Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☒ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
INDEPENDENCE OILFIELD CHEMICALS 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/2013

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
INDEPENDENCE OILFIELD CHEMICALS, LLC

1450 LAKE ROBBINS DRIVE
SUITE 400
THE WOODLANDS, TX 77380

2b Employer Identification Number (EIN) 45-5239537

2c Plan Sponsor's telephone number 713-936-4349

2d Business code (see instructions) 325900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2017	BRANDY BUZZELLI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	265
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	225
a(2) Total number of active participants at the end of the plan year	**6a(2)**	194
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	34
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	228
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	228
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	203
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2S 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) ___
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan	**B** Three-digit plan number (PN) ▶	
INDEPENDENCE OILFIELD CHEMICALS 401(K) PLAN		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
INDEPENDENCE OILFIELD CHEMICALS, LLC	45-5239537	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	4488	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FED INST HIGH YLD IS - STATE STREE 04-0025081	0.05%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FED TOT RET BOND IS - STATE STREET 04-0025081	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPM MIDCAP VALUE L - BOSTON FINANC 330 W. 9TH STREET KANSAS CITY, MO 66160	0.15%

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MSIF MID CAP GRTH I - MORGAN STANL 13-3799749	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TRP NEW HORIZONS - T. ROWE PRICE S 52-2269240	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
VICTORY S SM CO OP I - SUNGARD INV P.O. BOX 182593 COLUMBUS, OH 02593	0.10%

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name: PANNELL KERR FOSTER OF TEXAS, PCEFG	**b** EIN:	76-0356844
c	Position:		
d	Address:	**e** Telephone:	

Explanation: WE CONSOLIDATED AUDITORS

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
INDEPENDENCE OILFIELD CHEMICALS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
INDEPENDENCE OILFIELD CHEMICALS, LLC

D Employer Identification Number (EIN)
45-5239537

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	18419	21828
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	120263	149988
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2724499	3851954
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	2863181	4023770
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2863181	4023770

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	508005	
	(B) Participants	2a(1)(B)	885677	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1393682
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	783	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	5638	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		6421
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	106612	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		106612
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		167677
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		1674392
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	509735	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		509735
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		-422
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	4490	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		4490
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		513803
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1160589
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BDO USA, LLP **(2)** EIN: 13-5381590

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		79291
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		210000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n		X	
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

Part V Trust Information

6a Name of trust	**6b** Trust's EIN

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
INDEPENDENCE OILFIELD CHEMICALS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
INDEPENDENCE OILFIELD CHEMICALS, LLC

D Employer Identification Number (EIN)
45-5239537

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

Independence Oilfield Chemicals 401(k) Plan

Financial Statements
(and Supplemental Schedules)

As of December 31, 2016 and 2015 and
for the Year Ended December 31, 2016

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

Independence Oilfield Chemicals 401(k) Plan

Financial Statements
(and Supplemental Schedules)

As of December 31, 2016 and 2015 and
for the Year Ended December 31, 2016

Independence Oilfield Chemicals 401(k) Plan

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All schedules other than those listed above have been omitted since the information is either disclosed elsewhere in the financial statements or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 as amended.

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2929 Allen Parkway, 20th Floor
Houston, Texas 77019-7100

Independent Auditor's Report

To the Plan Administrator of the
Independence Oilfield Chemicals 401(k) Plan
Houston, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Independence Oilfield Chemicals 401(k) Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2016 financial statements. Accordingly, we do not express an opinion on the 2016 financial statements.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Other Matter-Supplemental Schedules

The supplemental schedules Schedule H, Line 4(a) – Schedule of Delinquent Participant Contributions for the year ended December 31, 2016, and Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2016, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter-2015 Financial Statements

The financial statements of the plan as of December 31, 2015, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA, the plan administrator instructed the predecessor auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the trustee. Their report, dated October 28, 2016, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the 2016 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

BDO USA, LLP

October 16, 2017

Financial Statements

Independence Oilfield Chemicals 401(k) Plan

Statements of Net Assets Available for Benefits

December 31,	2016	2015
Assets		
Investments, at fair value		
Money market fund	$ 21,828	$ 18,419
Mutual funds	3,851,954	2,724,500
Total Investments, at fair value	3,873,782	2,742,919
Receivables		
Participant contributions	34,427	29,243
Employer contributions	21,250	22,916
Notes receivable from participants	149,988	120,263
Total Receivables	205,665	172,422
Net Assets Available for Benefits	$ 4,079,447	$ 2,915,341

See accompanying notes to financial statements.

Independence Oilfield Chemicals 401(k) Plan

Statement of Changes in Net Assets Available For Benefits

Year Ended December 31,	2016
Additions to Net Assets	
Investment Income	
Interest income and dividends	107,395
Net appreciation in fair value of mutual funds	167,677
Total Investment Income	275,072
Interest Income on Notes Receivable from Participants	5,638
Contributions	
Participants	890,862
Employer	506,339
Total Contributions	1,397,201
Total Additions to Net Assets	1,677,911
Deductions from Net Assets	
Benefits paid to participants	509,315
Administrative expenses	4,490
Total Deductions from Net Assets	513,805
Net Increase	1,164,106
Net Assets Available For Benefits	
Beginning of year	2,915,341
End of year	$ 4,079,447

See accompanying notes to financial statements.

1. Description of Plan

The following description of the Independence Oilfield Chemicals 401(k) Plan (the "Plan") provides only general information. Participants should refer to the plan document for a more comprehensive description of the Plan's provisions.

General

The Plan, established on July 1, 2013 and last amended on January 1, 2016, is a defined contribution plan covering all employees of Independence Oilfield Chemicals, LLC (the "Company" or "Employer"), subject to certain restrictions for participant eligibility as defined in the plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Administration of the Plan

The investment trustee for the Plan's participant directed assets was Fidelity Management Trust Company ("Fidelity" or "Trustee") and the recordkeeper was Fidelity Workplace Services LLC (the "Recordkeeper") as of December 31, 2016 and 2015, and for the year ended December 31, 2016.

Eligibility

All employees, subject to certain restrictions for participant eligibility as defined in the plan document, are eligible to participate in the Plan. There are no age or service requirements pertaining to eligibility.

Employee Contributions

Employees are automatically enrolled in the Plan at 6% of the eligible pre-tax compensation. Participants may make pre-tax contributions not to exceed the lesser of 90% of eligible compensation or the limits set by the Internal Revenue Code ("IRC"), which limits the annual amount of salary deferrals that may be made by a participant. Participants may also make voluntary contributions to the Plan on an after tax basis, subject to certain limitations. Participants, who are age 50 or older by the end of the calendar year and are making deferral contributions to the Plan, may also make catch-up contributions up to the limit dictated by the IRC. The Plan requires that no more than 90% of eligible compensation be deferred as an age 50 and over catch-up contribution.

Employer Contributions

Effective January 1, 2015, the Plan provides for mandatory safe harbor matching contributions to all eligible participants in an amount equal to 100% of the first three percent of eligible compensation, and 50% of the next two percent of your eligible compensation, contributed to the Plan as Deferral Contributions. The Company has the option to make annual discretionary matching and non-elective contributions in an amount to be determined by the Company. There were no discretionary matching or non-elective contributions made during 2016.

Vesting

Participants are immediately vested in their voluntary contributions, rollover contributions, employer safe harbor matching contributions and actual earnings or losses thereon. Vesting in the employer's discretionary matching contribution portion of a participant's account plus actual earnings thereon is based on years of continuous service according to the following schedule:

Years of Service	Percent Vested
Less than 0	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Notes Receivable from Participants

Participants may borrow a minimum of $1,000 from their fund accounts up to a maximum equal to the lesser of 50% of their vested account balance or $50,000. The loans are made for terms not to exceed five years unless the loan is used to acquire a principal residence, in which case, the administrator may permit a longer repayment term. Repayments of principal and interest are credited to the funds in which the participant's deferrals and employer contributions are invested. Principal and interest are paid ratably through weekly or bi-weekly payroll deductions. The maximum number of loans that a participant may have outstanding at any one time is one. All notes receivable shall bear a reasonable rate of interest as determined by the Plan administrator based on the prevailing interest rates charged by persons in the business of lending money for loans which would be made under similar circumstances.

Participant Accounts

Each participant's account is credited with the participant's contribution, rollover contribution, employer safe harbor matching contributions, the Company's discretionary matching contribution, an allocation of Plan earnings or losses, and administrative expenses. Allocations are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants direct the allocation of their account balance in any of several investment options. Participants can change their investment options among the various investment funds either through direct transfers from one fund to another or by changing the percentage of future contributions allocated among the investment funds.

Benefit Payments

Upon termination of service, death, disability, or retirement, a participant may elect a distribution in the form of a lump-sum amount. In-service withdrawals are permitted when a participant, who has not separated from service reaches age 59½, has reached normal retirement age, or in the event of financial hardship as defined by the Plan.

In-service withdrawals as a result of financial hardship result in a suspension of participant contributions for a period of six months and may be taken only from the participant's Pre-Tax Deferral account.

If the value of the terminated participant's vested account balance is less than $1,000, the Plan administrator is allowed, and will direct the Trustee to distribute it to the terminated participant as a lump sum distribution. If the participant's account balance is greater than $1,000, but less than $5,000, the Plan administrator will direct the Trustee that any amount exceeding $1,000 be distributed to an Individual Retirement Account or Annuity ("IRA") for the participant's benefit. If the participant's vested account balance is greater than $5,000, the participant may elect to receive a lump sum distribution, roll the balance into another qualified retirement plan or an individual retirement account, or leave the vested balance in the Plan. Any taxable distribution paid by the Trustee directly to the participant will be subject to mandatory federal income tax withholding of 20% of the requested distribution.

Forfeitures

Forfeitures occur when a participant terminates employment before becoming 100% vested with respect to the employer discretionary matching contributions. Forfeitures are used to pay Plan administrative expenses and may also be used to reduce future employer contributions. During 2016 no forfeitures were used to pay Plan administrative expenses or to reduce employer contributions. As of December 31, 2016 and 2015, there were $21,828 and $18,419, respectively, in unused forfeitures.

Fees and Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided by the plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Fees related to the administration of participant accounts are charged directly to the participant's account and are included in expenses of the Plan. Investment related expenses are included in net appreciation or depreciation in the fair value of investments.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as codified by the Financial Accounting Standards Board (the "FASB") in its Accounting Standards Codification ("ASC").

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan records its investments at fair value. Fair value is defined as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2016 or 2015.

Risks and Uncertainties

The Plan provides for investment options in mutual funds and money market fund. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and participant account balances.

Payment of Benefits

Benefits are recorded when paid as a reduction in net assets available for benefits upon distribution.

Subsequent Events

The Plan Sponsor has evaluated all events through October 16, 2017, the date the financial statements were available for issuance.

3. Information Certified by the Trustee

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate:

December 31,	2016	2015
Mutual funds	$ 3,851,954	$ 2,724,500
Money market fund	21,828	18,419
Notes receivable from participants	149,988	120,263

Year Ended December 31,	2016
Net appreciation in fair value of investments	$ 167,677
Interest and dividend income	107,395
Interest income from notes receivable from participants	5,638

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are describes as follows:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

- *Money market fund* – It is stated at fair value based on quoted market prices for applicable publicly traded money market funds.
- *Mutual funds* - these investments are valued daily at the quoted market prices of the underlying assets. All mutual funds are valued using level 1 inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair values of investments as of December 31, 2016 and 2015 are categorized as follows:

	Investments at Fair Value as of December 31, 2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market fund	$ 21,828	$ -	$ -	$ 21,828
Mutual funds	3,851,954	-	-	3,851,954
Total investments measured at fair value	$ 3,873,782	$ -	$ -	$ 3,873,782

	Investments at Fair Value as of December 31, 2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market fund	$ 18,419	$ -	$ -	$ 18,419
Mutual funds	2,724,500	-	-	2,724,500
Total investments measured at fair value	$ 2,742,919	$ -	$ -	$ 2,742,919

5. Tax Status

The Plan has adopted a prototype plan document, which obtained its latest opinion letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the prototype plan, as designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America ("GAAP") requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (asset) if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Employer believes it is no longer subject to income tax examinations for years prior to 2013.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants may become fully vested in any non-vested account balances and the net assets of the Plan are to be distributed to participants in accordance with priorities established in the Plan.

7. Parties-In-Interest

The Plan's trustee and record keeper provide certain services related to the Plan and, therefore, certain transactions qualify as party-in-interest transactions. The Plan's management has approved these activities and transactions. Participant loans also quality as party-in-interest transactions. Fees paid by the Plan to the trustee and record keeper amounted to $4,490 for the year ended December 31, 2016.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31, 2016 and 2015:

December 31,	**2016**	**2015**
Net assets available for benefits per the financial statements	$ 4,079,447	$ 2,915,341
Participant contributions receivable	(34,427)	(29,243)
Employer contributions receivable	(21,250)	(22,916)
Other	-	(1)
Net assets available for benefits per Form 5500	$ 4,023,770	$ 2,863,181

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to net income per Form 5500 for the year ended December 31, 2016:

Year Ended December 31,	**2016**
Net increase in net assets available for benefits per the financial statements	$ 1,164,106
Change in participant contributions receivable	(5,184)
Change in employer contributions receivable	1,666
Other adjustment	1
Net income per Form 5500	$ 1,160,589

9. Delinquent Contributions

For the year ended December 31, 2016, the Company determined that certain employee deferrals and loan repayments aggregating $79,291 had not been remitted to the Plan in a timely manner, according to Department of Labor regulations. Although these remittances were made, they fell outside the normal processing time the Employer allows. An investigation was held to determine the root cause of the delinquent contributions, and corrective measures were taken. Of the aggregate amount, including lost earning calculations of approximately $200 were processed and deposited to participant accounts during the year ended December 31, 2017.

Supplemental Schedules

Independence Oilfield Chemicals 401(k) Plan

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Year Ended December 31, 2016

EIN 45-5239537
Plan Number 001

Participant Contributions and Loan Repayments Transferred to Plan	Total That Constitute Nonexempt Prohibited Transactions			
Check Here If Late Participant Loan Repayments are Included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 79,291	$ 70,851	$ 8,440	$ -	$ -

See independent auditor's report.

Independence Oilfield Chemicals 401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2016

EIN 45-5239537
Plan Number 001

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Money Market Fund		
	Vanguard	Vanguard Prime Money Market Investment Fund	^	$ 21,828
		Mutual Funds		
	American	American Funds Growth Fund of America Class R6	^	26,490
	American	American Funds Capital World Bond Fund Class R6	^	246
	American	American Funds EuroPacific Growth Fund Class R6	^	53,820
	Federated	Federated Institutional High Yield Bond Fund IS R6	^	48,092
	Federated	Federated Total Return Bond Fund	^	15,621
	JP Morgan	JP Morgan Mid Cap Value Fund	^	43,404
	Morgan Stanley	Morgan Stanley Inst Fund Trust Mid Cap Growth	^	17,484
	PIMCO	PIMCO Real Return Fund Institutional Class	^	12,401
	T. Rowe Price	T. Rowe Price New Horizons Fund	^	200,456
	Vanguard	Vanguard 500 Index Admiral Class	^	62,352
	Vanguard	Vanguard Dividend Growth Investment Fund	^	138,887
	Vanguard	Vanguard Growth Index Admiral Fund	^	90,219
	Vanguard	Vanguard Mid Cap Index Admiral Fund	^	48,848
	Vanguard	Vanguard Small Cap Index Admiral Fund	^	24,792
	Vanguard	Vanguard Target Retirement 2010 Fund Inv Shares	^	-
	Vanguard	Vanguard Target Retirement 2015 Fund Inv Shares	^	8,121
	Vanguard	Vanguard Target Retirement 2020 Fund Inv Shares	^	333,123
	Vanguard	Vanguard Target Retirement 2025 Fund Inv Shares	^	275,258
	Vanguard	Vanguard Target Retirement 2030 Fund Inv Shares	^	377,338
	Vanguard	Vanguard Target Retirement 2035 Fund Inv Shares	^	600,050
	Vanguard	Vanguard Target Retirement 2040 Fund Inv Shares	^	151,580
	Vanguard	Vanguard Target Retirement 2045 Fund Inv Shares	^	535,056
	Vanguard	Vanguard Target Retirement 2050 Fund Inv Shares	^	323,511
	Vanguard	Vanguard Target Retirement 2055 Fund Inv Shares	^	354,823
	Vanguard	Vanguard Target Retirement Income Fund Inv Shares	^	24,032
	Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	^	41,605
	Vanguard	Vanguard Wellesley Income Fund Admiral Shares	^	20,414
	Vanguard	Vanguard Wellington Fund Admiral Shares	^	15,343
	Victory	Victory Sycamore Small Company Opportunity Fund	^	8,588
	Total mutual funds			3,851,954
*	Participant Loans	Loans with interest rate of 4.25% per annum, maturing through October 2025	-	149,988
				$ 4,023,770

See independent auditor's report.

* - Indicates party-in-interest, as defined by ERISA.

^ - Not applicable as permitted by the Department of Labor for participant-directed individual account plans.

Note: The schedule was derived from the data certified by Fidelity Management Trust Company, the Trustee, as complete and accurate.

Independence Oilfield Chemicals 401(k) Plan

Financial Statements
(and Supplemental Schedules)

As of December 31, 2016 and 2015 and
for the Year Ended December 31, 2016

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

Independence Oilfield Chemicals 401(k) Plan

Financial Statements
(and Supplemental Schedules)

As of December 31, 2016 and 2015 and
for the Year Ended December 31, 2016

Independence Oilfield Chemicals 401(k) Plan

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All schedules other than those listed above have been omitted since the information is either disclosed elsewhere in the financial statements or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 as amended.

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2929 Allen Parkway, 20th Floor
Houston, Texas 77019-7100

Independent Auditor's Report

To the Plan Administrator of the
Independence Oilfield Chemicals 401(k) Plan
Houston, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Independence Oilfield Chemicals 401(k) Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2016 financial statements. Accordingly, we do not express an opinion on the 2016 financial statements.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Other Matter-Supplemental Schedules

The supplemental schedules Schedule H, Line 4(a) – Schedule of Delinquent Participant Contributions for the year ended December 31, 2016, and Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2016, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Other Matter-2015 Financial Statements

The financial statements of the plan as of December 31, 2015, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA, the plan administrator instructed the predecessor auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the trustee. Their report, dated October 28, 2016, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the 2016 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

BDO USA, LLP

October 16, 2017

Financial Statements

Independence Oilfield Chemicals 401(k) Plan

Statements of Net Assets Available for Benefits

December 31,	2016	2015
Assets		
Investments, at fair value		
Money market fund	$ 21,828	$ 18,419
Mutual funds	3,851,954	2,724,500
Total Investments, at fair value	3,873,782	2,742,919
Receivables		
Participant contributions	34,427	29,243
Employer contributions	21,250	22,916
Notes receivable from participants	149,988	120,263
Total Receivables	205,665	172,422
Net Assets Available for Benefits	$ 4,079,447	$ 2,915,341

See accompanying notes to financial statements.

Independence Oilfield Chemicals 401(k) Plan

Statement of Changes in Net Assets Available For Benefits

Year Ended December 31,	2016
Additions to Net Assets	
Investment Income	
Interest income and dividends	107,395
Net appreciation in fair value of mutual funds	167,677
Total Investment Income	275,072
Interest Income on Notes Receivable from Participants	5,638
Contributions	
Participants	890,862
Employer	506,339
Total Contributions	1,397,201
Total Additions to Net Assets	1,677,911
Deductions from Net Assets	
Benefits paid to participants	509,315
Administrative expenses	4,490
Total Deductions from Net Assets	513,805
Net Increase	1,164,106
Net Assets Available For Benefits	
Beginning of year	2,915,341
End of year	$ 4,079,447

See accompanying notes to financial statements.

1. Description of Plan

The following description of the Independence Oilfield Chemicals 401(k) Plan (the "Plan") provides only general information. Participants should refer to the plan document for a more comprehensive description of the Plan's provisions.

General

The Plan, established on July 1, 2013 and last amended on January 1, 2016, is a defined contribution plan covering all employees of Independence Oilfield Chemicals, LLC (the "Company" or "Employer"), subject to certain restrictions for participant eligibility as defined in the plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Administration of the Plan

The investment trustee for the Plan's participant directed assets was Fidelity Management Trust Company ("Fidelity" or "Trustee") and the recordkeeper was Fidelity Workplace Services LLC (the "Recordkeeper") as of December 31, 2016 and 2015, and for the year ended December 31, 2016.

Eligibility

All employees, subject to certain restrictions for participant eligibility as defined in the plan document, are eligible to participate in the Plan. There are no age or service requirements pertaining to eligibility.

Employee Contributions

Employees are automatically enrolled in the Plan at 6% of the eligible pre-tax compensation. Participants may make pre-tax contributions not to exceed the lesser of 90% of eligible compensation or the limits set by the Internal Revenue Code ("IRC"), which limits the annual amount of salary deferrals that may be made by a participant. Participants may also make voluntary contributions to the Plan on an after tax basis, subject to certain limitations. Participants, who are age 50 or older by the end of the calendar year and are making deferral contributions to the Plan, may also make catch-up contributions up to the limit dictated by the IRC. The Plan requires that no more than 90% of eligible compensation be deferred as an age 50 and over catch-up contribution.

Employer Contributions

Effective January 1, 2015, the Plan provides for mandatory safe harbor matching contributions to all eligible participants in an amount equal to 100% of the first three percent of eligible compensation, and 50% of the next two percent of your eligible compensation, contributed to the Plan as Deferral Contributions. The Company has the option to make annual discretionary matching and non-elective contributions in an amount to be determined by the Company. There were no discretionary matching or non-elective contributions made during 2016.

Vesting

Participants are immediately vested in their voluntary contributions, rollover contributions, employer safe harbor matching contributions and actual earnings or losses thereon. Vesting in the employer's discretionary matching contribution portion of a participant's account plus actual earnings thereon is based on years of continuous service according to the following schedule:

Years of Service	Percent Vested
Less than 0	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Notes Receivable from Participants

Participants may borrow a minimum of $1,000 from their fund accounts up to a maximum equal to the lesser of 50% of their vested account balance or $50,000. The loans are made for terms not to exceed five years unless the loan is used to acquire a principal residence, in which case, the administrator may permit a longer repayment term. Repayments of principal and interest are credited to the funds in which the participant's deferrals and employer contributions are invested. Principal and interest are paid ratably through weekly or bi-weekly payroll deductions. The maximum number of loans that a participant may have outstanding at any one time is one. All notes receivable shall bear a reasonable rate of interest as determined by the Plan administrator based on the prevailing interest rates charged by persons in the business of lending money for loans which would be made under similar circumstances.

Participant Accounts

Each participant's account is credited with the participant's contribution, rollover contribution, employer safe harbor matching contributions, the Company's discretionary matching contribution, an allocation of Plan earnings or losses, and administrative expenses. Allocations are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants direct the allocation of their account balance in any of several investment options. Participants can change their investment options among the various investment funds either through direct transfers from one fund to another or by changing the percentage of future contributions allocated among the investment funds.

Benefit Payments

Upon termination of service, death, disability, or retirement, a participant may elect a distribution in the form of a lump-sum amount. In-service withdrawals are permitted when a participant, who has not separated from service reaches age 59½, has reached normal retirement age, or in the event of financial hardship as defined by the Plan.

In-service withdrawals as a result of financial hardship result in a suspension of participant contributions for a period of six months and may be taken only from the participant's Pre-Tax Deferral account.

If the value of the terminated participant's vested account balance is less than $1,000, the Plan administrator is allowed, and will direct the Trustee to distribute it to the terminated participant as a lump sum distribution. If the participant's account balance is greater than $1,000, but less than $5,000, the Plan administrator will direct the Trustee that any amount exceeding $1,000 be distributed to an Individual Retirement Account or Annuity ("IRA") for the participant's benefit. If the participant's vested account balance is greater than $5,000, the participant may elect to receive a lump sum distribution, roll the balance into another qualified retirement plan or an individual retirement account, or leave the vested balance in the Plan. Any taxable distribution paid by the Trustee directly to the participant will be subject to mandatory federal income tax withholding of 20% of the requested distribution.

Forfeitures

Forfeitures occur when a participant terminates employment before becoming 100% vested with respect to the employer discretionary matching contributions. Forfeitures are used to pay Plan administrative expenses and may also be used to reduce future employer contributions. During 2016 no forfeitures were used to pay Plan administrative expenses or to reduce employer contributions. As of December 31, 2016 and 2015, there were $21,828 and $18,419, respectively, in unused forfeitures.

Fees and Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided by the plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Fees related to the administration of participant accounts are charged directly to the participant's account and are included in expenses of the Plan. Investment related expenses are included in net appreciation or depreciation in the fair value of investments.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as codified by the Financial Accounting Standards Board (the "FASB") in its Accounting Standards Codification ("ASC").

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan records its investments at fair value. Fair value is defined as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document. No allowance for credit losses has been recorded as of December 31, 2016 or 2015.

Risks and Uncertainties

The Plan provides for investment options in mutual funds and money market fund. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and participant account balances.

Payment of Benefits

Benefits are recorded when paid as a reduction in net assets available for benefits upon distribution.

Subsequent Events

The Plan Sponsor has evaluated all events through October 16, 2017, the date the financial statements were available for issuance.

3. Information Certified by the Trustee

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate:

December 31,	2016	2015
Mutual funds	$ 3,851,954	$ 2,724,500
Money market fund	21,828	18,419
Notes receivable from participants	149,988	120,263

Year Ended December 31,	2016
Net appreciation in fair value of investments	$ 167,677
Interest and dividend income	107,395
Interest income from notes receivable from participants	5,638

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are describes as follows:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

- *Money market fund* – It is stated at fair value based on quoted market prices for applicable publicly traded money market funds.
- *Mutual funds* - these investments are valued daily at the quoted market prices of the underlying assets. All mutual funds are valued using level 1 inputs.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair values of investments as of December 31, 2016 and 2015 are categorized as follows:

	Investments at Fair Value as of December 31, 2016			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market fund	$ 21,828	$ -	$ -	$ 21,828
Mutual funds	3,851,954	-	-	3,851,954
Total investments measured at fair value	$ 3,873,782	$ -	$ -	$ 3,873,782

	Investments at Fair Value as of December 31, 2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Money market fund	$ 18,419	$ -	$ -	$ 18,419
Mutual funds	2,724,500	-	-	2,724,500
Total investments measured at fair value	$ 2,742,919	$ -	$ -	$ 2,742,919

5. Tax Status

The Plan has adopted a prototype plan document, which obtained its latest opinion letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the prototype plan, as designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America ("GAAP") requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (asset) if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Employer believes it is no longer subject to income tax examinations for years prior to 2013.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants may become fully vested in any non-vested account balances and the net assets of the Plan are to be distributed to participants in accordance with priorities established in the Plan.

7. Parties-In-Interest

The Plan's trustee and record keeper provide certain services related to the Plan and, therefore, certain transactions qualify as party-in-interest transactions. The Plan's management has approved these activities and transactions. Participant loans also quality as party-in-interest transactions. Fees paid by the Plan to the trustee and record keeper amounted to $4,490 for the year ended December 31, 2016.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31, 2016 and 2015:

December 31,	**2016**	**2015**
Net assets available for benefits per the financial statements	$ 4,079,447	$ 2,915,341
Participant contributions receivable	(34,427)	(29,243)
Employer contributions receivable	(21,250)	(22,916)
Other	-	(1)
Net assets available for benefits per Form 5500	$ 4,023,770	$ 2,863,181

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to net income per Form 5500 for the year ended December 31, 2016:

Year Ended December 31,	**2016**
Net increase in net assets available for benefits per the financial statements	$ 1,164,106
Change in participant contributions receivable	(5,184)
Change in employer contributions receivable	1,666
Other adjustment	1
Net income per Form 5500	$ 1,160,589

9. Delinquent Contributions

For the year ended December 31, 2016, the Company determined that certain employee deferrals and loan repayments aggregating $79,291 had not been remitted to the Plan in a timely manner, according to Department of Labor regulations. Although these remittances were made, they fell outside the normal processing time the Employer allows. An investigation was held to determine the root cause of the delinquent contributions, and corrective measures were taken. Of the aggregate amount, including lost earning calculations of approximately $200 were processed and deposited to participant accounts during the year ended December 31, 2017.

Supplemental Schedules

Independence Oilfield Chemicals 401(k) Plan

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Year Ended December 31, 2016

EIN 45-5239537
Plan Number 001

Participant Contributions and Loan Repayments Transferred to Plan	Total That Constitute Nonexempt Prohibited Transactions			
Check Here If Late Participant Loan Repayments are Included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 79,291	$ 70,851	$ 8,440	$ -	$ -

See independent auditor's report.

Independence Oilfield Chemicals 401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2016

EIN 45-5239537
Plan Number 001

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Money Market Fund		
	Vanguard	Vanguard Prime Money Market Investment Fund	^	$ 21,828
		Mutual Funds		
	American	American Funds Growth Fund of America Class R6	^	26,490
	American	American Funds Capital World Bond Fund Class R6	^	246
	American	American Funds EuroPacific Growth Fund Class R6	^	53,820
	Federated	Federated Institutional High Yield Bond Fund IS R6	^	48,092
	Federated	Federated Total Return Bond Fund	^	15,621
	JP Morgan	JP Morgan Mid Cap Value Fund	^	43,404
	Morgan Stanley	Morgan Stanley Inst Fund Trust Mid Cap Growth	^	17,484
	PIMCO	PIMCO Real Return Fund Institutional Class	^	12,401
	T. Rowe Price	T. Rowe Price New Horizons Fund	^	200,456
	Vanguard	Vanguard 500 Index Admiral Class	^	62,352
	Vanguard	Vanguard Dividend Growth Investment Fund	^	138,887
	Vanguard	Vanguard Growth Index Admiral Fund	^	90,219
	Vanguard	Vanguard Mid Cap Index Admiral Fund	^	48,848
	Vanguard	Vanguard Small Cap Index Admiral Fund	^	24,792
	Vanguard	Vanguard Target Retirement 2010 Fund Inv Shares	^	-
	Vanguard	Vanguard Target Retirement 2015 Fund Inv Shares	^	8,121
	Vanguard	Vanguard Target Retirement 2020 Fund Inv Shares	^	333,123
	Vanguard	Vanguard Target Retirement 2025 Fund Inv Shares	^	275,258
	Vanguard	Vanguard Target Retirement 2030 Fund Inv Shares	^	377,338
	Vanguard	Vanguard Target Retirement 2035 Fund Inv Shares	^	600,050
	Vanguard	Vanguard Target Retirement 2040 Fund Inv Shares	^	151,580
	Vanguard	Vanguard Target Retirement 2045 Fund Inv Shares	^	535,056
	Vanguard	Vanguard Target Retirement 2050 Fund Inv Shares	^	323,511
	Vanguard	Vanguard Target Retirement 2055 Fund Inv Shares	^	354,823
	Vanguard	Vanguard Target Retirement Income Fund Inv Shares	^	24,032
	Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	^	41,605
	Vanguard	Vanguard Wellesley Income Fund Admiral Shares	^	20,414
	Vanguard	Vanguard Wellington Fund Admiral Shares	^	15,343
	Victory	Victory Sycamore Small Company Opportunity Fund	^	8,588
	Total mutual funds			3,851,954
*	Participant Loans	Loans with interest rate of 4.25% per annum, maturing through October 2025	-	149,988
				$ 4,023,770

See independent auditor's report.

* - Indicates party-in-interest, as defined by ERISA.

^ - Not applicable as permitted by the Department of Labor for participant-directed individual account plans.

Note: The schedule was derived from the data certified by Fidelity Management Trust Company, the Trustee, as complete and accurate.