaries of the Company entered into the ABL Amendment, among Atlas LLC, the subsidiary guarantors party thereto, the lenders party thereto and the ABL Agent, which amends the 2023 ABL Credit Agreement.

The ABL Amendment increased the revolving credit commitment to $125.0 million. The existing lenders increased their commitment by $25.0 million which resulted in a debt modification under ASC 470, "Debt." The ABL Amendment also added a new lender with a $25.0 million commitment, thus creating a new debt arrangement under ASC 470, "Debt." The deferred financing costs and debt issuance cost will be amortized on a prospective basis over the term of the agreement. The maturity date of the ABL Credit Agreement was extended from February 22, 2028 to the earliest of (a) February 26, 2029; (b) the date at that is 91 days prior to the maturity date for any portion of the Term Loan Debt; or (c) any date on which the aggregate Commitments terminate hereunder.

The ABL Amendment requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) $12.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the ABL Amendment, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than $7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds $30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed $7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Specified Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) $20.0 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Specified Availability is higher than the greater of (x) $15.0 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

Other Indebtedness

The Company has other Indebtedness of $1.9 million of equipment finance notes as of March 31, 2024. These equipment finance notes have terms ending in July 2024 through June 2025 and interest rates ranging from 1.99% to 3.24%.

Note 9 – Commitments and Contingencies

Royalty Agreements

The Company has entered into royalty agreements under which it is committed to pay royalties on sand sold from its production facilities for which the Company has received payment by the customer. Atlas LLC entered into a royalty agreement associated with its leased property at the Kermit facility and a mining agreement associated with its leased property at the Monahans facility, in each case, with The Sealy & Smith Foundation, a related party. The royalty agreement associated with the Kermit facility terminated on the date of our IPO, pursuant to the terms of the agreement. Under the mining agreement associated with the Monahans facility, we are committed to pay royalties on product sold from that facility and are required to pay a minimum royalty of $1.0 million for any lease year following our IPO. In connection with the Hi-Crush Transaction, the acquired OnCore distributed mining network has royalty agreements based on tonnage.

On March 1, 2024, the Company entered into a pooling agreement with the General Land Office of Texas (“GLO”) that establishes a pooled unit consisting of land the Company owns in fee own and land the Company leases at the Kermit property. The pooling agreement has a current effective blended royalty rate of 5.86% on Kermit plant sales. This pooling agreement increases our operational flexibility by establishing a framework to efficiently mine across our fee owned lands and leased lands interchangeably.

Royalty expense associated with these agreements is recorded as the product is sold and is included in costs of sales. Royalty expense associated with these agreements were less than 10% of cost of sales for the three months ended March 31, 2024, and totaled between 10% and 15% of cost of sales for the three months ended March 31, 2023.

Standby Letters of Credit

As of March 31, 2024 and December 31, 2023, we had $1.2 million and $1.1 million outstanding in standby letters of credit issued under the 2023 ABL Credit Facility, respectively.

Purchase Commitments

In connection with the construction of the Dune Express and construction of the second facility at the Kermit location, we enter short-term purchase obligations for products and services. We expect to use the remaining $29.3 million of the net proceeds from the IPO and cash flow from operations to fund the obligations over the next approximately 9 months.

Litigation

We are involved in various legal and administrative proceedings that arise from time to time in the ordinary course of doing business. Some of these proceedings may result in fines, penalties or judgments being assessed against us, which may adversely affect our financial results. In addition, from time to time, we are involved in various disputes, which may or may not be settled prior to legal proceedings being instituted and which may result in losses in excess of accrued liabilities, if any, relating to such unresolved disputes. Expenses related to litigation reduce operating income. We do not believe that the outcome of any of these proceedings or disputes would have a significant adverse effect on our financial position, long-term results of operations or cash flows. It is possible, however, that charges related to these matters could be significant to our results of operations or cash flows in any single accounting period. Management is not aware of any legal, environmental or other commitments and contingencies that would have a material effect on the Financial Statements.

Note 10 – Stockholders Equity

Common Stock

The Company is authorized to issue 500,000,000 shares of preferred stock and 1,500,000,000 shares of Common Stock. On March 5, 2024, the Company issued 9,711,432 shares of Common Stock as consideration in the Hi-Crush Transaction. As of March 31, 2024, there were 109,850,496 shares of Common Stock issued and outstanding and no shares issued or outstanding of preferred stock.

Dividends and Distributions

On February 8, 2024, the Company declared a dividend of $0.21 per share (base dividend of $0.16 per share and a variable dividend of $0.05 per share) of Common Stock. The dividend was paid on February 29, 2024 to holders of record of Common Stock as of the close of business on February 22, 2024.

On May 6, 2024, the Company declared a dividend. See Note 15 – *Subsequent Events* for additional information.

Note 11 – Stock-Based Compensation

LTIP

On March 8, 2023, we adopted the LTIP for the benefit of employees, directors and consultants of the Company and its affiliates. The LTIP provides for the grant of all or any of the following types of awards: (1) incentive stock options qualified as such under U.S. federal income tax laws; (2) stock options that do not qualify as incentive stock options; (3) stock appreciation rights; (4) restricted stock awards; (5) restricted stock units ("RSUs"); (6) bonus stock; (7) dividend equivalents; (8) other stock-based awards; (9) cash awards; and (10) substitute awards. The shares to be delivered under the LTIP may be made available from (i) authorized but unissued shares, (ii) shares held as treasury stock or (iii) previously issued shares reacquired by us, including shares purchased on the open market.

In connection with the closing of the Up-C Simplification, New Atlas assumed the LTIP as well as the outstanding awards granted under the LTIP, including all awards of RSUs and performance share units, in each case, whether or not vested, that were then outstanding under the LTIP, and each (i) RSU grant notice and RSU agreement and (ii) performance share unit grant notice and performance share unit agreement, in each case, evidencing then-outstanding awards under the LTIP.

In connection with the assumption of the LTIP, the Company also assumed the remaining share reserves available for issuance under the LTIP, subject to applicable adjustments to relate to the Company's Common Stock. Subject to adjustment in accordance with the terms of the LTIP, 10,270,000 shares of Common Stock have been reserved for issuance pursuant to awards under the LTIP. If an award under the LTIP is forfeited, settled for cash or expires without the actual delivery of shares, any shares subject to such award will again be available for new awards under the LTIP. The LTIP will be administered by the Compensation Committee (the "Compensation Committee") of the Board. We had 7,447,876 shares of the Company's Common Stock and 9,519,111 shares of Old Atlas Class A Common Stock available for future grants as of March 31, 2024 and 2023, respectively. We account for the awards granted under the LTIP as compensation cost measured at the fair value of the award on the date of grant.

Restricted Stock Units

RSUs represent the right to receive shares of New Atlas Common Stock at the end of the vesting period in an amount equal to the number of RSUs that vest. The granted RSUs vest and become exercisable with respect to employees in three equal installments starting on the first anniversary of the date of grant and, with respect to directors, on the one-year anniversary of the date of grant, so long as the participant either remains continuously employed or continues to provide services to the Board, as applicable. The RSUs are subject to restrictions on transfer and are generally subject to a risk of forfeiture if the award recipient ceases providing services to the Company prior to the date the award vests. If the participant's employment with or service to the Company is terminated for cause or without good reason prior to the vesting of all of the RSUs, and unless such termination is a "Qualifying Termination" or due to a "Change in Control" as defined in the applicable RSU agreement, any unvested RSUs will generally terminate automatically and be forfeited without further notice and at no cost to the Company. In the event the Company declares and pays a dividend in respect of its outstanding shares of Common Stock and, on the record date for such dividend, the participant holds RSUs that have not been settled, we will record the amount of such dividend in a bookkeeping account and pay to the participant an amount in cash equal to the cash dividends the participant would have received if the participant was the holder of record, as of such record date, of a number of shares of Common Stock equal to the number of RSUs held by the participant that had not been settled as of such record date, such payment to be made on or within 60 days following the date on which such RSUs vest. The stock-based compensation expense of such RSUs was determined using the closing prices on the grant date. We account for forfeitures as they occur. We recognized stock-based compensation related to RSUs of $3.2 million and $0.1 million for the three months ended March 31, 2024 and 2023, respectively. Changes in non-vested RSUs outstanding under the LTIP during the three months ended March 31, 2024 were as follows:

	Number of Units		Weighted Average Grant Date Fair Value
Non-vested at December 31, 2023	1,636,173	$	21.04
Granted	319,572	$	20.79
Vested	(113,480)	$	16.10
Forfeited	—	$	—
Non-vested at March 31, 2024	1,842,265	$	21.30

We granted 319,572 and 260,722 RSUs during the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, there was $33.9 million of unrecognized compensation expense relating to outstanding RSUs. The unrecognized compensation expense will be recognized on a straight-line basis over the weighted average remaining vesting period of 1.5 years.

Performance Share Units

Performance share units ("PSUs") represent the right to receive one share of Common Stock multiplied by the number of PSUs that become earned, and the number of PSUs that may vest range from 0% to 200% of the Target PSUs (as defined in the Performance Share Unit Grant Agreement governing the PSUs (the "PSU Agreement")), subject to the Compensation Committee's discretion to increase the ultimate number of vested PSUs above the foregoing maximum level. Each PSU also includes a tandem dividend equivalent right, which is a right to receive an amount equal to the cash dividends made with respect to a share of Common Stock during the Performance Period (as defined in the PSU Agreement), which will be adjusted to correlate to the number of PSUs that ultimately become vested pursuant to the PSU Agreement. 367,573 PSUs (based on target) were granted on March 22, 2024 (the "2024 PSUs"). The Performance Goals (as defined in the PSU Agreement) for the 2024 PSUs are based on a combination of Return on Capital Employed ("ROCE") and "Relative TSR" (each, as defined in the PSU Agreement), with 25% weight applied to ROCE and 75% weight applied to Relative TSR, each as measured during the three-year Performance Period ending December 31, 2026. The vesting level is calculated based on the actual total stockholder return achieved during the Performance Period. The fair value of such PSUs was determined using a Monte Carlo simulation and will be recognized over the applicable Performance Period. The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the award to calculate the fair value of the award. Expected volatilities in the model were estimated using a historical period consistent with the Performance Period of approximately three years. The risk-free interest rate was based on the United States Treasury rate for a term commensurate with the expected life of the grant. We recognized stock-based compensation related to PSUs of $1.0 million and $0.2 million for the three months ended March 31, 2024 and 2023, respectively. Changes in non-vested PSUs outstanding under the LTIP during the three months ended March 31, 2024 were as follows:

	Number of Units		Weighted Average Grant Date Fair Value
Non-vested at December 31, 2023	473,223	$	20.19
Granted	367,573	$	30.02
Vested	—	$	—
Forfeited	—	$	—
Non-vested at March 31, 2024	840,796	$	24.49

We granted 367,573 and 490,167 PSUs during the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, there was $16.9 million of unrecognized compensation expense relating to outstanding PSUs. The unrecognized compensation expense will be recognized on a straight-line basis over the weighted average remaining vesting period of 2.3 years.

Note 12 – Earnings per Share

Basic earnings per share ("EPS") measures the performance of an entity over the reporting period. Diluted earnings per share measures the performance of an entity over the reporting period while giving effect to all potentially dilutive shares of Common Stock that were outstanding during the period. The Company uses the treasury stock method to determine the potential dilutive effect of vesting of its outstanding RSUs and PSUs. The Company does not use the two-class method as the Old Atlas Class B Common Stock, was, and the unvested RSUs, and PSU awards are nonparticipating securities. During 2023, the issuance of Old Atlas Class A Common Stock in exchange for Operating Units held by the Legacy Owners (and their corresponding shares of Old Atlas Class B Common Stock) did not have a dilutive effect on EPS and was not recognized in dilutive earnings per share calculations.

As a result of the Up-C Simplification, the Company's previous dual class structure was eliminated and the Company now trades under a single class of Common Stock. Please see Note 2 - *Summary of Significant Accounting Policies -Earnings Per Share* for more information.

For the three months ended March 31, 2023, the Company's EPS calculation includes only its share of net income for the period subsequent to the IPO, and omits income prior to the IPO. In addition, the basic weighted average shares outstanding calculation is based on the actual days during which the shares were outstanding from the date of our IPO through March 31, 2023.

The following table reflects the allocation of net income to common stockholders and EPS computations for the period indicated based on a weighted average number of shares of Common Stock outstanding for the three months ended March 31, 2024 and 2023 (in thousands, except per share data):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Numerator:		
Net income	$ 26,787	$ 62,905
Less: Pre-IPO net income attributable to Atlas Sand Company, LLC		54,561
Less: Net income attributable to redeemable noncontrolling interest		6,610
Net income attributable to Atlas Energy Solutions Inc.	$ 26,787	$ 1,734
Denominator:		
Basic weighted average shares outstanding	102,931	57,148
Dilutive potential of restricted stock units	42	260
Dilutive potential of performance share units	849	—
Diluted weighted average shares outstanding (1)	$ 103,822	$ 57,408
Basic EPS attributable to holders of Common Stock	$ 0.26	$ 0.03
Diluted EPS attributable to holders of Common Stock (1)	$ 0.26	$ 0.03

(1) Shares of Old Atlas Class A Common Stock issued in exchange for Operating Units did not have a dilutive effect on EPS and were not included in the EPS calculation.

Note 13 – Income Taxes

Atlas Inc. is a corporation and is subject to U.S. federal, state and local income taxes. In March 2023, Atlas Inc. completed its initial public offering of 18,000,000 shares of Old Atlas Class A Common Stock at a price to the public of $18.00 per share. The tax implications of the Reorganization, the IPO and the tax impact of Atlas Inc.'s status as a taxable corporation subject to U.S. federal income tax have been reflected in the accompanying Financial Statements. On March 13, 2023, the date on which the Company completed the IPO, a corresponding deferred tax liability of approximately $27.5 million was recorded associated with the differences between the tax and book basis of the investment in Atlas LLC. The offset of the deferred tax liability was recorded to additional paid-in capital.

On October 2, 2023, the Company completed the Up-C Simplification. The tax implications of the Up-C Simplification have been reflected in the accompanying Financial Statements. On October 2, 2023, a corresponding deferred tax liability of approximately $62.7 million was recorded associated with the exchange of the redeemable noncontrolling interest in Old Atlas for shares of the Company's Common Stock. The offset of the deferred tax liability was recorded to additional paid-in capital.

The effective combined U.S. federal and state income tax rate for the three months ended March 31, 2024 and 2023 was 22.9% and 10.9%, respectively. During the three months ended March 31, 2024 and 2023 we recognized income tax expense of $7.9 million and $7.7 million, respectively.

Total income tax expense for the three months ended March 31, 2024 differed from amounts computed by applying the U.S. federal statutory tax rate of 21% to pre-tax book income for those periods due to state taxes, the benefit of percentage depletion in excess of basis, expense of Section 162(m) nondeductible compensation and non deductible transaction costs

Total income tax expense for the three months ended March 31, 2023 differed from amounts computed by applying the U.S. federal statutory tax rate of 21% to pre-tax book income for those periods due to state taxes, income associated with the Pre-IPO period, and income associated with the non-controlling interest.

Note 14 – Related-Party Transactions

Brigham Oil & Gas, LLC

Atlas LLC has sold proppant to a customer, Brigham Oil & Gas, LLC ("Brigham Oil & Gas"), which is controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2024 and 2023, the Company made no sales to this related party. As of March 31, 2024 and December 31, 2023, we had no outstanding accounts receivable with Brigham Oil & Gas.

Brigham Land Management LLC

Brigham Land Management LLC ("Brigham Land") provides us with landman services for certain of our projects and initiatives. The services are provided on a per hour basis at market prices. Brigham Land is owned and controlled by Vince Brigham, an advisor to the Company and the brother of our Executive Chairman, Bud Brigham. For the three months ended March 31, 2024 and 2023, we made aggregate payments to Brigham Land equal to approximately $0.2 million and $0.2 million, respectively. As of March 31, 2024 and December 31, 2023, our outstanding accounts payable to Brigham Land was $0.1 million and $0.2 million, respectively.

Brigham Earth, LLC

Brigham Earth, LLC ("Brigham Earth") provides us with professional and consulting services as well as access to certain information and software systems. Brigham Earth is owned and controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2024 and 2023, our aggregate payments to Brigham Earth for these services were approximately $0.2 million and $0.1 million, respectively. As of March 31, 2024 and December 31, 2023, we had de minimis accounts payable to Brigham Earth, respectively.

Anthem Ventures, LLC

Anthem Ventures, LLC ("Anthem Ventures") provides us with transportation services. Anthem Ventures is owned and controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2024 and 2023, our aggregate payments to Anthem Ventures for these services were approximately $0.1 million and $0.1 million, respectively. As of March 31, 2024 and December 31, 2023, our outstanding accounts payable to Anthem Ventures was $0.1 million and $0.1 million, respectively.

In a Good Mood

In a Good Mood, LLC ("In a Good Mood") provides the Company with access, at cost, to reserved space in the Moody Center in Austin, Texas for concerts, sporting events and other opportunities as a benefit to our employees and for business entertainment. In a Good Mood is owned and controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2024 and 2023, our aggregate payments to In a Good Mood for these services were approximately $0.1 million and de minimis, respectively. As of March 31, 2024 and December 31, 2023, we did not have an outstanding accounts payable balance with this related party.

The Sealy & Smith Foundation

Refer to Note 9 – *Commitments and Contingencies* for disclosures related to the Company's royalty agreement and mining agreement with The Sealy & Smith Foundation, a related party.

Reorganization

Refer to Note 1 – *Business and Organization* for disclosures related to the Company's transactions with affiliates including entities controlled by Bud Brigham.

Registration Rights Agreement

In connection with the closing of the IPO, we entered into a registration rights agreement with certain Legacy Owners (the "Original Registration Rights Agreement") covering, in the aggregate, approximately 38.4% of the Old Atlas Class A and Class B Common Stock on a combined basis. Pursuant to the Original Registration Rights Agreement, we agreed to register under the U.S. federal securities laws the offer and resale of shares of Old Atlas Class A Common Stock (including shares issued in connection with any redemption of Operating Units) by such Legacy Owners or certain of their respective affiliates or permitted transferees under the Original Registration Rights Agreement.

On October 2, 2023, the Company entered into an amended and restated registration rights agreement (the "A&R Registration Rights Agreement") with New Atlas and certain stockholders identified on the signature pages thereto. The A&R Registration Rights Agreement was entered into in order to, among other things, provide for the assumption of Old Atlas's obligations under the Original Registration Rights Agreement by New Atlas. The A&R Registration Rights Agreement is substantially similar to the Original Registration Rights Agreement, but contains certain administrative and clarifying changes to reflect the transition from a dual class capital structure to a single class of Common Stock. We will generally be obligated to pay all registration expenses in connection with these registration obligations, regardless of whether a registration statement is filed or becomes effective. These registration rights are subject to certain conditions and limitations.

Stockholders' Agreement

In connection with the closing of the IPO, we entered into a stockholders' agreement (the "Original Stockholders' Agreement") with certain of our Legacy Owners (the "Principal Stockholders"). Among other things, the Original Stockholders' Agreement provides our Executive Chairman, Bud Brigham, the right to designate a certain number of nominees for election or appointment to our Board as described below according to the percentage of Common Stock held by such Principal Stockholders.

Pursuant to the Original Stockholders' Agreement, we are required to take all necessary actions, to the fullest extent permitted by applicable law (including with respect to any fiduciary duties under Delaware law), to cause the election or appointment of the nominees designated by Mr. Brigham or his affiliates, and each of the Principal Stockholders agreed to cause its respective shares of Common Stock to be voted in favor of the election of each of the nominees designated by Mr. Brigham or his affiliates. Mr. Brigham or his affiliates will be entitled to designate the replacement for any of his respective board designees whose board service terminates prior to the end of such director's term.

In addition, the Original Stockholders' Agreement provides that for so long as Mr. Brigham or any of his affiliates is entitled to designate any members of our Board, we will be required to take all necessary actions to cause each of the audit committee, compensation committee and nominating and governance committee of our Board to include in its membership at least one director designated by Mr. Brigham or his affiliates, except to the extent that such membership would violate applicable securities laws or stock exchange rules.

Furthermore, so long as the Principal Stockholders collectively beneficially own at least a majority of the outstanding shares of our Common Stock, we have agreed not to take, and will cause our subsidiaries not to take, the following actions (or enter into an agreement to take such actions) without the prior consent of Mr. Brigham or his affiliates, subject to certain exceptions:

- adopting or proposing any amendment, modification or restatement of or supplement to our certificate of incorporation or bylaws;
- increasing or decreasing the size of our Board; or
- issuing any equity securities that will rank senior to our Common Stock as to voting rights, dividend rights or distributions rights upon liquidation, winding up or dissolution of the Company.

On October 2, 2023, Old Atlas entered into an amended and restated stockholders' agreement (the "A&R Stockholders' Agreement") with New Atlas and certain of the Principal Stockholders. The A&R Stockholders' Agreement was entered into in order to, among other things, provide for the assumption of Old Atlas's obligations under the Original Stockholders' Agreement by New Atlas. The A&R Stockholders' Agreement is substantially similar to the Original Stockholders' Agreement, but contains certain administrative and clarifying changes to reflect the transition from a dual class capital structure to a single class of Common Stock.

Up-C Simplification

Refer to Note 1 – *Business and Organization* for disclosures related to the Company's Up-C Simplification.

Note 15 – Subsequent Events

On April 14, 2024, a mechanical fire occurred at the Company's mine in Kermit, Texas. The fire primarily impacted the "feed system" of the processing facility, which transports sand from the dryers and separators to storage silos. The Company has filed an insurance claim and is currently reviewing available coverage and the financial impact of the incident.

On May 6, 2024, the Company declared a dividend of $0.22 per share (base dividend of $0.16 per share and a variable dividend of $0.06 per share) of Common Stock. The dividend will be payable on May 23, 2024 to holders of record of Common Stock as of the close of business on May 16, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the financial statements and related notes presented in this Quarterly Report on Form 10-Q (this "Report"), as well as our audited financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "Annual Report"), filed with the Securities and Exchange Commission (the "SEC"), on February 27, 2024.

Unless the context otherwise requires, references to "New Atlas" are to Atlas Energy Solutions Inc. following the completion of the Up-C Simplification (as defined below), references to "Old Atlas" are to Atlas Energy Solutions Inc. prior to the completion of the Up-C Simplification, references to "Atlas Inc." are to Old Atlas for reporting periods prior to the completion of the Up-C Simplification and to New Atlas following the completion of the Up-C Simplification, and references to the "Company," "we," "us," and like expressions are to Atlas Inc. together with its subsidiaries, including Atlas Sand Company, LLC ("Atlas LLC"), the predecessor of Old Atlas. References to "Atlas Operating" are to Atlas Sand Operating, LLC, a wholly-owned subsidiary of Atlas Inc. and the direct parent company of Atlas LLC.

Cautionary Note Regarding Forward-Looking Statements

This Report contains forward-looking statements that are subject to risks and uncertainties. All statements, other than statements of historical fact included in this Report, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Report, the words "may," "forecast," "continue," "could," "would," "will," "plan," "believe," "anticipate," "intend," "estimate," "expect," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the section titled "Risk Factors" included in this Report and in our Annual Report. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we believe that the forward-looking statements contained in this Report are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in such forward-looking statements, including but not limited to:

- our ability to successfully integrate the business of Hi-Crush Inc., a Delaware corporation ("Hi-Crush"), following completion of the Hi-Crush Transaction;
- the extent of the damage to the Kermit facility resulting from the fire that occurred on Sunday, April 14, 2024, the required repairs and the cost and timeline of such repairs;
- the timing of the Kermit facility's return to service and its utilization;
- our ability to continue operations during the pendency of repairs to the Kermit facility;
- the availability and extent of insurance coverage for the damages to the Kermit facility resulting from the fire;
- the ultimate impact of the Kermit facility incident on the Company's future performance;
- higher than expected costs to operate our proppant production and processing facilities and develop the Dune Express (as defined below);
- the amount of proppant we are able to produce, which could be adversely affected by, among other things, operating difficulties and unusual or unfavorable geologic conditions;
- the volume of proppant we are able to sell and our ability to enter into supply contracts for our proppant on acceptable terms;
- the prices we are able to charge, and the margins we are able to realize, from our proppant sales;
- the demand for and price of proppant, particularly in the Permian Basin;
- the success of our electric dredging transition efforts;
- fluctuations in the demand for certain grades of proppant;
- the domestic and foreign supply of and demand for oil and natural gas;
- the effects of actions by, or disputes among or between, members of the Organization of Petroleum Exporting Countries and other oil producing nations (together, "OPEC+") with respect to production levels or other matters related to the prices of oil and natural gas;

•changes in the price and availability of natural gas, diesel fuel or electricity that we use as fuel sources for our proppant production facilities and related equipment;

•the availability of capital and our liquidity;

•the level of competition from other companies;

•pending legal or environmental matters;

•changes in laws and regulations (or the interpretation thereof) or increased public scrutiny related to the proppant production and oil and natural gas industries, silica dust exposure or the environment;

•facility shutdowns in response to environmental regulatory actions;

•technical difficulties or failures;

•liability or operational disruptions due to pit-wall or pond failure, environmental hazards, fires, explosions, chemical mishandling or other industrial accidents;

•unanticipated ground, grade or water conditions;

•inability to obtain government approvals or acquire or maintain necessary permits or mining, access or water rights;

•changes in the price and availability of transportation services;

•inability of our customers to take delivery;

•difficulty collecting on accounts receivable;

•the level of completion activity in the oil and natural gas industry;

•inability to obtain necessary production equipment or replacement parts;

•the amount of water available for processing;

•any planned or future expansion projects or capital expenditures;

•our ability to finance equipment, working capital and capital expenditures;

•inability to successfully grow organically, including through future land acquisitions;

•inaccuracies in estimates of volumes and qualities of our frac sand reserves;

•failure to meet our minimum delivery requirements under our supply agreements;

•material nonpayment or nonperformance by any of our significant customers;

•development of either effective alternative proppants or new processes that replace hydraulic fracturing;

•our ability to borrow funds and access the capital markets;

•our ability to comply with covenants contained in our debt instruments;

•the potential deterioration of our customers' financial condition, including defaults resulting from actual or potential insolvencies;

•changes in global political or economic conditions, including sustained inflation as well as financial market instability or disruptions to the banking system due to bank failures, both generally and in the markets we serve;

•the impact of geopolitical developments and tensions, war and uncertainty in oil-producing countries (including the invasion of Ukraine by Russia, the Israel-Hamas war, continued instability in the Middle East, including from the Houthi rebels in Yemen, and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy);

•health epidemics, such as the ongoing COVID-19 pandemic, natural disasters or inclement or hazardous weather conditions, including but not limited to cold weather, droughts, flooding, tornadoes and the physical impacts of climate change;

•physical, electronic and cybersecurity breaches;

•the effects of litigation;

•plans, objectives, expectations and intentions described in this Report that are not historical; and

•other factors discussed elsewhere in this Report, including in Item 1A. “Risk Factors.”

We caution you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, the risks described under the section titled “Item 1A. Risk Factors” in this Report and the risk factors disclosed under the heading “Risk Factors” included in our Annual Report.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this Report. Should one or more of the risks or uncertainties described in this Report occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements, expressed or implied, included in this Report are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements to reflect events or circumstances after the date of this Report.

Overview

We are a low-cost producer of high-quality, locally sourced 100 mesh and 40/70 sand used as a proppant during the well completion process. Proppant is necessary to facilitate the recovery of hydrocarbons from oil and natural gas wells. One hundred percent of Atlas LLC’s sand reserves are located in Winkler and Ward Counties, Texas, within the Permian Basin, and our operations consist of proppant production and processing facilities, including two facilities near Kermit, Texas (together, the “Kermit facility”) and a third facility near Monahans, Texas (the “Monahans facility”). As part of the Hi-Crush Transaction, defined under “—Recent Developments” below, we acquired additional facilities near Kermit and the OnCore distributed mining network, adding approximately 12 million tons of annual production capacity. As of March 31, 2024, our combined annual production capacity is approximately 28 million tons.

We also operate a logistics platform that is designed to increase the efficiency, safety and sustainability of the oil and natural gas industry within the Permian Basin. This includes our fleet of fit-for-purpose trucks and trailers and will include the Dune Express, an overland conveyor infrastructure solution currently under construction. As part of the Hi-Crush Transaction, we expanded our logistics offering through the addition of Pronghorn, a leading multi-basin provider of proppant logistics and wellsite services.

Our Predecessor

The predecessor of Atlas Inc. consists of Atlas LLC and certain of its wholly-owned subsidiaries: Atlas Sand Employee Holding Company, LLC; Atlas Sand Employee Company, LLC; Atlas OLC Employee Company, LLC; Atlas Construction Employee Company, LLC; Fountainhead Logistics Employee Company, LLC; Atlas Sand Construction, LLC; OLC Kermit, LLC; OLC Monahans, LLC; and Fountainhead Logistics, LLC on a consolidated basis (all of which we refer to collectively as “Atlas Predecessor”). Historical periods for Atlas Predecessor are presented on a consolidated basis given the common control ownership. Unless otherwise indicated, the historical condensed consolidated financial information included in this Report presents the historical financial information of Atlas Predecessor. Historical condensed consolidated financial information is not indicative of the results that may be expected in any future periods.

The Up-C Simplification

On October 2, 2023, Old Atlas and the Company completed the Up-C Simplification contemplated by a master reorganization agreement (the “Master Reorganization Agreement”), dated as of July 31, 2023, by and among New Atlas, Old Atlas, Atlas Operating, AESI Merger Sub Inc., a Delaware corporation (“PubCo Merger Sub”), Atlas Operating Merger Sub, LLC, a Delaware limited liability company (“Opco Merger Sub” and, together with PubCo Merger Sub, the “Merger Subs”), and Atlas Sand Holdings, LLC, in order to, among other things, reorganize under a new public holding company (the “Up-C Simplification”).

Pursuant to the Master Reorganization Agreement, (a) PubCo Merger Sub merged with and into Old Atlas (the “PubCo Merger”), as a result of which (i) each share of Old Atlas’s Class A common stock, par value $0.01 per share (the “Old Atlas Class A Common Stock”), then issued and outstanding was exchanged for one share of New Atlas’s common stock, par value $0.01 per share (the “Common Stock”), (ii) all of the shares of Old Atlas’s Class B common stock, par value $0.01 per share, then issued and outstanding were surrendered and cancelled for no consideration and (iii) Old Atlas survived the PubCo Merger as a direct, wholly owned subsidiary of New Atlas; and (b) Opco Merger Sub merged with and into Atlas Operating (the “Opco Merger” and, together with the PubCo Merger, the “Mergers”), as a result of which (i) each common unit representing a membership interest in Atlas Operating (each, an “Operating Unit”) then issued and outstanding, other than those Operating Units held by Old Atlas, was exchanged for one share of Common Stock and (ii) Atlas Operating became a wholly-owned subsidiary of New Atlas.

Recent Developments

Hi-Crush Transaction

On March 5, 2024 (the "Closing Date"), the Company consummated the previously announced transaction (the "Hi-Crush Transaction") pursuant to that certain Agreement and Plan of Merger, dated February 26, 2024 (the "Merger Agreement"), by and among the Company, Atlas LLC, as purchaser, Wyatt Merger Sub 1 Inc., a Delaware corporation and direct, wholly-owned subsidiary of Atlas LLC, Wyatt Merger Sub 2, LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of Atlas LLC, Hi-Crush, each stockholder that executed the Merger Agreement or a joinder thereto (each a "Hi-Crush Stockholder" and, collectively, the "Hi-Crush Stockholders"), Clearlake Capital Partners V Finance, L.P., solely in its capacity as the Hi-Crush Stockholders' representative, and HC Minerals Inc., a Delaware corporation (collectively, the "Parties"), pursuant to which the Company acquired Hi-Crush's Permian Basin proppant production and logistics businesses and operations in exchange for (i) cash consideration of $140.1 million, (ii) 9.7 million shares of the Common Stock (the "Stock Consideration"), issued at the closing of the transaction, and (iii) a secured PIK toggle seller note in an initial aggregate principle amount of $111.8 million with a final maturity date of January 31, 2026 (the "Deferred Cash Consideration Note"). For further discussion, refer to Note 3 - *Hi-Crush Transaction* of the unaudited condensed consolidated financial statements (the "Financial Statements") included elsewhere in this Report.

The foregoing description of the Hi-Crush Transaction and the Merger Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, a copy of which is filed as Exhibit 2.1 to this Report.

Kermit Facility Operational Update

On April 14, 2024, a mechanical fire occurred at the Company's mine in Kermit, Texas. The fire primarily impacted the "feed system" of the processing facility, which transports sand from the dryers and separators to storage silos. The Company has filed an insurance claim and is currently reviewing available coverage and the financial impact of the incident.

Financial Developments

Deferred Cash Consideration Note

In accordance with the Merger Agreement, the Company issued the Deferred Cash Consideration Note, which is subject to customary purchase price adjustments and payable in cash or in kind, at Atlas LLC's election. The Deferred Cash Consideration Note will mature on January 31, 2026 and bears interest at a rate of 5.00% per annum if paid in cash, or 7.00% per annum if paid in kind. Interest on the Deferred Cash Consideration Note is payable quarterly in arrears beginning March 29, 2024 through maturity. Interest expense associated with the Deferred Cash Consideration Note was $0.4 million for the three months ended March 31, 2024.

The Deferred Cash Consideration Note included $2.6 million of debt discount and approximately $0.1 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were approximately $0.1 million in total for the three months ended March 31, 2024.

Atlas LLC's obligations under the Deferred Cash Consideration Note are secured by certain of the assets acquired in connection with the Hi-Crush Transaction. The Deferred Cash Consideration Note is also unconditionally guaranteed by Atlas LLC on an unsecured basis.

First Amendment to the 2023 Term Loan Credit Agreement

On February 26, 2024, the Company, Atlas LLC and certain other subsidiaries of the Company entered into the First Amendment to Credit Agreement (the "Term Loan Amendment"), among Company, Atlas LLC, the lenders party thereto and Stonebriar Commercial Finance LLC ("Stonebriar"), as administrative agent (the "Term Agent"), which amends the 2023 Term Loan Credit Agreement (as defined below under "Debt Agreements ").

The Term Loan Amendment provided an additional delayed draw term loan (the "ADDT Loan"), in the aggregate principal amount of $150.0 million with interest (computed on the basis of a 365-day year for the actual number of days elapsed) on the unpaid principal amount thereof from and including the date of amendment until paid in full at the rate of 10.86% per annum. The ADDT Loan is payable in 76 consecutive monthly installments of combined principal and interest, each in the amount of $2.7 million commencing April 1, 2024 and continuing up to and including August 1, 2030. There was interest expense of $1.4 million for the three months ended March 31, 2024.

The ADDT Loan included $1.5 million of debt discount $0.2 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were de minimis in total for the three months ended March 31, 2024.

First Amendment to the 2023 ABL Credit Agreement

On February 26, 2024, Atlas LLC and certain other subsidiaries of the Company entered into the First Amendment to Loan, Security and Guaranty Agreement (the "ABL Amendment"), among Atlas LLC, the subsidiary guarantors party thereto, the lenders party thereto and the ABL Agent (as defined below under "Debt Agreements"), which amends the 2023 ABL Credit Agreement (as defined below under "Debt Agreements ").

The ABL Amendment increased the revolving credit commitment to $125.0 million. The existing lenders increased their commitment by $25.0 million which resulted in a debt modification under Accounting Standards Codification ("ASC") 470, "Debt." The ABL Amendment also added a new lender with a $25.0 million commitment, thus creating a new debt arrangement under ASC 470, "Debt." The deferred financing costs and debt issuance cost will be amortized on a prospective basis over the term of the agreement. The maturity date of the ABL Credit Agreement was extended from February 22, 2028 to the earliest of (a) February 26, 2029; (b) the date at that is 91 days prior to the maturity date for any portion of the Term Loan Debt; or (c) any date on which the aggregate Commitments terminate hereunder.

The ABL Amendment requires that if Availability (as defined in the 2023 ABL Credit Agreement) is less than the greater of (i) 12.50% of the Borrowing Base and (ii) $12.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the ABL Amendment, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than $7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds $30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed $7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Specified Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) $20.0 million and (b) 20% of the pro forma Borrowing Base (as defined under the 2023 ABL Credit Agreement) then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Specified Availability is higher than the greater of (x) $15.0 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

On March 5, 2024, the Company drew down $50.0 million under the 2023 ABL Credit Facility to for general corporate purposes. The draw included $0.3 million in debt issuance costs and $0.2 million in deferred financing costs. These costs are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement. Interest expense associated with the amortization of these costs was de minimis for the three months ended March 31, 2024.

As of March 31, 2024, Atlas LLC had $50.0 million in outstanding borrowings and $1.2 million in outstanding letters of credit under the 2023 ABL Credit Facility.

Dividends and Distributions

On February 8, 2024, the Company declared a dividend of $0.21 per share (base dividend of $0.16 per share and a variable dividend of $0.05 per share) of Common Stock. The dividend was paid on February 29, 2024 to holders of record of Common Stock as of the close of business on February 22, 2024.

On May 6, 2024, the Company declared a dividend of $0.22 per share (base dividend of $0.16 per share and a variable dividend of $0.06 per share) of Common Stock. The dividend will be payable on May 23, 2024 to holders of record of Common Stock as of the close of business on May 16, 2024.

Recent Trends and Outlook

The price for West Texas Intermediate ("WTI") crude oil ended the first quarter of 2024 at $81.28 per barrel ("Bbl"), as compared to $71.90 per Bbl in the fourth quarter of 2023, representing an increase of more than 10%. Global oil market balances meaningfully tightened during the quarter despite demand weakness. A first quarter arctic freeze that swept through key oil producing regions, including the Permian Basin, prompted supply outages which coincided with voluntary output curbs by some OPEC+ countries as key members agreed to maintain supply cuts through the end of the second quarter of 2024. Additionally, geopolitical tensions across Europe and the Middle East have supported further upward oil price momentum.

As a result, oilfield activity levels have moderately increased since we exited the prior year. The Permian Basin drilling rig count has increased by seven rigs quarter-over-quarter, ending the period at 316 active rigs. While we are seeing completions activity increase, although modestly, we anticipate a tightening supply dynamic on lower global oil supply resulting from continued geopolitical

tensions, which may lead to further supply chain disruptions, and OPEC+ rational guardianship, which could lead to increased activity levels during 2024 at higher commodity price levels.

Notwithstanding the volatility in the oil and gas markets, there remain two potential positive long-term trends developing in the market:

- First, E&P companies continue to drill longer lateral wells, which drives up proppant demand for each well completed in the Permian Basin. Longer laterals increase the number of frac stages required to frac as well. As lateral lengths continue to increase, the aggregate amount of proppant per well increases.
- Second, frac sand demand continues to increase due to improved completion efficiencies, driven by steady improvement in the average tons of sand pumped per frac crew per month. As frac crews become more efficient, they are able to increase their monthly sand consumption.

The Permian Basin proppant market remains healthy. While the available Permian Basin proppant supply experienced marginal growth during the period, we believe the market remains balanced with potential to tighten up in 2024 with increased activity as demand for more Permian barrels is needed to balance tightening global oil markets.

In addition, we believe our increase in size and enhanced scale and reliability, in part through the acquisition of Hi-Crush, will allow us to meet the growing scale of E&P companies as they continue to consolidate. We believe we are well-positioned to match the growing needs of our high-quality customer base, as E&P companies continue to scale up their operations.

How We Generate Revenue

We generate revenue by mining, processing and distributing proppant that our customers use in connection with their operations. We sell proppant to our customers under supply agreements or as spot sales at prevailing market rates, which is dependent upon the cost of producing proppant, the proppant volumes sold and the desired margin and prevailing market conditions.

Revenues also include charges for sand logistics services provided to our customers. Our logistics service revenue fluctuates based on several factors, including the volume of proppant transported, the distance between our facilities and our customers, and prevailing freight rates. Revenue is generally recognized as products are delivered in accordance with the contract.

Some of our contracts contain shortfall provisions that calculate agreed upon fees that are billed when the customer does not satisfy the minimum purchases over a period of time defined in each contract.

Costs of Conducting Our Business

We incur operating costs primarily from direct and indirect labor, freight charges, utility costs, fuel and maintenance costs and royalties. We incur labor costs associated with employees at our proppant production facilities, which represent the most significant cost of converting proppant to finished product. Our proppant production facilities undergo maintenance to minimize unscheduled downtime and ensure the ongoing quality of our proppant and ability to meet customer demands. We may incur variable utility costs in connection with the operation of our processing facilities, primarily natural gas and electricity, which are both susceptible to market fluctuations. We lease equipment in many areas of our operations, including our proppant production hauling equipment. We incur variable royalty expense and/or delay rentals related to our agreements with the owners of our reserves. In addition, other costs including overhead allocation, depreciation and depletion are capitalized as a component of inventory and are reflected in cost of sales when inventory is sold. Our logistics services incur operating costs primarily composed of variable freight charges from trucking companies' delivery of sand to customer wellsites, equipment leases, direct and indirect labor, fuel and maintenance costs and royalties.

How We Evaluate Our Operations

Non-GAAP Financial Measures

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt are non-GAAP supplemental financial measures used by our management and by external users of our Financial Statements such as investors, research analysts and others, in the case of Adjusted EBITDA, to assess our operating performance on a consistent basis across periods by removing the effects of development activities, provide views on capital resources available to organically fund growth projects and, in the case of Adjusted Free Cash Flow and Adjusted EBITDA less Capital Expenditures, assess the financial performance of our assets and their ability to sustain dividends or reinvest to organically fund growth projects over the long term without regard to financing methods, capital structure or historical cost basis.

We define Adjusted EBITDA as net income before depreciation, depletion and accretion expense, interest expense, income tax expense, stock and unit-based compensation, loss on extinguishment of debt, unrealized commodity derivative gain (loss), and non-recurring transaction costs. Management believes Adjusted EBITDA is useful because it allows them to more effectively evaluate our operating performance and compare the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired.

We define Adjusted EBITDA Margin as Adjusted EBITDA divided by total sales.

We define Adjusted Free Cash Flow as Adjusted EBITDA less Maintenance Capital Expenditures. We define Adjusted EBITDA less Capital Expenditures as Adjusted EBITDA less net cash used in investing activities. We believe that Adjusted Free Cash Flow and Adjusted EBITDA less Capital Expenditures are useful to investors as they provide measures of the ability of our business to generate cash.

We define Adjusted Free Cash Flow Margin as Adjusted Free Cash Flow divided by total sales.

We define Adjusted EBITDA less Capital Expenditures Margin as Adjusted EBITDA less Capital Expenditures divided by total sales.

We define Adjusted Free Cash Flow Conversion as Adjusted Free Cash Flow divided by Adjusted EBITDA.

We define Contribution Margin as gross profit plus depreciation, depletion and accretion expense.

We define Maintenance Capital Expenditures as capital expenditures excluding growth capital expenditures.

We define Net Debt as total debt, net of discount and deferred financing costs, plus right-of-use lease liabilities, less cash and cash equivalents.

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt do not represent and should not be considered alternatives to, or more meaningful than, net income, income from operations, net cash provided by operating activities or any other measure of financial performance presented in accordance with GAAP as measures of our financial performance. Adjusted EBITDA, Adjusted Free Cash Flow, and Adjusted EBITDA less Capital Expenditures have important limitations as analytical tools because they exclude some but not all items that affect net income, the most directly comparable GAAP financial measure. Our computation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt may differ from computations of similarly titled measures of other companies.

The following table presents a reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt to the most directly comparable GAAP financial measure for the periods indicated.

	Three Months Ended March 31,	
	2024	**2023**
	(unaudited)	
	(In thousands)	
Net income (1)	**$ 26,787**	**$ 62,905**
Depreciation, depletion and accretion expense	18,007	8,808
Amortization expense	1,061	—
Interest expense	6,976	4,021
Income tax expense	7,935	7,677
EBITDA	**$ 60,766**	**$ 83,411**
Stock and unit-based compensation	4,206	622
Non-recurring transaction costs	10,571	—
Adjusted EBITDA	**75,543**	**84,033**
Maintenance Capital Expenditures	4,460	4,762
Adjusted Free Cash Flow	**$ 71,083**	**$ 79,271**

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Net income (1)	**$ 26,787**	**$ 62,905**
Depreciation, depletion and accretion expense	18,007	8,808
Amortization expense	1,061	—
Interest expense	6,976	4,021
Income tax expense	7,935	7,677
EBITDA	**$ 60,766**	**$ 83,411**
Stock and unit-based compensation expense	4,206	622
Non-recurring transaction costs	10,571	—
Adjusted EBITDA	**$ 75,543**	**$ 84,033**
Capital expenditures	95,486	60,940
Hi-Crush acquisition	142,233	—
Adjusted EBITDA less Capital Expenditures	**$ (162,176)**	**$ 23,093**

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Net cash provided by operating activities	**$ 39,562**	**$ 54,235**
Current income tax expense (2)	414	3,869
Change in operating assets and liabilities	18,500	22,319
Cash interest expense(2)	6,491	3,816
Maintenance Capital Expenditures(2)	(4,460)	(4,762)
Non-recurring transaction costs	10,571	—
Other	5	(206)
Adjusted Free Cash Flow	**$ 71,083**	**$ 79,271**

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands, except percentages)	
Net cash provided by operating activities	**$ 39,562**	**$ 54,235**
Current income tax expense (2)	414	3,869
Change in operating assets and liabilities	18,500	22,319
Cash interest expense(2)	6,491	3,816
Capital expenditures	(95,486)	(60,940)
Hi-Crush acquisition	(142,233)	—
Non-recurring transaction costs	10,571	—
Other	5	(206)
Adjusted EBITDA less Capital Expenditures	**$ (162,176)**	**$ 23,093**
Adjusted EBITDA Margin	39.2 %	54.8 %
Adjusted EBITDA less Capital Expenditure Margin	(84.2)%	15.1 %
Adjusted Free Cash Flow Margin	36.9 %	51.7 %
Adjusted Free Cash Flow Conversion	94.1 %	94.3 %

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Gross Profit	**$ 68,746**	**$ 82,344**
Depreciation, depletion and accretion expense	17,175	8,519
Contribution Margin	**$ 85,921**	**$ 90,863**

(1)Atlas Inc. is a corporation and is subject to U.S. federal income tax. Atlas LLC has elected to be treated as a partnership for income tax purposes and, therefore, was not subject to U.S. federal income tax at an entity level during the periods presented. As a result, the condensed consolidated net income in our historical financial statements does not reflect the tax expense we would have incurred if we had been subject to U.S. federal income tax at an entity level during such periods.
(2)A reconciliation of the adjustment of these items used to calculate Adjusted Free Cash Flow to the Financial Statements is included below.

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Current tax expense reconciliation:		
Income tax expense	**$ 7,935**	**$ 7,677**
Less: deferred tax expense	(7,521)	(3,808)
Current income tax expense (benefit)	**$ 414**	**$ 3,869**
Cash interest expense reconciliation:		
Interest expense, net	**$ 4,978**	**$ 3,442**
Less: Amortization of debt discount	(407)	(118)
Less: Amortization of deferred financing costs	(78)	(87)
Less: Interest income	1,998	579
Cash interest expense	**$ 6,491**	**$ 3,816**
Maintenance Capital Expenditures, accrual basis reconciliation:		
Purchases of property, plant and equipment	**$ 95,486**	**$ 60,940**
Changes in operating assets and liabilities associated with investing activities(3)	(2,575)	6,811
Less: Growth capital expenditures and capital lease additions	(88,451)	(62,989)
Maintenance Capital Expenditures, accrual basis	**$ 4,460**	**$ 4,762**

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Total Debt	**$ 481,299**	**$ 139,120**
Discount and deferred financing costs	11,097	1,650
Finance right-of-use lease liabilities	7,698	27,018
Cash and cash equivalents	187,120	352,656
Net Debt	**$ 312,974**	**$ (184,868)**

(3)Positive working capital changes reflect capital expenditures in the current period that will be paid in a future period. Negative working capital changes reflect capital expenditures incurred in a prior period but paid during the period presented.

Factors Affecting the Comparability of Our Results of Operations

M&A Activity

On March 5, 2024, the Company completed the Hi-Crush Transaction, in which the Company acquired substantially all of Hi-Crush's Permian Basin proppant production and logistics businesses and operations in exchange for (i) cash consideration of $140.1 million, (ii) 9.7 million shares of Common Stock issued at the closing of the transaction, and (iii) the Deferred Cash Consideration Note in an initial aggregate principle amount of $111.8 million. This history impacts the comparability of our operational results from year to year. Additional information on these transactions can be found in Note 3 - *Hi-Crush Transaction* of the condensed consolidated financial statements included elsewhere in this Report.

Public Company Expenses

As a result of the IPO, we incurred direct, incremental selling, general and administrative expenses as a result of being a publicly traded company, including, but not limited to, costs associated with hiring new personnel, implementation of compensation programs that are competitive with our public company peer group, including stock-based compensation, preparing quarterly reports to stockholders, tax return preparation, independent and internal auditor fees, investor relations activities, registrar and transfer agent fees, incremental director and officer liability insurance costs and independent director compensation. These direct, incremental selling, general and administrative expenses are not included in our results of operations prior to the IPO.

Income Taxes

Atlas Inc. is a corporation subject to U.S. federal, state and local income taxes. Although Atlas Predecessor is subject to margin tax in the State of Texas (at less than 1% of modified pre-tax earnings), it is and historically has been treated as a pass-through entity for U.S. federal, state and local income tax purposes, and as such generally is and was not subject to U.S. federal, state or local income taxes. Rather, the tax liability with respect to the taxable income of Atlas Predecessor is and was passed through to its owners. Accordingly, the financial data attributable to Atlas Predecessor contains no provision for U.S. federal income taxes or income taxes in any state or locality (other than margin tax in the State of Texas). Atlas Inc. is subject to U.S. federal, state and local taxes at a blended statutory rate of approximately 22%.

We account for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled pursuant to the provisions of ASC 740, Income Taxes. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in earnings in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts more likely than not to be realized.

On March 13, 2023 (the closing date of the IPO), a corresponding deferred tax liability of approximately $27.5 million associated with the differences between the tax and book basis of the investment in Atlas LLC was recorded. The offset of the deferred tax liability was recorded to additional paid-in capital.

On October 2, 2023, the date on which the Company completed the Up-C Simplification, a corresponding deferred tax liability of approximately $62.7 million was recorded associated with the exchange of the redeemable noncontrolling interest in Old Atlas for shares of the Company's Common Stock. The offset of the deferred tax liability was recorded to additional paid-in capital.

Results of Operations

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
	(In thousands)	
Product sales	$ 113,432	$ 128,142
Service sales	79,235	25,276
Total sales	192,667	153,418
Cost of sales (excluding depreciation, depletion and accretion expense)	106,746	62,555
Depreciation, depletion and accretion expense	17,175	8,519
Gross profit	68,746	82,344
Operating expenses:		
Selling, general and administrative expense (including stock and unit-based compensation expense of $4,206 and $622, for the three months ended March 31, 2024 and 2023, respectively)	29,069	8,504
Operating income	39,677	73,840
Interest expense, net	(4,978)	(3,442)
Other income	23	184
Income before income taxes	34,722	70,582
Income tax expense	7,935	7,677
Net income	$ 26,787	$ 62,905

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

Product Sales. Product sales decreased by $14.7 million to $113.4 million for the three months ended March 31, 2024, as compared to $128.1 million for the three months ended March 31, 2023. Excluding Hi-Crush activity, a decrease in proppant prices between the periods contributed to a $53.3 million decrease in product sales, while an increase in sales volume contributed an offsetting $18.9 million increase in product sales. Hi-Crush activity contributed $19.7 million of product sales over the period.

Service Sales. Services sales, which includes freight for last-mile logistics services, increased by $53.9 million to $79.2 million for the three months ended March 31, 2024, as compared to $25.3 million for the three months ended March 31, 2023. Excluding Hi-Crush activity, the increase in logistics revenue was due to higher sales volumes shipped to last-mile logistics customers. Hi-Crush activity contributed $27.8 million of service sales over the period.

Cost of sales (excluding depreciation, depletion and accretion expense). Cost of sales (excluding depreciation, depletion and accretion expense) increased by $44.1 million to $106.7 million for the three months ended March 31, 2024, as compared to $62.6 million for the three months ended March 31, 2023.

Cost of sales (excluding depreciation, depletion and accretion) related to product sales decreased by $0.3 million to $39.5 million for the three months ended March 31, 2024, as compared to $39.8 million for the three months ended March 31, 2023. Excluding Hi-Crush, cost of sales (excluding depreciation, depletion and accretion) related to product sales decreased by $8.6 million. The decrease was related to our royalty expenses associated with the royalty agreement associated with Kermit facility terminating on the date of our IPO. Hi-Crush contributed $8.3 million of cost of sales (excluding depreciation, depletion and accretion) related to product sales over the period.

Cost of sales (excluding depreciation, depletion and accretion expense) related to services increased by $44.4 million to $67.2 million for the three months ended March 31, 2024, as compared to $22.8 million for the three months ended March 31, 2023. Excluding Hi-Crush activity, the increase was due to higher sales volumes shipped to last-mile logistics customers during the period. Hi-Crush activity contributed $23.7 million of cost of sales (excluding depreciation, depletion and accretion) related to service sales over the period.

Depreciation, depletion and accretion expense. Depreciation, depletion and accretion expense increased by $8.7 million to $17.2 million for the three months ended March 31, 2024, as compared to $8.5 million for the three months ended March 31, 2023. Excluding Hi-Crush activity, the $6.0 million increase in depreciation, depletion and accretion expense is due to additional depreciable assets placed into service when compared to the prior period. Hi-Crush activity contributed $2.7 million of depreciation, depletion and accretion expense over the period.

Selling, general and administrative expense. Selling, general and administrative expense increased by $20.6 million to $29.1 million for the three months ended March 31, 2024, as compared to $8.5 million for the three months ended March 31, 2023. Excluding Hi-Crush activity, the increase is due to an increase of $4.9 million of employee costs, including an increase of $3.6 million of stock-based compensation expense, $2.8 million of travel, sales and other corporate expenses associated with increased opportunities to conduct commercial business development efforts and incremental costs incurred in conjunction with our transition to a publicly traded company, and $10.4 million for non-recurring transaction costs related to the Hi-Crush Transaction during the three months ended Mach 31, 2024, compared to the three months ended March 31, 2023. Hi-Crush activity contributed $2.5 million of selling, general and administrative expense over the period, including $1.1 million of amortization of trade name and customer relationships intangible assets.

Our selling, general and administrative expense includes the non-cash expense for stock-based compensation expense for equity awards granted to our employees. For the three months ended March 31, 2024, stock-based compensation expense was $4.2 million, as compared to $0.6 million of stock and unit-based compensation expense for the three months ended March 31, 2023.

Interest expense, net. Interest expense, net increased by $1.6 million to $5.0 million for the three months ended March 31, 2024, as compared to $3.4 million for the three months ended March 31, 2023. The increase is driven by the Hi-Crush Transaction acquisition financing of the $150.0 million ADDT Loan and $111.8 million Deferred Cash Consideration Note.

Income tax expense. Income tax expense increased by $0.2 million to $7.9 million for the three months ended March 31, 2024, as compared to $7.7 million for the three months ended March 31, 2023. The increase is primarily due to additional U.S. federal income taxes subsequent to our Up-C Simplification.

Liquidity and Capital Resources

Overview

Our primary sources of liquidity to date have been capital contributions from our owners, cash flows from operations, and borrowings under our previous term loan credit facilities, and our previous asset-based loan credit facilities. Going forward, we expect our primary sources of liquidity to be cash flows from operations, the net proceeds retained from the IPO, availability under our 2023 ABL Credit Facility as amended (as defined below under "–Debt Agreements"), borrowings under our 2023 Term Loan Credit Facility as amended (as defined below under –Debt Agreements"), or any other credit facility we enter into in the future and proceeds from any future issuances of debt or equity securities. We expect our primary use of capital will be for payment of any dividends to our stockholders and for investing in our business, specifically for construction of the Dune Express, and acquisition of fit-for-purpose equipment for our trucking fleet used in our logistics platform. In addition, we have routine facility upgrades and additional ancillary capital expenditures associated with, among other things, contractual obligations and working capital obligations.

As of March 31, 2024, we had working capital, defined as current assets less current liabilities, of $235.4 million, $73.8 million of availability under the 2023 ABL Credit Facility, and $100.0 million of DDT Loans (as defined below under "Debt Agreements). Our cash and cash equivalents totaled $187.1 million.

Cash Flow

The following table summarizes our cash flow for the periods indicated:

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
Consolidated Statement of Cash Flow Data:	(In thousands)	
Net cash provided by operating activities	$ 39,562	$ 54,235
Net cash used in investing activities	(237,719)	(60,940)
Net cash provided by financing activities	175,103	277,351
Net increase (decrease) in cash	$ (23,054)	$ 270,646

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

Net Cash Provided by Operating Activities. Net cash provided by operating activities was $39.6 million and $54.2 million for the three months ended March 31, 2024 and 2023, respectively. Excluding Hi-Crush activity, the decrease is primarily attributable to decrease revenues of $8.2 million and a $12.1 million increase in cost of sales (excluding depreciation, depletion and accretion expense). Hi-Crush activity contributed an additional $7.3 million amount of net cash provided by operating activities.

Net Cash Used in Investing Activities. Net cash used in investing activities was $237.7 million and $60.9 million for the three months ended March 31, 2024 and 2023, respectively. The increase is primarily attributable to $142.2 million spent on the Hi-Crush Transaction as well as capital spending at the Kermit and Monahans facilities, Dune Express and logistics assets during the three months ended March 31, 2024 when compared to the three months ended March 31, 2023.

Net Cash Provided by Financing Activities. Net cash provided by financing activities was $175.1 million and $277.4 million for the three months ended March 31, 2024 and 2023, respectively. This decrease is primarily related to $303.4 million of initial IPO proceeds raised in March 31, 2023 as compared to March 31, 2024. This was offset by an increase of $200.0 million of net proceeds from borrowing related to our acquisition financing during the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Capital Requirements

Our primary growth and technology initiatives include continued construction of the Dune Express and acquisition of fit-for-purpose equipment for our trucking fleet. Outside of our growth and technology initiatives, our business is not presently capital intensive in nature and only requires the maintenance of our Kermit and Monahans facilities. In addition to capital expenditures, we have certain contractual long-term capital requirements associated with our lease, royalty payments and debt. See Note 7 - *Leases*, Note 8 - *Debt* and Note 9 - *Commitments and Contingencies* of the Financial Statements included elsewhere in this Report. Our current level of maintenance capital expenditures is expected to remain within our cash on hand and internally generated cash flow.

We expect to use the remaining net proceeds from the IPO to fund construction of the Dune Express over the next approximately 9 months. We intend to fund our other capital requirements through our primary sources of liquidity, which include cash on hand and cash flows from operations and, if needed, availability under our 2023 ABL Credit Facility and borrowings under our 2023 Term Loan Credit Facility.

At any time that our Board declares a dividend to holders of our Common Stock, we currently expect such dividend to be paid from cash provided by operating activities. We do not expect to borrow funds to finance dividends on our Common Stock. The timing and amount of any future dividends will be subject to the discretion of our Board from time to time.

Debt Agreements

Deferred Cash Consideration Note

In accordance with the Merger Agreement, the Company issued the Deferred Cash Consideration Note in favor of the Hi-Crush Stockholders in the original aggregate principal amount of $111.8 million. The Deferred Cash Consideration Note was part of the consideration transferred and valued at fair value at the acquisition date. The Deferred Cash Consideration Note will mature on January 31, 2026 and will bear interest at a rate of 5.00% per annum if paid in cash, or 7.00% per annum if paid in kind. Interest on the Deferred Cash Consideration Note is payable quarterly in arrears beginning March 29, 2024 through maturity. Interest expense associated with the Deferred Cash Consideration Note was $0.4 million for the three months ended March 31, 2024.

The Deferred Cash Consideration Note included $2.6 million of debt discount and approximately $0.1 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were approximately $0.1 million in total for the three months ended March 31, 2024.

Atlas LLC's obligations under the Deferred Cash Consideration Note are secured by certain of the assets acquired in connection with the Hi-Crush Transaction. The Deferred Cash Consideration Note is also unconditionally guaranteed by Atlas LLC on an unsecured basis.

2023 Term Loan Credit Facility

On July 31, 2023, Atlas LLC entered into a credit agreement (the "2023 Term Loan Credit Agreement") with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprising a $180.0 million single advance term loan that was made on July 31, 2023 (the "Initial Term Loan") and commitments to provide up to $100.0 million of delayed draw term loans (collectively, the "2023 Term Loan Credit Facility").

The Initial Term Loan is payable in 84 consecutive monthly installments and a final payment of the remaining outstanding principal balance at maturity. The Initial Term Loan has a final maturity date of July 31, 2030 (the "Maturity Date"). The Initial Term Loan bears interest at a rate equal to 9.50% per annum.

Each delayed draw term loan (the "DDT Loans") under the 2023 Term Loan Credit Facility will be payable in equal monthly installments, with the monthly installments comprising 80% of the DDT Loan and a final payment of the remaining 20% of the outstanding principal balance due at maturity, unless earlier prepaid. The DDT Loans will bear interest at a rate equal to the applicable Term SOFR Rate as of each Delayed Draw Funding Date (each as defined in the 2023 Term Loan Credit Agreement) plus 5.95% per annum. All monthly installments with respect to the Initial Term Loan and the DDT Loans payable on or prior to January 1, 2025 will be interest only. Interest expense associated with the debt was $4.3 million for the three months ended March 31, 2024.

At any time prior to the Maturity Date, Atlas LLC may redeem loans outstanding under the 2023 Term Loan Credit Facility, in whole or in part, at a price equal to 100% of the principal amount being prepaid (the "Prepayment Amount") plus a prepayment fee. The prepayment fee is equal to 8% of the Prepayment Amount for any prepayment that occurs on or prior to December 31, 2024, 4% of the Prepayment Amount for any prepayment that occurs after December 31, 2024 but on or prior to December 31, 2025, 3% of the Prepayment Amount for any prepayment that occurs after December 31, 2025 but on or prior to December 31, 2026 and 2% of the Prepayment Amount for any prepayment that occurs thereafter. Upon the maturity of the 2023 Term Loan Credit Facility, the entire unpaid principal amount of the loans outstanding thereunder, together with interest, fees and other amounts payable in connection with the facility, will be immediately due and payable without further notice or demand.

Dividends and distributions to equity holders are permitted to be made pursuant to certain limited exceptions and baskets described in the 2023 Term Loan Credit Agreement and otherwise generally subject to certain restrictions set forth in the 2023 Term Loan Credit Agreement, including the requirements that (a) no Event of Default (as defined under the 2023 Term Loan Credit Agreement) has occurred and is continuing and (b) Atlas LLC maintains at least $30.0 million of Liquidity (as defined under the 2023 Term Loan Credit Agreement) pro forma for the Restricted Payment (as defined under the 2023 Term Loan Credit Agreement).

The 2023 Term Loan Credit Facility includes certain non-financial covenants, including but not limited to restrictions on incurring additional debt and certain distributions. The 2023 Term Loan Credit Facility is subject to a maximum 4.0 to 1.0 Leverage Ratio (as defined in the 2023 Term Loan Credit Agreement) financial covenant. Such financial covenant is tested as of the last day of each fiscal quarter.

Proceeds from the 2023 Term Loan Credit Facility were used to repay outstanding indebtedness under our previous 2021 Term Loan Credit Facility with Stonebriar, to repay obligations outstanding under certain equipment lease arrangements with Stonebriar and for general corporate purposes. As of March 31, 2024, Atlas LLC was in compliance with the covenants of the 2023 Term Loan Credit Facility.

The 2023 Term Loan Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries. The 2023 Term Loan Credit Facility is unconditionally guaranteed on an unsecured basis by Atlas Energy Solutions Inc.

First Amendment to the 2023 Term Loan Credit Agreement

On February 26, 2024, the Company, Atlas LLC and certain other subsidiaries of the Company entered into the Term Loan Amendment.

The Term Loan Amendment provided the ADDT Loan in the aggregate principal amount of $150.0 million with interest (computed on the basis of a 365-day year for the actual number of days elapsed) on the unpaid principal amount thereof from and including the date of the amendment until paid in full at the rate per annum equal to 10.86%. The ADDT Loan is payable in 76 consecutive monthly installments of combined principal and interest each in the amount of $2.7 million commencing April 1, 2024 and continuing up to and including August 1, 2030. There was interest expense of $1.4 million for the three months ended March 31, 2024.

The ADDT Loan included $1.5 million of debt discount and $0.2 million in deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company's condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were de minimis in total for the three months ended March 31, 2024.

2023 ABL Credit Facility

On February 22, 2023, Atlas LLC, certain of its subsidiaries, as guarantors, Bank of America, N.A., as administrative agent (the "ABL Agent"), and certain financial institutions party thereto as lenders (the "2023 ABL Lenders") entered into a Loan, Security and Guaranty Agreement (the "2023 ABL Credit Agreement") pursuant to which the 2023 ABL Lenders provide revolving credit financing to the Company in an aggregate principal amount of up to $75.0 million (the "2023 ABL Credit Facility"), with Availability (as defined in the 2023 ABL Credit Agreement) thereunder subject to a "Borrowing Base" as described in the 2023 ABL Credit Agreement. The 2023 ABL Credit Facility includes a letter of credit sub-facility, which permits issuance of letters of credit up to an aggregate amount of $25.0 million. The scheduled maturity date of the 2023 ABL Credit Facility is February 22, 2028; provided that the 2023 ABL Credit Facility will mature on June 30, 2027 if any amount of the 2023 Term Loan Credit Facility that has a maturity date less than 91 days prior to February 22, 2028 is outstanding on June 30, 2027.

Atlas LLC may also request swingline loans under the 2023 ABL Credit Agreement in an aggregate principal amount not to exceed $7.5 million. During the three months ended Mach 31, 2024 and the year ended December 31, 2023, Atlas LLC had no outstanding swingline loans under the 2023 ABL Credit Facility.

Borrowings under the 2023 ABL Credit Facility bear interest, at Atlas LLC's option, at either a base rate or Term SOFR (as defined in the 2023 ABL Credit Agreement), as applicable, plus an applicable margin based on average availability as set forth in the 2023 ABL Credit Agreement. Term SOFR loans bear interest at Term SOFR for the applicable interest period plus an applicable margin, which ranges from 1.50% to 2.00% per annum based on average availability as set forth in the 2023 ABL Credit Agreement. Base rate loans bear interest at the applicable base rate, plus an applicable margin, which ranges from 0.50% to 1.00% per annum based on average availability as set forth in the 2023 ABL Credit Agreement. In addition to paying interest on outstanding principal under the 2023 ABL Credit Facility, Atlas LLC is required to pay a commitment fee which ranges from 0.375% per annum to 0.500% per annum with respect to the unutilized commitments under the 2023 ABL Credit Facility, based on the average utilization of the 2023 ABL Credit Facility. Atlas LLC is also required to pay customary letter of credit fees, to the extent that one or more letter of credit is outstanding. For the three months ended March 31, 2024 and 2023, we recognized $0.4 million and de minimis of interest expense, unutilized commitment fees and other fees under the 2023 ABL Credit Facility, classified as interest expense, respectively.

The Borrowing Base was initially set at $75.0 million and the amount of available credit changes every month, depending on the amount of eligible accounts receivable and inventory we have available to serve as collateral. With the ABL Amendment, discussed below, the Borrowing Base increased to $125.0 million. The Borrowing Base components are subject to customary reserves and eligibility criteria.

On March 5, 2024, the Company drew down $50.0 million under the 2023 ABL Credit Facility to for general corporate purposes. The draw included $0.3 million in debt issuance costs and $0.2 million in deferred financing costs. These costs are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement. Interest expense associated with the amortization of these costs was de minimis for the three months ended March 31, 2024.

As of March 31, 2024, Atlas LLC had $50.0 million in outstanding borrowings and $1.2 million in outstanding letters of credit under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) $7.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 while a Covenant Trigger Period is in effect.

Under the 2023 ABL Credit Agreement, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default has occurred and is continuing, and (ii) no loans and no more than $7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds $30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed $7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Availability is higher than the greater of (a) $12 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Availability is higher than the greater of (x) $9 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio, as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions.

The 2023 ABL Credit Facility contains certain customary representations and warranties, affirmative and negative covenants, and events of default. As of March 31, 2024, the Company was in compliance with the covenants under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries.

First Amendment to the 2023 ABL Credit Agreement

On February 26, 2024, Atlas LLC and certain other subsidiaries of the Company entered into the ABL Amendment, among Atlas LLC, the subsidiary guarantors party thereto, the lenders party thereto and the ABL Agent.

The ABL Amendment increased the revolving credit commitment to $125.0 million. The existing lenders increased their commitment by $25.0 million which resulted in a debt modification under ASC 470, “Debt.” The ABL Amendment also added a new lender with a $25.0 million commitment, thus creating a new debt arrangement under ASC 470, “Debt.” The deferred financing costs and debt issuance cost will be amortized on a prospective basis over the term of the agreement. The maturity date of the ABL Credit Agreement was extended from February 22, 2028 to the earliest of (a) February 26, 2029; (b) the date at that is 91 days prior to the maturity date for any portion of the Term Loan Debt; or (c) any date on which the aggregate Commitments terminate hereunder.

The ABL Amendment requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) $12.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 while a Covenant Trigger Period is in effect.

Under the ABL Amendment, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default has occurred and is continuing, and (ii) no loans and no more than $7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds $30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed $7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Specified Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) $20.0 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Specified Availability is higher than the greater of (x) $15.0 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

Other Indebtedness

The Company has other Indebtedness of $1.9 million of equipment finance notes as of March 31, 2024. These equipment finance notes have terms ending in July 2024 through June 2025 and interest rates ranging from 1.99% to 3.24%.

Critical Accounting Policies and Estimates

As of March 31, 2024, there have been no material changes to our critical accounting policies and related estimates previously disclosed in our Annual Report, except in connection with the recently completed Hi-Crush Transaction (described below under “Business Combination” and “Valuation of Goodwill and Acquired Intangible Assets.”) Refer to the accounting policies discussed in the notes to our Financial Statements under Note 2 - *Summary of Significant Accounting Policies.*

Property, Plant and Equipment, Including Depreciation and Depletion

In order to calculate depreciation of our fixed assets, other than plant facilities and mine development costs, we use the best estimated useful lives at the time the asset is placed into service.

Mining property and development costs, including plant facilities directly associated with mining properties, are amortized using the units of production method on estimated measures of tons of in-place reserves. The impact to reserve estimates is recognized on a prospective basis. Drilling and related costs are capitalized for deposits where proven and probable reserves exist. These activities are directed at obtaining additional information on the deposit or converting non-reserve minerals to proven and probable reserves, with the benefit being realized over a period greater than one year. At a minimum, we will assess the useful lives and residual values of all long-lived assets on an annual basis to determine if adjustments are required. The actual reserve life may differ from the assumptions we have made about the estimated reserve life.

We review property, plant and equipment for impairment annually or whenever events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. If such a review should indicate that the carrying amount of long-lived assets is not recoverable, the Company will reduce the carrying amount of such assets to fair value.

Emerging Growth Company Status

Under the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), we meet the definition of an "emerging growth company," which allows us to have an extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act. We have elected to take advantage of all of the reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards under Section 107 of the JOBS Act, until we are no longer an emerging growth company.

Our election to use the phase-in periods permitted by this election may make it difficult to compare our Financial Statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the longer phase-in periods under Section 107 of the JOBS Act and that will comply with new or revised financial accounting standards. If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

Business Combinations

We allocate the purchase price of any business we acquire to the identifiable assets acquired and liabilities assumed based on their estimated fair values. Any excess purchase price over the fair value of the net identifiable assets acquired is recorded as goodwill. We use all available information to estimate fair values, including quoted market prices, the carrying value of acquired assets and assumed liabilities and valuation techniques such as discounted cash flows, relief-from-royalty method, with or without method, or multi-period excess earnings method. We engage third-party appraisal firms to assist in the fair value determination of identifiable long-lived assets, identifiable intangible assets, as well as any contingent consideration that provides for additional consideration to be paid to the seller if certain future conditions are met. These estimates are reviewed during the 12-month measurement period and adjusted based on actual results. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our financial condition or results of operations. The purchase price in the Hi-Crush Transaction includes a holdback, which is considered contingent consideration and estimated at fair value. The holdback is subject to increases or reductions based on changes in the estimated net working capital amounts compared to the final settlement of the net working capital. The holdback is payable the later of (i) seventy-five days after the closing of the Hi-Crush Transaction and (ii) thirty days after the date that the required Hi-Crush financial statements have been provided to the Company. The holdback is recorded in Other current liabilities on our condensed consolidated balance sheets. Contingent consideration liabilities are recorded at fair value on the acquisition date and are remeasured periodically based on the then assessed fair value and adjusted, if necessary. For further discussion on our recently completed acquisition of Hi-Crush, see Note 3 - *Hi-Crush Transaction*, to the accompanying Financial Statements.

Valuation of Goodwill and Acquired Intangible Assets

We assess our goodwill and acquired intangible assets for impairment annually, or whenever events or circumstances indicate that the carrying amount of goodwill or acquired intangible assets may not be recoverable. If the carrying value of an asset exceeds its fair value, we record an impairment charge that reduces our earnings. We perform our qualitative assessments of the likelihood of impairment by considering qualitative factors, such as macroeconomic, industry, market or any other factors that have a significant bearing on fair value. The expected future cash flows used for impairment reviews and related fair value calculations are based on subjective, judgmental assessments of projected revenue growth, pricing, gross profit rates, SG&A rates, working capital fluctuations, capital expenditures, discount rates and terminal growth rates. For further discussion on our recently completed acquisition, see Note 4 - *Goodwill and Acquired Intangible Assets* and Note 6 - *Property, Plant, and Equipment*, to the accompanying Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Our business is subject to various types of market risks that include interest rate risks, market demand risks, commodity pricing risks, credit risks and inflation risks. Our risk exposure related to these items has not changed materially since December 31, 2023.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act"), we have evaluated, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

As disclosed in Note 3 - *Hi Crush Transaction* in the notes to the accompanying Financial Statements, we acquired Hi-Crush and certain of its wholly-owned subsidiaries on March 5, 2024, and its total revenues constituted approximately 24.8% of total revenues as shown on our Financial Statements for the three months ended March 31, 2024. The total assets of Hi-Crush acquired in the Hi-Crush Transaction constituted approximately 32.0% of total assets as shown on our Financial Statements as of March 31, 2024. We excluded Hi-Crush's disclosure controls and procedures that are subsumed by its internal control over financial reporting from the scope of management's assessment of the effectiveness of our disclosure controls and procedures. This exclusion is in accordance with the guidance issued by the Staff of the SEC that an assessment of a recently acquired business's internal controls may be omitted from management's assessment of internal control over financial reporting for one year following the acquisition. As part of the Company's ongoing integration activities, the Company's financial reporting controls and procedures are in the process of being implemented with respect to the acquired operations. Atlas and Hi-Crush used separate accounting systems through March 31, 2024. The Financial Statements presented in this Report were prepared using information obtained from these separate accounting systems.

Changes in Internal Control over Financial Reporting

Except as described above, there were no changes to our internal control over financial reporting that occurred during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time we may be involved in litigation relating to claims arising out of our operations in the normal course of business. While the outcome of any litigation is inherently unpredictable, based on currently available facts and our current insurance coverages, we do not believe that the ultimate resolution of any of these matters will have a material adverse impact on our financial condition, results of operations or cash flows. We are not aware of any material legal proceedings contemplated by governmental authorities.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed under the heading "Risk Factors" in our Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Unregistered Sales of Equity Securities

As discussed elsewhere in this Report, on March 5, 2024, we consummated the previously announced Hi-Crush Transaction in accordance with the Merger Agreement, pursuant to which we acquired substantially all of Hi-Crush's Permian Basin proppant production and logistics businesses and operations in exchange for (i) cash consideration of $140.1 million, (ii) 9.7 million shares of Common Stock comprising the Stock Consideration, issued at the closing of the Hi-Crush Transaction, and (iii) the Deferred Cash Consideration Note.

The issuance of the Stock Consideration to the Hi-Crush Stockholders was completed in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), provided by Section 4(a)(2) thereof and Rule 506 of Regulation D promulgated thereunder as a transaction by an issuer not involving any public offering.

Use of Proceeds

On March 8, 2023, Old Atlas's Registration Statement on Form S-1, as amended (File No. 333-269488), relating to the Company's initial public offering of 18,000,000 shares of Old Atlas Class A Common Stock at a price to the public of $18.00 per share, was declared effective by the SEC. The IPO was completed on March 13, 2023. Goldman Sachs & Co. LLC, BofA Securities, Inc. and Piper Sandler & Co. acted as lead book-running managers for the IPO. RBC Capital Markets, LLC, Barclays Capital Inc. and Citigroup Global Markets Inc. acted as book-running managers. Raymond James & Associates, Inc., Johnson Rice & Company LLC, Stephens Inc., Capital One Securities, Inc., PEP Advisory LLC and Drexel Hamilton, LLC acted as co-managers for the IPO. The IPO generated net proceeds of approximately $291.2 million, after deducting $20.6 million of underwriting discounts and commissions, $5.9 million of current offering costs in 2023, and $6.3 million in offering costs paid in 2022 that were recorded to other long-term assets on the consolidated balance sheets as of December 31, 2022.

Old Atlas contributed all of the net proceeds from the IPO to Atlas Operating in exchange for Operating Units, and Atlas Operating further contributed the net proceeds to Atlas LLC. No payments were made to our directors, officers or their associates, to holders of 10% or more of any class of our equity securities or to our affiliates in connection with the issuance and sale of the securities registered. Atlas LLC has used approximately $258.6 million of the net proceeds from the IPO to fund construction of the Dune Express, and intends to use an additional approximately $29.3 million of the net proceeds from the IPO for further construction of the Dune Express. As of March 31, 2024, the Company has retained approximately $3.3 million of the net proceeds from the IPO to use for future general corporate purposes. No payments for any offering expenses were made directly or indirectly to (i) any of our officers or directors or their associates, (ii) any persons owning 10% or more of any class of our equity securities or (iii) any of our affiliates.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 C.F.R. Section 229.104) is included in Exhibit 95.1 to this Quarterly Report on Form 10-Q.

Item 5. Other Information.

(a) Effective as of May 13, 2024, the Board of Directors of the Company has appointed B. Blake McCarthy to serve as the principal financial officer and principal accounting officer of the Company.

(c) During the three-month period ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, except as follows:

Stacy Hock, one of our directors, adopted a Rule 10b5-1 trading arrangement on March 27, 2024 for the potential sale of up to 90,000 shares of Common Stock, subject to certain conditions. The arrangement's expiration date is December 19, 2024.

Item 6. Exhibits.

The information called for by this Item is incorporated herein by reference from the Exhibit Index included in this Quarterly Report on Form 10-Q.

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of February 26, 2024 by and among Atlas Energy Solutions Inc., Atlas Sand Company, LLC, Wyatt Merger Sub 1 Inc., Wyatt Merger Sub 2, LLC, Hi-Crush Inc., Clearlake Capital Partners V Finance, L.P. and HC Minerals Inc (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K (Commission File No. 001-41828) filed on February 26, 2024).
3.1	Amended and Restated Certificate of Incorporation of the Company, as filed with the Secretary of State of the State of Delaware on October 2, 2023 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on October 3, 2023).
3.2	Amended and Restated Bylaws of the Company, effective as of October 2, 2023 (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on October 3, 2023).
10.1	Registration Rights and Lock-Up Agreement, dated as of March 5, 2024, by and between Atlas Energy Solutions Inc. and the signatories thereto (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K (Commission File No. 001-41828) filed on March 5, 2024).
10.2	First Amendment to Loan, Security and Guaranty Agreement, dated as of February 26, 2024, among Atlas Sand Company, LLC, as Borrower, certain of its subsidiaries, as Guarantors, Bank of America, N.A., as Agent and Bank of America, N.A., as Sole Lead Arranger and Sole Bookrunner (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K (Commission File No. 001-41828) filed on February 26, 2024).
10.3	First Amendment to Credit Agreement, dated as of February 26, 2024, by and between Atlas Sand Company, LLC, as borrower, and Stonebriar Commercial Finance LLC, as lender (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K (Commission File No. 001-41828) filed on February 26, 2024).
10.4*	Form of Restricted Stock Unit Grant Agreement (Officers)
10.5*	Form of Restricted Stock Unit Grant Agreement (Section 16 Officers)
10.6*	Management Change in Control Severance Plan
10.7*#	Executed Deferred Cash Consideration Note
10.8*	Form of Performance Share Unit Grant Agreement (Officers)
10.9*	Form of Performance Share Unit Grant Agreement (Section 16 Officers)
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
95.1*	Mine Safety Disclosures.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104*	Cover page formatted as Inline XBRL and contained in Exhibit 101

* These exhibits are filed or furnished with this Quarterly Report on Form 10-Q.

\# Certain schedules, annexes or exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K, but will be furnished supplementally to the SEC upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ATLAS ENERGY SOLUTIONS INC.

Date: May 8, 2024

By: /s/ John Turner
John Turner
President, Chief Executive Officer and Chief Financial Officer

Exhibit 10.4

ATLAS ENERGY SOLUTIONS INC.
Long Term Incentive Plan

Restricted Stock Unit Grant Notice

Pursuant to the terms and conditions of the Atlas Energy Solutions Inc. Long Term Incentive Plan (the "***Plan***"), Atlas Energy Solutions Inc. a Delaware corporation (the "***Company***"), hereby grants to the individual listed below ("***you***" or the "***Participant***") the number of Restricted Stock Units (the "***RSUs***") set forth below. This award of RSUs (this "***Award***") is subject to the terms and conditions set forth herein and in the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Participant:

Date of Grant:

Total Number of Restricted Stock Units:

Vesting Schedule: Subject to Section 3(b) of the Agreement, the Plan and the other terms and conditions set forth herein, the RSUs shall vest and become exercisable in three equal installments starting on the first anniversary of the Date of Grant listed above, so long as you remain continuously employed by the Company or an Affiliate, as applicable, from the Date of Grant through each such vesting date (unless accelerated in accordance with the terms of the Agreement). Shares will be issued with respect to the RSUs as set forth in Section 6 of the Agreement (which Shares when issued will be transferable and nonforfeitable, other than as set forth in Section 3(d)).

By your signature below, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Restricted Stock Unit Grant Notice (this "***Grant Notice***"). You acknowledge that you have reviewed the Agreement, the Plan and this Grant Notice in their entirety and fully understand all provisions of the Agreement, the Plan and this Grant Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee regarding any questions or determinations that arise under the Agreement, the Plan or this Grant Notice. This Grant Notice may be executed in one or more counterparts (including portable document format (.pdf) and facsimile counterparts), each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Grant Notice to be executed by an officer thereunto duly authorized, and the Participant has executed this Grant Notice, effective for all purposes as provided above.

ATLAS ENERGY SOLUTIONS INC.

By:____
Name: John Turner
Title: Chief Executive Officer, President and
Chief Financial Officer

PARTICIPANT

____
Name: [•]

EXHIBIT A

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (together with the Grant Notice to which this Agreement is attached, this "***Agreement***") is made as of the Date of Grant set forth in the Grant Notice to which this Agreement is attached by and between Atlas Energy Solutions, Inc., a Delaware corporation (the "***Company***"), and [•] (the "***Participant***"). Capitalized terms used but not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.**Definitions**. For purposes of this Agreement, the following terms shall have the meanings specified below.

(a)"***Cause***" means "cause" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with the Company or an Affiliate in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean (i) the Participant's material breach of this Agreement or any other written agreement between the Participant and the Company or an Affiliate, including the Participant's breach of any representation, warranty or covenant made under any such agreement; (ii) the Participant's material breach of any law applicable to the workplace or employment relationship, or the Participant's material breach of any policy or code of conduct established by the Company or an Affiliate and applicable to the Participant; (iii) the Participant's gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement; (iv) the commission by the Participant of, or conviction or indictment of the Participant for, or plea of nolo contendere by the Participant to, any felony (or state law equivalent) or any crime involving moral turpitude; or (v) the Participant's willful failure or refusal, other than due to disability, to follow any lawful directive from the Company, as determined by the Company; provided, however, that if the Participant's actions or omissions as set forth in this clause (v) are of such a nature that the Company determines that they are curable by the Participant, such actions or omissions must remain uncured 30 days after the Company first provided the Participant written notice of the obligation to cure such actions or omissions.

(b)"***Disability***" means with respect to any Participant, a condition such that the Participant by reason of physical or mental disability becomes unable to perform his or her normal duties for more than 180 days in the aggregate (excluding infrequent or temporary absence due to ordinary transitory illness) during any twelve-month period.

(c)"***Good Reason***" means "good reason" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with the Company or an Affiliate in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean the occurrence of any of the following without the Participant's consent: (i) an adverse change in Participant's title, duties or responsibilities (including reporting responsibilities); (ii) a reduction in Participant's base salary; (iii) any relocation of Participant's principal place of employment by more than 50 miles from the location of Participant's principal place of employment as of the Date of Grant; or (iv) a material breach by the Company of any of its obligations under this Agreement. The Company and Participant agree that "Good Reason" shall not exist unless and until Participant provides the Company with

written notice of the acts alleged to constitute Good Reason within 90 days of Participant's knowledge of the occurrence of such event, and Company fails to cure such acts within 30 days of receipt of such notice, if curable. Participant must terminate employment within 60 days following the expiration of such cure period for the termination to be on account of Good Reason.

(d)"***Qualifying Termination***" means a termination of the Participant's employment with the Company or an Affiliate (i) by the Company or an Affiliate without Cause, (ii) by Participant for Good Reason; or (iii) due to the Participant's death or Disability.

2.**Award**. In consideration of the Participant's past or continued employment with the Company or its Affiliates and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, effective as of the Date of Grant set forth in the Grant Notice (the "***Date of Grant***"), the Company hereby grants to the Participant the number of RSUs set forth in the Grant Notice on the terms and conditions set forth in the Grant Notice, this Agreement and the Plan, which is incorporated herein by reference as a part of this Agreement. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. To the extent vested, each RSU represents the right to receive one share of Stock, subject to the terms and conditions set forth in the Grant Notice, this Agreement and the Plan. Unless and until the RSUs have become vested in the manner set forth in the Grant Notice, the Participant will have no right to receive any Stock in respect of the RSUs. Prior to settlement of this Award, the RSUs and this Award represent an unsecured obligation of the Company, payable only from the general assets of the Company.

3.**Vesting of RSUs**.

(a)Except as otherwise set forth in Section 3(b) or 3(c), the RSUs shall vest in accordance with the vesting schedule set forth in the Grant Notice. Unless and until the RSUs have vested in accordance with such vesting schedule, the Participant will have no right to receive any dividends or other distribution with respect to the RSUs. Upon a termination of the Participant's employment with the Company or an Affiliate prior to the vesting of all of the RSUs (but after giving effect to any accelerated vesting pursuant to Section 3(b) or 3(c)), any unvested RSUs (and all rights arising from such RSUs and from being a holder thereof) will terminate automatically without any further action by the Company and will be forfeited without further notice and at no cost to the Company.

(b)Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, the RSUs shall immediately become fully vested upon a termination of the Participant's employment with the Company or an Affiliate due to a Qualifying Termination.

(c)Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, the RSUs shall immediately become fully vested upon a Change in Control.

(d)Notwithstanding anything herein to the contrary, if the Participant breaches any Restrictive Covenants applicable to the Participant (including, without limitation, the Restrictive Covenants set forth in Annex 1 hereto) at any time in the twelve (12) month period following Participant termination of employment for any reason then (x) any vested RSUs then held by the Participant shall be forfeited, (y) any shares acquired pursuant to the Award shall be

forfeited and (z) any proceeds from the sale of shares described in preceding clause (y), shall be immediately repaid to the Company.

(e)Notwithstanding any provision herein to the contrary, in the event of any inconsistency between this Section 3 and any employment agreement entered into by and between you and the Company or its Affiliates, the terms of the employment agreement shall control.

4.**Certain Covenants.** The Participant hereby agrees and covenants to perform all of the obligations set forth in Annex 1 hereto (which is incorporated by reference hereby) and acknowledges that the Participant's obligations set forth in Annex 1 constitute a material inducement for the Company's grant of this Award to the Participant.

5.**Dividend Equivalent Rights**. In the event that the Company declares and pays a dividend in respect of its outstanding shares of Stock and, on the record date for such dividend, the Participant holds RSUs granted pursuant to this Agreement that have not been settled, the Company shall record the amount of such dividend in a bookkeeping account and pay to the Participant an amount in cash equal to the cash dividends the Participant would have received if the Participant was the holder of record, as of such record date, of a number of shares of Stock equal to the number of RSUs held by the Participant that have not been settled as of such record date, such payment to be made on or within 60 days following the date on which such RSUs vest in accordance with Section 3. For purposes of clarity, if the RSUs (or any portion thereof) are forfeited by the Participant pursuant to the terms of this Agreement, then the Participant shall also forfeit the Dividend Equivalents, if any, accrued with respect to such forfeited RSUs. No interest will accrue on the Dividend Equivalents between the declaration and payment of the applicable dividends and the settlement of the Dividend Equivalents.

6.**Settlement of RSUs**. As soon as administratively practicable following the vesting of RSUs pursuant to Section 3, but in no event later than thirty (30) days after such vesting date, the Company shall deliver to the Participant a number of shares of Stock equal to the number of RSUs subject to this Award. All shares of Stock issued hereunder shall be delivered either by delivering one or more certificates for such shares to the Participant or by entering such shares in book-entry form, as determined by the Committee in its sole discretion. The value of shares of Stock shall not bear any interest owing to the passage of time. Neither this Section 6 nor any action taken pursuant to or in accordance with this Agreement shall be construed to create a trust or a funded or secured obligation of any kind.

7.**Tax Withholding**. To the extent that the receipt, vesting or settlement of this Award results in compensation income or wages to the Participant for federal, state, local or foreign tax purposes, the Participant shall make arrangements satisfactory to the Company for the satisfaction of obligations for the payment of withholding taxes and other tax obligations relating to this Award, which arrangements include the delivery of cash or cash equivalents, Stock (including previously owned Stock, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to this Award), other property, or any other legal consideration the Committee deems appropriate. If such tax obligations are satisfied through net settlement or the surrender of previously owned Stock, the maximum number of shares of Stock that may be so withheld (or surrendered) shall be the number of shares of Stock that have an aggregate Fair Market Value on the date of withholding or surrender

equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, local or foreign tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to this Award, as determined by the Committee. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an Affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

8.**Employment Relationship**. For purposes of this Agreement the Participant shall be considered to be employed by the Company or an Affiliate as long as (i) the Participant remains an employee of any of the Company or an Affiliate; (ii) the Participant remains a member of the Board of the Company or the board of directors of an Affiliate; or (iii) the Participant remains a consultant to either the Company or an Affiliate, (or a parent or subsidiary of such Affiliate) assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is expressly provided that the Participant shall be considered to have terminated employment with the Company (i) when the Participant ceases to be an employee of any of the Company, an Affiliate, or a corporation or other entity (or a parent or subsidiary of such corporation or other entity) assuming or substituting a new award for this Award; or (ii) at the time of the termination of the "Affiliate" status under the Plan of the corporation or other entity that employs the Participant.

9.**Leave of Absence**. With respect to the Award, the Company may, in its sole discretion, determine that if the Participant is on a leave of absence for any reason the Participant will be considered to still be in the employ of, or providing services for, the Company, provided that rights to the RSUs during a leave of absence will be limited to the extent to which those rights were earned or vested when the leave of absence began.

10.**Non-Transferability**. During the lifetime of the Participant, the RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the shares of Stock underlying the RSUs have been issued, and all restrictions applicable to such shares have lapsed. Neither the RSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

11.**Compliance with Applicable Law**. Notwithstanding any provision of this Agreement to the contrary, the issuance of shares of Stock hereunder will be subject to compliance with all applicable requirements of applicable law with respect to such securities and with the requirements of any stock exchange or market system upon which the Stock may then be listed.

No shares of Stock will be issued hereunder if such issuance would constitute a violation of any applicable law or regulation or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, shares of Stock will not be issued hereunder unless (a) a registration statement under the Securities Act is in effect at the time of such issuance with respect to the shares to be issued or (b) in the opinion of legal counsel to the Company, the shares to be issued are permitted to be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary for the lawful issuance and sale of any shares of Stock hereunder will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance of Stock hereunder, the Company may require the Participant to satisfy any requirements that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

12.**Legends**. If a stock certificate is issued with respect to shares of Stock issued hereunder, such certificate shall bear such legend or legends as the Committee deems appropriate in order to reflect the restrictions set forth in this Agreement and to ensure compliance with the terms and provisions of this Agreement, the rules, regulations and other requirements of the SEC, any applicable laws or the requirements of any stock exchange on which the Stock is then listed. If the shares of Stock issued hereunder are held in book-entry form, then such entry will reflect that the shares are subject to the restrictions set forth in this Agreement.

13.**Rights as a Stockholder**. The Participant shall have no rights as a stockholder of the Company with respect to any shares of Stock that may become deliverable hereunder unless and until the Participant has become the holder of record of such shares of Stock, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares of Stock, except as otherwise specifically provided for in the Plan or this Agreement.

14.**Execution of Receipts and Releases**. Any issuance or transfer of shares of Stock or other property to the Participant or the Participant's legal representative, heir, legatee or distributee, in accordance with this Agreement shall be in full satisfaction of all claims of such Person hereunder. As a condition precedent to such payment or issuance, the Company may require the Participant or the Participant's legal representative, heir, legatee or distributee to execute (and not revoke within any time provided to do so) a release and receipt therefor in such form as it shall determine appropriate; provided, however, that any review period under such release will not modify the date of settlement with respect to vested RSUs.

15.**No Right to Continued Employment or Awards**. Nothing in the adoption of the Plan, nor the award of the RSUs thereunder pursuant to the Grant Notice and this Agreement, shall confer upon the Participant the right to continued employment by the Company or any Affiliate, or any other entity, or affect in any way the right of the Company or any such Affiliate, or any other entity to terminate such employment at any time. The grant of the RSUs is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Any future Awards will be granted at the sole discretion of the Company.

16.**Notices**. All notices and other communications under this Agreement shall be in writing and shall be delivered to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

If to the Company, unless otherwise designated by the Company in a written notice to the Participant (or other holder):

Atlas Energy Solutions Inc.
Attn: General Counsel
5918 W. Courtyard Dr. Suite 500
Austin, Texas 78730

If to the Participant, at the Participant's last known address on file with the Company.

Any notice that is delivered personally or by overnight courier or telecopier in the manner provided herein shall be deemed to have been duly given to the Participant when it is mailed by the Company or, if such notice is not mailed to the Participant, upon receipt by the Participant. Any notice that is addressed and mailed in the manner herein provided shall be conclusively presumed to have been given to the party to whom it is addressed at the close of business, local time of the recipient, on the fourth day after the day it is so placed in the mail.

17.**Consent to Electronic Delivery; Electronic Signature**. In lieu of receiving documents in paper format, the Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports and all other forms of communications) in connection with this and any other Award made or offered by the Company. Electronic delivery may be via a Company electronic mail system or by reference to a location on a Company intranet to which the Participant has access. The Participant hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may be required to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature.

18.**Agreement to Furnish Information**. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

19.**Entire Agreement; Amendment**. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the RSUs granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment, consulting or severance agreement between the Company (or an Affiliate or other entity) and the Participant in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in

any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that materially reduces the rights of the Participant shall be effective only if it is in writing and signed by both the Participant and an authorized officer of the Company.

20.**Severability and Waiver**. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such rights continues.

21.**Clawback**. Notwithstanding any other provisions in the Plan or this Agreement to the contrary, any Award granted hereunder and any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or applicable stock exchange listing are subject to any written clawback policies that the Company may adopt either prior to or following the Effective Date of this Agreement, whether required pursuant to or related to any applicable law, government regulation or stock exchange listing. Any such clawback policy may subject a Participant's Award and amounts received with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events occur, including an accounting restatement, or other events or wrongful conduct specified in any such clawback policy. The Committee will make any determination for reduction, cancelation, forfeiture or recoupment in its sole discretion and in accordance with any applicable law or regulation.

22.**Insider Trading Policy**. The terms of the Company's insider trading policy with respect to shares of Stock are incorporated herein by reference.

23.**Governing Law**. This agreement shall be governed by and construed in accordance with the laws of the state of Delaware applicable to contracts made and to be performed therein, exclusive of the conflict of laws provisions of Delaware law.

24.**Consent to Jurisdiction and Venue**. The Participant hereby consents and agrees that state courts located in Austin, Texas and the United States District Court for the Western District each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the RSUs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to such jurisdiction as an inconvenient forum.

25.**Successors and Assigns**. The Company may assign any of its rights under this Agreement without the Participant's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the Person(s) to whom the RSUs may be transferred by will or the laws of descent or distribution.

26.**Headings; References; Interpretation**. Headings are for convenience only and are not deemed to be part of this Agreement. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Sections shall, unless the context requires a different construction, be deemed to be references to the Sections of this Agreement. The word "or" as used herein is not exclusive and is deemed to have the meaning "and/or." All references to "including" shall be construed as meaning "including without limitation." Unless the context requires otherwise, all references herein to a law, agreement, instrument or other document shall be deemed to refer to such law, agreement, instrument or other document as amended, supplemented, modified and restated from time to time to the extent permitted by the provisions thereof. All references to "dollars" or "$" in this Agreement refer to United States dollars. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

27.**Counterparts**. The Grant Notice may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Delivery of an executed counterpart of the Grant Notice by facsimile or portable document format (.pdf) attachment to electronic mail shall be effective as delivery of a manually executed counterpart of the Grant Notice.

28.**Section 409A**. This Agreement is intended to comply with the Nonqualified Deferred Compensation Rules or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under the Nonqualified Deferred Compensation Rules. To the extent that the Committee determines that the RSUs may not be exempt from the Nonqualified Deferred Compensation Rules, then, if the Participant is deemed to be a "specified employee" within the meaning of the Nonqualified Deferred Compensation Rules, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the RSUs upon his "separation from service" within the meaning of the Nonqualified Deferred Compensation Rules, then to the extent necessary to prevent any accelerated or additional tax under the Nonqualified Deferred Compensation Rules, such settlement will be delayed until the earlier of: (a) the date that is six months following the Participant's separation from service and (b) the Participant's death. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with the Nonqualified Deferred Compensation Rules and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules.

Annex 1

Restrictive Covenants

1.**Confidential Proprietary Information**. "***Confidential Information***" refers to an item of information, or a compilation of information, in any form (tangible or intangible), related to the Business (defined below) that the Atlas Affiliates have not made public or authorized public disclosure of, and that is not generally known to the public through proper means. Participant acknowledges that in Participant's position with the Company or an Atlas Affiliate, Participant will obtain and/or have access to Confidential Information regarding the Business, including, but not limited to, knowledge, information and materials about: technical data, know-how, innovations, computer programs, un-patented inventions, and trade secrets; methods of operation and operational data and techniques; customer lists, customer or client data, preferences, and purchasing histories; nonpublic information regarding products and services; know-how, formulations, research and development, including information regarding discoveries, new products or services not yet released to the public; the Atlas Affiliates' programs to minimize environmental and occupational hazards and health and safety risks; business plans; and confidential information about strategic, financial, marketing, pricing, human resources information obtained from a confidential personnel file (such as internal evaluations of the performance, capability and potential of any employee of the Atlas Affiliates) and other proprietary matters relating to the Atlas Affiliates, all of which constitute a valuable part of the assets of the Atlas Affiliates which this Agreement is designed to protect. Confidential Information does not include information lawfully acquired by a non-management employee about wages, hours or other terms and conditions of non-management employees if used by them for purposes protected by §7 of the National Labor Relations Act (the NLRA) such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. "***Business***" means providing sand and sand-based products and logistics services used by oil and gas exploration and production companies to enhance the productivity of their wells, as well as other high-quality sand-based products, logistics services, strong technical leadership and applications knowledge to end users in the oil and gas business. "***Atlas Affiliates***" means the Company and such affiliated entities, including without limitation OLC Kermit, LLC, OLC Monahans, LLC, Fountainhead Logistics, LLC, Fountainhead Transportation Services, LLC, Atlas Sand Company, LLC and Atlas Sand Operating, LLC.

Accordingly, until such time as the Confidential Information is readily available publicly (other than as a result of disclosure by Participant), Participant shall not knowingly reveal, disclose or make known to any person (other than as may be required by law) or use for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. Participant represents and warrants that Participant will only reveal or disclose such Confidential Information as required by law or as necessary in the performance of Participant's duties on behalf of the Company. Participant warrants and represents Participant will not use, for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. If Participant has any questions about what constitutes Confidential Information, Participant agrees to contact the Company's or

an Atlas Affiliate's Legal Department prior to disclosure of such information. The Company and Participant also recognize that federal and state law provide additional protection for statutorily defined trade secrets and this Agreement does not waive, alter, or reduce any such additional protections. Likewise, the Company and Participant agree that this Agreement does not alter, reduce or modify any obligations Participant owes to the Atlas Affiliates under any other applicable statute or the common law.

Notwithstanding the foregoing, nothing herein shall be construed to prohibit the reporting of a violation of law or to prohibit a disclosure of information that is compelled by law; provided, however, that to the extent allowed by law, Participant will give the Company as much written notice as possible under the circumstances and will cooperate with the Company in any legal action undertaken to protect the confidentiality of the information.

Participant acknowledges and agrees that the Company provides immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

(1)IMMUNITY. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-

(A)is made—

(i)in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and

(ii)solely for the purpose of reporting or investigating a suspected violation of law; or

(B)is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2)USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-

(A)files any document containing the trade secret under seal; and

(B)does not disclose the trade secret, except pursuant to court order.

Furthermore, in accordance with 18 U.S.C. § l 833(b), nothing in this Section, including the duties, obligations and restrictions identified in this Section, shall prevent Participant from disclosing information, including Confidential Information but not information protected by the attorney-client communication privilege, to a Federal, State, or local government official, either directly or indirectly, or to an attorney.

Nothing in this Section shall be deemed a waiver of the Company's or any Atlas Affiliate’s right to the protections of the attorney-client communications privilege.

2.**Non-Competition**. Participant agrees that for a period of twelve (12) months from the date of the termination of Participant's employment ("***Termination Date***"), Participant shall not, anywhere within the Territory (defined below), directly or indirectly, acting individually or as an owner, shareholder, partner, employee, contractor, agent or otherwise (other than on behalf of an Atlas Affiliate): (a) provide services that are the same as or similar in function or purpose to the services Participant provided to the Atlas Affiliate(s) during the last two (2) years of employment (the "***Look Back Period***") or such services that are otherwise likely or probable to result in the use or disclosure of Confidential Information to a business whose products and services include those aspects of the Business regarding which Participant had material involvement or received Confidential Information about during the Look Back Period (such products and services being "***Competing Products and Services***" and such business being a '***Restricted Business***"); and/or (b) own, receive or purchase a financial interest in, make a loan to, or make a monetary gift in support of, any such Restricted Business. Notwithstanding the foregoing prohibited conduct, Participant may own, directly or indirectly, solely as an investment, securities of any business traded on any national securities exchange or NASDAQ. Nothing herein shall be construed to prohibit Participant's employment in a separately operated subsidiary or other business unit of a company that would not be a Restricted Business but for common ownership with a Restricted Business, so long as written assurances regarding the non-competitive nature of Participant's position that are satisfactory to the Company and have been provided by Participant and the new employer in advance. "***Territory***" shall be defined as any area in the United States where any Atlas Affiliate has an office or conducts business on a regular basis or has planned to conduct business on a regular basis at any time during the twelve (12) months prior to termination. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

3.**Non-Solicitation of Employees**. Participant agrees that for a period of twelve (12) months from the Termination Date, Participant will not, without the prior written consent of the Company, which may be granted or withheld by the Company in its sole discretion, in person or through the assistance of others, knowingly participate in soliciting directly or indirectly or hiring an employee of an Atlas Affiliate for the purpose of persuading the employee to end or modify the employee's employment relationship with the Atlas Affiliate. Where required by applicable law to be enforceable, the foregoing restriction shall be limited to employees with whom the Participant worked or about whom the Participant received Confidential Information during the Look Back Period. During employment with an Atlas Affiliate, Participant agrees Participant will not solicit or communicate with an employee of the Atlas Affiliate for the purpose of persuading such employee to work for a Restricted Business. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

4.**Customer Restriction**. Participant agrees that for a period of twelve (12) months from the Termination Date, Participant will not, working alone or in conjunction with one or more other persons or entities, for compensation or not: (a) solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to provide services to any and all customers of an Atlas Affiliate as to which Participant had contact, provided services or received Confidential Information about in the Look Back Period ("***Covered Customer***") for the purpose of providing a Competing Product or Service; or (b) induce or attempt to induce any Covered Customer to withdraw, curtail or cancel its business with the Atlas Affiliate or in any other manner modify or fail to enter into any actual or potential business relationship with the Atlas Affiliate. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Employee, then this Agreement controls and supersedes all other documents for purposes of this clause.

5.**Reasonableness of Covenants**. Participant acknowledges and agrees that the covenants in this Agreement are reasonable and valid in geographical and temporal scope and in all other respects. In addition, Participant acknowledges that the restrictions contained in this Agreement are reasonable in scope and necessary to protect Confidential Information (including trade secrets), and to protect the business and goodwill of the Atlas Affiliates and are considered to be reasonable for such purposes. Participant further acknowledges and agrees that Participant's breach of the provisions of this Annex 1 will cause the Company and Atlas Affiliates irreparable harm, which cannot be adequately compensated by money damages. Participant consents and agrees that the forfeiture provisions contained in the Agreement are reasonable remedies in the event the Participant commits any such breach.

6.**Severability and Reformation**. Should any restriction created by this Agreement be deemed unreasonable or unenforceable as written, then the Parties agree that a court may modify any unreasonable or unenforceable element of the restriction to make it reasonable and enforceable or enforce it only to the extent it is reasonable and enforceable. If any court determines that any of the covenants contained herein, or any part thereof, is invalid or unenforceable, notwithstanding the foregoing reformation provision, the remainder of the covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

Exhibit 10.5

ATLAS ENERGY SOLUTIONS INC.
Long Term Incentive Plan

Restricted Stock Unit Grant Notice

Pursuant to the terms and conditions of the Atlas Energy Solutions Inc. Long Term Incentive Plan (the "***Plan***"), Atlas Energy Solutions Inc. a Delaware corporation (the "***Company***"), hereby grants to the individual listed below ("***you***" or the "***Participant***") the number of Restricted Stock Units (the "***RSUs***") set forth below. This award of RSUs (this "***Award***") is subject to the terms and conditions set forth herein and in the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "***Agreement***") and the Plan, each of which is incorporated herein by reference. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Participant:

Date of Grant:

Total Number of Restricted Stock Units:

Vesting Schedule: Subject to Section 3(b) of the Agreement, the Plan and the other terms and conditions set forth herein, the RSUs shall vest and become exercisable in three equal installments starting on the first anniversary of the Date of Grant listed above, so long as you remain continuously employed by the Company or an Affiliate, as applicable, from the Date of Grant through each such vesting date (unless accelerated in accordance with the terms of the Agreement). Shares will be issued with respect to the RSUs as set forth in Section 6 of the Agreement (which Shares when issued will be transferable and nonforfeitable, other than as set forth in Section 3(d)).

By your signature below, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Restricted Stock Unit Grant Notice (this "***Grant Notice***"). You acknowledge that you have reviewed the Agreement, the Plan and this Grant Notice in their entirety and fully understand all provisions of the Agreement, the Plan and this Grant Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee regarding any questions or determinations that arise under the Agreement, the Plan or this Grant Notice. This Grant Notice may be executed in one or more counterparts (including portable document format (.pdf) and facsimile counterparts), each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Grant Notice to be executed by an officer thereunto duly authorized, and the Participant has executed this Grant Notice, effective for all purposes as provided above.

ATLAS ENERGY SOLUTIONS INC.

By:____
Name: John Turner
Title: Chief Executive Officer, President and
Chief Financial Officer

PARTICIPANT

____
Name: [•]

EXHIBIT A

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (together with the Grant Notice to which this Agreement is attached, this "***Agreement***") is made as of the Date of Grant set forth in the Grant Notice to which this Agreement is attached by and between Atlas Energy Solutions, Inc., a Delaware corporation (the "***Company***"), and [•] (the "***Participant***"). Capitalized terms used but not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.**Definitions**. For purposes of this Agreement, the following terms shall have the meanings specified below.

(a)"***Cause***" means "cause" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with the Company or an Affiliate in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean (i) the Participant's material breach of this Agreement or any other written agreement between the Participant and the Company or an Affiliate, including the Participant's breach of any representation, warranty or covenant made under any such agreement; (ii) the Participant's material breach of any law applicable to the workplace or employment relationship, or the Participant's material breach of any policy or code of conduct established by the Company or an Affiliate and applicable to the Participant; (iii) the Participant's gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement; (iv) the commission by the Participant of, or conviction or indictment of the Participant for, or plea of nolo contendere by the Participant to, any felony (or state law equivalent) or any crime involving moral turpitude; or (v) the Participant's willful failure or refusal, other than due to disability, to follow any lawful directive from the Company, as determined by the Company; provided, however, that if the Participant's actions or omissions as set forth in this clause (v) are of such a nature that the Company determines that they are curable by the Participant, such actions or omissions must remain uncured 30 days after the Company first provided the Participant written notice of the obligation to cure such actions or omissions.

(b)"***Disability***" means with respect to any Participant, a condition such that the Participant by reason of physical or mental disability becomes unable to perform his or her normal duties for more than 180 days in the aggregate (excluding infrequent or temporary absence due to ordinary transitory illness) during any twelve-month period.

(c)"***Good Reason***" means "good reason" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with the Company or an Affiliate in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean the occurrence of any of the following without the Participant's consent: (i) a reduction in Participant's base salary, unless comparable reductions in salary are effective for all similarly situated executives of the Company; (ii) any relocation of Participant's principal place of employment by more than 50 miles from the location of Participant's principal place of employment as of the Date of Grant; or (iii) a material breach by the Company of any of its obligations under this Agreement. The Company and Participant agree that "Good Reason" shall not exist unless and until Participant provides the Company with written

notice of the acts alleged to constitute Good Reason within 90 days of Participant's knowledge of the occurrence of such event, and Company fails to cure such acts within 30 days of receipt of such notice, if curable. Participant must terminate employment within 60 days following the expiration of such cure period for the termination to be on account of Good Reason.

(d)"***Qualifying Termination***" means a termination of the Participant's employment with the Company or an Affiliate (i) by the Company or an Affiliate without Cause, (ii) by Participant for Good Reason; or (iii) due to the Participant's death or Disability.

2.**Award**. In consideration of the Participant's past or continued employment with the Company or its Affiliates and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, effective as of the Date of Grant set forth in the Grant Notice (the "***Date of Grant***"), the Company hereby grants to the Participant the number of RSUs set forth in the Grant Notice on the terms and conditions set forth in the Grant Notice, this Agreement and the Plan, which is incorporated herein by reference as a part of this Agreement. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. To the extent vested, each RSU represents the right to receive one share of Stock, subject to the terms and conditions set forth in the Grant Notice, this Agreement and the Plan. Unless and until the RSUs have become vested in the manner set forth in the Grant Notice, the Participant will have no right to receive any Stock in respect of the RSUs. Prior to settlement of this Award, the RSUs and this Award represent an unsecured obligation of the Company, payable only from the general assets of the Company.

3.**Vesting of RSUs**.

(a)Except as otherwise set forth in Section 3(b) or 3(c), the RSUs shall vest in accordance with the vesting schedule set forth in the Grant Notice. Unless and until the RSUs have vested in accordance with such vesting schedule, the Participant will have no right to receive any dividends or other distribution with respect to the RSUs. Upon a termination of the Participant's employment with the Company or an Affiliate prior to the vesting of all of the RSUs (but after giving effect to any accelerated vesting pursuant to Section 3(b) or 3(c)), any unvested RSUs (and all rights arising from such RSUs and from being a holder thereof) will terminate automatically without any further action by the Company and will be forfeited without further notice and at no cost to the Company.

(b)Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, the RSUs shall immediately become fully vested upon a termination of the Participant's employment with the Company or an Affiliate due to a Qualifying Termination.

(c)Notwithstanding anything in the Grant Notice, this Agreement or the Plan to the contrary, the RSUs shall immediately become fully vested upon a Change in Control.

(d)Notwithstanding anything herein to the contrary, if the Participant breaches any Restrictive Covenants applicable to the Participant (including, without limitation, the Restrictive Covenants set forth in Annex 1 hereto) at any time in the twelve (12) month period following Participant termination of employment for any reason then (x) any vested RSUs then held by the Participant shall be forfeited, (y) any shares acquired pursuant to the Award shall be

forfeited and (z) any proceeds from the sale of shares described in preceding clause (y), shall be immediately repaid to the Company.

(e)Notwithstanding any provision herein to the contrary, in the event of any inconsistency between this Section 3 and any employment agreement entered into by and between you and the Company or its Affiliates, the terms of the employment agreement shall control.

4.**Certain Covenants.** The Participant hereby agrees and covenants to perform all of the obligations set forth in Annex 1 hereto (which is incorporated by reference hereby) and acknowledges that the Participant's obligations set forth in Annex 1 constitute a material inducement for the Company's grant of this Award to the Participant.

5.**Dividend Equivalent Rights**. In the event that the Company declares and pays a dividend in respect of its outstanding shares of Stock and, on the record date for such dividend, the Participant holds RSUs granted pursuant to this Agreement that have not been settled, the Company shall record the amount of such dividend in a bookkeeping account and pay to the Participant an amount in cash equal to the cash dividends the Participant would have received if the Participant was the holder of record, as of such record date, of a number of shares of Stock equal to the number of RSUs held by the Participant that have not been settled as of such record date, such payment to be made on or within 60 days following the date on which such RSUs vest in accordance with Section 3. For purposes of clarity, if the RSUs (or any portion thereof) are forfeited by the Participant pursuant to the terms of this Agreement, then the Participant shall also forfeit the Dividend Equivalents, if any, accrued with respect to such forfeited RSUs. No interest will accrue on the Dividend Equivalents between the declaration and payment of the applicable dividends and the settlement of the Dividend Equivalents.

6.**Settlement of RSUs**. As soon as administratively practicable following the vesting of RSUs pursuant to Section 3, but in no event later than thirty (30) days after such vesting date, the Company shall deliver to the Participant a number of shares of Stock equal to the number of RSUs subject to this Award. All shares of Stock issued hereunder shall be delivered either by delivering one or more certificates for such shares to the Participant or by entering such shares in book-entry form, as determined by the Committee in its sole discretion. The value of shares of Stock shall not bear any interest owing to the passage of time. Neither this Section 6 nor any action taken pursuant to or in accordance with this Agreement shall be construed to create a trust or a funded or secured obligation of any kind.

7.**Tax Withholding**. To the extent that the receipt, vesting or settlement of this Award results in compensation income or wages to the Participant for federal, state, local or foreign tax purposes, the Participant shall make arrangements satisfactory to the Company for the satisfaction of obligations for the payment of withholding taxes and other tax obligations relating to this Award, which arrangements include the delivery of cash or cash equivalents, Stock (including previously owned Stock, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to this Award), other property, or any other legal consideration the Committee deems appropriate. If such tax obligations are satisfied through net settlement or the surrender of previously owned Stock, the maximum number of shares of Stock that may be so withheld (or surrendered) shall be the number of shares of Stock that have an aggregate Fair Market Value on the date of withholding or surrender

equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, local or foreign tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to this Award, as determined by the Committee. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an Affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

8.**Employment Relationship**. For purposes of this Agreement the Participant shall be considered to be employed by the Company or an Affiliate as long as (i) the Participant remains an employee of any of the Company or an Affiliate; (ii) the Participant remains a member of the Board of the Company or the board of directors of an Affiliate; or (iii) the Participant remains a consultant to either the Company or an Affiliate, (or a parent or subsidiary of such Affiliate) assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is expressly provided that the Participant shall be considered to have terminated employment with the Company (i) when the Participant ceases to be an employee of any of the Company, an Affiliate, or a corporation or other entity (or a parent or subsidiary of such corporation or other entity) assuming or substituting a new award for this Award; or (ii) at the time of the termination of the "Affiliate" status under the Plan of the corporation or other entity that employs the Participant.

9.**Leave of Absence**. With respect to the Award, the Company may, in its sole discretion, determine that if the Participant is on a leave of absence for any reason the Participant will be considered to still be in the employ of, or providing services for, the Company, provided that rights to the RSUs during a leave of absence will be limited to the extent to which those rights were earned or vested when the leave of absence began.

10.**Non-Transferability**. During the lifetime of the Participant, the RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the shares of Stock underlying the RSUs have been issued, and all restrictions applicable to such shares have lapsed. Neither the RSUs nor any interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

11.**Compliance with Applicable Law**. Notwithstanding any provision of this Agreement to the contrary, the issuance of shares of Stock hereunder will be subject to compliance with all applicable requirements of applicable law with respect to such securities and with the requirements of any stock exchange or market system upon which the Stock may then be listed.

No shares of Stock will be issued hereunder if such issuance would constitute a violation of any applicable law or regulation or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, shares of Stock will not be issued hereunder unless (a) a registration statement under the Securities Act is in effect at the time of such issuance with respect to the shares to be issued or (b) in the opinion of legal counsel to the Company, the shares to be issued are permitted to be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary for the lawful issuance and sale of any shares of Stock hereunder will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance of Stock hereunder, the Company may require the Participant to satisfy any requirements that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

12.**Legends**. If a stock certificate is issued with respect to shares of Stock issued hereunder, such certificate shall bear such legend or legends as the Committee deems appropriate in order to reflect the restrictions set forth in this Agreement and to ensure compliance with the terms and provisions of this Agreement, the rules, regulations and other requirements of the SEC, any applicable laws or the requirements of any stock exchange on which the Stock is then listed. If the shares of Stock issued hereunder are held in book-entry form, then such entry will reflect that the shares are subject to the restrictions set forth in this Agreement.

13.**Rights as a Stockholder**. The Participant shall have no rights as a stockholder of the Company with respect to any shares of Stock that may become deliverable hereunder unless and until the Participant has become the holder of record of such shares of Stock, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares of Stock, except as otherwise specifically provided for in the Plan or this Agreement.

14.**Execution of Receipts and Releases**. Any issuance or transfer of shares of Stock or other property to the Participant or the Participant's legal representative, heir, legatee or distributee, in accordance with this Agreement shall be in full satisfaction of all claims of such Person hereunder. As a condition precedent to such payment or issuance, the Company may require the Participant or the Participant's legal representative, heir, legatee or distributee to execute (and not revoke within any time provided to do so) a release and receipt therefor in such form as it shall determine appropriate; provided, however, that any review period under such release will not modify the date of settlement with respect to vested RSUs.

15.**No Right to Continued Employment or Awards**. Nothing in the adoption of the Plan, nor the award of the RSUs thereunder pursuant to the Grant Notice and this Agreement, shall confer upon the Participant the right to continued employment by the Company or any Affiliate, or any other entity, or affect in any way the right of the Company or any such Affiliate, or any other entity to terminate such employment at any time. The grant of the RSUs is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Any future Awards will be granted at the sole discretion of the Company.

16.**Notices**. All notices and other communications under this Agreement shall be in writing and shall be delivered to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

If to the Company, unless otherwise designated by the Company in a written notice to the Participant (or other holder):

Atlas Energy Solutions Inc.
Attn: General Counsel
5918 W. Courtyard Dr. Suite 500
Austin, Texas 78730

If to the Participant, at the Participant's last known address on file with the Company.

Any notice that is delivered personally or by overnight courier or telecopier in the manner provided herein shall be deemed to have been duly given to the Participant when it is mailed by the Company or, if such notice is not mailed to the Participant, upon receipt by the Participant. Any notice that is addressed and mailed in the manner herein provided shall be conclusively presumed to have been given to the party to whom it is addressed at the close of business, local time of the recipient, on the fourth day after the day it is so placed in the mail.

17.**Consent to Electronic Delivery; Electronic Signature**. In lieu of receiving documents in paper format, the Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports and all other forms of communications) in connection with this and any other Award made or offered by the Company. Electronic delivery may be via a Company electronic mail system or by reference to a location on a Company intranet to which the Participant has access. The Participant hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may be required to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature.

18.**Agreement to Furnish Information**. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

19.**Entire Agreement; Amendment**. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the RSUs granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment, consulting or severance agreement between the Company (or an Affiliate or other entity) and the Participant in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in

any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that materially reduces the rights of the Participant shall be effective only if it is in writing and signed by both the Participant and an authorized officer of the Company.

20.**Severability and Waiver**. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such rights continues.

21.**Clawback**. Notwithstanding any other provisions in the Plan or this Agreement to the contrary, any Award granted hereunder and any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or applicable stock exchange listing are subject to any written clawback policies that the Company may adopt either prior to or following the Effective Date of this Agreement, whether required pursuant to or related to any applicable law, government regulation or stock exchange listing. Any such clawback policy may subject a Participant's Award and amounts received with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events occur, including an accounting restatement, or other events or wrongful conduct specified in any such clawback policy. The Committee will make any determination for reduction, cancelation, forfeiture or recoupment in its sole discretion and in accordance with any applicable law or regulation.

22.**Insider Trading Policy**. The terms of the Company's insider trading policy with respect to shares of Stock are incorporated herein by reference.

23.**Governing Law**. This agreement shall be governed by and construed in accordance with the laws of the state of Delaware applicable to contracts made and to be performed therein, exclusive of the conflict of laws provisions of Delaware law.

24.**Consent to Jurisdiction and Venue**. The Participant hereby consents and agrees that state courts located in Austin, Texas and the United States District Court for the Western District each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the RSUs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to such jurisdiction as an inconvenient forum.

25.**Successors and Assigns**. The Company may assign any of its rights under this Agreement without the Participant's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the Person(s) to whom the RSUs may be transferred by will or the laws of descent or distribution.

26.**Headings; References; Interpretation**. Headings are for convenience only and are not deemed to be part of this Agreement. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Sections shall, unless the context requires a different construction, be deemed to be references to the Sections of this Agreement. The word "or" as used herein is not exclusive and is deemed to have the meaning "and/or." All references to "including" shall be construed as meaning "including without limitation." Unless the context requires otherwise, all references herein to a law, agreement, instrument or other document shall be deemed to refer to such law, agreement, instrument or other document as amended, supplemented, modified and restated from time to time to the extent permitted by the provisions thereof. All references to "dollars" or "$" in this Agreement refer to United States dollars. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

27.**Counterparts**. The Grant Notice may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Delivery of an executed counterpart of the Grant Notice by facsimile or portable document format (.pdf) attachment to electronic mail shall be effective as delivery of a manually executed counterpart of the Grant Notice.

28.**Section 409A**. This Agreement is intended to comply with the Nonqualified Deferred Compensation Rules or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under the Nonqualified Deferred Compensation Rules. To the extent that the Committee determines that the RSUs may not be exempt from the Nonqualified Deferred Compensation Rules, then, if the Participant is deemed to be a "specified employee" within the meaning of the Nonqualified Deferred Compensation Rules, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the RSUs upon his "separation from service" within the meaning of the Nonqualified Deferred Compensation Rules, then to the extent necessary to prevent any accelerated or additional tax under the Nonqualified Deferred Compensation Rules, such settlement will be delayed until the earlier of: (a) the date that is six months following the Participant's separation from service and (b) the Participant's death. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with the Nonqualified Deferred Compensation Rules and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules.

Annex 1

Restrictive Covenants

1.**Confidential Proprietary Information**. "***Confidential Information***" refers to an item of information, or a compilation of information, in any form (tangible or intangible), related to the Business (defined below) that the Atlas Affiliates have not made public or authorized public disclosure of, and that is not generally known to the public through proper means. Participant acknowledges that in Participant's position with the Company or an Atlas Affiliate, Participant will obtain and/or have access to Confidential Information regarding the Business, including, but not limited to, knowledge, information and materials about: technical data, know-how, innovations, computer programs, un-patented inventions, and trade secrets; methods of operation and operational data and techniques; customer lists, customer or client data, preferences, and purchasing histories; nonpublic information regarding products and services; know-how, formulations, research and development, including information regarding discoveries, new products or services not yet released to the public; the Atlas Affiliates' programs to minimize environmental and occupational hazards and health and safety risks; business plans; and confidential information about strategic, financial, marketing, pricing, human resources information obtained from a confidential personnel file (such as internal evaluations of the performance, capability and potential of any employee of the Atlas Affiliates) and other proprietary matters relating to the Atlas Affiliates, all of which constitute a valuable part of the assets of the Atlas Affiliates which this Agreement is designed to protect. Confidential Information does not include information lawfully acquired by a non-management employee about wages, hours or other terms and conditions of non-management employees if used by them for purposes protected by §7 of the National Labor Relations Act (the NLRA) such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. "***Business***" means providing sand and sand-based products and logistics services used by oil and gas exploration and production companies to enhance the productivity of their wells, as well as other high-quality sand-based products, logistics services, strong technical leadership and applications knowledge to end users in the oil and gas business. "***Atlas Affiliates***" means the Company and such affiliated entities, including without limitation OLC Kermit, LLC, OLC Monahans, LLC, Fountainhead Logistics, LLC, Fountainhead Transportation Services, LLC, Atlas Sand Company, LLC and Atlas Sand Operating, LLC.

Accordingly, until such time as the Confidential Information is readily available publicly (other than as a result of disclosure by Participant), Participant shall not knowingly reveal, disclose or make known to any person (other than as may be required by law) or use for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. Participant represents and warrants that Participant will only reveal or disclose such Confidential Information as required by law or as necessary in the performance of Participant's duties on behalf of the Company. Participant warrants and represents Participant will not use, for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. If Participant has any questions about what constitutes Confidential Information, Participant agrees to contact the Company's or

an Atlas Affiliate's Legal Department prior to disclosure of such information. The Company and Participant also recognize that federal and state law provide additional protection for statutorily defined trade secrets and this Agreement does not waive, alter, or reduce any such additional protections. Likewise, the Company and Participant agree that this Agreement does not alter, reduce or modify any obligations Participant owes to the Atlas Affiliates under any other applicable statute or the common law.

Notwithstanding the foregoing, nothing herein shall be construed to prohibit the reporting of a violation of law or to prohibit a disclosure of information that is compelled by law; provided, however, that to the extent allowed by law, Participant will give the Company as much written notice as possible under the circumstances and will cooperate with the Company in any legal action undertaken to protect the confidentiality of the information.

Participant acknowledges and agrees that the Company provides immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

(1)IMMUNITY. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-

(A)is made—

(i)in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and

(ii)solely for the purpose of reporting or investigating a suspected violation of law; or

(B)is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2)USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-

(A)files any document containing the trade secret under seal; and

(B)does not disclose the trade secret, except pursuant to court order.

Furthermore, in accordance with 18 U.S.C. § l 833(b), nothing in this Section, including the duties, obligations and restrictions identified in this Section, shall prevent Participant from disclosing information, including Confidential Information but not information protected by the attorney-client communication privilege, to a Federal, State, or local government official, either directly or indirectly, or to an attorney.

Nothing in this Section shall be deemed a waiver of the Company's or any Atlas Affiliate’s right to the protections of the attorney-client communications privilege.

2.**Non-Competition**. Participant agrees that for a period of twelve (12) months from the date of the termination of Participant's employment ("***Termination Date***"), Participant shall not, anywhere within the Territory (defined below), directly or indirectly, acting individually or as an owner, shareholder, partner, employee, contractor, agent or otherwise (other than on behalf of an Atlas Affiliate): (a) provide services that are the same as or similar in function or purpose to the services Participant provided to the Atlas Affiliate(s) during the last two (2) years of employment (the "***Look Back Period***") or such services that are otherwise likely or probable to result in the use or disclosure of Confidential Information to a business whose products and services include those aspects of the Business regarding which Participant had material involvement or received Confidential Information about during the Look Back Period (such products and services being "***Competing Products and Services***" and such business being a '***Restricted Business***"); and/or (b) own, receive or purchase a financial interest in, make a loan to, or make a monetary gift in support of, any such Restricted Business. Notwithstanding the foregoing prohibited conduct, Participant may own, directly or indirectly, solely as an investment, securities of any business traded on any national securities exchange or NASDAQ. Nothing herein shall be construed to prohibit Participant's employment in a separately operated subsidiary or other business unit of a company that would not be a Restricted Business but for common ownership with a Restricted Business, so long as written assurances regarding the non-competitive nature of Participant's position that are satisfactory to the Company and have been provided by Participant and the new employer in advance. "***Territory***" shall be defined as any area in the United States where any Atlas Affiliate has an office or conducts business on a regular basis or has planned to conduct business on a regular basis at any time during the twelve (12) months prior to termination. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

3.**Non-Solicitation of Employees**. Participant agrees that for a period of twelve (12) months from the Termination Date, Participant will not, without the prior written consent of the Company, which may be granted or withheld by the Company in its sole discretion, in person or through the assistance of others, knowingly participate in soliciting directly or indirectly or hiring an employee of an Atlas Affiliate for the purpose of persuading the employee to end or modify the employee's employment relationship with the Atlas Affiliate. Where required by applicable law to be enforceable, the foregoing restriction shall be limited to employees with whom the Participant worked or about whom the Participant received Confidential Information during the Look Back Period. During employment with an Atlas Affiliate, Participant agrees Participant will not solicit or communicate with an employee of the Atlas Affiliate for the purpose of persuading such employee to work for a Restricted Business. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

4.**Customer Restriction**. Participant agrees that for a period of twelve (12) months from the Termination Date, Participant will not, working alone or in conjunction with one or more other persons or entities, for compensation or not: (a) solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to provide services to any and all customers of an Atlas Affiliate as to which Participant had contact, provided services or received Confidential Information about in the Look Back Period ("***Covered Customer***") for the purpose of providing a Competing Product or Service; or (b) induce or attempt to induce any Covered Customer to withdraw, curtail or cancel its business with the Atlas Affiliate or in any other manner modify or fail to enter into any actual or potential business relationship with the Atlas Affiliate. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Employee, then this Agreement controls and supersedes all other documents for purposes of this clause.

5.**Reasonableness of Covenants**. Participant acknowledges and agrees that the covenants in this Agreement are reasonable and valid in geographical and temporal scope and in all other respects. In addition, Participant acknowledges that the restrictions contained in this Agreement are reasonable in scope and necessary to protect Confidential Information (including trade secrets), and to protect the business and goodwill of the Atlas Affiliates and are considered to be reasonable for such purposes. Participant further acknowledges and agrees that Participant's breach of the provisions of this Annex 1 will cause the Company and Atlas Affiliates irreparable harm, which cannot be adequately compensated by money damages. Participant consents and agrees that the forfeiture provisions contained in the Agreement are reasonable remedies in the event the Participant commits any such breach.

6.**Severability and Reformation**. Should any restriction created by this Agreement be deemed unreasonable or unenforceable as written, then the Parties agree that a court may modify any unreasonable or unenforceable element of the restriction to make it reasonable and enforceable or enforce it only to the extent it is reasonable and enforceable. If any court determines that any of the covenants contained herein, or any part thereof, is invalid or unenforceable, notwithstanding the foregoing reformation provision, the remainder of the covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

Exhibit 10.6

Atlas Energy Solutions Inc.

Management Change in Control Severance Plan

ARTICLE I
PURPOSE

This Atlas Energy Solutions Inc. Management Change in Control Severance Plan has been established by the Company on May 22, 2023 (the "**Effective Date**") to provide Participants with the opportunity to receive severance protection in connection with a Change in Control of the Company. The purpose of the Plan is to attract and retain talent and to assure the present and future continuity, objectivity, and dedication of management in the event of any Change in Control to maximize the value of the Company on a Change in Control. The Plan is intended to be a top hat welfare benefit plan under ERISA.

Capitalized terms used but not otherwise defined herein have the meanings set forth in 1Article II.

ARTICLE II
DEFINITIONS

Section 2.01"**Administrator**" means the Compensation Committee of the Board or any other person or committee appointed by the Board to administer the Plan.

Section 2.02"**Affiliate**" means any person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company and any predecessors to such entity; *provided, however*, that a natural person shall not be considered an Affiliate.

Section 2.03"Board" means the Board of Directors of the Company.

Section 2.04"Cause" means:

(a)Participant's breach of any provisions of this Plan, or any other written agreement between the Participant and the Company, including the Participant's breach of any representation, warranty, or covenant made under any such agreement;

(b)Participant's material breach of any policy or code of conduct established by the Company and applicable to the Participant;

(c)Participant's violation of any law applicable to the workplace (including any law regarding anti-harassment, anti-discrimination, or anti-retaliation);

(d)Participant's gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft, or embezzlement;

(e)The commission by the Participant of, or conviction or indictment of the Participant for, or plea of *nolo contendere* by the Participant to, any felony (or state-law equivalent) or any crime involving moral turpitude; or

(f)Participant's willful failure or refusal, other than due to Disability to: (i) perform Participant's obligations pursuant to this Plan or any other agreement with the Company; or (ii) follow any lawful directive from the Company, each as determined by the Company; *provided, however*, that if the Participant's actions or omissions as set forth in this Section 2.04(g) are of such a nature that the Company determines that they are curable by the Participant, such actions or omissions must remain uncured thirty (30) days after the Company first provided the Participant written notice of the obligation to cure such actions or omissions.

Section 2.05"Change in Control" has the same meaning of a "Change in Control" or similar term within the Company's then-current LTIP.

Section 2.06"Change in Control Multiplier" shall be the number assigned to each Eligible Person on Appendix A attached hereto in order to calculate his or her Change in Control Severance.

Section 2.07"Change in Control Severance" has the meaning set forth in Section 4.02(a).

Section 2.08"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985.

Section 2.09"Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder.

Section 2.10"Company" means Atlas Energy Solutions Inc. a Delaware corporation, and any successor thereto.

Section 2.11"Confidentiality Agreement" has the meaning set forth in Section 6.01.

Section 2.12"Confidential Information" refers to an item of information, or a compilation of information, in any form (tangible or intangible), related to the business of the Company that the Company and its Affiliates have not made public or authorized public disclosure of, and that is not generally known to the public through proper means including, but not limited to, knowledge, information and materials about: technical data, know-how, innovations, computer programs, un-patented inventions, and trade secrets; methods of operation and operational data and techniques; customer lists, customer or client data, preferences, and purchasing histories; nonpublic information regarding products and services; know-how, formulations, research and development, including information regarding discoveries, new products or services not yet released to the public; the Company's and its Affiliates' programs to minimize environmental and occupational hazards and health and safety risks; business plans; and confidential information about strategic, financial, marketing, pricing, human resources information obtained from a

confidential personnel file (such as internal evaluations of the performance, capability and potential of any employee of the Company or its Affiliates) and other proprietary matters relating to the Company and its Affiliates. Confidential Information does not include information lawfully acquired by a non-management employee about wages, hours or other terms and conditions of non-management employees if used by them for purposes protected by §7 of the National Labor Relations Act (the NLRA) such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection.

Section 2.13"**Covered Period**" means the period of time beginning six (6) months prior to the occurrence of a Change in Control and lasting through the eighteen (18)-month anniversary of the occurrence of the Change in Control.

Section 2.14"**Disability**" means with respect to any Participant, a condition such that the Participant by reason of physical or mental disability becomes unable to perform his or her normal duties for more than 180 days in the aggregate (excluding infrequent or temporary absence due to ordinary transitory illness) during any twelve (12)-month period.

Section 2.15"**Effective Date**" has the meaning set forth in Article I1.

Section 2.16"Eligible Employee" means any member of the management team that the Board has appointed as of the Effective Date or as documented on Appendix A; *provided, however*, that any member of the management team who has previously entered into an individual employment agreement with the Company is excluded from participating in this Plan.

Section 2.17"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

Section 2.18"**Good Reason**" means:

(a)An adverse change in the Participant's title, duties or responsibilities (including reporting responsibilities):

(b)A reduction in the Participant's base salary without the written consent of Participant, unless comparable reductions in salary are effective for all similarly situated executives of the Company;

(c)A relocation of the Participant's primary work location to a distance of more than fifty (50) miles from its location as of immediately prior to such change; or

(d)A material breach by the Company of any of its obligations under this Plan.

The Company and the Participant agree that Good Reason does not exist unless and until the Participant provides the Company with written notice of the acts alleged to constitute Good Reason within ninety (90) days of the Participant's knowledge of the occurrence of such event, and the Company fails to cure such acts within thirty (30) days of receipt of such notice. Participant must terminate employment within sixty (60) days following the expiration of such cure period for the termination to be on account of Good Reason.

Section 2.19"**LTIP**" means the Atlas Energy Solutions Inc. Long Term Incentive Plan, as amended, or any successor or replacement plan.

Section 2.20"Participant" has the meaning set forth in Section 3.01.

Section 2.21"Participation Agreement" means the latest participation agreement delivered by the Company to a Participant informing the Eligible Employee of the Eligible Employee's participation in the Plan and containing any terms and conditions that may be applicable to the Eligible Employee in addition to or contrary to the terms of this Plan.

Section 2.22"Plan" means this Atlas Energy Solutions Inc. Management Change in Control Severance Plan, as may be amended and/or restated from time to time.

Section 2.23"Qualifying Termination" means the termination of a Participant's employment for either:

(a)by the Company without Cause; or

(b)by the Participant for Good Reason.

For purposes of clarity, a termination due to death or Disability shall not be deemed to be a Qualifying Termination pursuant to this Plan.

Section 2.24"Release" has the meaning set forth in Section 5.01(b).

Section 2.25"Release Expiration Date" means that date that is twenty-one (21) days following the date upon which the Company delivers the Release to the Employee (which shall occur no later than seven (7) days after the Participant's Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

Section 2.26"Severance" has the meaning set forth in Section 4.01(a).

Section 2.27"Severance Benefits" shall mean, as the context requires, the amounts to be paid pursuant to Article IV.

Section 2.28"**Severance Multiplier**" shall be the number assigned to each Eligible Person on Appendix A attached hereto in order to calculate his or her Severance.

Section 2.29"Specified Employee Payment Date" has the meaning set forth in Section 10.13(b).

ARTICLE III
PARTICIPATION

Section 3.01Participants. The Administrator shall designate and provide written notice to each Eligible Employee chosen by the Administrator to participate in the Plan (each, a "**Participant**"). Appendix A of the Plan, as it may be updated from time to time by the Administrator, shall at all times contain a current list of Participants. Updates to Appendix A shall not require an amendment of the Plan and the Administrator has the ability to amend or modify Appendix A at any time without Participant consent.

ARTICLE IV
SEVERANCE BENEFITS

Section 4.01Severance. If a Participant has a Qualifying Termination outside of a Covered Period or experiences a termination of employment due to the Participant's death or Disability (whether or not in connection with a Covered Period), then, subject to Article V, the Company will provide the Participant with the following:

(a)A cash severance payment calculated by multiplying the Participant's Severance Multiplier by the aggregate amount of the Participant's base salary and target cash bonus amount for the year in which the applicable termination occurs (the "**Severance**"). The Severance will be paid in a lump sum within sixty (60) days following the date of such Qualifying Termination.

(b)A lump-sum cash payment equal to the pro-rated amount of the Participant's target cash bonus award set for the year in which the applicable Qualifying Termination occurs, pro-rated on a daily basis for the applicable calendar year and paid in a lump sum within sixty (60) days following the date of such Qualifying Termination.

(c)If the Participant elects to continue coverage for the Participant and the Participant's spouse and eligible dependents, if any, under the Company's group health plans pursuant to COBRA, then the Company shall provide the Participant with a lump-sum cash payment equal to the difference between the amount Employee is estimated to pay to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans for a period of eighteen (18) months (the "**COBRA Benefit**").

(i)The COBRA Benefit shall be paid to the Participant in a lump sum within sixty (60) days following the date of the applicable Qualifying Termination event.

(ii)Notwithstanding the foregoing, if the provision of the benefits described in this paragraph cannot be provided in the manner described above without penalty, tax, or other adverse impact on the Company, then the Company and the Participant shall negotiate in good faith to determine an alternative manner

in which the Company may provide substantially equivalent benefits to the Participant without such adverse impact on the Company.

(d)Payment or reimbursement, as applicable, of (i) earned but unpaid base salary as of the date of the applicable termination; (ii) all incurred but unreimbursed expenses for which the Participant is entitled to reimbursement; and (iii) benefits to which Employee is entitled under the terms of any applicable Company benefit plan or program (collectively, the "**Accrued Benefits**"). Any amounts due to the Participant pursuant to clause (i) of this paragraph shall be paid in a lump sum within sixty (60) days following the applicable termination date; amounts due pursuant to clauses (ii) or (iii) will be paid in accordance with the terms of the applicable plan, policy, or arrangement to which they relate.

Section 4.02Change in Control Severance. If a Participant has a Qualifying Termination during the Covered Period, then, subject to Article V, the Company will provide the Participant with the following:

(a)A cash severance payment calculated by multiplying the Participant's Severance Multiplier by the aggregate amount of the Participant's base salary and target cash bonus amount for the year in which the applicable termination occurs (together, the "**Change in Control Severance**"). The Change in Control Severance will be paid in a lump sum within sixty (60) days following the later to occur of (i) the date of such Qualifying Termination; or (ii) the date of the Change in Control.

(b)A lump-sum cash payment equal to the amount of the Participant's target cash bonus award set for the year in which the applicable Qualifying Termination occurs paid in a lump sum within sixty (60) days following the later to occur of (i) the date of such Qualifying Termination; or (ii) the date of the Change in Control.

(c)If the Participant elects to continue coverage for the Participant and the Participant's spouse and eligible dependents, if any, under the Company's group health plans pursuant to COBRA, then the Company shall provide the Participant with a lump-sum cash payment equal to the difference between the amount Employee is estimated to pay to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans for a period of twenty-four (24) months (the "**CIC COBRA Benefit**").

(i)The CIC COBRA Benefit shall be paid to the Participant in a lump sum within sixty (60) days following the later to occur of (i) the date of such Qualifying Termination; or (ii) the date of the Change in Control.

(ii)Notwithstanding the foregoing, if the provision of the benefits described in this paragraph cannot be provided in the manner described above without penalty, tax, or other adverse impact on the Company, then the Company and the Participant shall negotiate in good faith to determine an alternative manner

in which the Company may provide substantially equivalent benefits to the Participant without such adverse impact on the Company.

(d)The Accrued Benefits, paid under the terms and conditions set forth in Section 4.01(c) above.

Section 4.03LTIP Awards. Upon a termination of a Participant's employment for any reason, all outstanding LTIP awards that the Participant holds at the time of the applicable termination of employment shall be governed by the terms and conditions of the LTIP and the Participant's individual LTIP award agreements.

ARTICLE V
CONDITIONS

Section 5.01Conditions. A Participant's entitlement to any Severance Benefits under 5this Plan, or the right to continue receiving such Severance Benefits, will be subject to:

(a)The Participant executing and delivering to the Company his or her Participation Agreement in accordance with the terms thereof;

(b)The Participant executes on or before the Release Expiration Date and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company, consistent with the form of general release on Appendix B (the "**Release**"), which Release shall release the Company's respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents, and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of the Participant's employment with the Company or the termination of such employment, but excluding all claims to Severance Benefits the Participant may have under Article IV; *provided, however*, that if the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by the Participant, then the Participant shall not be entitled to any portion of the Severance Benefits under Article IV;

(c)The Participant is in continual compliance with the restrictive covenants set forth in Article VI below; and

(d)With respect to the COBRA Benefit only, the Participant timely and properly electing continuation coverage under COBRA.

ARTICLE VI
RESTRICTIVE COVENANTS

Section 6.01Restrictive Covenants Generally. Notwithstanding the provisions herein, the Participant acknowledges that he or she is subject to that certain Confidentiality and Intellectual Property Agreement entered into with the Company (the "**Confidentiality Agreement**"), which

governs certain restrictive covenants agreed upon between the Participant and the Company; should any provisions of this Article VI conflict with the Confidentiality Agreement, that Confidentiality Agreement shall control. Except as otherwise provided in this Plan, the Participant further acknowledges that during the course of his or her employment, the Participant became aware of and familiar with proprietary, secret, and other Confidential Information relating to the Company's business. In consideration of the Participants' receipt and access to the Confidential Information, and as a condition of a Participant's continued employment and potential receipt of benefits pursuant to this Plan, each Participant shall comply with and be bound by any provisions in this Plan regarding Confidential Information and other restrictive covenants contained in this Article VI. Each Participant shall also expressly agree by his or her participation in this Plan that the Company's products, services, and designs are unique, and that the Company (including its subsidiaries and its Affiliates) shall have a legitimate business interest in protecting its relationship with any customers, potential customers, Confidential Information, including goodwill and its investment in its employees.

Section 6.02Confidentiality. Participant agrees that both during the Participant's employment period and thereafter, except as permitted by this Plan or by a directive of the Company, Participant shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information in any way that is not for the benefit of the Company (including its subsidiaries and Affiliates). Participant shall follow all Company policies and protocols communicated to Participant in writing regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). Except in connection with the performance of Participant's duties on behalf of the Company, Participant shall not remove from facilities of the Company any equipment, drawings, notes, reports, manuals, invention records, computer software, customer information, or other data or materials that constitute or contain Confidential Information, whether paper or electronic and whether produced by Participant or obtained by the Company. The covenants of this Section 6.02 shall apply to all Confidential Information, whether now known or later to become known to Participant during the period that Participant is employed by or affiliated with the Company. This Section 6.02 is not intended to prevent a Participant from disclosing Confidential Information to: (i) other employees of the Company who have a need to know the information in connection with the businesses of the Company; (ii) disclosures to counterparties, customers and suppliers when, in the reasonable and good faith belief of Participant, such disclosure is in connection with Participant's performance of his or her duties and is in the best interests of the Company; or (iii) disclosures to a person or entity that has (A) been retained by the Company to provide services to the Company, and (B) agreed in writing to abide by the terms of a confidentiality agreement.

Section 6.03Non-Disparagement. Participant agrees that neither he or she, nor anyone acting on his or her behalf, will make any derogatory or disparaging statement about the Company and/or the Employer Released Parties (as defined in Appendix B of the Release) to any individual or entity, including but not limited to, the Company's actual or potential clients, customers, vendors, employees, financial or credit institutions, or the media, nor directly or indirectly take any action which is intended to embarrass any of them. For purposes of this Section 6.03, a disparaging statement is any communication, oral or written, which would cause or tend to cause the recipient of the communication to question the business condition, integrity, competence,

fairness, or good character of the person to whom, or the entity to which the communication relates, regardless of whether the Company believes such statements to be, or such statements are in fact, truthful. The parties acknowledge and agree that the intent of this Section 6.03 is to avoid all derogatory or disparaging remarks by the Participant and not simply those which may be legally defined as defamatory. In the event that the Participant breaches this Section 6.03, the Participant explicitly agrees to pay all damages (including, but not limited to, litigation and/or defense costs, expenses, and reasonable attorneys' fees) incurred by the Company as a result of the Participant's breach. The parties agree that nothing in this Section 6.03 prohibits the Participant from engaging in any activity protected under the National Labor Relations Act.

Section 6.04Cooperation. Participant agrees, for a reasonable period of time following the Termination Date, to use his or her best professional efforts to orderly windup his or her job duties and responsibilities. Participant further agrees, for a reasonable period of time following the Termination Date, to provide reasonable assistance to the Company (including assistance with litigation and arbitration matters), upon the Company's reasonable request, concerning Participant's previous employment-related responsibilities. Such assistance may include, but is not limited to, transferring signature authorities, communicating and/or meeting with the Company's auditors and attorneys, giving deposition testimony, attending depositions, reviewing pleadings, including discovery pleadings, and attending and giving testimony in court and arbitration proceedings. Participant also covenants and agrees to return to the Company all of the Company's property and confidential and/or proprietary information, if any, that is in Participant's possession, including but not limited to, information stored electronically on computer drives, disks, or smartphones.

Section 6.05Remedies. Participant agrees that in the event of the Participant's breach or threatened breach of this Plan and restrictive covenants, the Company: (i) may pursue any remedies available under this Plan, including but not limited to, the recovery of the severance consideration set forth in Article IV of this Plan, and any other monetary damages; and (ii) has the right to cease payment of unpaid amounts set forth in Article IV of this Plan. The Participant also agrees that in the event of the parties' breach or threatened breach of this Plan, the parties may suffer irreparable injury and damage to which an award of money to Participant or the Company would not be an adequate remedy. Participant therefore also agrees that in the event of said breach or any reasonable threat of breach, the parties shall be entitled to seek an immediate injunctive relief to prevent such breach, threatened breach, and/or continued breach by the Company, Participant, and/or any and all persons and/or entities acting for and/or with Participant. Participant and the Company further agree that the provisions of this Plan are reasonable. In the event that Participant ever breaches any provision or obligation under this Plan, Participant explicitly agrees to pay all damages (including, but not limited to, litigation and/or defense costs, expenses, and reasonable attorneys' fees) incurred by the Company as a result of the Participant's breach. Nothing in this Section 6.05 shall, or is intended to, limit or restrict any other rights or remedies the Company may have by virtue of this Plan or otherwise.

ARTICLE VII

280G MATTERS

Notwithstanding anything to the contrary in the Plan, if a Participant is a "disqualified individual" (as defined in Section 280G(c) of the Code), and the payments and benefits provided for in the Plan, together with any other payments and benefits which such Participant has the right to receive from the Company or any of its Affiliates, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the payments and benefits provided for in the Plan shall be either:

(a)Reduced (but not below zero) so that the present value of such total amounts and benefits received by such Participant from the Company will be one dollar ($1.00) less than three (3) times such Participant's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by such Participant shall be subject to the excise tax imposed by Section 4999 of the Code; or

(b)Paid in full,

whichever produces the better net after-tax position to such Participant (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, second, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company used in determining if a "parachute payment" exists, exceeds one dollar ($1.00) less than three (3) times such Participant's base amount, then such Participant shall be required to immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Article VII shall require the Company to be responsible for, or have any liability or obligation with respect to, such Participant's excise tax liabilities under Section 4999 of the Code.

ARTICLE VIII
CLAIMS PROCEDURES

Section 8.01Initial Claims. A Participant who believes he or she is entitled to a payment under the Plan that has not been received may submit a written claim for benefits to the Plan within sixty (60) days after the Participant's Qualifying Termination. Claims should be addressed and sent to:

Atlas Energy Solutions
c/o Company Secretary
5918 W. Courtyard Dr., Suite 500
Austin, Texas 78730

If the Participant's claim is denied, in whole or in part, the Participant will be furnished with written notice of the denial within ninety (90) days after the Administrator's receipt of the Participant's written claim, unless special circumstances require an extension of time for processing the claim, in which case a period not to exceed 180 days will apply. If such an extension of time is required, then written notice of the extension will be furnished to the Participant before the termination of the initial ninety (90)-day period and will describe the special circumstances requiring the extension, and the date on which a decision is expected to be rendered. Written notice of the denial of the Participant's claim will contain the following information:

(a)The specific reason or reasons for the denial of the Participant's claim;

(b)References to the specific Plan provisions on which the denial of the Participant's claim was based;

(c)A description of any additional information or material required by the Administrator to reconsider the Participant's claim (to the extent applicable) and an explanation of why such material or information is necessary; and

(d)A description of the Plan's review procedures and time limits applicable to such procedures, including a statement of the Participant's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

Section 8.02Appeal of Denied Claims. If the Participant's claim is denied and he or she wishes to submit a request for a review of the denied claim, then the Participant, or his or her authorized representative, must follow the procedures described below:

(a)Upon receipt of the denied claim, the Participant (or his or her authorized representative) may file a request for review of the claim in writing with the Administrator. This request for review must be filed no later than sixty (60) days after the Participant has received written notification of the denial.

(b)The Participant has the right to submit in writing to the Administrator any comments, documents, records, and other information relating to his or her claim for benefits.

(c)The Participant has the right to be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records, and other information that is relevant to his or her claim for benefits.

(d)The review of the denied claim will take into account all comments, documents, records, and other information that the Participant submitted relating to his or her claim, without regard to whether such information was submitted or considered in the initial denial of his or her claim.

Section 8.03Administrator's Response to Appeal. The Administrator will provide the Participant with written notice of its decision within sixty (60) days after the Administrator's receipt of the Participant's written claim for review. There may be special circumstances which

require an extension of this sixty (60)-day period. In any such case, the Administrator will notify the Participant in writing within the sixty (60)-day period and the final decision will be made no later than 120 days after the Administrator's receipt of the Participant's written claim for review. The Administrator's decision on the Participant's claim for review will be communicated to the Participant in writing and will clearly state:

(a)The specific reason or reasons for the denial of the Participant's claim;

(b)Reference to the specific Plan provisions on which the denial of the Participant's claim is based;

(c)A statement that the Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records, and other information relevant to his or her claim for benefits; and

(d)A statement describing the Participant's right to bring an action under Section 502(a) of ERISA.

Section 8.04Exhaustion of Administrative Remedies. The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under the Plan. As to such claims and disputes:

(a)No claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Plan under Section 502 or Section 510 of ERISA or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and

(b)In any such legal action, all explicit and implicit determinations by the Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

Section 8.05Attorney's Fees. The Company and each Participant shall bear their own attorneys' fees incurred in connection with any disputes between them.

ARTICLE IX
ADMINISTRATION, AMENDMENT AND TERMINATION

Section 9.01Administration. The Administrator has the exclusive right, power, and authority, in its sole and absolute discretion, to administer and interpret the Plan. The Administrator has all powers reasonably necessary to carry out its responsibilities under the Plan including (but not limited to) the sole and absolute discretionary authority to:

(a)administer the Plan according to its terms and to interpret Plan policies and procedures;

(b)resolve and clarify inconsistencies, ambiguities, and omissions in the Plan, and among and between the Plan and other related documents;

(c)take all actions and make all decisions regarding questions of eligibility and entitlement to benefits, and benefit amounts;

(d)make, amend, interpret, and enforce all appropriate rules and regulations for the administration of the Plan;

(e)process and approve or deny all claims for benefits; and

(f)decide or resolve any and all questions, including benefit entitlement determinations and interpretations of the Plan, as may arise in connection with the Plan.

The decision of the Administrator on any disputes arising under the Plan, including (but not limited to) questions of construction, interpretation and administration shall be final, conclusive and binding on all persons having an interest in or under the Plan. Any determination made by the Administrator shall be given deference in the event the determination is subject to judicial review and shall be overturned by a court of law only if it is arbitrary and capricious.

Section 9.02Amendment and Termination. The Company reserves the right to amend or terminate the Plan at any time, by providing at least ninety (90) days advance written notice to each Participant; provided that no such amendment or termination that has the effect of reducing or diminishing the right of any Participant will be effective without the written consent of such Participant.

ARTICLE X
GENERAL PROVISIONS

Section 10.01At-Will Employment. The Plan does not alter the status of each Participant as an at-will employee of the Company. Nothing contained herein shall be deemed to give any Participant the right to remain employed by the Company or to interfere with the rights of the Company to terminate the employment of any Participant at any time, with or without Cause.

Section 10.02Effect on Other Plans, Agreements and Benefits.

(a)Any Severance Benefits payable to a Participant under the Plan will be: (i) in lieu of and not in addition to any severance benefits to which the Participant would otherwise be entitled under any general severance policy or severance plan maintained by the Company or any agreement between the Participant and the Company that provides for severance benefits (unless the policy, plan or agreement expressly provides for severance benefits to be in addition to those provided under the Plan); and (ii) reduced by any severance benefits to which the Participant is entitled by operation of a statute or government regulations.

(b) Any Severance Benefits payable to a Participant under the Plan will not be counted as compensation for purposes of determining benefits under any other benefit policies or plans of the Company, except to the extent expressly provided therein.

Section 10.03 Mitigation and Offset. If a Participant obtains other employment, then such other employment will not affect the Participant's rights or the Company's obligations under the Plan. The Company may reduce the amount of any Severance Benefits otherwise payable to or on behalf of a Participant by the amount of any obligation of the Participant to the Company, and the Participant shall be deemed to have consented to such reduction.

Section 10.04 Severability. The invalidity or unenforceability of any other provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan. If any other provision of the Plan is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, such provision shall be deemed modified, amended, and narrowed to the extent necessary to render such provision legal, valid, and enforceable, and the other remaining provisions of the Plan shall not be affected but shall remain in full force and effect.

Section 10.05 Headings and Subheadings. Headings and subheadings contained in the Plan are intended solely for convenience and no provision of the Plan is to be construed by reference to the heading or subheading of any section or paragraph.

Section 10.06 Unfunded Obligations. The amounts to be paid to Participants under the Plan are unfunded obligations of the Company. The Company is not required to segregate any monies or other assets from its general funds with respect to these obligations. Participants shall not have any preference or security interest in any assets of the Company other than as a general unsecured creditor.

Section 10.07 Successors. The Plan will be binding upon any successor to the Company, its assets, its businesses, or its interest (whether as a result of the occurrence of a Change in Control or otherwise), in the same manner and to the same extent that the Company would be obligated under the Plan if no succession had taken place. In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by the Plan, the Company shall require any successor to the Company to expressly and unconditionally assume the Plan in writing and honor the obligations of the Company hereunder, in the same manner and to the same extent that the Company would be required to perform if no succession had taken place. All payments and benefits that become due to a Participant under the Plan will inure to the benefit of his or her heirs, assigns, designees, or legal representatives.

Section 10.08 Transfer and Assignment. Neither a Participant nor any other person shall have any right to sell, assign, transfer, pledge, anticipate, or otherwise encumber, transfer, hypothecate, or convey any amounts payable under the Plan prior to the date that such amounts are paid, except that, in the case of a Participant's death, such amounts shall be paid to the Participant's beneficiaries.

Section 10.09 Waiver. Any party's failure to enforce any provision or provisions of the Plan will not in any way be construed as a waiver of any such provision or provisions, nor prevent any party from thereafter enforcing each and every other provision of the Plan.

Section 10.10Governing Law. To the extent not pre-empted by federal law, the Plan shall be construed in accordance with and governed by the laws of Texas without regard to conflicts of law principles. Any action or proceeding to enforce the provisions of the Plan will be brought only in a state or federal court located in the state of Texas, county of Travis, and each party consents to the venue and jurisdiction of such court. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

Section 10.11Clawback. Any amounts payable under the Plan are subject to any policy (whether in existence as of the Effective Date or later adopted) established by the Company providing for clawback or recovery of amounts that were paid to the Participant. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

Section 10.12Withholding. The Company shall have the right to withhold from any amount payable hereunder any Federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

Section 10.13Section 409A.

(a)The Plan is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and administered in accordance with Section 409A of the Code. Notwithstanding any other provision of the Plan, payments provided under the Plan may only be made upon an event and in a manner that complies with Section 409A of the Code or an applicable exemption. Any payments under the Plan that may be excluded from Section 409A of the Code either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A of the Code to the maximum extent possible. For purposes of Section 409A of the Code, each installment payment provided under the Plan shall be treated as a separate payment. Any payments to be made under the Plan upon a termination of employment shall only be made upon a "separation from service" under Section 409A of the Code. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under the Plan comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by a Participant on account of non-compliance with Section 409A of the Code.

(b)Notwithstanding any other provision of the Plan, if any payment or benefit provided to a Participant in connection with his or her Qualifying Termination is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the Participant is determined to be a "specified employee" as defined in Section 409A(a)(2)(b)(i) of the Code, then such payment or benefit shall not be paid until the first payroll date to occur following the six (6)-month anniversary of the Qualifying Termination or, if earlier, on the Participant's death (the "**Specified Employee Payment Date**"). The aggregate of any payments that would otherwise have been paid before the Specified Employee Payment Date and interest on such amounts calculated based on the applicable federal rate published by the Internal Revenue Service for the month in which the Participant's separation from service occurs shall be paid to the

Participant in a lump sum on the Specified Employee Payment Date and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule. Notwithstanding any other provision of the Plan, if any payment or benefit is conditioned on the Participant's execution of a Release, then the first payment shall include all amounts that would otherwise have been paid to the Participant during the period beginning on the date of the Qualifying Termination and ending on the payment date if no delay had been imposed.

(c)To the extent required by Section 409A of the Code, each reimbursement or in-kind benefit provided under the Plan shall be provided in accordance with the following: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during each calendar year cannot affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; and (ii) any right to reimbursements or in-kind benefits under the Plan shall not be subject to liquidation or exchange for another benefit.

APPENDIX A

Eligible Employees

Name/Title or Position	Severance Multiplier	Change in Control Severance Multiplier
Executive Chairman	2X	3X
President and Chief Executive Officer	2X	3X
Section 16 Officers	1.5X	2X
Other Officers	1X	1.5X

APPENDIX B

The following Release is intended to be an example of the material terms of the general form of Release that shall be used in connection with the Atlas Energy Solutions Inc. Management Change in Control Severance Plan

FORM OF GENERAL RELEASE

This General Release (the "**Release**") constitutes the Release referred to in that certain [Atlas Energy Solutions Inc.] Management Change in Control Severance Plan (as amended the "**Plan**"), by and among [●] (the "**Employee**") and the Company.

(a) In exchange for and in consideration of the payments, benefits, and other commitments described above within the Plan that are conditioned upon the proper execution of a Release, Employee, individually, and for each of Employee's heirs, executors, administrators, and assigns, hereby FULLY RELEASES, QUITS AND FOREVER DISCHARGES the Company and each of its respective predecessors, assigns, and Affiliates and its respective officers, managers, boards of directors, employees, attorneys and agents, past and present (collectively, the "**Employer Released Parties**"), of and from any and all claims, liabilities, causes of action, demands to any rights, damages, costs, attorneys' fees, expenses, and compensation whatsoever, of whatever kind or nature, in law, equity or otherwise, whether known or unknown, vested or contingent, suspected or unsuspected, that Employee may now have, has ever had, or hereafter may have, relating directly or indirectly to Employee's employment with any Employer Released Party or the termination of such employment or arising out of or relating to the Plan or any other agreement, plan, policy or program of the Company. Such claims may include, but are not limited to, claims for wages, back pay, front pay, commissions, bonuses, equity grants, profits interests, long term incentive plans, stock options, overrides, reimbursement, reinstatement, damages or benefits, Employee also releases any and all claims Employee may have that arose prior to the date of this Release, and hereby specifically waives and releases all claims under Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, the Americans With Disabilities Act, the Age Discrimination in Employment Act, as amended, the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Family and Medical Leave Act, the Employment Retirement Income Security Act of 1974, as amended, the National Labor Relations Act, the Fair Labor Standards Act, and any and all state or local statutes, ordinances, or regulations, as well as all claims arising under federal, state or local law, involving any tort, employment contract claim whether express or implied, "wage and hour" or other claim, of any nature, for compensation or reimbursement claim of any type, including but not limited to, wrongful discharge, or any other claim. Employee covenants not to sue the Employer Released Parties for any claim released by this Release.

(b) By signing this Release, Employee does not hereby waive any rights or claims: (i) for unemployment or workers' compensation; (ii) that arise after Employee

signs this Release; (iii) for which private waivers or releases are prohibited by applicable law; or (iv) to bring a lawsuit against the Company to enforce the Company's obligations under this Release. This Release also does not prevent Employee from filing or participating in a charge of discrimination filed with the Equal Employment Opportunity Commission or any similar state or local agency, or a charge with the National Labor Relations Board or any other governmental agency.

Further, this Release does not limit Employee's right or ability to: (i) disclose information required by law; (ii) report a possible violation of any law or regulation to any government agency or entity, or make disclosures that are protected under the whistleblower provisions of any law; (iii) initiate, provide information to, testify at, participate, or otherwise assist, any governmental, regulatory, law enforcement agency, legislative body, any self-regulatory organization, or the Company's legal, compliance, or human resources officers in any investigation or proceeding brought by relating to an alleged violation of any federal, state, or municipal law; or (iv) respond to any inquiry from such authority, including an inquiry about the existence of this Release or its underlying facts. Employee also does not need to notify the Company or seek the Company's prior authorization before making such disclosures or engaging in such communications.

(c) Employee represents and warrants that he or she does not presently have on file, and further agrees to the maximum extent allowed by law that he or she will not hereafter file, any lawsuits, claims, charges, grievances or complaints against the Company and/or the Employer Released Parties in or with any administrative, state, federal or governmental entity, agency, board or court, or before any other tribunal or panel of arbitrators, public or private, based upon any actions or omissions by the Company and/or the Employer Released Parties occurring prior to the date of your execution of this Release. Except to enforce the terms of this Release and subject to the exceptions and rights set forth above, Employee understands that if Employee breaks this promise, he or she agrees to pay all costs incurred by Employer Released Parties (or any of them), including reasonable attorney's fees, in defending against such claim and return all but $500 of the Severance Benefits provided pursuant to the Plan, and that the Company may be entitled to additional monetary damages, including associated court costs and attorney fees, and that the Company may also seek injunctive relief to order specific performance of Employee's obligations under this Release.

(d)Employee also understands that even if this Release permits him or her to file a charge or lawsuit, he or she waives any right to recover back pay, front pay, liquidated damages, punitive damages, compensatory damages, or attorney's fees from the Company or the Employer Released Parties in any suit, complaint, charge, or other proceeding filed by Employee or any person or entity for any alleged injury personally suffered by Employee.

(e)Employee understands this is a FULL, COMPLETE AND FINAL RELEASE, and that the consideration set forth above is accepted in FULL COMPROMISE AND SETTLEMENT of causes of action, claims of disputes that the Employee has or may have in the future, and that the parties released do not admit any liability but, to the

contrary, the parties hereby released deny there is any legal liability on their part, but have agreed to enter into this Release in an effort to avoid any dispute.

Notwithstanding the initial effectiveness of this Release, Employee may revoke the delivery (and therefore the effectiveness) of this Release within the seven (7)-day period beginning on the date Employee delivers this Release to the Company (such seven (7)-day period being referred to herein as the "**Release Revocation Period**"). To be effective, such revocation must be in writing signed by Employee and must be delivered to [*title*] before 11:59 p.m., Central Time, on the last day of the Release Revocation Period. If an effective revocation is delivered in the foregoing manner and timeframe, this Release shall be of no force or effect and shall be null and void ab initio. No consideration pursuant to the Plan shall be paid if this Release is revoked by Employee in the foregoing manner.

Executed on this _____ day of _____, _____.

_____

Exhibit 10.7

Execution Version

THIS SECURED SELLER NOTE IS SUBJECT TO CERTAIN SET-OFF RIGHTS AS SET FORTH BELOW AND IN THE MERGER AGREEMENT REFERRED TO BELOW.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*ACT*"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF BORROWER CONSENT OR REGISTRATION OF THIS SECURITY UNDER THE ACT OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS.

SECURED SELLER NOTE

$111,828,150.09 **March 5, 2024**

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, Atlas Sand Company, LLC, a Delaware limited liability company (the "***Borrower***"), hereby unconditionally promises to pay to the Agent, on behalf of the Persons listed on Schedule 1 hereto and their registered assigns (collectively, the "***Noteholders***," and together with the Borrower, the Guarantor (as defined below), and the Agent (as defined below) the "***Parties***"), the aggregate principal amount of ONE HUNDRED ELEVEN MILLION EIGHT HUNDRED TWENTY-EIGHT THOUSAND ONE HUNDRED FIFTY DOLLARS AND 9/100 CENTS ($111,828,150.09) (as (w) reduced pursuant to the terms of Section 3 (including as a result of any payment, prepayment or setoff), (x) increased pursuant to one or more elections by the Borrower to pay PIK Interest in accordance with Section 5.1, (y) increased by any Refund Amount in accordance with ***Section 3.3(c)***, or (z) increased or decreased by Specified Principal Adjustments in accordance with ***Section 3.3(d)***, the "***Principal***"), together with all accrued interest thereon as provided in this Secured Seller Note (this "***Note***"). This Note constitutes the Deferred Cash Consideration Note referenced in the Merger Agreement (as defined below).

1.Definitions; Interpretation.

1.1.Capitalized terms used herein shall have the meanings set forth in this ***Section 1.1***. Other capitalized terms used herein, but not otherwise defined herein, shall have the meaning given to such terms in the Merger Agreement.

"***Agent***" means U.S. Bank Trust Company, National Association, in its capacity as administrative agent and collateral agent for the Noteholders under the Note Documents.

"***Applicable Portion***" means, with respect to any Indemnification Principal Reduction, an amount of Principal equal to the applicable Final Loss Amount.

"***Applicable Rate***" means (i) with respect to the payment of Cash Interest, 5.0% per annum, and (ii) with respect to the payment of PIK Interest, 7.0% per annum.

"***Benefit Plan Investor***" means (a) any "employee benefit plan" (as defined in Section 3(3) of Title I of ERISA) that is subject to the fiduciary responsibility provisions of Title I of ERISA, (b) any "plan" as defined in Section 4975(e) of the Code that is subject to Section 4975 of the Code, (c) any entity whose underlying assets are treated as "plan assets" (for purposes of ERISA or Section 4975 of the Code) by reason of any such employee benefit plan's or plan's investment in the entity or (d) a governmental, church, non-U.S. or other plan that is subject to Similar Law.

"***Borrower***" has the meaning set forth in the introductory paragraph.

"***Cash Interest***" has the meaning attributed to such term in ***Section 5.1***.

"***Casualty Event***" means any loss, casualty or other insured damage to, or any nationalization, taking under power of eminent domain or by condemnation or similar proceeding of, any Collateral.

"***Claimed Amount***" has the meaning attributed to such term in ***Section 3.3(b)***.

"***Closing Date***" has the meaning attributed to such term in the Merger Agreement.

"***Code***" means the Internal Revenue Code of 1986, as amended from time to time.

"***Collateral***" means the "Trust Property" as defined in the Mortgage.

"***Company***" means Hi-Crush Inc., a Delaware corporation.

"***Controlling Person***" means a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Borrower or that provides investment advice for a fee (direct or indirect) with respect to such assets (or any "affiliate" of such a person as defined in the Plan Asset Regulations (other than any Benefit Plan Investor)).

"***Debt***" means all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, except current trade payables arising in the ordinary course of business; (c) obligations evidenced by notes, bonds, debentures, or other similar instruments; (d) obligations as lessee under capital leases or finance leases; (e) obligations in respect of any interest rate swaps, currency exchange agreements, commodity swaps, caps, collar agreements, or similar arrangements entered into by the Borrower providing for protection against fluctuations in interest rates, currency exchange rates, or commodity prices, or the exchange of nominal interest obligations, either generally or under specific contingencies; (f) obligations under acceptance facilities and letters of credit; (g) guaranties, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person, or otherwise to assure a creditor against loss, in each case, in respect of indebtedness set out in clauses (a) through (f) of a Person; and (h) indebtedness set out in clauses (a) through (g) of any Person secured by any Lien on any asset of the other Person.

"***Default***" means the occurrence of any event or the existence of any circumstances that would, with the giving of notice, lapse of time, or both, unless cured or waived during such time, become an Event of Default.

"***Default Rate***" means the Applicable Rate for Cash Interest plus 2% per annum.

"***Disposition***" means the sale, transfer, license, lease or other disposition of any Collateral.

"***Dispute Period***" means the period commencing on the date a Purchaser Indemnitee that is any of Parent, Borrower, an Acquired Company or any of their respective Affiliates has made an Indemnification Claim and ending on the earlier of (a) the date a Final Determination is made with respect to such Indemnification Claim or (b) the date on which the applicable Indemnifying Parties otherwise satisfy such Indemnification Claim in accordance with Article XI of the Merger Agreement.

"***Equity Interests***" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such Equity Interest.

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

"***ERISA Permitted Investor***" means an (A) an insurance company (i) purchasing an interest in this Note with funds from a general account less than 15% of whose assets constitute, and less than 15% of whose assets will constitute for so long as such beneficial owner holds an interest in such securities, "plan assets" for purposes of the Plan Asset Regulations, (ii) whose acquisition, holding and disposition of its interest in this Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (iii) that is not a Controlling Person or (B) a governmental, church, non-U.S. or other plan, whose acquisition, holding and disposition of an interest in this Note does not and will not constitute or give rise to a non-exempt violation of any Similar Law and will not cause the Borrower to be subject to Similar Law.

"***Event of Default***" has the meaning set forth in ***Section 11***.

"***Excepted Liens***" means (a) immaterial title deficiencies and easements, restrictions, servitudes, permits, conditions, covenants, exceptions, reservations, zoning and land use requirements in any Collateral for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines and other means of ingress and egress for the removal of gas, oil, coal, other minerals or sand or timber, and other like and/or usual and customary purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, and leases or subleases of real property and any interest or title of a lessee or sublessee under any such lease or sublease, in each case, which in the aggregate do not materially impair the use of such Collateral for the purposes of which such Collateral is held by the Borrower or any of the other Note Parties or materially impair the value of such Collateral subject thereto and (b) judgment and attachment Liens not giving rise to an Event of Default.

"***Existing ABL Credit Agreement***" means that certain Loan, Security and Guaranty Agreement, dated as of February 22, 2023, by and among Atlas Sand Company, LLC, a Delaware limited liability company ("***Atlas Sand Company***"), the guarantors from time to time party thereto, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent, as amended, restated, supplemented or otherwise modified from time to time in a manner permitted pursuant to the Intercreditor Agreement.

"***Existing Credit Agreements***" means, collectively, the Existing ABL Credit Agreement and the Existing Term Loan Credit Agreement.

"***Existing Term Loan Credit Agreement***" means that certain Credit Agreement dated as of July 31, 2023, among Atlas Sand Company, the guarantors from time to time party thereto, the lenders from time to time party thereto, and Stonebriar Commercial Finance LLC, as administrative agent, as amended, restated, supplemented or otherwise modified from time to time in a manner permitted pursuant to the Intercreditor Agreement.

"***Guarantor***" means Hi-Crush Permian Sand LLC, a Delaware limited liability company.

"***Indemnification Claim***" a claim for indemnification pursuant to Section 11.2(a) or 11.2(b) of the Merger Agreement.

"***Indemnification Principal Reduction***" has the meaning attributed to such term in ***Section 3.3(a)***.

"***Intercreditor Agreement***" means the Intercreditor Agreement dated as of the date hereof, among the Agent, the agent under each Existing Credit Agreement and agreed and acknowledged by the Note Parties, as amended or otherwise modified from time to time in accordance with the terms thereof.

"***Interest Payment Date***" has the meaning attributed to such term in ***Section 5.1***.

"***Legal Expenses Limitation***" with respect to any obligation in any Note Document of a Note Party to pay or reimburse any legal fees or expenses of the Agent and the Noteholders, that such obligation shall be limited to the documented out-of-pocket fees and expenses of (a) one primary counsel and one local counsel for each relevant jurisdiction as may be necessary in the reasonable judgment of Agent, and one specialty counsel acting in each reasonably necessary specialty area as determined in the reasonable judgment of Agent and (b) one primary counsel and one local counsel for all Noteholders (taken as a whole) for each relevant jurisdiction as may be necessary in the reasonable judgment of the Noteholders, and one specialty counsel for all Noteholders acting in each reasonably necessary specialty area as determined in the reasonable judgment of the Noteholders.

"***Lien***" means any mortgage, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever.

"***Material Adverse Effect***" means a material adverse change in, or material adverse effect on (a) the business, operations, property or financial condition of Borrower and the Guarantor taken as a whole, (b) the ability of (i) the Borrower to perform its payment obligations under any Note Document or (ii) the Note Parties, taken as a whole, to perform any of their material obligations under any Note Document, (c) the validity or enforceability of any Note Document or (d) the rights and remedies of or benefits available to the Agent and the Noteholders, taken as a whole, under this Note or the other Note Documents.

"***Maturity Date***" means the earlier of (a) January 31, 2026 and (b) the date on which all amounts under this Note shall become due and payable pursuant to ***Section 12***.

"***Merger Agreement***" means that certain Agreement and Plan of Merger dated as of February 26, 2024, by and among the Borrower, Atlas Energy Solutions Inc., a Delaware corporation, Wyatt Merger Sub 1 Inc., a Delaware corporation, Wyatt Merger Sub 2, LLC, a Delaware limited liability company, the Company, HC Minerals Inc., a Delaware corporation, and the other parties named therein.

"***Mortgage***" means that certain Deed of Trust, Security Agreement, Financing Statement, Fixture Filing and Assignment of Rents and Leases dated as of even date hereof granted by Guarantor, as grantor, for the benefit of the Agent, as beneficiary (as amended, restated, or otherwise modified from time to time).

"***Net Cash Proceeds***" means 100% of the cash proceeds actually received by the Note Parties from any Casualty Event or Disposition of Collateral, net of (a) reasonable and customary transaction expenses (including broker's fees or commissions, legal fees, accounting fees, investment banking fees and other professional fees, transfer and similar taxes and the Borrower's good faith estimate of taxes paid or payable in connection with such Disposition or Casualty Event), (b) amounts set aside as a reserve, in accordance with, and as required by, GAAP, including pursuant to any escrow arrangement, against any

liabilities under any indemnification obligations associated with such Disposition and (c) in the case of insurance settlements, the amount of any deductibles or co-payments paid or payable by the Note Parties.

"***Note***" has the meaning set forth in the introductory paragraph.

"***Note Documents***" means (a) this Note (including all certificates and requests delivered in connection this Note and all exhibits and schedules to this Note), (b) the Mortgage, (c) the Intercreditor Agreement, (d) the Parent Guaranty, and (e) all renewals, extensions, amendments, modifications, supplements, restatements, and replacements of, or substitutions for, any of the foregoing.

"***Non-Permitted Holder***" means any Person that (a) is not eligible or qualified to be a Noteholder at the time it acquires an interest in this Note or (b) made representations or was deemed to have made representations for purposes of ERISA, Section 4975 of the Code or Similar Laws in any agreement, representation letter or assignment or transfer certificate, or by virtue of deemed representations, that are or become untrue.

"***Note Parties***" means Borrower and Guarantor. For the avoidance of doubt, Parent Guarantor shall not be a Note Party.

"***Noteholders***" has the meaning set forth in the introductory paragraph.

"***Obligations***" means all unpaid Principal and accrued and unpaid interest thereon, accrued and unpaid expenses (to the extent reimbursable under any Note Document) and indemnities (including interest and fees accruing during the pendency of any insolvency proceeding, regardless of whether allowed or allowable in such proceeding), and all other obligations and liabilities of any kind, in each case of any of the Note Parties, individually or collectively, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise, now existing or hereafter arising or incurred, in each case, under this Note or any other Note Document.

"***Parent Guarantor***" means Atlas Energy Solutions Inc., a Delaware corporation.

"***Parent Guaranty***" means that certain Parent Guaranty Agreement, dated as of the date hereof, executed by Parent Guarantor in favor of the Agent for the benefit of the Noteholders, pursuant to which the Parent Guarantor unconditionally guarantees on an unsecured basis, the payment of the Obligations, as such agreement may be amended or modified from time to time.

"***Parties***" has the meaning set forth in the introductory paragraph.

"***Plan Asset Regulations***" means the regulations promulgated at 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA.

"***Permitted Liens***" means:

(a)Liens and security interests in favor of the Agent securing the Obligations (collectively, the "***Agent's Lien***");

(b)Liens that do not have priority over the Agent's Lien securing Debt outstanding under the Existing ABL Credit Agreement or the Existing Term Loan Credit Agreement and that are subject to the Intercreditor Agreement;

(c)Liens for taxes, assessments, other governmental charges or levies, and Liens in connection with workers' compensation, unemployment insurance, or other social security, old age pension or public liability obligations or similar legislation, in each case which are either not yet overdue by more than 90 days or which are being contested in good faith and for which adequate reserves have been maintained in accordance with GAAP (i.e., "***which are Not Risks***");

(d)landlords' liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or similar Liens, in each case, arising in the ordinary course of business and which are Not Risks;

(e)contractual Liens which arise in the ordinary course of business under real property leases, operating agreements, joint venture agreements, mineral leases, contracts for the sale, transportation or exchange of sand or minerals, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, supply agreements, seismic or other geophysical permits or agreements, and other agreements which are or have become usual and customary in the sand extracting, producing, processing, developing and/or marketing business and are for claims which are Not Risks;

(f)Liens encumbering any of the Collateral immediately prior to the consummation of the Acquisition that were not terminated in connection with the consummation of the Acquisition or required to be terminated pursuant to the terms of the Merger Agreement;

(g)Excepted Liens; and

(h)other Liens not otherwise described under clauses (a) through (g) above so long as the outstanding amount of Debt and other obligations secured by Liens under this clause (h) shall not exceed $500,000 in the aggregate at any time.

"***PIK Interest***" has the meaning attributed to such term in ***Section 5.1***.

"***Principal***" has the meaning set forth in the introductory paragraph.

"***Qualified Affiliate***" means any Affiliate of a Noteholder that, as of the date of any assignment to such Affiliate, all representations set forth in *clauses (a) through (c)* in ***Section 10*** with respect to such Affiliate are true and correct.

"***Recouped Interest Amount***" means, with respect to any Indemnification Claim that results in an Indemnification Principal Reduction, an amount equal to (a) the aggregate amount of interest paid by the Borrower (whether as Cash Interest or PIK Interest) with respect to the Applicable Portion from the Closing Date to the date of the applicable Indemnification Principal Reduction *minus* (b) the amount of interest withheld and not paid by the Borrower with respect to such Indemnification Claim in accordance with ***Section 3.3(b)***.

"***Refund Amount***" means the amount of any Tax refund or credit received by Parent or its Affiliates to which RemainCo or the Stockholders are entitled while this Note remains outstanding, as determined in accordance with Section 12.1(b)(iv) of the Merger Agreement.

"***Register***" has the meaning attributed to such term in ***Section 13.6***.

"***Required Noteholders***" means two or more unaffiliated Noteholders holding in the aggregate at least 50% of the then outstanding Principal. The Agent shall have no obligation to determine

whether any Noteholders are unaffiliated and is entitled to rely solely upon any certificate from any Noteholder as to whether such Noteholders constitute Required Noteholders.

"***Similar Law***" means any federal, state or local law or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the Code.

"***Solvent***" means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities as they mature in the normal course of business, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature in their ordinary course, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's assets would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage and (d) the present fair salable value of the assets of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed as the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"***Specified Principal Adjustment***" has the meaning attributed to such term in ***Section 3.3(d)***.

"***UCC***" means the Uniform Commercial Code as in effect from time to time in the State of Texas or, when the laws of any other State govern the method or manner of the perfection or enforcement of any security interest in any of the Collateral, the Uniform Commercial Code as in effect from time to time in such State.

1.2.Interpretation. For purposes of this Note (a) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Note as a whole. The definitions given for any defined terms in this Note shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein to: (x) Schedules, Exhibits, and Sections mean the Schedules, Exhibits, and Sections of this Note; (y) an agreement, instrument, or other document means such agreement, instrument, or other document as amended, restated, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Note shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

2.Purchase/Seller Financing. Subject to the terms and conditions set forth in the Merger Agreement, (a) the Borrower has agreed to acquire the Company on the Closing Date and (b) as part of the consideration for such acquisition, the Borrower has agreed to issue and deliver this Note to the Agent, for the benefit of the Noteholders, in the principal amount for each Noteholder set forth on Schedule 1, for the benefit of the Stockholders, on the Closing Date in partial fulfillment of Borrower's obligations to the Stockholders under the Merger Agreement.

3.Payment Dates; Optional Prepayments.

3.1.Repayment. The aggregate unpaid Principal amount of this Note and all other Obligations shall be payable in full on the Maturity Date; *provided* that if any Indemnification Claim is outstanding on and as of the Maturity Date and the applicable Indemnified Party is any of the Borrower, the Subsequent

Survivor or any of their respective Affiliates, (a) the Borrower shall be entitled to withhold an aggregate amount of Principal and accrued but unpaid interest on the Maturity Date equal to the applicable Claimed Amount until a Final Determination with respect to such Claimed Amount has been obtained, (b) the effect of such Indemnification Claim and any Final Determination with respect thereto under this Note shall be determined in accordance with ***Section 3.3*** and (c) the remaining outstanding Principal balance on this Note together with all accrued and unpaid interest, if any, after giving effect to any Indemnification Principal Reduction with respect to such Claimed Amount shall be paid by the Borrower to the applicable Noteholders in cash within one Business Day of the date of the applicable Final Determination. Borrower and the Required Noteholders shall jointly notify and certify to the Agent in writing of any Indemnification Principal Reduction and when received by the Agent, the Agent is entitled to fully rely on the certifications set forth in such notice (and the Agent shall be fully protected in taking any actions in reliance on such notice), however, the Agent shall have no obligation or liability of any kind with respect to any Indemnification Principal Reduction or applicable Final Determination.

3.2.Prepayments.

(a)The Borrower may prepay this Note in whole or in part at any time or from time to time without penalty or premium by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. The Borrower shall notify Agent at least three Business Days prior to the date of prepayment in whole or part.

(b)In the event that any Note Party receives Net Cash Proceeds from any Disposition of Collateral or any Casualty Event with respect to Collateral, the Borrower shall prepay outstanding Principal in an amount equal to 100% of the amount of such Net Cash Proceeds within three (3) Business Days of Borrower's receipt of such Net Cash Proceeds; *provided* that (i) no prepayment shall be required under this ***Section 3.2(b)*** in connection with any Disposition (or series of related Dispositions) or Casualty Event resulting in a Note Party's receipt of less than $100,000 in Net Cash Proceeds, individually, or $500,000 in Net Cash Proceeds, in the aggregate for all such Dispositions or Casualty Events during the term of this Note, or and (ii) in the case of a Casualty Event, so long as no Event of Default under ***Section 11.1*** or ***11.6*** shall have occurred and be continuing, the Borrower shall be permitted to apply the Net Cash Proceeds received by the Borrower or any other Note Party in connection with such Casualty Event to repair or replace the property affected by such Casualty Event within 180 days following such receipt or to reimburse the Borrower or the applicable Note Party for amounts expended to repair or replace such property prior to receipt of such Net Cash Proceeds; *provided*, *however*, if such Net Cash Proceeds are not so reinvested (or contractually committed to be reinvested) within such 180-day period, such Net Cash Proceeds shall be applied by the Borrower to prepay outstanding Principal under this Note; *provided, further* that until so reinvested, such Net Cash Proceeds shall at all times be held by such Note Party in a deposit account segregated from other funds of such Note Party subject to the control of the Agent for the benefit of the Noteholders. The Borrower agrees that such repaired or replacement property shall constitute Collateral and the Note Parties agree to take such actions as are necessary and as Agent may reasonably request to perfect Agent's Lien in such Collateral.

(c)All payments under this Section shall be accompanied by accrued interest on the Principal amount prepaid.

3.3.Setoff; Refund Amount Increase; Principal Adjustments.

(a)Notwithstanding any other provisions set forth herein or in any other Note Document, the Noteholder hereby acknowledges and agrees that any amounts owing from time to time hereunder by the Borrower to the Noteholder shall be subject to the set-off rights of the

Borrower to the extent provided in Section 11.4 of the Merger Agreement. Without duplication of Section 11.4 of the Merger Agreement, but for purposes of clarity, on the date of any Final Determination, if the applicable Indemnified Party is any of the Borrower, the Subsequent Survivor or any of their respective Affiliates and this Note remains outstanding, the outstanding Principal amount of this Note shall be reduced on such date by an amount equal to the sum of (i) the applicable Final Loss Amount *plus* (ii) the Recouped Interest Amount with respect thereto without any further action by the Borrower or the Noteholder (such reduction, an "***Indemnification Principal Reduction***"). An Indemnification Principal Reduction shall satisfy the applicable Indemnifying Party's obligation to indemnify the applicable Indemnified Party for the applicable Indemnification Claim.

(b)In addition to the Indemnification Principal Reduction provisions contained in ***Section 3.3(a)***, the Borrower shall be entitled to withhold amounts payable by it to Noteholder under this Note during a Dispute Period, including interest payable in accordance with ***Section 5***, in an amount not to exceed the aggregate amount, without duplication, of monetary damages (including legal fees and court costs) sought in connection with the applicable Indemnification Claim (the "***Claimed Amount***") and interest shall not accrue on an amount of Principal equal to the Claimed Amount during the Dispute Period (subject to recoupment as described herein). At the end of the applicable Dispute Period, (i) the applicable Indemnification Principal Reduction, if any, shall become effective and (ii) the Borrower shall pay to Noteholder all amounts previously withheld in excess of the applicable Final Loss Amount, if any, together with the amount of interest thereon that would have accrued at the Applicable Rate from the first day of the applicable Dispute Period through and including the date of payment; *provided* it is understood and agreed the Borrower may elect to make any such interest payments as PIK Interest. The Borrower shall notify and certify to the Agent and the Stockholder Representative in writing of a Claimed Amount and the effective date of the related Dispute Period (the "***Borrower Notice***"). Unless the Agent shall have received written notice from the Stockholder Representative specifying its objection thereto (the "***SR Objection Notice***") prior to the date that is five (5) Business Days after the date of the Agent receives the Borrower Notice (the "***SR Objection Period***"), the Agent is entitled to fully rely on the certifications set forth in the Borrower Notice (and the Agent shall be fully protected in taking any actions in reliance on such Borrower Notice); *provided*, that to the extent the Agent receives a SR Objection Notice within the time period set forth in this ***Section 3.3(d)***, the Agent shall not take the Claimed Amount into account until a new Borrower Notice is provided pursuant to the terms of this ***Section 3.3(b)*** and the SR Objection Period has terminated without the receipt of a SR Objection Notice. The Agent shall have no obligation or liability of any kind with respect to the Claimed Amount or the duration of the Dispute Period.

(c)Notwithstanding any other provisions set forth herein or in any other Note Document, the Noteholders and the Borrower hereby acknowledge and agree that, if this Note remains outstanding when any Tax refund or credit described in Section 12.1(b)(iv) of the Merger Agreement is received by Parent or its Affiliates, the outstanding Principal amount of this Note shall be automatically increased on such date by an amount equal to the applicable Refund Amount. Such increase in the Principal shall satisfy Parent's and its Affiliates' obligation to pay such Refund Amount to RemainCo or the Stockholders, as applicable. The Stockholder Representative shall notify and certify to the Agent and the Borrower in writing of a Tax refund or credit described in Section 12.1(b)(iv) of the Merger Agreement and the effective date of the adjustment to the Principal amount of this Note (the "***Stockholder Notice***"). Unless the Agent shall have received written notice from the Borrower specifying its objection thereto (the "***Borrower Objection Notice***") prior to the date that is five (5) Business Days after the date of the Agent receives the Stockholder Notice (the "***Borrower Objection Period***"), the Agent is entitled to fully rely on the certifications set forth in the Stockholder Notice (and the Agent shall be fully protected in taking

any actions in reliance on such Stockholder Notice); *provided*, that to the extent the Agent receives a Borrower Objection Notice within the time period set forth in this ***Section 3.3(c)***, the Agent shall not take the adjustment amount set forth in this clause (c) into account until a new Stockholder Notice is provided pursuant to the terms of this ***Section 3.3(c)*** and the Borrower Objection Period has terminated without the receipt of a Borrower Objection Notice. The Agent shall have no obligation or liability of any kind with respect to the Tax refund or the effective date.

(d)Notwithstanding any other provisions set forth herein or in any other Note Document, the Noteholders and the Borrower hereby acknowledge and agree that the outstanding Principal balance shall be increased or decreased, as applicable, by (i) the difference between (i) the Estimated Customer Prepayment Amount and the Revised Customer Prepayment Amount or Final Customer Prepayment Amount, as applicable and (ii) the Estimated Volume Shortfall Adjustment Amount and the Revised Volume Shortfall Adjustment Amount or the Final Volume Shortfall Adjustment Amount, as applicable, in each case as finally determined pursuant to the Merger Agreement and any such adjustment pursuant to this ***Section 3.3(d)*** (a "***Specified Principal Adjustment***") shall become effective automatically on the date any such amount is finally determined in accordance with Section 2.7 of the Merger Agreement. The Borrower shall notify and certify to the Agent and the Stockholders Representative in writing of a Specified Principal Adjustment and the effective date of such Specified Principal Adjustment (the "***Borrower SP Notice***"). Unless the Agent shall have received written notice from the Stockholders Representative specifying its objection thereto (the "***SR SP Objection Notice***") prior to the date that is five (5) Business Days after the date of the Agent receives the Borrower SP Notice (the "***SR SP Objection Period***"), the Agent is entitled to fully rely on the certifications set forth in the Borrower SP Notice (and the Agent shall be fully protected in taking any actions in reliance on such Borrower SP Notice); *provided*, that to the extent the Agent receives a SR SP Objection Notice within the time period set forth in this ***Section 3.3(d)***, the Agent shall not take the Specified Principal Adjustment into account until a new Borrower SP Notice is provided pursuant to the terms of this ***Section 3.3(d)*** and the SR SP Objection Period has terminated without the receipt of a SR SP Objection Notice. The Agent shall have no obligation or liability of any kind with respect to the Specified Principal Adjustment or the calculations in the Merger Agreement.

(e)The effective date of any adjustment to Principal set forth in any Borrower Notice, Stockholder Notice or Borrower SP Notice shall not occur during the five (5) Business Days immediately prior to any Interest Payment Date.

4.Security and Guaranty. The amounts outstanding hereunder are secured by a first priority security interest (subject only to Permitted Liens that have priority by operation of law) in the Collateral and the Obligations of the Borrower hereunder are guaranteed by the Guarantor. The Guarantor hereby irrevocably, unconditionally guarantees to the Agent and each Noteholder, the due and punctual payment in full of the Principal and interest on (including, without limitation, interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), and any other amounts due under, the Note Documents when and as the same shall become due and payable (whether at stated maturity or by required prepayment or by acceleration or otherwise) (all such obligations are herein called the "Guaranteed Obligations"). The guaranty in the preceding sentence is an absolute, present and continuing guaranty of payment and not of collectibility and is in no way conditional or contingent upon any attempt to collect from the Borrower or upon any other action, occurrence or circumstance whatsoever. In the event that the Borrower shall fail so to pay any of such Guaranteed Obligations, the Guarantor agrees to pay the same when due to the Agent for the benefit of the Noteholders entitled thereto, without demand, presentment, protest or notice of any kind, in lawful money of the United States of America, pursuant to the requirements for payment specified in the Note Documents. The obligations of the Guarantor shall be

primary, absolute, irrevocable and unconditional, irrespective of the validity or enforceability of the Note Documents or any other instrument referred to therein, shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim such Guarantor may have against the Borrower or any Noteholder or Agent or otherwise (other than in accordance with ***Section 3.3*** hereof), and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, any circumstance or condition whatsoever (whether or not the Guarantor shall have any knowledge or notice thereof), including, without limitation: (a) any amendment to, modification of, supplement to or restatement of the Note Documents or any assignment or transfer of any thereof or of any interest therein, or any furnishing, acceptance or release of any security for the Notes or the addition, substitution or release of any Person primarily or secondarily liable in respect of the Guaranteed Obligations; (b) any waiver, consent, extension, indulgence or other action or inaction under or in respect of the Note Documents or any other instrument referred to therein; (c) any bankruptcy, insolvency, arrangement, reorganization, readjustment, composition, liquidation or similar proceeding with respect to the Borrower or its property; (d) any merger, amalgamation or consolidation of the Guarantor or of the Borrower into or with any other Person or any sale, lease or transfer of any or all of the assets of the Guarantor or of the Borrower to any Person; (e) any failure on the part of the Borrower for any reason to comply with or perform any of the terms of any other agreement with any Guarantor; (f) any failure on the part of any holder to obtain, maintain, register or otherwise perfect any security; or (g) any other event or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor (whether or not similar to the foregoing), and in any event however material or prejudicial it may be to the Guarantor or to any subrogation, contribution or reimbursement rights the Guarantor may otherwise have. The Guarantor covenants that its obligations hereunder will not be discharged except by indefeasible payment in full in cash (or by setoff in accordance with ***Section 3.3***) of all of the Guaranteed Obligations (other than contingent obligations for which no claim has been made). The Guarantor unconditionally waives to the fullest extent permitted by law, (i) notice of acceptance hereof, of any action taken or omitted in reliance hereon and of any default by the Borrower in the payment of any amounts due under the Note Documents, (ii) all notices which may be required by statute, rule of law or otherwise to preserve any of the rights of any holder against the Guarantor, including, without limitation, presentment to or demand for payment from the Borrower or the Guarantor with respect to any Note Document, notice to the Borrower or to the Guarantor of default or protest for nonpayment or dishonor and the filing of claims with a court in the event of the bankruptcy of the Borrower, (iii) any right to require any holder to enforce, assert or exercise any right, power or remedy including, without limitation, any right, power or remedy conferred in the Note Documents, (iv) any requirement for diligence on the part of any Noteholder and (v) any other act or omission or thing or delay in doing any other act or thing which might in any manner or to any extent vary the risk of the Guarantor or otherwise operate as a discharge of the Guarantor or in any manner lessen the obligations of the Guarantor hereunder.

5.Interest.

5.1.Interest Rate. The outstanding Principal amount of this Note shall bear interest at the Applicable Rate from the Closing Date until the Principal is paid in full, whether at maturity, upon acceleration, by prepayment, setoff or reduction (including in accordance with ***Section 3.3*** hereof). Accrued interest will be payable quarterly in arrears on the last Business Day of each fiscal quarter, commencing on March 29, 2024 (each such date being referred to herein as an "***Interest Payment Date***"). On each Interest Payment Date accrued interest shall be at the borrower's election (a) paid entirely in cash ("***Cash Interest***") or (b) paid-in-kind ("***PIK Interest***") by automatically increasing the Principal amount of this Note (in which case the Principal owing to each Noteholder shall be ratably increased) by the amount of such PIK Interest on such Interest Payment Date. The Borrower shall deliver a written notice (an "***Interest Election Notice***") to the Agent on or prior to the date that is five (5) Business Days immediately prior to the applicable Interest Payment Date, which Interest Election Notice either (i) confirms that accrued interest to be paid on such Interest Payment Date shall be paid entirely as Cash Interest, or (ii) elects to pay accrued interest on such Interest Payment Date as PIK Interest. If the Borrower does not timely deliver an Interest Election Notice

in accordance with this ***Section 5.1***, (A) then the Borrower shall be deemed to have delivered an Interest Election Notice confirming the payment of accrued interest as PIK Interest on such Interest Payment Date and (B) such failure to deliver an Interest Election Notice shall not constitute an Event of Default. Notwithstanding the foregoing, but subject to ***Section 3.3(b)***, interest shall not accrue during any Dispute Period on an amount of Principal equal to the Claimed Amount with respect to such Dispute Period, *provided* that, to the extent any portion of such Claimed Amount pursuant to a Final Determination is not determined to be a claim for indemnification pursuant to which the Stockholders or Remainco are liable, such portion shall be deemed to have accrued PIK Interest during such Dispute Period and shall be automatically added to the Principal. The Agent shall have no obligation to determine whether a Dispute Period is in effect and shall be entitled to rely on written instructions in the Borrower Notice as to whether a Dispute Period is in effect at any time.

5.2.Default Interest. During the existence of any Event of Default under ***Sections 11.1*** or ***11.6*** hereof, all Obligations shall automatically bear interest at the Default Rate. During the existence of any other Event of Default, all Obligations shall bear interest at the Default Rate, at the Required Noteholders written direction to the Agent.

5.3.Computation of Interest. All computations of interest shall be made on the basis of 365 or 366 days, as the case may be, and the actual number of days elapsed. Interest shall accrue on the Closing Date and shall not accrue on the Principal (or the portion thereof, as applicable) for the day on which it is paid. Each determination by Agent of an interest rate, fee or Principal outstanding shall be conclusive and binding for all purposes, absent manifest error.

5.4.Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on the Principal outstanding under this Note shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable Law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable Law.

6.Payment Mechanics.

6.1.Manner of Payments. All payments of interest, principal, fees and other Obligations shall be made in lawful money of the United States of America, without defense setoff or counterclaim (other than in accordance with ***Section 3.3*** hereof), free of any restriction or condition and in immediately available funds, and delivered no later than 2:00 PM CT on the date on which such payment is due by wire transfer of immediately available funds to the Agent at a bank specified by the Agent in writing to the Borrower from time to time. Any payment after such time shall be deemed made on the next Business Day. All payments of Obligations shall be made to the Agent for the benefit of the Noteholders on a pro rata basis based on the then outstanding Principal owed to each Noteholder.

6.2.Application of Payments. During the continuation of an Event of Default, all payments made under this Note shall be applied ratably *first* to the payment of all expenses, indemnities and other amounts payable by Borrower to the Agent in accordance with this Note, *second* to the applicable Noteholders in accordance with the terms of ***Section 13.2*** (other than, for the avoidance of doubt, in each case, principal and accrued interest), including in connection with the exercise of rights and remedies, together with all reasonable and documented out-of-pocket costs and expenses of collection, attorneys' fees (subject to the Legal Expenses Limitation), court fees and foreclosure expenses, *third* to the payment of accrued interest, *fourth* to the payment of the Principal amount outstanding under this Note, and *last* to all other Obligations.

6.3.Business Day Convention. Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating the amount of interest payable under this Note.

6.4.Rescission of Payments. If at any time any payment made by a Note Party under any Note Document is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of any Note Party or otherwise, the obligation of such Note Party to make such payment shall be reinstated as though such payment had not been made.

7.Representations and Warranties. Each Note Party hereby represents and warrants to the Noteholders on the date hereof as follows:

7.1.Existence; Power and Authority; Compliance with Laws. Such Note Party (a) is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of its jurisdiction of organization, (b) has the requisite power and authority, and the legal right, to own, lease, and operate its properties and assets and to conduct its business as it is now being conducted, to execute and deliver this Note and any other Note Document to which it is a party, and to perform its obligations hereunder and thereunder and (c) is in compliance with all Laws except to the extent that the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

7.2.Authorization; Execution and Delivery. The execution and delivery of this Note and each other Note Document to which it is a party and the performance of its obligations hereunder and thereunder have been duly authorized by all necessary limited liability company action in accordance with all applicable Laws. Such Note Party has duly executed and delivered this Note and any other Note Document to which it is a party.

7.3.No Approvals. No consent or authorization of, filing with, notice to, or other act by, or in respect of, any Governmental Authority or any other Person is required in order for such Note Party to execute, deliver, or perform any of its obligations under this Note or any other Note Document to which it is a party other than those being made or obtained in connection with the Closing Date to perfect the Liens securing the Obligations.

7.4.No Violations. The execution and delivery of this Note and the other Note Documents to which such Note Party is a party and the consummation by such Note Party of the transactions contemplated hereby and thereby do not and will not (a) violate any Law or order applicable to such Note Party or by which any of its properties or assets may be bound; (b) violate any provision of the Governing Documents of such Note Party; or (c) constitute a default under the Existing ABL Credit Agreement or the Existing Term Loan Credit Agreement.

7.5.Enforceability. Each of this Note and each other Note Document to which the Borrower is a party is a valid, legal, and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

7.6.No Litigation. No action, suit, litigation, investigation, or proceeding of, or before, any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened in writing by or against the Borrower or any of its property or assets that could reasonably be expected to have a Material Adverse Effect or that involve the enforceability of any Note Document.

7.7.Solvency. After giving effect to this Note and the transactions contemplated herein, the Note Parties, taken as a whole, are Solvent.

8.Covenants. Until all amounts outstanding under this Note have been paid in full, the Note Parties shall:

8.1.Notices. Promptly, but in any event within five (5) Business Days after the Borrower obtains actual knowledge thereof (a) notify the Agent of the occurrence of any Event of Default and (b) provide to the Agent notice of any Casualty Event with respect to Collateral having an aggregate fair market value in excess of $5,000,000.

8.2.Maintenance of Existence. (a) Preserve, renew, and maintain in full force and effect its corporate or organizational existence and (b) take all reasonable action to maintain all rights, privileges, and franchises necessary or desirable in the normal conduct of its business, except, in each case of this clause (b), where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.3.Compliance with Laws. Comply with all Laws applicable to it and its business and its obligations under its material contracts and agreements, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.4.Payment of Taxes. Pay and discharge all Taxes prior to the date on which they become delinquent or penalties attach, unless (a) (i) such Taxes are being contested in good faith by appropriate proceedings and (ii) appropriate reserves have been established in accordance with GAAP or (b) the failure to make such payment would not reasonably be expected to (i) result in a Material Adverse Effect or (ii) result in the seizure or levy of any Collateral that, individually or in the aggregate has a fair market value in excess of $2,500,000.

8.5.Insurance. Maintain or cause to be maintained insurance on the Collateral under such policies of insurance, with such insurance companies, in such amounts and covering such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

8.6.Operation of Properties.

(a)Maintain all of its material Collateral necessary and useful in the conduct of its business, taken as a whole, in good operating condition and repair, ordinary wear and tear and casualty excepted, except, in each case, to the extent the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(b)Promptly perform, or make reasonable and customary efforts to cause to be performed, in accordance with customary industry standards, the obligations required by each and all of the assignments, deeds, leases, sub-leases, contracts and agreements affecting its interests in the Collateral, except, in each case, where the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(c)Pay, satisfy and/or obtain the release of all Liens affecting title to the Collateral or any part thereof (other than Permitted Liens) and (ii) pay all costs, charges, interest and penalties on account of the Collateral, including without limitation the claims of all subcontractors and other Persons supplying labor or materials to the Collateral, except in the case of this clause (ii) where the failure to make such payment would not reasonably be expected to (A) result in a Material

Adverse Effect or (B) result in the seizure or levy of any Collateral that, individually or in the aggregate has a fair market value in excess of $2,500,000.

8.7.Restricted Payments. Not make any dividend or other distribution to any holders of the Equity Interests of the Borrower, unless no Default or Event of Default then exists or would result therefrom.

8.8.Fundamental Changes. Not (a) change its legal name or change its form or state of formation or organization, in each case, without giving the Agent at least 10 days prior written notice and taking such actions as are necessary or that Agent may reasonably request with respect thereto to continue the creation and perfection of Agent's Liens in any Collateral; (b) liquidate, wind up its affairs or dissolve itself; or (c) merge, combine or consolidate with any Person, in each case whether in a single transaction or series of related transactions; *provided* that, notwithstanding the foregoing clauses (b) and (c) Guarantor may merge with or liquidate into the Borrower so long as the Borrower is the surviving Person and Guarantor may merge with any other Person so long as Guarantor is the surviving Person.

8.9.Amendments to Existing Credit Agreements. Not amend, supplement or otherwise modify any Existing Credit Agreement in a manner prohibited by the Intercreditor Agreement.

8.10.Affiliate Transactions. Not enter into or be party to any transaction with an Affiliate that is not a Note Party (or amend or modify any such transaction) with respect to any of the Collateral, except transactions with Affiliates in the ordinary course of business, upon fair and reasonable terms and no less favorable than would be obtained in a comparable arm's-length transaction with a non-Affiliate; *provided* that, for the avoidance of doubt, the foregoing shall not prohibit shared administrative, overhead, technology or licensing arrangements or the granting of use of the Collateral to Affiliates that are wholly-owned subsidiaries of the Borrower entered into in the ordinary course of business or consistent with customary industry practices between or among the Note Parties and their Subsidiaries.

9.Covenants Regarding Collateral. Borrower will not, and will not permit any other Note Party to, in any way hypothecate or create or permit to exist any Lien in any of the Collateral, except for Permitted Liens. Borrower will not, and will not permit any other Note Party to, Dispose of, dividend or otherwise distribute any of the Collateral (other than in connection with a Casualty Event) unless (a) such Disposition is for 100% cash consideration (i) to an unaffiliated third party and (ii) for fair market value (as determined by the Borrower in good faith) and (b) the Net Cash Proceeds of such Disposition are applied to prepay the Principal outstanding under this Note in accordance with and to the extent required under ***Section 3.2(b)***.

10.Noteholder Representations. Each Noteholder hereby represents and warrants to the Agent and Borrower as of the date hereof as follows:

(a)This Note is being acquired for such Noteholder's own account, and not for the account of any other Person other than such Noteholder, and not with a view to, or for sale in connection with, any distribution or resale to others within the meaning of Section 2(11) under the Act.

(b)Such Noteholder acknowledges that this Note has not been registered under the Act nor qualified under any applicable state securities or blue sky laws and, as such, may not be offered, sold or otherwise transferred unless they are registered under the Act and applicable state securities or blue sky laws or an applicable exemption from such registration is available (and solely to the extent permitted hereunder).

(c)Such Noteholder has such knowledge and experience in financial and business matters that such Noteholder is capable of evaluating the merits and risks of investment in the Borrower and of making an informed investment decision. Such Noteholder, or such Noteholder's professional advisor, has the capacity to protect such Noteholder's concerns in connection with the investment in this Note, and such Noteholder is able to bear the economic risk, including the complete loss, of an investment in this Note.

(d)Such Noteholder is either (i) an "Accredited Investor" as such term is defined under Rule 501(a) of Regulation D promulgated under the Act or (ii) is capable of making each of the representations and warranties contained in this ***Section 10***. Such Noteholder agrees to furnish such documents and to comply with such reasonable requests of the Borrower as may be necessary to substantiate such Noteholder's status as a qualifying investor in connection with the issuance of this Note to such Noteholder or the Agent on such Noteholder's behalf. Such Noteholder represents and warrants that all information contained in such documents and any other written materials concerning the status of such Noteholder will be true, complete and correct in all material respects.

11.Events of Default. The occurrence of any of the following shall constitute an Event of Default hereunder (each an "***Event of Default***"):

11.1.Failure to Pay. Any Note Party fails to pay (i) any Principal when due (whether at the due date thereof or at a date fixed for a mandatory prepayment thereof, by acceleration or otherwise) or (ii) interest or any other amount payable by such Note Party hereunder or under any other Note Document when due and such failure under this clause (ii) continues unremedied for five (5) Business Days after the due date therefor, whether upon demand or otherwise.

11.2.Breach of Representations and Warranties. Any representation or warranty made by Borrower or any other Note Party to the Noteholders herein or in any other Note Document to which any such Note Party is a party is incorrect in any material respect on the date as of which such representation or warranty was made.

11.3.Breach of Covenants. Any Note Party fails to observe or perform (a) any covenant, obligation, condition, or agreement set forth in ***Sections 8.1(a)***, ***8.2(a)***, ***8.5***, ***8.7***, ***8.8***, ***8.9*** or ***9*** hereof or (b) any other covenant, obligation, condition, or agreement contained in this Note or in any other Note Document to which it is a party, other than those specified in ***Sections 11.1*** and ***11.2*** hereof, and such failure described in this clause (b) continues unremedied for a period of fifteen (15) days after the earlier to occur of (i) the Borrower having knowledge of such failure or (ii) receipt of written notice thereof by the Borrower from the Agent or any Noteholder (through the Agent).

11.4.Cross-Default.

(a)Any Note Party fails to pay when due the principal amount of any Debt outstanding under the Existing ABL Credit Agreement or the Existing Term Loan Credit Agreement or any other agreement evidencing outstanding Debt in excess of the greater of (i) $25,000,000 and (ii) the corresponding threshold then in effect under either Existing Credit Agreement, and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or

(b)Any event or condition occurs that results in the Debt outstanding under either the Existing ABL Credit Agreement or the Existing Term Loan Credit Agreement or any other Debt referenced in the above clause (a) becoming due prior to its scheduled maturity (other than, for the

avoidance of doubt, any springing maturity date or borrowing base reserve based on the scheduled maturity of other Debt).

11.5.Change of Control. (a) Parent Guarantor neither directly nor indirectly owns and controls 100% of the issued and outstanding Equity Interests of the Borrower or (b) the Borrower neither directly nor indirectly owns and controls 100% of the issued and outstanding Equity Interests of the Guarantor.

11.6.Bankruptcy.

(a)Any Note Party or Parent Guarantor commences any case, proceeding, or other action (i) under any existing or future Law relating to bankruptcy, insolvency, reorganization, or other relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets, or such Note Party makes a general assignment for the benefit of its creditors;

(b)There is commenced against any Note Party or Parent Guarantor any case, proceeding, or other action of a nature referred to in ***Section 11.6(a)*** which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged, or unbonded for a period of sixty (60) days;

(c)There is commenced against any Note Party or Parent Guarantor any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof;

(d)Any Note Party or Parent Guarantor takes any action in furtherance of any of the acts set forth in ***Section 11.6(a)***, ***Section 11.6(b)*** or ***Section 11.6(c)*** above; or

(e)Any Note Party or Parent Guarantor admits in writing its inability to pay its debts as they become due.

11.7.Judgment. (a) One or more final judgments for the payment of money in an aggregate amount in excess of (i) the greater of (i) $25,000,000 and (ii) the corresponding threshold then in effect under either Existing Credit Agreement (to the extent not covered by independent third party insurance as to which the insurer does not dispute coverage) or (b) any one or more final non-monetary judgments that have resulted in, or would reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect, in either case, shall be rendered against any Note Party or its assets or any combination thereof and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed (by reason of a pending appeal or otherwise), or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Note Party to enforce any such judgment; *provided* that no judgment arising out of or related to an Excluded Liability or any other claim or cause of action against an Acquired Company arising prior to the Closing shall constitute an Event of Default.

11.8.Security. The Mortgage after delivery thereof shall cease to create a valid and perfected first priority Lien (subject to Permitted Liens having priority over the Agent's Lien by operation of law) on any Collateral having a Fair Market Value in excess of $1,000,000, except to the extent permitted by the

terms of a Note Document or solely as a result of the acts or omissions of the Agent (after the Note Party or any Noteholder has made a written request for or instructions to the Agent to so act), or any Note Party shall so state in writing.

11.9.Validity and Enforcement of Note Documents. Any Note Document at any time after its execution and delivery (a) ceases to be in effect in any material respect or any material covenant, agreement or obligation hereunder is determined to be unenforceable or is declared by a Governmental Authority to be null and void, or (b) its validity or enforceability is contested by a Note Party or a Note Party denies that it has any further liability or obligations under such Note Document.

12.Remedies. Upon the occurrence of any Event of Default and at any time thereafter during the continuance of such Event of Default, the Agent may, if directed by the Required Noteholders, by written notice to the Borrower (a) declare the entire Principal amount of this Note, together with all accrued interest thereon, immediately due and payable; and (b) exercise (at the direction of the Required Noteholders), any or all of its rights, powers or remedies under the Note Documents or applicable Law; *provided, however*, that if an Event of Default described in ***Section 11.6*** shall occur, the entire Principal of and accrued interest under this Note shall become immediately due and payable without any notice, declaration, or other act on the part of the Agent or any Noteholder. Notwithstanding anything to the contrary contained herein or in any other Note Document, the authority to enforce rights and remedies hereunder and under the other Note Documents against the Note Parties and Parent Guarantor or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Agent in accordance with this ***Section 12*** and ***Section 13.9(c)*** for the benefit of all of the Noteholders and each Noteholder hereby agrees, that it will not take any enforcement action or exercise any right that it might otherwise have under applicable Law with respect to any Note Party in connection with the Note Documents or the Collateral.

13.Miscellaneous.

13.1.Notices.

(a)All notices, requests, or other communications required or permitted to be delivered hereunder shall be delivered in writing, in each case to the address specified below or to such other address as the Borrower or the Agent may from time to time specify in writing in compliance with this provision:

(i)If to the Borrower:

Atlas Sand Company, LLC
5918 West Courtyard Drive, Suite 500
Austin, Texas 78730
Attention: John Turner
Email: [***]

(ii)If to the Agent:

U.S. Bank Trust Company, National Association
214 North Tryon Street, 26th Floor
Charlotte, NC 28202
Attention: Agency Services/James A. Hanley
Email: [***]; [***]

(b)Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received; (ii) sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and if sent after normal business hours shall be deemed to have been given at the opening of the recipient's business on the next Business Day); and (iii) sent by email shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email, or other written acknowledgment).

(c)The Note Parties shall deal solely with the Agent in the administration of this Note and the Note Documents and shall have no obligation to provide notices or other information to any Noteholder other than through the Agent to the extent required by the terms of the Note Documents. Agent agrees to promptly forward all notices received by it from a Note Party to the Noteholders.

13.2.Expenses. (a) Each of the Borrower and the Noteholders shall be responsible for their own costs, expenses, and fees (including all expenses and fees of its external counsel) in any way related to this Note or any other Note Document on or prior to the Closing Date; *provided that*, notwithstanding anything herein to the contrary, the Borrower will pay to the Agent (a) all filing and recording fees related to the perfection or maintenance of perfection of the Agent's Lien in the Collateral and (b) all documented out-of-pocket costs, expenses, and fees incurred by the Noteholders in connection with the enforcement of any of the provisions of this Note or any other Note Document or the enforcement of any of the Obligations, or any collection, compromise or settlement of any of the Collateral; and all such fees and expenses shall be Obligations within the terms of this Note. This Section ***13.2*** shall be subject to the Legal Expenses Limitation. In addition, the Noteholders agree to pay the costs, expenses and fees of the Agent as set forth on Annex 1, and the Borrower and Guarantor jointly and severally agree to pay the costs, expenses and fees of the Agent as set forth on Annex 2.

(b)Indemnification by Borrower. The Borrower and the Guarantor each agrees to indemnify, hold harmless and defend each Noteholder and their respective Affiliates (each, an "Indemnitee") for, from and against all liabilities and claims that may be imposed on, incurred by or asserted against an Indemnitee in any matter relating to or arising out of: (i) the Borrower's operations at or relating to the Collateral and (ii) any misrepresentation or inaccuracy in any representation or warranty made by a Note Party in any Note Document (collectively, the "Indemnified Matters"). Notwithstanding the foregoing, Borrower shall not have any liability hereunder to any Indemnitee with respect to any Indemnified Matter, to the extent such liability has resulted from the gross negligence or willful misconduct of such Indemnitee or any of its Affiliates, as determined by a court of competent jurisdiction in a final non-appealable judgment or order. The Borrower and Guarantor jointly and severally agree to indemnify, hold harmless and defend the Agent and its respective Affiliates as set forth on Annex 2.

13.3.Governing Law. This Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Note and the transactions contemplated hereby and thereby shall be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

13.4.Submission to Jurisdiction.

(a)THE PARTIES HERETO FURTHER AGREE THAT ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS NOTE OR ANY DOCUMENT RELATING HERETO MAY BE BROUGHT ONLY IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN TRAVIS COUNTY, TEXAS. Each party hereto agrees to commence any such action either in a state or federal court sitting in Travis County, Texas. Each party hereto further agrees that service of any process, summons, notice or document by U.S. registered mail to such party's respective address set forth herein shall be effective service of process for any action in Texas with respect to any matters to which it has submitted to jurisdiction in this ***Section 13.4***. Each Party hereto irrevocably and unconditionally waives any objection to the laying of venue of any action arising out of this Note or the transactions contemplated hereby in a state or federal court sitting in Travis County, Texas, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action brought in any such court has been brought in an inconvenient forum.

(b)Nothing in this ***Section 13.4*** shall affect the right of the Agent to (i) commence legal proceedings or otherwise sue any Note Party in any other court having jurisdiction over any Note Party or (ii) serve process upon any Note Party in any manner authorized by the laws of any such jurisdiction.

13.5.INTEGRATION. THE MERGER AGREEMENT, THIS NOTE AND THE OTHER NOTE DOCUMENTS TO WHICH A NOTE PARTY IS A PARTY CONSTITUTE THE ENTIRE CONTRACT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THEREOF AND SUPERSEDES ALL PREVIOUS AGREEMENTS AND UNDERSTANDINGS, ORAL OR WRITTEN, WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THEREOF.

13.6.Successors and Assigns. This Note (or any interest hereunder) shall not be assigned or transferred by the Agent or any Noteholder to any Person without the prior written consent of the Borrower; *provided* that (i) the Agent may resign in accordance with Annex 1, and (ii) a Noteholder may assign its interest in this Note to a Qualified Affiliate of such Noteholder, another Noteholder or any Qualified Affiliate of another Noteholder; provided, further, that any assignment to an Affiliate shall be deemed to

constitute a representation and warranty by the applicable assignee that such Person is a Qualified Affiliate and the Borrower shall be entitled to rely on such representation and warranty. The Borrower may not assign or transfer this Note or any of its rights hereunder without the prior written consent of the Agent and each Noteholder. This Note shall inure to the benefit of, and be binding upon, the Parties and their permitted assigns. The Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each assignment delivered to it by a Noteholder and a register for the recordation of the names and addresses of the Noteholders and the then outstanding Principal owed to each Noteholder pursuant to the terms hereof from time to time (the "***Register***"), which Register is intended to cause this Note to be treated as in registered form under Sections 5f.103-1(c) and 1.871-14(c)(1)(i) of the United States Treasury Regulations. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Noteholders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Noteholder hereunder for all purposes of this Note, notwithstanding notice to the contrary. Any assignment or transfer of any interest in this Note shall be effective only upon appropriate entries with respect thereto being made in the Register together with a processing and recordation fee of $3,500 paid to the Agent by the parties to the assignment. The Register shall be available for inspection by the Borrower or any Noteholder at any reasonable time and from time to time upon reasonable prior notice. Any transfer of an interest in this Note to a Person that is a Non-Permitted Holder shall be null and void *ab initio* and shall not be given effect for any purpose hereunder. The Borrower and each Noteholder covenant and agree with the agreements set forth on Annex 3 attached hereto.

13.7.Waiver of Notice. Each Note Party hereby waives demand for payment, presentment for payment, protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity, and diligence in taking any action to collect sums owing hereunder.

13.8.Amendments and Waivers. No term of this Note may be waived, modified, or amended except by an instrument in writing signed by the Borrower, the Agent (to the extent any of its rights or obligations are waived, modified or amended) and the Required Noteholders. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given. Notwithstanding anything contained in this ***Section 13.8***, no waiver, modification or amendment shall:

(a)reduce the principal of, or rate of interest specified herein on, any Obligation, or other amounts payable hereunder or under any other Note Document, without the written consent of each Noteholder directly and adversely affected thereby;

(b)postpone any date scheduled for any payment of principal of, or interest on, any Obligation, or any other amounts payable hereunder or under any other Note Document, or reduce the amount of, waive or excuse any such payment, without the written consent of each Noteholder directly and adversely affected thereby;

(c)release any Note Party from its Obligations, including any Guaranteed Obligations, without the written consent of each Noteholder;

(d)release the Parent Guaranty;

(e)release all or substantially all of the Collateral from the Agent's Liens without the written consent of each Noteholder;

(f)change any provision in any Note Document in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Noteholder directly and adversely affected thereby;

(g)change any provision of this Section without the written consent of each Noteholder; or

(h)affect the rights or duties of the Agent under any Note Document without the written consent of the Agent.

13.9.Agency Matters.

(a)The Noteholders shall share the Collateral and the proceeds of such Collateral in accordance with their pro rata share of their then outstanding Principal, without priority of one over the other.

(b)Each Noteholder hereby appoints the Agent, as the collateral agent and administrative agent, under this Note and the other Note Documents, and hereby authorizes the Agent to acquire, hold and enforce any and all liens on Collateral granted by the Note Parties to secure any of the Obligations and to take such actions on each of its behalf and to exercise such rights, powers, authorities and privileges under this Note and the other Note Documents as are expressly delegated to the Agent by the terms hereof and thereof. Each Noteholder (i) accepts the authorizations, appointments and acknowledgements and other actions taken by the Agent, on behalf of the Noteholders, in accordance with this Note and the other Note Documents, and (ii) authorizes and directs the Agent to execute, deliver and perform each of the Note Documents to which the Agent is or is intended to be a party (including any amendments, supplements, accession agreements, acknowledgements or similar documents thereto or thereunder). The provisions of this Section 13.9 are solely for the benefit of the Agent and the Noteholders, and none of the Note Parties shall have rights as a third-party beneficiary of any of such provisions. The rights, powers and obligations of the Agent are governed by the provisions set forth on ***Annex 1*** hereto.

(c)Enforcement of the Noteholders' rights under any Note Document shall (a) with respect to any Collateral, be taken by the Agent at the direction of the Required Noteholders, and (b) with respect to all other rights under the Note Documents, be taken by the Agent at the direction of the Required Noteholders.

13.10.Certain Tax Matters.

(a)Any and all payments by or on account of any obligation of the Borrower hereunder may be subject to deduction or withholding to the extent required by applicable Law, and to the extent any amounts are deducted or withheld from any amounts payable to or with respect to a Noteholder under this Note and paid to the appropriate Governmental Authority, such deducted or withheld amounts shall be treated as if paid to such Noteholder for all purposes hereof; *provided*, *however*, that, if the Borrower or any of its Affiliates or the Agent determines that any such deduction or withholding is required, except in the case of any deduction or withholding required as a result of a Noteholder's or a permitted transferee's failure to deliver an Internal Revenue Service Form W-9 or applicable Internal Revenue Service Form W-8 in accordance with this ***Section 13.10(a)*** establishing an exemption from withholding, then the Borrower or the Agent, as applicable, shall use commercially reasonable efforts to (x) notify the Noteholder that such deduction or withholding is intended at least five (5) Business Days prior to the applicable payment date and (y) cooperate with the Noteholder to obtain any available exemption from, or reduction in the amount of, such deduction or withholding. Each of the Noteholders (and any permitted transferee thereof) will provide to the Borrower (i) a properly completed and duly executed Internal Revenue Service Form W-9 certifying that the Noteholder or such permitted transferee, as applicable, is not subject to backup withholding, or (ii) an applicable properly completed and duly executed Internal Revenue Service Form W-8, on or before the first date on which any amount is paid to or with respect to the Noteholder or such permitted transferee, as applicable, under this Note, and the Noteholder or its permitted transferee, as applicable, will provide a revised version of such form when materially obsolete or inaccurate.

(b)Each of the Parties acknowledges and agrees that, for U.S. federal income tax purposes (and applicable state and local tax purposes): (i) this Note is intended to be treated as indebtedness and (ii) all adjustments to the Principal pursuant to Section 3.3 are, except to the extent properly treated as interest or original issue discount, intended to be treated as an adjustment to the Closing Adjusted Merger Consideration payable pursuant to the Merger Agreement. The Parties shall (and shall cause their respective Affiliates to) file their applicable Tax Returns consistent with, and take no position for Tax purposes (whether in Tax Proceedings, on Tax Returns or otherwise) inconsistent with, such treatment, unless a contrary position is required by a "determination" within the meaning of Section 1313(a) of the Code.

13.11.Headings. The headings of the various Sections and subsections herein are for reference only and shall not define, modify, expand, or limit any of the terms or provisions hereof.

13.12.No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising on the part of the Noteholder, of any right, remedy, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

13.13.Effectiveness. This Note shall be issued and become effective upon being fully executed and delivered to all parties hereto on the Closing Date in accordance with the provisions set forth in the Merger Agreement.

13.14.Electronic Execution. The words "execution," "signed," "signature," and words of similar import in the Note shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based record-keeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001 to 7031), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA, including the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301 to 309).

13.15.Severability. If any term or provision of this Note is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Note or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Note so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

13.16.Noteholders. Each Person listed on ***Schedule 1*** hereto, to the extent not signatory hereto, by its acceptance of the benefits hereunder, shall be deemed to have accepted and agreed to be bound by the terms and conditions of this Note.

[*SIGNATURE PAGE FOLLOWS*]

IN WITNESS WHEREOF, each Note Party has executed this Note as of the date first written above.

BORROWER:

ATLAS SAND COMPANY, LLC,
a Delaware limited liability company

By /s/ John Turner
Name: John Turner
Title: President and Chief Financial Officer

GUARANTOR:

HI-CRUSH PERMIAN SAND LLC,
a Delaware limited liability company

By /s/ John Turner
Name: John Turner
Title: President and Chief Financial Officer

By its acceptance of this Note, the Agent and each Noteholder acknowledges and agrees to be bound by the provisions hereof, as applicable.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Agent

By /s/ James A. Hanley
Name: James A. Hanley
Title: Senior Vice President

NOTEHOLDER:

Clearlake Capital Partners V Finance, L.P.

By /s/ Fred Ebrahemi
Name: Fred Ebrahemi
Title: General Counsel

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WHITEBOX RELATIVE VALUE PARTNERS, LP
a Cayman Islands Limited Partnership

By /s/ Andrew Thau
Name: Andrew Thau
Title: Managing Director

WHITEBOX MULTI-STRATEGY PARTNERS, LP
a Cayman Islands Limited Partnership

By /s/ Andrew Thau
Name: Andrew Thau
Title: Managing Director

PANDORA SELECT PARTNERS, LP
a Cayman Islands Limited Partnership

By /s/ Andrew Thau
Name: Andrew Thau
Title: Managing Director

WHITEBOX CREDIT PARTNERS, LP
a Cayman Islands Limited Partnership

By /s/ Andrew Thau
Name: Andrew Thau
Title: Managing Director

WHITEBOX GT FUND, LP
a Delaware Limited Partnership

By /s/ Andrew Thau
Name: Andrew Thau
Title: Managing Director

NOTEHOLDER:

ABBOT LABORATORIES ANNUITY RETIREMENT TRUST;

ABBOT-ABBVIE MULTIPLE EMPLOYER PENSION PLAN TRUST;

DUNHAM HIGH YIELD BOND FUND;

MARYLAND STATE RETIREMENT AND PENSION SYSTEM;

PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF NEW MEXICO;

PINEBRIDGE GLOBAL OPPORTUNISTIC DM CREDIT FUND LP;

SUNAMERICA SERIES TRUST – HIGH YIELD BOND PORTFOLIO;

STANDARD INSURANCE COMPANY;

TRANSAMERICA UNCONSTRAINED BOND;

PINEBRIDGE GLOBAL MULTI-STRATEGY HIGH YIELD BOND FUND; AND

VALIC COMPANY II – CORE BOND FUND

BY: PINEBRIDGE INVESTMENTS LLC

By /s/ John Yovanovic
Name: John Yovanovic
Title (if applicable): Managing Director and Head of High Yield Portfolio Management
Date:

NOTEHOLDER:

Touchstone Strategic Trust – Touchstone Strategic Income Opportunities Fund

(Entity name if applicable)

By /s/ Terrie A. Wiedenheft
Name: Terrie A. Wiedenheft
Title (if applicable): Treasurer and Controller
Date:

NOTEHOLDER:

(Entity name if applicable)

By /s/ Andrew J. Super
Name: Andrew J. Super
Title (if applicable):
Date: 3/4/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Brian McConn
Name: Brian McConn
Title (if applicable):
Date: March 1, 2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Clee Heston
Name: Clee Heston
Title (if applicable): CAO
Date: 3/4/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Cas Eichenseer
Name: Cas Eichenseer
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Chris Albaugh
Name: Chris Albaugh
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Dave Harger
Name: Dave Harger
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ David Banks
Name: David Banks
Title (if applicable):
Date: 3/1/2024

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NOTEHOLDER:

(Entity name if applicable)

By /s/ E. Dirk Hallen
Name: E. Dirk Hallen
Title (if applicable):
Date: 3/1/2024

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NOTEHOLDER:

(Entity name if applicable)

By /s/ James Laxson
Name: James Laxson
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Jami Kabus
Name: Jami Kabus
Title (if applicable):
Date: 3/1/2024

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NOTEHOLDER:

(Entity name if applicable)

By /s/ JP Srock
Name: JP Srock
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Luke Hayden
Name: Luke Hayden
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Matt Corcoran
Name: Matt Corcoran
Title (if applicable):
Date: 2/29/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Mike Hahn
Name: Mike Hahn
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Mike Mesrobian
Name: Mike Mesrobian
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Robin Copley
Name: Robin Copley
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Stephen White
Name: Stephen White
Title (if applicable):
Date: 2/29/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Tim Lambrecht
Name: Tim Lambrecht
Title (if applicable):
Date: 2/29/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Tom Wilkie
Name: Tom Wilkie
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ Travis Frakes
Name: Travis Frakes
Title (if applicable):
Date: 3/1/2024

NOTEHOLDER:

(Entity name if applicable)

By /s/ William Barker
Name: William Barker
Title (if applicable):
Date: 2/29/2024

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Schedule 1

Noteholders

Annex 1
Agency Provisions

1.Appointment and Authorization of the Agent.

1.Each Noteholder hereby irrevocably appoints U.S. Bank Trust Company, National Association, as the administrative agent and the collateral agent under the Note Documents as provided in Section 13.9 of this Note.

2.Each Noteholder hereby agrees, that, except as otherwise set forth in this Note, any action taken by the Required Noteholders (or the Agent, at the direction of the Required Noteholders) in accordance with the provisions of this Note or the Note Documents, and the exercise by the Required Noteholders (or the Agent, at the direction of the Required Noteholders) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Noteholders. The Agent shall in all cases be fully protected in acting, or in refraining from acting, under the Note Documents in accordance with the direction of the Required Noteholders, and such direction and any action taken or failure to act pursuant thereto shall be binding upon all Noteholders and all future holders of this Note.

3.The Agent shall have no obligation whatsoever to the Noteholders or to any other Person to assure that the Collateral exists or is owned by the Borrower or any Note Party or is cared for, protected or insured or that the Liens granted to the Agent pursuant to any Note Documents have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Agent in this Annex or in the Note Documents. The Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence or collectability of the Collateral, the existence, priority or perfection of the Agent's Lien thereon, or any certificate prepared by the Borrower or any Note Party in connection therewith, nor shall the Agent be responsible or liable to the Noteholders for any failure to monitor or maintain any portion of the Collateral, Liens therein or financing statements filed in connection therewith. The Agent shall not be under any liability for interest on any funds received by the Agent under any Note Document.

4.The duties of the Agent shall be mechanical and administrative in nature; the Agent shall not have by reason of this Note or any other Note Document a fiduciary relationship in respect of any Noteholder; and nothing in this Note or in any other Note Document, expressed or implied, is intended to or shall be so construed as to impose upon the Agent any obligations in respect of this Note or any other Note Document except as expressly set forth herein or therein. Each Noteholder acknowledges, agrees and accepts the terms and conditions of each Note Document, and authorizes and instructs the Agent to execute and perform its obligations, as applicable. No provision of this Note or the Note Documents shall require the Agent to advance, expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers contemplated hereunder.

5.The Agent shall be entitled to rely upon, and shall be fully protected in relying upon (and shall not be liable for so relying upon), any communication, request, instrument, note, consent, affidavit, letter, writing, resolution, notice, statement, certificate, e-mail or other electronic message, order, internet or intranet website posting, or other document (or writing), conversation or telephone message signed, sent or made (or authenticated) by (or, in the case of a conversation, with) any Person that the Agent believed to be the proper Person, and, with respect to all legal matters pertaining to this Note and any other Note Documents and its duties hereunder and thereunder, upon advice of legal counsel, independent accountants and other experts and professional advisors selected by the Agent.

2.Indemnification of Agent by the Noteholders. (a)To the extent the Agent Indemnified Parties (such term is used herein as defined on Annex 2) are not reimbursed and indemnified by the Note Parties in accordance with the terms of this Note or any of the Note Documents, the Noteholders will reimburse and indemnify the Agent Indemnified Parties for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred at any time by the Agent or any of the Agent Indemnified Parties in performing the Agent's duties under any other Note Documents or in any way relating to or arising out of this Note; provided that no Noteholder shall be liable to any of the Agent Indemnified Parties for any portion of such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent Indemnified Party's gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision). In the case of any investigation, litigation or proceeding giving rise to any Indemnified Matters (as defined herein), this Section applies whether any such investigation, litigation or proceeding is brought by any Noteholder or any other Person.

(b) Without limitation of the foregoing, each Noteholder shall reimburse the Agent, as applicable, upon demand for any costs or out-of-pocket expenses (including attorneys' fees, costs and expenses) incurred by the Agent, as applicable, in connection with the preparation, execution, delivery, administration, modification, amendment, forbearance or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under any Note Documents, or any document contemplated by or referred to herein or in any Note Document, or in connection with any transaction contemplated hereunder, or in connection with any action taken or omitted to be taken by Agent or any of the Agent Indemnified Parties, as applicable, under or in connection with any of the foregoing including without limitation, exercising any of the Agent's powers, rights, and remedies and performing its duties hereunder and thereunder (or omitting to do the same), in each case, to the extent that the Agent is not reimbursed for such expenses by or on behalf of the Borrower or the Guarantor, provided that such reimbursement by the Noteholders shall not affect the Borrower's or the Guarantor's continuing reimbursement obligations with respect thereto, provided further that the failure of any Noteholder to indemnify or reimburse the Agent shall not relieve any other Noteholder of its obligation in respect thereof. If any indemnity furnished to the Agent for any purpose shall, in the opinion of the Agent, be insufficient or become impaired, the Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished. The Noteholders hereby, jointly and severally, agree to pay all fees and reasonable and documented out-of-pocket costs and expenses of the Agent in connection

with the preparation, execution, delivery and administration of this Note and the other Note Documents, including without limitation, reasonable fees and expenses of legal counsel for the Agent, in each case to the extent incurred on or prior to the date of this Note. This ***Section 2(b)*** shall be subject to the Legal Expenses Limitation.

3.Resignation or Removal of Agent. The Agent may resign from the performance of all its functions and duties hereunder or under the other Note Documents at any time by giving 10 Business Days' prior written notice to the Noteholders and the Borrower. If the Agent is in material breach of its obligations hereunder as Agent, then the Agent may be removed as the Agent at the reasonable request of the Required Noteholders. Upon any such notice of resignation by, or notice of removal of, the Agent, the Borrower and the Required Noteholders shall appoint a successor Agent hereunder. After the resignation or removal of the Agent hereunder, the provisions of Annex 1 and Annex 2 shall continue in effect for the benefit of the Agent and its successor, its sub-agents and its Agent Indemnified Parties in respect of any actions taken or omitted to be taken by any of them while acting as the administrative agent and collateral agent hereunder.

4.Notice of Event of Default. The Agent shall have no obligation to any Noteholder or any other Person to ascertain or inquire into the existence of any Event of Default, the observance or performance by any obligor of any terms of this Note or any of the Note Documents, or the satisfaction of any conditions precedent contained in this Note or in any of the Note Documents. The Agent shall not be deemed to have knowledge of any default or Event of Default unless and until written notice describing such default or Event of Default is given to the Agent by the Borrower or any Noteholder and expressly stating that such notice is a "notice of default."

5.Applicable Laws. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering (collectively, "***Applicable Laws***"), the Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Agent. Accordingly, each of the parties agree to provide to the Agent upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Agent to comply with Applicable Laws or which the Agent may reasonably request in connection with the performance by the Agent of its duties under any of the Note Documents.

6.Force Majeure. The Agent shall not be liable or responsible for delays or failures in the performance of its obligations hereunder arising out of or caused, directly or indirectly, by circumstances beyond its control (such acts include but are not limited to acts of God, pandemics, epidemics, strikes, lockouts, riots, acts of war and interruptions, losses or malfunctions of utilities, computer (hardware or software) or communications services); it being understood that the Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

Annex 2

Expenses and Indemnity of the Agent

The parties to this Note covenant and agree as follows:

1.Expenses. Borrower and each of the other Note Parties hereby, jointly and severally, agrees to pay (a) on demand in the case of clauses (i) and (v) below and (b) within ten (10) days of written demand in the case of clauses (ii), (iii) and (iv) below: (i) all fees and reasonable and documented out-of-pocket costs and expenses of the Agent in connection with the administration of this Note and the other Note Documents after the date of this Note and the preparation, execution and delivery of any and all amendments, modifications, supplements, waivers, consent and ratifications to this Note or any other Note Document, including without limitation, reasonable fees and expenses of legal counsel for the Agent, (ii) all reasonable and documented out-of-pocket costs and expenses of the Agent in connection with any Event of Default and the enforcement of this Note or any other Note Document, including, without limitation, court costs and the fees and expenses of legal counsel or advisors for the Agent; (iii) all transfer, stamp, intangible, court or documentary, or other similar taxes, assessments, or charges levied by any Governmental Authority in respect of this Note or any of the other Note Documents; (iv) all reasonable and documented out-of-pocket costs, expenses, assessments, and other charges incurred in connection with any filing, registration, recording, or perfection of any Lien contemplated by this Note or any other Note Document; and (v) all other documented out-of-pocket costs and expenses incurred by the Agent in connection with the enforcement or protection of its rights under this Note or any other Note Document, any workout or restructuring (including the negotiations thereof), any litigation, dispute, suit, proceeding or action, the enforcement of its rights and remedies, and the protection of its interests in bankruptcy, insolvency or other legal proceedings, including, without limitation, all costs, expenses, and other charges incurred in connection with examining, appraising, selling, liquidating, or otherwise disposing of the Collateral or other assets of the Note Parties. Any amount to be paid under this Section which is not paid when due shall bear interest, to the extent not prohibited by and not in violation of applicable Law, from the due date until paid at a rate per annum equal to the Default Rate. This ***Section 1*** shall be subject to the Legal Expenses Limitation.

2.INDEMNIFICATION. Borrower and the other Note Parties shall, jointly and severally, indemnify the Agent and its Affiliates and the directors, officers, employees, agents, managers, advisors and representatives of the Agent and its Affiliates (each, an "***Agent Indemnified Party***" and collectively, the "***Agent Indemnified Parties***") from, and hold each of them harmless against, any and all losses, liabilities, claims, damages, penalties, judgments, disbursements, costs, and expenses (including reasonable attorneys' fees) to which any of them may become subject which directly or indirectly arise from or relate to (a) the negotiation, execution, delivery, performance, administration, or enforcement of any of the Note Documents, (b) any of the transactions contemplated by the Note Documents, (c) any breach by any Note Party of any representation, warranty, covenant, or other agreement contained in any of the Note Documents, (d) the presence, release, threatened release, disposal, removal, or cleanup of any hazardous material located on, about, within, or affecting the Collateral or assets of any Note Party or any of their subsidiaries, or (e) any investigation, litigation, or other proceeding, including, without limitation, any threatened or prospective investigation, litigation, or other proceeding,

relating to any of the foregoing, whether brought by a Noteholder, a third party or by Borrower or any other Note Party. WITHOUT LIMITING ANY PROVISION OF THIS NOTE OR OF ANY OTHER NOTE DOCUMENT, IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH OF THE AGENT INDEMNIFIED PARTIES SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS, AND EXPENSES (INCLUDING ATTORNEYS' FEES) ARISING OUT OF OR RESULTING FROM THE SOLE, CONTRIBUTORY, COMPARATIVE, CONCURRENT OR ORDINARY NEGLIGENCE OF SUCH AGENT INDEMNIFIED PARTY; *provided* that such indemnity shall not, as to any Agent Indemnified Party, be available to the extent such losses, liabilities, claims, damages, penalties, judgments, disbursements, costs and expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of such Agent Indemnified Party. Any amount to be paid under this Section shall be a demand obligation owing by Borrower and the other Note Parties and if not paid within ten (10) days of demand shall bear interest, to the extent not prohibited by and not in violation of applicable Law, from the date of expenditure until paid at a rate per annum equal to the Default Rate. This ***Section 2*** shall be subject to the Legal Expenses Limitation.

3.Schedule 1. The Agent shall not be liable for the Noteholder information listed on Schedule 1 attached to this Note and makes no representation or warranty with respect to any of the Noteholder information listed on Schedule 1 attached to this Note. The Agent shall be fully protected in relying on the Noteholder information listed on Schedule 1 which has been prepared by the Borrower and for which the Borrower represents and warrants is true, correct and accurate in all respects. The Agent shall have no liability for the failure or omission of any Noteholder to execute this Note or any other Note Document.

4.Survival. The Borrower and Guarantor's obligations under this Annex 2 shall survive the termination of this Note, the payment in full of the Obligations and the resignation or removal of the Agent (or any assignment).

Annex 3

ERISA Restrictions; Non-Permitted Holders.

No transfer or exchange of an interest in this Note will be permitted to a Benefit Plan Investor, other than an ERISA Permitted Investor, and any such transfer will be null and void.

If any Non-Permitted Holder shall become the beneficial owner of an interest in this Note, the Borrower shall, promptly after discovery that such person is a Non-Permitted Holder by the Borrower, send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest in this Note held by such person to a Person that is not a Non-Permitted Holder within 10 days of the date of such notice. If such Non-Permitted Holder fails to so transfer such interest in this Note, the Borrower shall have the right, without further notice to the Non-Permitted Holder, to sell such interest in this Note to a purchaser selected by the Borrower that is not a Non-Permitted Holder on such terms as the Borrower may choose. The Borrower may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to this Note, and selling such interest in this Note to the highest such bidder. However, the Borrower may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder, the Non-Permitted Holder and each other Person in the chain of title from a Noteholder to a Non-Permitted Holder, by its acceptance of an interest in this Note, agrees to cooperate with the Borrower and the Agent to effect such transfer. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale, shall be remitted to the Non-Permitted Holder. The terms and conditions of any sale under this subsection shall be determined in the sole discretion of the Borrower, and the Borrower shall not be liable to any Person having an interest in this Note sold as a result of any such sale or the exercise of such discretion.

Exhibit 10.8

ATLAS ENERGY SOLUTIONS INC.
Long Term Incentive Plan

Performance Share Unit Grant Agreement

Participant:

Date of Grant:

Target Number of Performance Share Units Granted:

1.Performance Share Unit Grant. I am pleased to inform you that you have been granted the above target number of Performance Share Units (the "***Target PSUs***") with respect to the common stock, par value $0.01 per share (the "***Common Stock***"), of Atlas Energy Solutions Inc., a Delaware corporation (the "***Company***"), under the Atlas Energy Solutions Inc. Long Term Incentive Plan (the "***Plan***"), as of the Date of Grant. Each Performance Share Unit awarded hereby (a **"*PSU***") represents the right to receive one share of Common Stock subject to the terms and conditions of this Performance Share Unit Grant Agreement, including Attachments A and B hereto (this "***Agreement***"), and the number of PSUs that may become vested hereunder may range from 0% to 200% of the Target PSUs, subject to the Committee's discretion to increase the ultimate number of Vested PSUs (as defined on Attachment A) above the foregoing maximum level as described herein. Each PSU also includes a tandem dividend equivalent right ("***DER***"), which is a right to receive an amount equal to the cash dividends paid with respect to a share of Common Stock during the Performance Period (as defined on Attachment A), as described in Section 5 (with the amount of DERs actually paid correlated to the ultimate number of Vested PSUs as described herein). Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

2.Performance Goal and Payment.

a.Subject to the further provisions of this Agreement, (i) if you remain in the continuous employment of the Company Group (as defined in Section 3 below) from the Date of Grant until the last day of the Performance Period; and (ii) if, when and to the extent the applicable Performance Goals (as defined on Attachment A) are determined by the Committee to be achieved (the "***Vesting Date***"), then as soon as reasonably practical following such Vesting Date, but in no event later than the 30th day following the end of the Performance Period (the "***Payment Date***"), you will receive payment in respect of the Vested PSUs in the form of a number of shares of Common Stock equal to the number of Vested PSUs. Any fractional Vested PSUs shall be rounded up to the nearest whole PSU. In addition, you will receive a cash payment on the Payment Date in an amount equal to the amount of the accumulated DERs that you are entitled to under Section 5.

b.If the Committee determines that the Performance Factor (as defined on Attachment A) is 0% such that the Performance Goals are not achieved, all of your PSUs subject to this Award (along with any accumulated DERs) will be cancelled automatically without payment at the end of the Performance Period and automatically forfeited.

c.Notwithstanding anything herein to the contrary, if the Company's absolute TSR is negative for the Performance Period, the number of PSUs (and associated DERs) that are eligible to become vested and settled pursuant to this Agreement shall be capped at a maximum of the Target PSU number.

3.Additional Vesting and Forfeiture Events.

a.For purposes of this Agreement, you shall be considered to be in the employment of the Company and its Affiliates (collectively, the "***Company Group***") as long as, (i) you remain an employee of either the Company or an Affiliate; (ii) you remain a member of the Board; or (iii) you remain a Consultant to either the Company or an Affiliate. Nothing in the adoption of the Plan, nor the award of the PSUs thereunder pursuant to this Agreement, shall confer upon you the right to continued employment by or service with the Company Group or affect in any way the right of the Company Group to terminate such employment or service at any time. Unless otherwise provided in a written employment or consulting agreement or by applicable law, your employment by or service with the Company Group shall be on an at-will basis, and the employment or service relationship may be terminated at any time by either you or the Company Group for any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of such employment or service, and the cause of such termination, shall be determined by the Committee.

b.If you cease to be in the employment of the Company Group during the Performance Period for any reason other than as provided in Section 3(d) below, all PSUs and tandem DERs awarded to you shall be automatically forfeited without payment upon your termination.

c.Notwithstanding anything to the contrary in this Agreement, if you breach any of the Restrictive Covenants applicable to you (including, without limitation, the Restrictive Covenants set forth in Attachment B hereto) at any time in the 12-month period following your termination of employment with the Company Group for any reason, then (x) any Vested PSUs then held by you shall be forfeited, (y) any shares of Common Stock acquired pursuant to this Award of PSUs shall be forfeited and (z) any proceeds from the sale of shares of Common Stock described in clause (y) above shall be immediately repaid to the Company.

d.Notwithstanding anything to the contrary in this Agreement, if prior to the end of the Performance Period your employment with the Company Group is terminated by reason of: (x) a Qualifying Termination (as defined below), then you will nevertheless be deemed to have satisfied the employment requirement on a pro-rata basis for purposes of this Agreement and any PSUs determined to become Vested PSUs in accordance with the provisions below; or (y) a termination of employment due to a death or Disability, then you will nevertheless be deemed to have satisfied the employment requirement in full for purposes of this Agreement and any PSUs determined to become Vested PSUs in accordance with the provisions below. Any PSUs that become payable pursuant to this Section 3(d) (along with any accumulated DERs allocated thereto) will be paid to you on the dates specified below.

(i)If a Qualifying Termination or a termination of service due to a death or Disability occurs during the first two calendar years of the Performance Period, the

Performance Factor will be determined to have been met at 100% of target levels. For purposes of clarity, in the event of a Qualifying Termination, the target number of PSUs will be further adjusted by the pro-rata service requirement deemed to have been met in Section 3(d). Payment of the PSUs that become vested pursuant to this Section 3(d)(i) (and the accumulated DERs associated with those PSUs) shall be paid within the 30-day period following the applicable termination event.

(ii)If a Qualifying Termination or a termination of service due to death or Disability occurs during the third calendar year of the Performance Period, then the PSUs will continue to be subject to the Performance Goals for the remainder of the year in which the termination event occurs, and the Performance Factor will be deemed to be met at the actual performance satisfied at the end of the Performance Period, in accordance with Attachment A hereto. For purposes of clarity, in the event of a Qualifying Termination, the number of PSUs that become vested in accordance with Attachment A will be further adjusted by the pro-rata service requirement deemed to have been met in Section 3(d) above. Payment of the PSUs that become vested pursuant to this Section 3(d)(ii) (and the accumulated DERs associated with those PSUs) shall be paid on the Payment Date specified in Section 2(a) hereof.

e.For purposes of this Agreement, the terms below shall have the following meanings:

(i)"***Cause***" means "cause" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with a member of the Company Group in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean (i) the Participant's material breach of this Agreement or any other written agreement between the Participant and a member of the Company Group, including the Participant's breach of any representation, warranty or covenant made under any such agreement; (ii) the Participant's material breach of any law applicable to the workplace or employment relationship, or the Participant's material breach of any policy or code of conduct established by a member of the Company Group and applicable to the Participant; (iii) the Participant's gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement; (iv) the commission by the Participant of, or conviction or indictment of the Participant for, or plea of nolo contendere by the Participant to, any felony (or state law equivalent) or any crime involving moral turpitude; or (v) the Participant's willful failure or refusal, other than due to disability, to follow any lawful directive from the Company, as determined by the Company; provided, however, that if the Participant's actions or omissions as set forth in this clause (v) are of such a nature that the Company determines that they are curable by the Participant, such actions or omissions must remain uncured 30 days after the Company first provided the Participant written notice of the obligation to cure such actions or omissions.

(ii)"***Disability***" means with respect to any Participant, a condition such that the Participant by reason of physical or mental disability becomes unable to perform

his or her normal duties for more than 180 days in the aggregate (excluding infrequent or temporary absence due to ordinary transitory illness) during any 12-month period.

(iii)"***Good Reason***" means "good reason" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with a member of the Company Group in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean the occurrence of any of the following without the Participant's consent, (i) an adverse change in Participant's title, duties or responsibilities (including reporting responsibilities); (ii) a reduction in Participant's base salary; (iii) any relocation of Participant's principal place of employment by more than 50 miles from the location of Participant's principal place of employment as of the Date of Grant; or

(iv)a material breach by the Company of any of its obligations under this Agreement. The Company and Participant agree that "Good Reason" shall not exist unless and until Participant provides the Company with written notice of the acts alleged to constitute Good Reason within 90 days of Participant's knowledge of the occurrence of such event, and Company fails to cure such acts within 30 days of receipt of such notice, if curable. Participant must terminate employment within 60 days following the expiration of such cure period for the termination to be on account of Good Reason.

(iv) "***Qualifying Termination***" means a termination of Participant's employment with all members of the Company Group, (i) by the Company Group without Cause; or (ii) by Participant for Good Reason.

4.Change in Control. Notwithstanding anything to the contrary in this Agreement, provided you have not previously ceased to be continuously employed by the Company Group, upon the occurrence of a Change in Control during the Performance Period that constitutes a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code, (i) any PSUs determined to be Vested PSUs in accordance with the provisions of Attachment A shall be payable to you as soon as reasonably practical following the date of such Change in Control (but in no event later than the 30th day following such date) in the form of Common Stock; and (ii) any accumulated DERs allocated thereto shall be payable at the same time in the form of cash. Notwithstanding anything else contained in this Section 4 to the contrary, if a Change of Control occurs that is not also a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code, then the payment amounts described in this Section 4 shall be made on the earlier to occur of (i) the Payment Date specified in Section 2(a) hereof and (ii) the occurrence of an event that constitutes a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code with respect to the Company (with payment made as soon as reasonably practicable following such event).

5.Certain Covenants. You hereby agree and covenant to perform all of the obligations set forth in Attachment B hereto (which is incorporated by reference hereby) and acknowledge that your obligations set forth in Attachment B constitute a material inducement for the Company's grant of this Award to you. --

6.DERs. Beginning on the Date of Grant, in the event the Company declares and pays a dividend in respect of its Common Stock and, on the record date for such dividend, you hold PSUs granted pursuant to this Agreement that have not been settled in accordance with the terms hereof, the Company shall credit DERs to an account maintained by the Company for your benefit in an amount equal to the product of (i) the cash dividends you would have received if you were the holder of record, as of such record date, of one share of Common Stock, times (ii) your number of Target PSUs. Such account is intended to constitute an "unfunded" account, and neither this Section 5 nor any action taken pursuant to or in accordance with this Section 5 shall be construed to create a trust of any kind. Provided you become eligible to receive the settlement of a PSU according to any provision of this Agreement, you will also become entitled to receive DERs that correspond to the number of PSUs that become vested and settled with respect to this Agreement. All such DERs will become payable to you in cash on the same date that the corresponding PSUs are paid to you pursuant to this Agreement.

7.Corporate Acts. The existence of the PSUs shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, or any other corporate act or proceeding.

8.Notices. Any notices or other communications provided for in this Agreement shall be sufficient if in writing. In the case of the Participant, such notices or communications shall be effectively delivered if hand delivered to you at your principal place of employment or if sent by registered or certified mail to you at the last address you have filed with the Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by registered or certified mail to the Company at its principal executive offices.

9.Nontransferability of Agreement. During the lifetime of the Participant, this Agreement and the PSUs and DERs evidenced hereby may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution. Neither the PSUs or DERs nor any interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

10.Governing Law. This agreement shall be governed by and construed in accordance with the laws of the state of Delaware applicable to contracts made and to be performed therein, exclusive of the conflict of laws provisions of Delaware law.

11.Successors and Assigns. The Company may assign any of its rights under this Agreement without the Participant's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon the Participant and the --

Participant's beneficiaries, executors, administrators and the Person(s) to whom the PSUs and DERs may be transferred by will or the laws of descent or distribution.

12.Binding Effect: Survival. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under you.

13.No Rights as Shareholder. The PSUs represent an unsecured and unfunded right to receive a payment in shares of Common Stock and associated DERs, which right is subject to the terms, conditions, and restrictions set forth in this Agreement and the Plan. Accordingly, you shall have no rights as a shareholder of the Company, including, without limitation, voting rights or the right to receive dividends and distributions as a shareholder, with respect to the shares of Common Stock subject to the PSUs, unless and until such shares of Common Stock (if any) are delivered to you as provided herein.

14.Withholding of Taxes. To the extent that the receipt, vesting or settlement of PSUs or DERs results in compensation income or wages to the Participant for federal, state, local or foreign tax purposes, the Participant shall make arrangements satisfactory to the Company for the satisfaction of obligations for the payment of withholding taxes and other tax obligations relating to this Award, which arrangements include the delivery of cash or cash equivalents, stock (including previously owned stock, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to this Award), other property, or any other legal consideration the Committee deems appropriate. If such tax obligations are satisfied through net settlement or the surrender of previously owned stock, the maximum number of shares of stock that may be so withheld (or surrendered) shall be the number of shares of stock that have an aggregate fair market value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, local or foreign tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to this Award, as determined by the Committee. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an Affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

15.Entire Agreement; Amendment. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the PSUs and DERs granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment, consulting or severance agreement between the Company (or an Affiliate or other entity) and the Participant in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in --

any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that materially reduces the rights of the Participant shall be effective only if it is in writing and signed by both the Participant and an authorized officer of the Company.

16.Severability and Waiver. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such rights continues.

17.Consent to Jurisdiction and Venue. The Participant hereby consents and agrees that state courts located in Austin, Texas and the United States District Court for the Western District each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the PSUs and DERs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to such jurisdiction as an inconvenient forum.

18.Clawback. Notwithstanding any other provisions in the Plan or this Agreement to the contrary, any Award granted hereunder and any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or applicable stock exchange listing are subject to any written clawback policies that the Company may adopt either prior to or following the Date of Grant of this Agreement, whether required pursuant to or related to any applicable law, government regulation or stock exchange listing. Any such clawback policy may subject a Participant's Award and amounts received with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events occur, including an accounting restatement, or other events or wrongful conduct specified in any such clawback policy. The Committee will make any determination for reduction, cancelation, forfeiture or recoupment in its sole discretion and in accordance with any applicable law or regulation.

19.Headings; References; Interpretation. Headings are for convenience only and are not deemed to be part of this Agreement. The words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Sections shall, unless the context requires a different construction, be deemed to be references to the Sections of this Agreement. The word “or” as used herein is not exclusive and is deemed to have the meaning “and/or.” All references to "including" shall be construed as meaning “including without limitation.” Unless the context requires otherwise, all references herein to a law, agreement, instrument or other document shall be deemed to refer to such law, agreement, instrument or other document as amended, supplemented, modified and restated from time to time to the extent permitted by the provisions thereof. All references to “dollars” or “$” in this Agreement refer to United States dollars. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. Neither this Agreement nor any uncertainty or --

ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

20.Agreement to Furnish Information. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

21.Insider Trading Policy. The terms of the Company's insider trading policy with respect to shares of Common Stock are incorporated herein by reference.

22.Section 409A Compliance. This Agreement is intended to comply with the Nonqualified Deferred Compensation Rules or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under the Nonqualified Deferred Compensation Rules. To the extent that the Committee determines that the PSUs and DERs may not be exempt from the Nonqualified Deferred Compensation Rules, then, if the Participant is deemed to be a “specified employee” within the meaning of the Nonqualified Deferred Compensation Rules, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the PSUs and DERs upon his “separation from service” within the meaning of the Nonqualified Deferred Compensation Rules, then to the extent necessary to prevent any accelerated or additional tax under the Nonqualified Deferred Compensation Rules, such settlement will be delayed until the earlier of, (i) the date that is six months following the Participant’s separation from service; and (ii) the Participant’s death. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with the Nonqualified Deferred Compensation Rules and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules. All payments made pursuant to this Agreement shall be deemed to be separate payments.

23.Plan Controls. By accepting this grant, you agree that the PSUs (and DERs) are granted under and governed by the terms and conditions of the Plan and this Agreement. In the event of any conflict between the Plan and this Agreement, the terms of the Plan shall control. Unless otherwise defined herein, capitalized terms used and defined in the Plan shall have the same defined meanings in this Agreement.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by an officer thereunto duly authorized, as of the date first above written.

ATLAS ENERGY SOLUTIONS INC.

By:____
Name: John Turner
Title: CEO, President and CFO

PARTICIPANT

____
Name: [Name]

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ATTACHMENT A

I.Definitions.

•The ***"Performance Period"*** shall begin on January 1, 2024 and end on December 31, 2026.

•The ***"Performance Goals"*** for the PSUs are a combination of the following, (i) ROCE; and (ii) Relative TSR.

•***"Relative TSR"*** compares (i) the Total Return of a share of Common Stock for the Performance Period to (ii) the Total Return of a common share/unit of each member of the Peer Group (as defined below) for such Performance Period, to determine the portion of the Performance Factor that is applicable to Relative TSR.

•***"ROCE"*** means Return on Capital Employed, or (i) income from operations (defined as earnings before interest and tax with adjustment for extraordinary items within the discretion of the Board) divided by (ii) capital employed (based on the average of the beginning and ending balances of each calendar year, or a portion of a calendar year). Capital employed equals total assets less accounts payable, income taxes payable, accrued liabilities, and other current liabilities.

•***"Total Return"*** shall be measured by (i) subtracting the average closing price per share/unit for the first ten trading days of the Performance Period (the ***"Beginning Price"),*** from (ii) the sum of (a) the average closing price per share/unit for the last ten trading days of such Performance plus (b) the aggregate amount of dividends/distributions paid with respect to a share/unit during such Performance Period (the result being referred to as the ***"Value Increase")*** and (iii) dividing the Value Increase by the Beginning Price.

•The ***"Performance Factor"*** means a percentage, ranging from 0% to 200% (or more, as determined by the Committee in its discretion as described herein), determined by the Committee in accordance with Paragraph II below, combing the results of each Performance Goal, and weighting each of the Performance Goals as noted in the table below.

•***"Vested PSUs"*** means a number of PSUs equal to the product of (i) the number of Target PSUs, times (ii) the Performance Factor deemed to be earned at the time that such a determination is required pursuant to this Agreement.

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II.Performance Factor. The Performance Factor will be determined as follows:

Performance Goal	Weight	Performance Factor*		
		Threshold	**Target**	**Maximum**
Return on Capital Employed (ROCE)	25%	15%	20%	25%
Relative Total Shareholder Return (TSR)	75%	30th Percentile	60th Percentile	90th Percentile
PSUs earned (% of Target PSUs)		50%	100%	200%

* The performance levels achieved between the threshold and target levels, or the target and maximum levels noted above will be a percentage or percentile based on a straight-line interpolation.

•The Performance Factor may be decreased or increased (including above 200%) by the Committee in its discretion taking into account all factors the Committee deems relevant, including changes to the Peer Group occurring during the Performance Period, anomalies in trading during the applicable trading days or other business performance matters that the Committee determines to impact the Performance Factor.

•If the performance result for a Performance Goal does not meet the threshold level for that Performance Goal, the PSUs subject to that Performance Goal will not be eligible to vest in accordance with this Agreement, even if the combined Performance Factor that may be achieved by combing the results of the two Performance Goals would have resulted in Performance Factor above the threshold level.

•If the Performance Factor is deemed to be achieved at any level below the threshold level set forth within the table above, the Performance Factor will be deemed to be 0%.

•In the event of a Change in Control, the Committee shall determine the Performance Factor as of the date of such Change in Control. If a Performance Goal may not be determinable with reasonable certainty at the time of the Change in Control, the Committee will determine the applicable Performance Factor by starting with a target Performance Factor of 100%, but adjusted that percentage by taking into account any other factors deemed relevant to the Change in Control by the Committee.

III.Adjustments to Performance Goal for Certain Events.

If, during the Performance Period, there is a change in accounting standards required by the Financial Accounting Standards Board, the above Performance Goal shall be adjusted by the Committee as appropriate, in its discretion, to disregard the effect of such change.

IV.Peer Group Companies.

The ***"Peer Group"*** shall consist of the companies contained with the Company's benchmarking group, which as of the Date of Grant, shall consist of the following:

Ticker Symbol	Company Name
CHX	Champion X Corporation
LBRT	Liberty Energy Inc.
NEX	NexTier Oilfield Solutions Inc.
PTEN	Patterson-UTI Energy, Inc.
HP	Helmerich & Payne, Inc.
SLCA	U.S. Silica Holdings, Inc.
WTTR	Select Energy Services, Inc.
XPRO	Expro Group Holdings N.V.
PUMP	ProPetro Holding Corp.
OIS	Oil States International, Inc.
WHD	Cactus, Inc.
NINE	Nine Energy Service, Inc.
CLB	Core Laboratories N.V.
DRQ	Dril-Quip, Inc.
SOI	Solaris Oilfield Infrastructure, Inc.

If the Committee determines that an adjustment to the Peer Group is necessary or desirable to continue to reflect an appropriate Peer Group for this Award, then the Company shall take any actions it deems necessary or desirable in its complete and absolute discretion to effectuate this adjustment.

V.Committee Determination.

The Committee shall review the results with respect to the Performance Goals and shall determine the Performance Factor and the number of Vested PSUs as soon as reasonably practical. However, no PSUs or DERs shall be paid prior to such determination or the time of payment specified in the Agreement. For the sake of clarity, any exercise of discretion or adjustments made by the Committee as contemplated herein may be effectuated without your consent and will not be treated (for purposes of the Plan or this Agreement) as an amendment to the Agreement that materially reduces the benefit of the Participant without his or her consent.

ATTACHMENT B

Restrictive Covenants

1.**Confidential Proprietary Information**. "***Confidential Information***" refers to an item of information, or a compilation of information, in any form (tangible or intangible), related to the Business (defined below) that the Atlas Affiliates have not made public or authorized public disclosure of, and that is not generally known to the public through proper means. Participant acknowledges that in Participant's position with the Company or an Atlas Affiliate, Participant will obtain and/or have access to Confidential Information regarding the Business, including, but not limited to, knowledge, information and materials about: technical data, know-how, innovations, computer programs, un-patented inventions, and trade secrets; methods of operation and operational data and techniques; customer lists, customer or client data, preferences, and purchasing histories; nonpublic information regarding products and services; know-how, formulations, research and development, including information regarding discoveries, new products or services not yet released to the public; the Atlas Affiliates' programs to minimize environmental and occupational hazards and health and safety risks; business plans; and confidential information about strategic, financial, marketing or pricing matters, human resources information obtained from a confidential personnel file (such as internal evaluations of the performance, capability and potential of any employee of the Atlas Affiliates) and other proprietary matters relating to the Atlas Affiliates, all of which constitute a valuable part of the assets of the Atlas Affiliates which this Agreement is designed to protect. Confidential Information does not include information lawfully acquired by a non-management employee about wages, hours or other terms and conditions of non-management employees if used by them for purposes protected by §7 of the National Labor Relations Act (the NLRA) such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. "***Business***" means providing sand and sand-based products and logistics services used by oil and gas exploration and production companies to enhance the productivity of their wells, as well as other high-quality sand-based products, logistics services, strong technical leadership and applications knowledge to end users in the oil and gas business. "***Atlas Affiliates***" means the Company and such affiliated entities, including without limitation all of the Company's direct or indirect subsidiaries.

Accordingly, until such time as the Confidential Information is readily available publicly (other than as a result of disclosure by Participant), Participant shall not knowingly reveal, disclose or make known to any person (other than as may be required by law) or use for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. Participant represents and warrants that Participant will only reveal or disclose such Confidential Information as required by law or as necessary in the performance of Participant's duties on behalf of the Company. Participant warrants and represents Participant will not use, for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. If Participant has any questions about what constitutes Confidential Information, Participant agrees to contact the

Company's Legal Department prior to disclosure of such information. The Company and Participant also recognize that federal and state law provide additional protection for statutorily defined trade secrets and this Agreement does not waive, alter, or reduce any such additional protections. Likewise, the Company and Participant agree that this Agreement does not alter, reduce or modify any obligations Participant owes to the Atlas Affiliates under any other applicable statute or the common law.

Notwithstanding the foregoing, nothing herein shall be construed to prohibit the reporting of a violation of law or to prohibit a disclosure of information that is compelled by law; provided, however, that to the extent allowed by law, Participant will give the Company as much written notice as possible under the circumstances and will cooperate with the Company in any legal action undertaken to protect the confidentiality of the information.

Participant acknowledges and agrees that the Company provides immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

(1)Immunity. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-

(A)is made—

(i)in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and

(ii)solely for the purpose of reporting or investigating a suspected violation of law; or

(B)is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2)USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-

(A)files any document containing the trade secret under seal; and

(B)does not disclose the trade secret, except pursuant to court order.

Furthermore, in accordance with 18 U.S.C. § 1833(b), nothing in this Section, including the duties, obligations and restrictions identified in this Section, shall prevent Participant from disclosing information, including Confidential Information but not information protected by the attorney-client communication privilege, to a Federal, State, or local government official, either directly or indirectly, or to an attorney.

Nothing in this Section shall be deemed a waiver of the Company's or any Atlas Affiliate's right to the protections of the attorney-client communications privilege.

2.**Non-Competition**. Participant agrees that for a period of 12 months from the date of the termination of Participant's employment ("***Termination Date***"), Participant shall not, anywhere within the Territory (defined below), directly or indirectly, acting individually or as an owner, shareholder, partner, employee, contractor, agent or otherwise (other than on behalf of an Atlas Affiliate): (a) provide services that are the same as or similar in function or purpose to the services Participant provided to the Atlas Affiliate(s) during the last two years of employment (the "***Look Back Period***") or such services that are otherwise likely or probable to result in the use or disclosure of Confidential Information to a business whose products and services include those aspects of the Business regarding which Participant had material involvement or received Confidential Information about during the Look Back Period (such products and services being "***Competing Products and Services***" and such business being a "***Restricted Business***"); and/or (b) own, receive or purchase a financial interest in, make a loan to, or make a monetary gift in support of, any such Restricted Business. Notwithstanding the foregoing prohibited conduct, Participant may own, directly or indirectly, solely as an investment, securities of any business traded on any national securities exchange. Nothing herein shall be construed to prohibit Participant's employment in a separately operated subsidiary or other business unit of a company that would not be a Restricted Business but for common ownership with a Restricted Business, so long as written assurances regarding the non-competitive nature of Participant's position that are satisfactory to the Company and have been provided by Participant and the new employer in advance. "***Territory***" shall be defined as any area in the United States where any Atlas Affiliate has an office or conducts business on a regular basis or has planned to conduct business on a regular basis at any time during the 12 months prior to termination. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

3.**Non-Solicitation of Employees**. Participant agrees that for a period of 12 months from the Termination Date, Participant will not, without the prior written consent of the Company, which may be granted or withheld by the Company in its sole discretion, in person or through the assistance of others, knowingly participate in soliciting directly or indirectly or hiring an employee of an Atlas Affiliate for the purpose of persuading the employee to end or modify the employee's employment relationship with the Atlas Affiliate. Where required by applicable law to be enforceable, the foregoing restriction shall be limited to employees with whom the Participant worked or about whom the Participant received Confidential Information during the Look Back Period. During employment with an Atlas Affiliate, Participant agrees Participant will not solicit or communicate with an employee of the Atlas Affiliate for the purpose of persuading such employee to work for a Restricted Business. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

4.**Customer Restriction**. Participant agrees that for a period of 12 months from the Termination Date, Participant will not, working alone or in conjunction with one or more other persons or entities, for compensation or not: (a) solicit, assist in soliciting, facilitate

the solicitation of, provide, or offer to provide services to any and all customers of an Atlas Affiliate as to which Participant had contact, provided services or received Confidential Information about in the Look Back Period ("***Covered Customer***") for the purpose of providing a Competing Product or Service; or (b) induce or attempt to induce any Covered Customer to withdraw, curtail or cancel its business with the Atlas Affiliate or in any other manner modify or fail to enter into any actual or potential business relationship with the Atlas Affiliate. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Employee, then this Agreement controls and supersedes all other documents for purposes of this clause.

5.**Reasonableness of Covenants**. Participant acknowledges and agrees that the covenants in this Agreement are reasonable and valid in geographical and temporal scope and in all other respects. In addition, Participant acknowledges that the restrictions contained in this Agreement are reasonable in scope and necessary to protect Confidential Information (including trade secrets), and to protect the business and goodwill of the Atlas Affiliates and are considered to be reasonable for such purposes. Participant further acknowledges and agrees that Participant's breach of the provisions of this Annex 1 will cause the Company and Atlas Affiliates irreparable harm, which cannot be adequately compensated by money damages. Participant consents and agrees that the forfeiture provisions contained in the Agreement are reasonable remedies in the event the Participant commits any such breach.

6.**Severability and Reformation**. Should any restriction created by this Agreement be deemed unreasonable or unenforceable as written, then the Parties agree that a court may modify any unreasonable or unenforceable element of the restriction to make it reasonable and enforceable or enforce it only to the extent it is reasonable and enforceable. If any court determines that any of the covenants contained herein, or any part thereof, is invalid or unenforceable, notwithstanding the foregoing reformation provision, the remainder of the covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

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ATLAS ENERGY SOLUTIONS INC.
Long Term Incentive Plan

Performance Share Unit Grant Agreement

Participant:

Date of Grant:

Target Number of Performance Share Units Granted:

1.Performance Share Unit Grant. I am pleased to inform you that you have been granted the above target number of Performance Share Units (the "***Target PSUs***") with respect to the common stock, par value $0.01 per share (the "***Common Stock***"), of Atlas Energy Solutions Inc., a Delaware corporation (the "***Company***"), under the Atlas Energy Solutions Inc. Long Term Incentive Plan (the "***Plan***"), as of the Date of Grant. Each Performance Share Unit awarded hereby (a **"*PSU***") represents the right to receive one share of Common Stock subject to the terms and conditions of this Performance Share Unit Grant Agreement, including Attachments A and B hereto (this "***Agreement***"), and the number of PSUs that may become vested hereunder may range from 0% to 200% of the Target PSUs, subject to the Committee's discretion to increase the ultimate number of Vested PSUs (as defined on Attachment A) above the foregoing maximum level as described herein. Each PSU also includes a tandem dividend equivalent right ("***DER***"), which is a right to receive an amount equal to the cash dividends paid with respect to a share of Common Stock during the Performance Period (as defined on Attachment A), as described in Section 5 (with the amount of DERs actually paid correlated to the ultimate number of Vested PSUs as described herein). Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

2.Performance Goal and Payment.

a.Subject to the further provisions of this Agreement, (i) if you remain in the continuous employment of the Company Group (as defined in Section 3 below) from the Date of Grant until the last day of the Performance Period; and (ii) if, when and to the extent the applicable Performance Goals (as defined on Attachment A) are determined by the Committee to be achieved (the "***Vesting Date***"), then as soon as reasonably practical following such Vesting Date, but in no event later than the 30th day following the end of the Performance Period (the "***Payment Date***"), you will receive payment in respect of the Vested PSUs in the form of a number of shares of Common Stock equal to the number of Vested PSUs. Any fractional Vested PSUs shall be rounded up to the nearest whole PSU. In addition, you will receive a cash payment on the Payment Date in an amount equal to the amount of the accumulated DERs that you are entitled to under Section 5.

b.If the Committee determines that the Performance Factor (as defined on Attachment A) is 0% such that the Performance Goals are not achieved, all of your PSUs subject to this Award (along with any accumulated DERs) will be cancelled automatically without payment at the end of the Performance Period and automatically forfeited.

c.Notwithstanding anything herein to the contrary, if the Company's absolute TSR is negative for the Performance Period, the number of PSUs (and associated DERs) that are eligible to become vested and settled pursuant to this Agreement shall be capped at a maximum of the Target PSU number.

3.Additional Vesting and Forfeiture Events.

a.For purposes of this Agreement, you shall be considered to be in the employment of the Company and its Affiliates (collectively, the "***Company Group***") as long as, (i) you remain an employee of either the Company or an Affiliate; (ii) you remain a member of the Board; or (iii) you remain a Consultant to either the Company or an Affiliate. Nothing in the adoption of the Plan, nor the award of the PSUs thereunder pursuant to this Agreement, shall confer upon you the right to continued employment by or service with the Company Group or affect in any way the right of the Company Group to terminate such employment or service at any time. Unless otherwise provided in a written employment or consulting agreement or by applicable law, your employment by or service with the Company Group shall be on an at-will basis, and the employment or service relationship may be terminated at any time by either you or the Company Group for any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of such employment or service, and the cause of such termination, shall be determined by the Committee.

b.If you cease to be in the employment of the Company Group during the Performance Period for any reason other than as provided in Section 3(d) below, all PSUs and tandem DERs awarded to you shall be automatically forfeited without payment upon your termination.

c.Notwithstanding anything to the contrary in this Agreement, if you breach any of the Restrictive Covenants applicable to you (including, without limitation, the Restrictive Covenants set forth in Attachment B hereto) at any time in the 12-month period following your termination of employment with the Company Group for any reason, then (x) any Vested PSUs then held by you shall be forfeited, (y) any shares of Common Stock acquired pursuant to this Award of PSUs shall be forfeited and (z) any proceeds from the sale of shares of Common Stock described in clause (y) above shall be immediately repaid to the Company.

d.Notwithstanding anything to the contrary in this Agreement, if prior to the end of the Performance Period your employment with the Company Group is terminated by reason of: (x) a Qualifying Termination (as defined below), then you will nevertheless be deemed to have satisfied the employment requirement on a pro-rata basis for purposes of this Agreement and any PSUs determined to become Vested PSUs in accordance with the provisions below; or (y) a termination of employment due to a death or Disability, then you will nevertheless be deemed to have satisfied the employment requirement in full for purposes of this Agreement and any PSUs determined to become Vested PSUs in accordance with the provisions below. Any PSUs that become payable pursuant to this Section 3(d) (along with any accumulated DERs allocated thereto) will be paid to you on the dates specified below.

(i)If a Qualifying Termination or a termination of service due to a death or Disability occurs during the first two calendar years of the Performance Period, the

Performance Factor will be determined to have been met at 100% of target levels. For purposes of clarity, in the event of a Qualifying Termination, the target number of PSUs will be further adjusted by the pro-rata service requirement deemed to have been met in Section 3(d). Payment of the PSUs that become vested pursuant to this Section 3(d)(i) (and the accumulated DERs associated with those PSUs) shall be paid within the 30-day period following the applicable termination event.

(ii)If a Qualifying Termination or a termination of service due to death or Disability occurs during the third calendar year of the Performance Period, then the PSUs will continue to be subject to the Performance Goals for the remainder of the year in which the termination event occurs, and the Performance Factor will be deemed to be met at the actual performance satisfied at the end of the Performance Period, in accordance with Attachment A hereto. For purposes of clarity, in the event of a Qualifying Termination, the number of PSUs that become vested in accordance with Attachment A will be further adjusted by the pro-rata service requirement deemed to have been met in Section 3(d) above. Payment of the PSUs that become vested pursuant to this Section 3(d)(ii) (and the accumulated DERs associated with those PSUs) shall be paid on the Payment Date specified in Section 2(a) hereof.

e.For purposes of this Agreement, the terms below shall have the following meanings:

(i)"***Cause***" means "cause" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with a member of the Company Group in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean (i) the Participant's material breach of this Agreement or any other written agreement between the Participant and a member of the Company Group, including the Participant's breach of any representation, warranty or covenant made under any such agreement; (ii) the Participant's material breach of any law applicable to the workplace or employment relationship, or the Participant's material breach of any policy or code of conduct established by a member of the Company Group and applicable to the Participant; (iii) the Participant's gross negligence, willful misconduct, breach of fiduciary duty, fraud, theft or embezzlement; (iv) the commission by the Participant of, or conviction or indictment of the Participant for, or plea of nolo contendere by the Participant to, any felony (or state law equivalent) or any crime involving moral turpitude; or (v) the Participant's willful failure or refusal, other than due to disability, to follow any lawful directive from the Company, as determined by the Company; provided, however, that if the Participant's actions or omissions as set forth in this clause (v) are of such a nature that the Company determines that they are curable by the Participant, such actions or omissions must remain uncured 30 days after the Company first provided the Participant written notice of the obligation to cure such actions or omissions.

(ii)"***Disability***" means with respect to any Participant, a condition such that the Participant by reason of physical or mental disability becomes unable to perform

his or her normal duties for more than 180 days in the aggregate (excluding infrequent or temporary absence due to ordinary transitory illness) during any 12-month period.

(iii)"***Good Reason***" means "good reason" (or a term of like import) as defined in the Participant's employment, consulting or severance agreement with a member of the Company Group in effect at the time of the Participant's termination of employment or, in the absence of such an agreement or definition, shall mean the occurrence of any of the following without the Participant's consent, (i) a reduction in Participant's base salary, unless comparable reductions in salary are effective for all similarly situated executives of the Company; (ii) any relocation of Participant's principal place of employment by more than 50 miles from the location of Participant's principal place of employment as of the Date of Grant; or (iii) a material breach by the Company of any of its obligations under this Agreement. The Company and Participant agree that "Good Reason" shall not exist unless and until Participant provides the Company with written notice of the acts alleged to constitute Good Reason within 90 days of Participant's knowledge of the occurrence of such event, and Company fails to cure such acts within 30 days of receipt of such notice, if curable. Participant must terminate employment within 60 days following the expiration of such cure period for the termination to be on account of Good Reason.

(iv) "***Qualifying Termination***" means a termination of Participant's employment with all members of the Company Group, (i) by the Company Group without Cause; or (ii) by Participant for Good Reason.

4.Change in Control. Notwithstanding anything to the contrary in this Agreement, provided you have not previously ceased to be continuously employed by the Company Group, upon the occurrence of a Change in Control during the Performance Period that constitutes a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code, (i) any PSUs determined to be Vested PSUs in accordance with the provisions of Attachment A shall be payable to you as soon as reasonably practical following the date of such Change in Control (but in no event later than the 30th day following such date) in the form of Common Stock; and (ii) any accumulated DERs allocated thereto shall be payable at the same time in the form of cash. Notwithstanding anything else contained in this Section 4 to the contrary, if a Change of Control occurs that is not also a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code, then the payment amounts described in this Section 4 shall be made on the earlier to occur of (i) the Payment Date specified in Section 2(a) hereof and (ii) the occurrence of an event that constitutes a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code with respect to the Company (with payment made as soon as reasonably practicable following such event).

5.Certain Covenants. You hereby agree and covenant to perform all of the obligations set forth in Attachment B hereto (which is incorporated by reference hereby) and acknowledge that your obligations set forth in Attachment B constitute a material inducement for the Company's grant of this Award to you.

6.DERs. Beginning on the Date of Grant, in the event the Company declares and pays a dividend in respect of its Common Stock and, on the record date for such dividend, you hold PSUs granted pursuant to this Agreement that have not been settled in accordance with the terms hereof, the Company shall credit DERs to an account maintained by the Company for your benefit in an amount equal to the product of (i) the cash dividends you would have received if you were the holder of record, as of such record date, of one share of Common Stock, times (ii) your number of Target PSUs. Such account is intended to constitute an "unfunded" account, and neither this Section 5 nor any action taken pursuant to or in accordance with this Section 5 shall be construed to create a trust of any kind. Provided you become eligible to receive the settlement of a PSU according to any provision of this Agreement, you will also become entitled to receive DERs that correspond to the number of PSUs that become vested and settled with respect to this Agreement. All such DERs will become payable to you in cash on the same date that the corresponding PSUs are paid to you pursuant to this Agreement.

7.Corporate Acts. The existence of the PSUs shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, or any other corporate act or proceeding.

8.Notices. Any notices or other communications provided for in this Agreement shall be sufficient if in writing. In the case of the Participant, such notices or communications shall be effectively delivered if hand delivered to you at your principal place of employment or if sent by registered or certified mail to you at the last address you have filed with the Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by registered or certified mail to the Company at its principal executive offices.

9.Nontransferability of Agreement. During the lifetime of the Participant, this Agreement and the PSUs and DERs evidenced hereby may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution. Neither the PSUs or DERs nor any interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

10.Governing Law. This agreement shall be governed by and construed in accordance with the laws of the state of Delaware applicable to contracts made and to be performed therein, exclusive of the conflict of laws provisions of Delaware law.

11.Successors and Assigns. The Company may assign any of its rights under this Agreement without the Participant's consent. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein and in the Plan, this Agreement will be binding upon the Participant and the --

Participant's beneficiaries, executors, administrators and the Person(s) to whom the PSUs and DERs may be transferred by will or the laws of descent or distribution.

12.Binding Effect: Survival. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under you.

13.No Rights as Shareholder. The PSUs represent an unsecured and unfunded right to receive a payment in shares of Common Stock and associated DERs, which right is subject to the terms, conditions, and restrictions set forth in this Agreement and the Plan. Accordingly, you shall have no rights as a shareholder of the Company, including, without limitation, voting rights or the right to receive dividends and distributions as a shareholder, with respect to the shares of Common Stock subject to the PSUs, unless and until such shares of Common Stock (if any) are delivered to you as provided herein.

14.Withholding of Taxes. To the extent that the receipt, vesting or settlement of PSUs or DERs results in compensation income or wages to the Participant for federal, state, local or foreign tax purposes, the Participant shall make arrangements satisfactory to the Company for the satisfaction of obligations for the payment of withholding taxes and other tax obligations relating to this Award, which arrangements include the delivery of cash or cash equivalents, stock (including previously owned stock, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to this Award), other property, or any other legal consideration the Committee deems appropriate. If such tax obligations are satisfied through net settlement or the surrender of previously owned stock, the maximum number of shares of stock that may be so withheld (or surrendered) shall be the number of shares of stock that have an aggregate fair market value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, local or foreign tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to this Award, as determined by the Committee. The Participant acknowledges that there may be adverse tax consequences upon the receipt, vesting or settlement of this Award or disposition of the underlying shares and that the Participant has been advised, and hereby is advised, to consult a tax advisor. The Participant represents that the Participant is in no manner relying on the Board, the Committee, the Company or an Affiliate or any of their respective managers, directors, officers, employees or authorized representatives (including attorneys, accountants, consultants, bankers, lenders, prospective lenders and financial representatives) for tax advice or an assessment of such tax consequences.

15.Entire Agreement; Amendment. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the PSUs and DERs granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment, consulting or severance agreement between the Company (or an Affiliate or other entity) and the Participant in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. The Committee may, in its sole discretion, amend this Agreement from time to time in --

any manner that is not inconsistent with the Plan; provided, however, that except as otherwise provided in the Plan or this Agreement, any such amendment that materially reduces the rights of the Participant shall be effective only if it is in writing and signed by both the Participant and an authorized officer of the Company.

16.Severability and Waiver. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. Waiver by any party of any breach of this Agreement or failure to exercise any right hereunder shall not be deemed to be a waiver of any other breach or right. The failure of any party to take action by reason of such breach or to exercise any such right shall not deprive the party of the right to take action at any time while or after such breach or condition giving rise to such rights continues.

17.Consent to Jurisdiction and Venue. The Participant hereby consents and agrees that state courts located in Austin, Texas and the United States District Court for the Western District each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the PSUs and DERs or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to such jurisdiction as an inconvenient forum.

18.Clawback. Notwithstanding any other provisions in the Plan or this Agreement to the contrary, any Award granted hereunder and any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or applicable stock exchange listing are subject to any written clawback policies that the Company may adopt either prior to or following the Date of Grant of this Agreement, whether required pursuant to or related to any applicable law, government regulation or stock exchange listing. Any such clawback policy may subject a Participant's Award and amounts received with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events occur, including an accounting restatement, or other events or wrongful conduct specified in any such clawback policy. The Committee will make any determination for reduction, cancelation, forfeiture or recoupment in its sole discretion and in accordance with any applicable law or regulation.

19.Headings; References; Interpretation. Headings are for convenience only and are not deemed to be part of this Agreement. The words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references herein to Sections shall, unless the context requires a different construction, be deemed to be references to the Sections of this Agreement. The word “or” as used herein is not exclusive and is deemed to have the meaning “and/or.” All references to "including" shall be construed as meaning “including without limitation.” Unless the context requires otherwise, all references herein to a law, agreement, instrument or other document shall be deemed to refer to such law, agreement, instrument or other document as amended, supplemented, modified and restated from time to time to the extent permitted by the provisions thereof. All references to “dollars” or “$” in this Agreement refer to United States dollars. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa. Neither this Agreement nor any uncertainty or --

ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

20.Agreement to Furnish Information. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation.

21.Insider Trading Policy. The terms of the Company's insider trading policy with respect to shares of Common Stock are incorporated herein by reference.

22.Section 409A Compliance. This Agreement is intended to comply with the Nonqualified Deferred Compensation Rules or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under the Nonqualified Deferred Compensation Rules. To the extent that the Committee determines that the PSUs and DERs may not be exempt from the Nonqualified Deferred Compensation Rules, then, if the Participant is deemed to be a “specified employee” within the meaning of the Nonqualified Deferred Compensation Rules, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the PSUs and DERs upon his “separation from service” within the meaning of the Nonqualified Deferred Compensation Rules, then to the extent necessary to prevent any accelerated or additional tax under the Nonqualified Deferred Compensation Rules, such settlement will be delayed until the earlier of, (i) the date that is six months following the Participant’s separation from service; and (ii) the Participant’s death. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with the Nonqualified Deferred Compensation Rules and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules. All payments made pursuant to this Agreement shall be deemed to be separate payments.

23.Plan Controls. By accepting this grant, you agree that the PSUs (and DERs) are granted under and governed by the terms and conditions of the Plan and this Agreement. In the event of any conflict between the Plan and this Agreement, the terms of the Plan shall control. Unless otherwise defined herein, capitalized terms used and defined in the Plan shall have the same defined meanings in this Agreement.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by an officer thereunto duly authorized, as of the date first above written.

ATLAS ENERGY SOLUTIONS INC.

By:____
Name: John Turner
Title: CEO, President and CFO

PARTICIPANT

____
Name: [Name]

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ATTACHMENT A

I.Definitions.

•The ***"Performance Period"*** shall begin on January 1, 2024 and end on December 31, 2026.

•The ***"Performance Goals"*** for the PSUs are a combination of the following, (i) ROCE; and (ii) Relative TSR.

•***"Relative TSR"*** compares (i) the Total Return of a share of Common Stock for the Performance Period to (ii) the Total Return of a common share/unit of each member of the Peer Group (as defined below) for such Performance Period, to determine the portion of the Performance Factor that is applicable to Relative TSR.

•***"ROCE"*** means Return on Capital Employed, or (i) income from operations (defined as earnings before interest and tax with adjustment for extraordinary items within the discretion of the Board) divided by (ii) capital employed (based on the average of the beginning and ending balances of each calendar year, or a portion of a calendar year). Capital employed equals total assets less accounts payable, income taxes payable, accrued liabilities, and other current liabilities.

•***"Total Return"*** shall be measured by (i) subtracting the average closing price per share/unit for the first ten trading days of the Performance Period (the ***"Beginning Price"),*** from (ii) the sum of (a) the average closing price per share/unit for the last ten trading days of such Performance plus (b) the aggregate amount of dividends/distributions paid with respect to a share/unit during such Performance Period (the result being referred to as the ***"Value Increase")*** and (iii) dividing the Value Increase by the Beginning Price.

•The ***"Performance Factor"*** means a percentage, ranging from 0% to 200% (or more, as determined by the Committee in its discretion as described herein), determined by the Committee in accordance with Paragraph II below, combing the results of each Performance Goal, and weighting each of the Performance Goals as noted in the table below.

•***"Vested PSUs"*** means a number of PSUs equal to the product of (i) the number of Target PSUs, times (ii) the Performance Factor deemed to be earned at the time that such a determination is required pursuant to this Agreement.

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II.Performance Factor. The Performance Factor will be determined as follows:

Performance Goal	Weight	Performance Factor*		
		Threshold	**Target**	**Maximum**
Return on Capital Employed (ROCE)	25%	15%	20%	25%
Relative Total Shareholder Return (TSR)	75%	30th Percentile	60th Percentile	90th Percentile
PSUs earned (% of Target PSUs)		50%	100%	200%

* The performance levels achieved between the threshold and target levels, or the target and maximum levels noted above will be a percentage or percentile based on a straight-line interpolation.

•The Performance Factor may be decreased or increased (including above 200%) by the Committee in its discretion taking into account all factors the Committee deems relevant, including changes to the Peer Group occurring during the Performance Period, anomalies in trading during the applicable trading days or other business performance matters that the Committee determines to impact the Performance Factor.

•If the performance result for a Performance Goal does not meet the threshold level for that Performance Goal, the PSUs subject to that Performance Goal will not be eligible to vest in accordance with this Agreement, even if the combined Performance Factor that may be achieved by combing the results of the two Performance Goals would have resulted in Performance Factor above the threshold level.

•If the Performance Factor is deemed to be achieved at any level below the threshold level set forth within the table above, the Performance Factor will be deemed to be 0%.

•In the event of a Change in Control, the Committee shall determine the Performance Factor as of the date of such Change in Control. If a Performance Goal may not be determinable with reasonable certainty at the time of the Change in Control, the Committee will determine the applicable Performance Factor by starting with a target Performance Factor of 100%, but adjusted that percentage by taking into account any other factors deemed relevant to the Change in Control by the Committee.

III.Adjustments to Performance Goal for Certain Events.

If, during the Performance Period, there is a change in accounting standards required by the Financial Accounting Standards Board, the above Performance Goal shall be adjusted by the Committee as appropriate, in its discretion, to disregard the effect of such change.

IV.Peer Group Companies.

The ***"Peer Group"*** shall consist of the companies contained with the Company's benchmarking group, which as of the Date of Grant, shall consist of the following:

Ticker Symbol	Company Name
CHX	Champion X Corporation
LBRT	Liberty Energy Inc.
NEX	NexTier Oilfield Solutions Inc.
PTEN	Patterson-UTI Energy, Inc.
HP	Helmerich & Payne, Inc.
SLCA	U.S. Silica Holdings, Inc.
WTTR	Select Energy Services, Inc.
XPRO	Expro Group Holdings N.V.
PUMP	ProPetro Holding Corp.
OIS	Oil States International, Inc.
WHD	Cactus, Inc.
NINE	Nine Energy Service, Inc.
CLB	Core Laboratories N.V.
DRQ	Dril-Quip, Inc.
SOI	Solaris Oilfield Infrastructure, Inc.

If the Committee determines that an adjustment to the Peer Group is necessary or desirable to continue to reflect an appropriate Peer Group for this Award, then the Company shall take any actions it deems necessary or desirable in its complete and absolute discretion to effectuate this adjustment.

V.Committee Determination.

The Committee shall review the results with respect to the Performance Goals and shall determine the Performance Factor and the number of Vested PSUs as soon as reasonably practical. However, no PSUs or DERs shall be paid prior to such determination or the time of payment specified in the Agreement. For the sake of clarity, any exercise of discretion or adjustments made by the Committee as contemplated herein may be effectuated without your consent and will not be treated (for purposes of the Plan or this Agreement) as an amendment to the Agreement that materially reduces the benefit of the Participant without his or her consent.

ATTACHMENT B

Restrictive Covenants

1.**Confidential Proprietary Information**. "***Confidential Information***" refers to an item of information, or a compilation of information, in any form (tangible or intangible), related to the Business (defined below) that the Atlas Affiliates have not made public or authorized public disclosure of, and that is not generally known to the public through proper means. Participant acknowledges that in Participant's position with the Company or an Atlas Affiliate, Participant will obtain and/or have access to Confidential Information regarding the Business, including, but not limited to, knowledge, information and materials about: technical data, know-how, innovations, computer programs, un-patented inventions, and trade secrets; methods of operation and operational data and techniques; customer lists, customer or client data, preferences, and purchasing histories; nonpublic information regarding products and services; know-how, formulations, research and development, including information regarding discoveries, new products or services not yet released to the public; the Atlas Affiliates' programs to minimize environmental and occupational hazards and health and safety risks; business plans; and confidential information about strategic, financial, marketing or pricing matters, human resources information obtained from a confidential personnel file (such as internal evaluations of the performance, capability and potential of any employee of the Atlas Affiliates) and other proprietary matters relating to the Atlas Affiliates, all of which constitute a valuable part of the assets of the Atlas Affiliates which this Agreement is designed to protect. Confidential Information does not include information lawfully acquired by a non-management employee about wages, hours or other terms and conditions of non-management employees if used by them for purposes protected by §7 of the National Labor Relations Act (the NLRA) such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. "***Business***" means providing sand and sand-based products and logistics services used by oil and gas exploration and production companies to enhance the productivity of their wells, as well as other high-quality sand-based products, logistics services, strong technical leadership and applications knowledge to end users in the oil and gas business. "***Atlas Affiliates***" means the Company and such affiliated entities, including without limitation all of the Company's direct or indirect subsidiaries.

Accordingly, until such time as the Confidential Information is readily available publicly (other than as a result of disclosure by Participant), Participant shall not knowingly reveal, disclose or make known to any person (other than as may be required by law) or use for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. Participant represents and warrants that Participant will only reveal or disclose such Confidential Information as required by law or as necessary in the performance of Participant's duties on behalf of the Company. Participant warrants and represents Participant will not use, for Participant's own or another's account or benefit, any such Confidential Information, whether or not developed, devised or otherwise created in whole or in part by the efforts of Participant. If Participant has any questions about what constitutes Confidential Information, Participant agrees to contact the

Company's Legal Department prior to disclosure of such information. The Company and Participant also recognize that federal and state law provide additional protection for statutorily defined trade secrets and this Agreement does not waive, alter, or reduce any such additional protections. Likewise, the Company and Participant agree that this Agreement does not alter, reduce or modify any obligations Participant owes to the Atlas Affiliates under any other applicable statute or the common law.

Notwithstanding the foregoing, nothing herein shall be construed to prohibit the reporting of a violation of law or to prohibit a disclosure of information that is compelled by law; provided, however, that to the extent allowed by law, Participant will give the Company as much written notice as possible under the circumstances and will cooperate with the Company in any legal action undertaken to protect the confidentiality of the information.

Participant acknowledges and agrees that the Company provides immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

(1)Immunity. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-

(A)is made—

(i)in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and

(ii)solely for the purpose of reporting or investigating a suspected violation of law; or

(B)is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2)USE OF TRADE SECRET INFORMATION IN ANTI-RETALIATION LAWSUIT. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-

(A)files any document containing the trade secret under seal; and

(B)does not disclose the trade secret, except pursuant to court order.

Furthermore, in accordance with 18 U.S.C. § 1833(b), nothing in this Section, including the duties, obligations and restrictions identified in this Section, shall prevent Participant from disclosing information, including Confidential Information but not information protected by the attorney-client communication privilege, to a Federal, State, or local government official, either directly or indirectly, or to an attorney.

Nothing in this Section shall be deemed a waiver of the Company's or any Atlas Affiliate's right to the protections of the attorney-client communications privilege.

2.**Non-Competition**. Participant agrees that for a period of 12 months from the date of the termination of Participant's employment ("***Termination Date***"), Participant shall not, anywhere within the Territory (defined below), directly or indirectly, acting individually or as an owner, shareholder, partner, employee, contractor, agent or otherwise (other than on behalf of an Atlas Affiliate): (a) provide services that are the same as or similar in function or purpose to the services Participant provided to the Atlas Affiliate(s) during the last two years of employment (the "***Look Back Period***") or such services that are otherwise likely or probable to result in the use or disclosure of Confidential Information to a business whose products and services include those aspects of the Business regarding which Participant had material involvement or received Confidential Information about during the Look Back Period (such products and services being "***Competing Products and Services***" and such business being a "***Restricted Business***"); and/or (b) own, receive or purchase a financial interest in, make a loan to, or make a monetary gift in support of, any such Restricted Business. Notwithstanding the foregoing prohibited conduct, Participant may own, directly or indirectly, solely as an investment, securities of any business traded on any national securities exchange. Nothing herein shall be construed to prohibit Participant's employment in a separately operated subsidiary or other business unit of a company that would not be a Restricted Business but for common ownership with a Restricted Business, so long as written assurances regarding the non-competitive nature of Participant's position that are satisfactory to the Company and have been provided by Participant and the new employer in advance. "***Territory***" shall be defined as any area in the United States where any Atlas Affiliate has an office or conducts business on a regular basis or has planned to conduct business on a regular basis at any time during the 12 months prior to termination. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

3.**Non-Solicitation of Employees**. Participant agrees that for a period of 12 months from the Termination Date, Participant will not, without the prior written consent of the Company, which may be granted or withheld by the Company in its sole discretion, in person or through the assistance of others, knowingly participate in soliciting directly or indirectly or hiring an employee of an Atlas Affiliate for the purpose of persuading the employee to end or modify the employee's employment relationship with the Atlas Affiliate. Where required by applicable law to be enforceable, the foregoing restriction shall be limited to employees with whom the Participant worked or about whom the Participant received Confidential Information during the Look Back Period. During employment with an Atlas Affiliate, Participant agrees Participant will not solicit or communicate with an employee of the Atlas Affiliate for the purpose of persuading such employee to work for a Restricted Business. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

4.**Customer Restriction**. Participant agrees that for a period of 12 months from the Termination Date, Participant will not, working alone or in conjunction with one or more other persons or entities, for compensation or not: (a) solicit, assist in soliciting, facilitate

the solicitation of, provide, or offer to provide services to any and all customers of an Atlas Affiliate as to which Participant had contact, provided services or received Confidential Information about in the Look Back Period ("***Covered Customer***") for the purpose of providing a Competing Product or Service; or (b) induce or attempt to induce any Covered Customer to withdraw, curtail or cancel its business with the Atlas Affiliate or in any other manner modify or fail to enter into any actual or potential business relationship with the Atlas Affiliate. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Employee, then this Agreement controls and supersedes all other documents for purposes of this clause.

5.**Reasonableness of Covenants**. Participant acknowledges and agrees that the covenants in this Agreement are reasonable and valid in geographical and temporal scope and in all other respects. In addition, Participant acknowledges that the restrictions contained in this Agreement are reasonable in scope and necessary to protect Confidential Information (including trade secrets), and to protect the business and goodwill of the Atlas Affiliates and are considered to be reasonable for such purposes. Participant further acknowledges and agrees that Participant's breach of the provisions of this Annex 1 will cause the Company and Atlas Affiliates irreparable harm, which cannot be adequately compensated by money damages. Participant consents and agrees that the forfeiture provisions contained in the Agreement are reasonable remedies in the event the Participant commits any such breach.

6.**Severability and Reformation**. Should any restriction created by this Agreement be deemed unreasonable or unenforceable as written, then the Parties agree that a court may modify any unreasonable or unenforceable element of the restriction to make it reasonable and enforceable or enforce it only to the extent it is reasonable and enforceable. If any court determines that any of the covenants contained herein, or any part thereof, is invalid or unenforceable, notwithstanding the foregoing reformation provision, the remainder of the covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portions. In the event that the covenants and restrictions of this provision are in conflict with any other employment related document executed by Participant, then this Agreement controls and supersedes all other documents for purposes of this clause.

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Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13A-14(A) AND 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, John Turner, President, Chief Executive Officer and Chief Financial Officer of Atlas Energy Solutions Inc., certify that:

1.I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 of Atlas Energy Solutions Inc. (the "registrant");

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

By: /s/ John Turner
John Turner
President, Chief Executive Officer and Chief Financial Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13A-14(A) AND 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, John Turner, President, Chief Executive Officer and Chief Financial Officer of Atlas Energy Solutions Inc., certify that:

1.I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 of Atlas Energy Solutions Inc. (the "registrant");

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

By: /s/ John Turner
John Turner
President, Chief Executive Officer and Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Atlas Energy Solutions Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Turner, President, Chief Executive Officer and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2024

By: /s/ John Turner
John Turner
President, Chief Executive Officer and Chief Financial Officer

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Atlas Energy Solutions Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Turner, President, Chief Executive Officer and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2024

By: /s/ John Turner
John Turner
President, Chief Executive Officer and Chief Financial Officer

Exhibit 95.1

Mine Safety Disclosures

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") and Item 104 of Regulation S-K, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977 (the "Mine Act").

Mine Safety Information. Whenever the Federal Mine Safety and Health Administration ("MSHA") believes a violation of the Mine Act, any health or safety standard or any regulation has occurred, it may issue a citation that describes the alleged violation and fixes a time within which the U.S. mining operator must abate the alleged violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order removing miners from the area of the mine affected by the condition until the alleged hazards are corrected. When MSHA issues a citation or order, it generally proposes a civil penalty, or fine, as a result of the alleged violation, that the operator is ordered to pay. Citations and orders can be contested and appealed, and as part of that process, may be reduced in severity and amount, and are sometimes dismissed. The number of citations, orders and proposed assessments vary depending on the size and type (underground or surface) of the mine as well as by the applicable MSHA District or the MSHA inspector(s) assigned.

The following table details the total number of, and the proposed dollar assessment for, violations, citations and orders issued by MSHA during the quarter ended March 31, 2024 upon periodic inspection of our mine facilities in accordance with the referenced sections of the Mine Act:

(*in whole dollars*)

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations[1]	Section 104(b) Orders[2]	Section 104(d) Citations and Orders[3]	Violations Under Section 110(b)(2) [4]	Section 107(a) Orders[5]	Total Dollar Value of MSHA Assessments Proposed[6]	Total Number of Mining-Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (Yes/No)	Received Notice of Potential to Have Pattern Under Section 104(e) (Yes/No)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
N. Kermit, TX	9	0	0	0	0	$8,700	0	No	No	0	0	0
S. Kermit, TX	6	0	0	0	0	$0	0	No	No	0	0	0
Hi-Crush Kermit, TX	2	0	0	0	0	$0	0	No	No	0	0	0
OnCore1	0	0	0	0	0	$840	0	No	No	0	0	0
OnCore2	0	0	0	0	0	$0	0	No	No	0	0	0
OnCore3	0	0	0	0	0	$0	0	No	No	0	0	0
OnCore4	0	0	0	0	0	$0	0	No	No	0	0	0
OnCore5	0	0	0	0	0	$0	0	No	No	0	0	0
OnCore6	0	0	0	0	0	$0	0	No	No	0	0	0
OnCore7	0	0	0	0	0	$0	0	No	No	0	0	0

(1)Citations received from MSHA under Section 104 of the Mine Act for violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard.

(2)Orders issued by MSHA under Section 104(b) of the Mine Act, which represents a failure to abate a citation under section 104(a) within the period of time prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines that the violation has been abated.

(3)Citations and orders issued by MSHA under Section 104(d) of the Mine Act for an unwarrantable failure to comply with mandatory health or safety standards.

(4)Violations deemed by MSHA to be flagrant under Section 110(b)(2) of the Mine Act.

(5)Orders issued by MSHA under Section 107(a) of the Mine Act for situations in which MSHA determined an “imminent danger” (as defined by MSHA) existed.

(6)Amounts included are the total dollar value of proposed assessments received from MSHA from January 1, 2024, through March 31, 2024, regardless of whether the assessment has been challenged or appealed. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by the MSHA District’s approach to enforcement and vary depending on the size and type of the operation. There may be violations which have not been assessed as at the time of this report.