

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

In re:)	
)	Chapter 11
ZACHRY HOLDINGS, INC., <i>et al.</i> ¹)	
)	Case No. 24-90377 (MI)
Debtors.)	(Jointly Administered)
)	

**COMPLEX CASE FEE APPLICATION COVER SHEET FOR
SUSMAN GODFREY L.L.P.'S FINAL FEE APPLICATION FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR
THE PERIOD FROM MAY 21, 2024 THROUGH FEBRUARY 27, 2025**

Name of Applicant:	Susman Godfrey L.L.P.	
Applicant's Role in Case:	Special Litigation Counsel	
Docket No. of Employment Order(s):	442	
Interim Application () No. ____ Final Application (X)		
	Beginning Date	End Date
Time period covered by this Application for which interim compensation has not previously been awarded:	12/1/2024	2/27/2025
Were the services provided necessary to the administration of or beneficial at the time rendered toward the completion of the case? (Y)		
Were the services performed in a reasonable amount of time commensurate with the complexity, importance and nature of the issues addressed? (Y)		
Is the requested compensation reasonable based on the customary compensation charged by comparably skilled practitioners in other non-bankruptcy cases? (Y)		
Do expense reimbursements represent actual and necessary expenses incurred? (Y)		

¹ The last four digits of Zachry Holdings, Inc.'s tax identification number are 6814. A complete list of each of the Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtors' proposed claims and noticing agent at www.veritaglobal.net/ZHI. The location of the Debtors' service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.



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Compensation Breakdown for Time Period Covered by this Application	
Total professional fees requested in this Application:	\$992,277.50
Total professional hours covered by this Application:	1,115.1
Average hourly rate for professionals:	\$889.86
Total paraprofessional fees requested in this Application:	\$3,920.00
Total paraprofessional hours covered by this Application:	9.8
Average hourly rate for paraprofessionals:	\$400
Total fees requested in this Application:	\$996,197.50
Total expense reimbursements requested in this Application:	\$7,901.90
Total fees and expenses requested in this Application:	\$1,004,099.40
Total fees and expenses awarded in all prior Applications:	\$989,896.90
Plan Status: On February 27, 2025, this Court entered an order confirming Debtors' <i>Further Modified First Amended Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and Its Debtor Affiliates</i> (the " Plan "). On April 10, 2025, the Effective Date under the Plan occurred.	
Primary Benefits: Susman Godfrey L.L.P. served as special litigation counsel to Debtors in connection with the adversary proceeding, <i>Zachry Industrial, Inc. v. Golden Pass LNG Terminal LLC</i> , Adv. Pro. No. 24-03105 (MI). Susman Godfrey L.L.P.'s counsel enabled Debtors to achieve a complete settlement of the adversary proceeding, Golden Pass's emergency motion for an order compelling rejection of EPC contract [Docket No. 299], and Chiyoda International Corporation's and CB&I LLC's joint emergency motion for an order granting relief from the automatic stay [Docket No. 350].	

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txsb.uscourts.gov/> within twenty-one days from the date this Application was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this Application was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

Susman Godfrey L.L.P. (“**Susman Godfrey**”), special litigation counsel for the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) in these chapter 11 cases, files this final application (this “**Application**”) for the period from May 21, 2024, to and including February 27, 2025 (the “**Final Period**”) requesting (i) final allowance of a total award of \$1,004,099.40 for the Final Period representing (a) compensation in the amount of \$996,197.50 for fees Susman Godfrey has earned for professional services to Debtors during the Final Period, and (b) reimbursement of the actual and necessary expenses in the amount of \$7,901.90 that Susman Godfrey has incurred during the Final Period in connection with such services; and (ii) payment of any unpaid amounts of such allowance. A proposed order in the form located on the Court’s website is attached to this Application.

Jurisdiction, Venue, and Predicates for Relief

1. The United States Bankruptcy Court for the Southern District of Texas (the “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding under 28 U.S.C. § 157(b). The Debtors confirm their consent to the entry of a final order by the Court.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The predicates for the relief requested in this Application are section 330 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “**Bankruptcy Code**”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), rule 2016-1 of the Bankruptcy

Local Rules for the Southern District of Texas (the “**Bankruptcy Local Rules**”), paragraphs 136-37 of the *Findings of Fact, Conclusions of Law, and Order (I) Approving the Debtors’ Disclosure Statement on a Final Basis and (II) Confirming the Further Modified First Amended Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and Its Debtor Affiliates* [Docket No. 2431] (the “**Confirmation Order**”), Article II.B. of the Plan, and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 342] (“**Compensation Procedures Order**”).

Procedural Background

4. On May 21, 2024 (the “**Petition Date**”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code commencing the above-captioned chapter 11 cases. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. These chapter 11 cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). No party has requested the appointment of a trustee or examiner in these chapter 11 cases. On June 4, 2024, the Office of the United States Trustee for the Southern District of Texas (the “**U.S. Trustee**”) appointed the Statutory Unsecured Claimholders’ Committee (the “**Committee**”) [Docket No. 176].

5. A detailed description of the Debtors and their businesses, including the facts and circumstances giving rise to these chapter 11 cases, is set forth in the *Declaration of Mohsin Y. Meghji in Support of Debtors’ Petitions and Requests for First Day Relief* [Docket No. 7] and the Disclosure Statement.¹

6. On July 9, 2024, the Court entered an order authorizing the retention of Susman Godfrey as counsel to the Debtors effective as of the Petition Date [Docket No. 442].

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Plan.

7. On June 25, 2024, the Court entered the Compensation Procedures Order, which set forth a procedure pursuant to which retained professionals, including Susman Godfrey, were to (1) file interim fee applications (each, an “**Interim Fee Application**”) covering approximately three-month long periods and serve same on certain parties; and (2) submit with each Interim Fee Application consolidated monthly fee statements (each, a “**Monthly Fee Statement**”), including a detailed statement of services rendered and expenses incurred during the approximately three-month period, and serve same on certain parties.

8. Pursuant to the Compensation Procedures Order, Susman Godfrey filed and served Monthly Fee Statements and Interim Fee Applications as follows:

Date Filed	Docket No.	Document
09/20/2024	998	First Interim Fee Application ²
09/20/2024	998-2, 998-3	First Monthly Fee Statement
12/10/2024	1669	Second Interim Fee Application
12/10/2024	1669-2, 1669-3	Second Monthly Fee Statement
04/18/2024	2766	Third Interim Fee Application
04/18/2024	2766-2	Third Interim Monthly Fee Statement

9. In support of this Application, Susman Godfrey submits these Monthly Fee Statements and Interim Fee Applications, which are incorporated to this Application by reference.

Terms and Conditions of Employment and Compensation

10. The terms and conditions of Susman Godfrey’s employment by the Debtors and compensation to be paid to Susman Godfrey by the Debtors are specifically outlined in the *Debtors’ Application for Entry of an Order Authorizing the Retention and Employment of Susman Godfrey LLP as Special Litigation Counsel to the Debtors Effective as of the Petition Date* [Docket No. 220] (the “**Retention Application**”). Post-petition compensation paid to Susman

² On October 11, 2024, Susman Godfrey filed a Certificate of Counsel notifying the Court of revisions to Susman Godfrey’s First Interim Fee Application. Docket No. 1135.

Godfrey by the Debtors has been paid from the Debtors' estates, in accordance with the Compensation Procedures Order.

Professional Services Provided by Susman Godfrey to the Debtors

11. Susman Godfrey served as special litigation counsel to Debtors in connection with the adversary proceeding, *Zachry Industrial, Inc. v. Golden Pass LNG Terminal LLC*, Adv. Pro. No. 24-03105 (MI). Susman Godfrey's counsel enabled Debtors to achieve a complete settlement of the adversary proceeding, as well as Golden Pass's Emergency Motion for an Order Compelling Rejection of EPC Contract [Docket No. 299] and Chiyoda International Corporation's and CB&I LLC's related Joint Emergency Motion for an Order Granting Relief from the Automatic Stay [Docket No 350].

12. In support of this Application, Susman Godfrey submits the following:

- a. Attached as **Exhibit A**, a summary of hours expended and fees earned grouped by timekeeper over the Final Period; and
- b. Attached as **Exhibit B**, a summary of expenses incurred by category over the Final Period.

13. Susman Godfrey attorneys expended, and Susman Godfrey billed, a total of 1,110.7 hours in connection with these chapter 11 cases during the Final Period. Susman Godfrey seeks compensation only for services the firm rendered to or on behalf of Debtors. Susman Godfrey has not received any payments from any source other than Debtors for services rendered or to be rendered in connection with these chapter 11 cases.

14. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, extent, and the value of such services, taking into account all relevant factors, including—

- (a) the time spent on such services;
- (b) the rates charged for such services;
- (c) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (e) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

15. This Application readily meets the standards of section 330 and applicable case law for compensation for services rendered on behalf of the Debtors' estates and for the administration of these chapter 11 cases.

16. The rates that Susman Godfrey charged in this Application are reasonable. During the Final Period, Susman Godfrey's hourly billing rates as billed to the Debtors' estates ranged from \$850 to \$1,600 for partners, \$725 to \$800 for associates, remained steadily at \$400 for paraprofessionals and \$150 for summer associates. The hourly rates and corresponding rate structure Susman Godfrey utilized in these chapter 11 cases are the same hourly rates and corresponding rate structure the firm uses for nearly all matters, including other bankruptcy disputes (including in this Court) and similar complex litigation matters, whether in court or otherwise, and regardless of whether a fee application is required—with the exception that Susman Godfrey's lead counsel Geoffrey L. Harrison discounted his usual hourly rate for the Debtors in this matter. These rates and the rate structure reflect that such matters are typically national in scope and involve great complexity, high stakes, and severe time pressures—all of which were

present in Susman Godfrey's work for the Debtors in these chapter 11 cases. Susman Godfrey's hourly rates vary with the experience and seniority of the individuals assigned and are subject to periodic adjustments to reflect economic and other conditions.³

17. The circumstances of Susman Godfrey's work for the Debtors in these chapter 11 cases imposed time constraints that required the firm's attorneys to devote significant time, including during the evenings and on weekends, to perform services on behalf of the Debtors that were essential to meet deadlines and prepare and respond to multiple motions. For example, Golden Pass, Chiyoda, and CB&I pursued their emergency motions [Docket Nos. 299, 350] on an expedited schedule, requiring Susman Godfrey to leap into action to conduct necessary discovery and ready the parties' disputes for an evidentiary hearing. *See, e.g.*, Docket Nos. 325–328. These emergency motions gave way to further discovery-related disputes [Docket Nos. 426, 435, 438, 444, 466] that required Susman Godfrey to perform substantial services on a short timeline.

18. Susman Godfrey provided services that were necessary to the administration of the Debtors' estates in the Final Period and were beneficial at the time Susman Godfrey rendered them. Susman Godfrey performed the services within a reasonable amount of time commensurate with the complexity, importance, and nature of the disputes, issues, and tasks addressed on behalf of the Debtors' estates. Susman Godfrey seeks compensation that is reasonable based on the customary compensation charged by comparably skilled practitioners in bankruptcy cases filed in this district. Susman Godfrey requests that the Court determine that the nature, extent, and value of these services were appropriate under the circumstances at the time the services were rendered.

19. As a result of its representation of the Debtors in these chapter 11 cases, Susman Godfrey incurred expenses which it billed to the Debtors' estates. The disbursements for such

³ Susman Godfrey's standard billing rates increased effective January 1, 2025. [Docket No. 2005].

services are not included in Susman Godfrey's overhead for the purpose of setting billing rates and Susman Godfrey has made every effort to minimize its disbursements in these chapter 11 cases. The actual expenses incurred in providing professional services were necessary, reasonable, and justified under the circumstances to serve the needs of the Debtors in these chapter 11 cases. Among other things, Susman Godfrey makes sure that all expenses for which it seeks reimbursement were reasonable and appropriate.

20. Although Susman Godfrey has made every effort to include all fees earned and expenses incurred during the Final Period, some fees and expenses might not be included in this Application due to delays caused by accounting and processing during the Final Period. Susman Godfrey reserves the right to make further statements to this Court for allowance of such fees and expenses not included in this Application. Susman Godfrey will file any subsequent fee statements in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and the Compensation Procedures Order.

In sum, Susman Godfrey requests final allowance and payment of any unpaid portion of (a) compensation for Susman Godfrey's professional services to Debtors during the Final Period in the amount of \$996,197.50, and (b) reimbursement of 100% of the actual and necessary expenses Susman Godfrey incurred during the Final Period in connection with such services in the amount of \$7,901.90, for a total award of \$1,004,099.40 for the Final Period.

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Dated: April 18, 2025

Respectfully submitted,

/s/ Jesse-Justin Cuevas

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Special Litigation Counsel to Debtors

Certificate of Service

I certify that on April 18, 2025, I caused a copy of the foregoing document to be served via the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Jesse-Justin Cuevas

Jesse-Justin Cuevas

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

_____)	
In re:)	Chapter 11
)	
ZACHRY HOLDINGS, INC., <i>et al.</i> ¹)	Case No. 24-90377 (MI)
)	
Reorganized Debtors.)	(Jointly Administered)
_____)	

**FINAL ORDER ALLOWING COMPENSATION
AND REIMBURSEMENT OF EXPENSES
(Docket No. ____)**

The Court has considered the Final Application for Compensation and Reimbursement of Expenses filed by Susman Godfrey L.L.P. (the “Applicant”). The Court orders:

1. The Applicant is allowed final compensation and reimbursement of expenses in the amount of \$1,004,099.40 for the period set forth in the application.
2. The compensation and reimbursement of expenses allowed in this order and all previous interim allowances of compensation and reimbursement of expenses are approved on a final basis.
3. The Reorganized Debtors are authorized to disburse any unpaid amounts allowed by paragraph 1 of this Order.

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

¹ The last four digits of Zachry Holdings, Inc.’s tax identification number are 6814. A complete list of each of the Reorganized Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <https://www.kccllc.net/zhi>. The location of the Reorganized Debtors’ service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.

EXHIBIT A

Summary of Hours Expended and Fees Earned During Final Period

Timekeeper	Position	Hourly Rate	Total Hours Expended	Total Fee Earned
Geoffrey L. Harrison	Partner	\$1,600	165.2	\$264,320.00
Richard W. Hess	Partner	\$850	232.6	\$197,710.00
Adam Carlis	Partner	\$850	16.2	\$13,770.00
Hunter Vance	Partner	\$850	223.4	\$189,890.00
Jesse-Justin Cuevas	Associate (through 12/31/2024)	\$800 (through 12/31/2024)	404.4	\$323,520.00
	Partner (beginning 1/1/2025)	\$975 (beginning 1/1/2025)	0.7	\$682.50
Anna Coll	Associate	\$725	3.2	\$2,320.00
Jeff McLaren	Paralegal	\$400	9.8	\$3,920.00
Charlie Bernstein	Summer Associate	\$150	36.1	\$5,415.00
Katie Grace Frisbee	Summer Associate	\$150	3	\$450.00
Bernard Kessler	Summer Associate	\$150	19.1	\$2,865.00
Subtotal			1,110.7	\$1,004,862.50
Voluntary Reduction			-	(\$8,665.00)
Total			1,110.7	\$996,197.50

EXHIBIT B

Summary of Costs Incurred During Final Period

Cost Category	Amount (\$)
Air Travel	534.96
Black & White (B/W) Prints	4.15
Court Document Alerts	265.40
Filing Fees	200.00
Ground Transportation (Taxis, car service)	103.30
Hotels (Travel)	641.76
Meals	3,431.34
Outside Photocopy Services	285.82
Research Charges	2,435.17
Total	7,901.90