

**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)
)	

**REORGANIZED DEBTORS' OBJECTION TO THE CLAIM OF TECON SERVICES
INC. [CLAIM #1540]**

This is an objection to your claim. This objection asks the Court to disallow the claim that you filed in this bankruptcy case. If you do not file a response within 30 days after the objection was served on you, your claim may be disallowed without a hearing.

Zachry Holdings, Inc. and its affiliates in the above-captioned proceeding (collectively, the “**Debtors**” or the “**Reorganized Debtors**”) file this objection (the “**Objection**”) to claim number 1540, filed by Tecon Services Inc. (“**Tecon**”) in the amount of \$1,204,910.42 (the “**Tecon Claim**”). In support of this Objection, the Reorganized Debtors submit the *Declaration of Travis Sessions in Support of the Debtors Objection to Tecon Services Inc.’s Claim*, attached hereto as **Exhibit A** (the “**Sessions Declaration**”), and respectfully state as follows:

Preliminary Statement

1. Debtor Zachry Industrial Inc. (“**ZII**”) engaged Tecon to perform work on pipes at the Golden Pass project site. ZII assumed the subcontract with Tecon (the “**Subcontract**”) during these chapter 11 cases and assigned it to CB&I LLC (“**CB&I**”) in connection with the Golden

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.



Pass settlement. Tecon had full notice of, and multiple opportunities to object to, the assumption and assignment, including the stated cure amount. It failed to do so. Now, months after ZII assumed and assigned the Subcontract, Tecon seeks payment of approximately \$1.2 million in interest supposedly due under Chapter 28 of the Texas Property Code (the “**Prompt Payment Act**”).

2. The Court should disallow the Tecon Claim in its entirety. Tecon waived any right to payment of interest when it failed to object to the proposed cure amount and ZII assumed and assigned the subcontract to CB&I. Tecon cannot now assert additional monetary defaults. Regardless, Tecon is not entitled to payment of interest under the Prompt Payment Act. That statute does not apply to “any agreement to explore, produce, or develop oil, natural gas, natural gas liquids,” and the term “agreement” includes “a written or oral agreement or understanding to provide work or services, including any construction, operating, repair, or maintenance services.” Tex. Prop. Code §§ 28.003(a)(3); 28.010(b)(1)(A). The Subcontract is exempt under a plain reading of the statute, and the Debtors have no obligation to pay Tecon interest.

Relief Requested

3. The Reorganized Debtors seek entry of an order, substantially in the form attached hereto (the “**Proposed Order**”), (i) disallowing and expunging the Tecon Claim in its entirety and (ii) granting such other and further relief as the Court deems just and proper.

Jurisdiction, Venue, and Predicates for Relief

4. 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.

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

6. The predicates for the relief requested herein are sections 105(a) and 502(b) of title 11 of the United States Code (the “**Bankruptcy Code**”), rule 3007 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and rule 3007-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “**Bankruptcy Local Rules**”).

Background

I. General Background

7. 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.

8. On July 26, 2024, the Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief* [Docket No. 636] (the “**Bar Date Order**”). The Bar Date Order established September 16, 2024 at 5:00 p.m. (prevailing Central Time) as the deadline for all non-governmental entities holding or wishing to assert a “claim” (as defined in section 101(5) of the Bankruptcy Code) against any of the Debtors that arose before the Petition Date to file proof of such claim, subject to additional time to file proofs of claim related to amendments to the Debtors *Schedules of Assets and Liabilities and Statements of Financial Affairs* (collectively, the “**Schedules and Statements**”) and proposed contractual cure amounts.

9. On February 27, 2025, the Court entered 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] confirming the Debtors’ plan of reorganization. On April 10, 2025, the Debtors’ plan of reorganization became effective. [Docket No. 2731].

II. The Subcontract

10. ZII was party to a Hybrid Joint Venture Agreement with Chiyoda International Corporation (“**Chiyoda**”) and CB&I (the joint venture entity, “**CCZJV**”). On January 30, 2019, CCZJV entered into an engineering, procurement, and construction contract (the “**EPC Contract**”) with Golden Pass LNG Terminal LLC (“**Golden Pass**”) to design and construct a liquified natural gas facility in Sabine Pass, Texas (the “**GPX Project**”). On April 19, 2022, ZII entered into the Subcontract with Tecon for pipe insulation work at the GPX Project, including the procurement and storage of materials necessary for Tecon’s work.

11. During the chapter 11 cases, the Debtors, Golden Pass, CB&I, Chiyoda, and CCZJV entered into a global settlement of claims and causes of action relating to the GPX Project (the “**GPX Settlement**”). Under the GPX Settlement, Golden Pass agreed to pay vendors’ (including Tecon’s) valid claims related to the GPX Project, subject to a cap, and the Debtors agreed to pay vendor claims above the cap. Golden Pass has paid Tecon more than \$12 million on account of the Subcontract, in full satisfaction of the principal amount of its claim.

12. On August 14, 2024, the Debtors filed the *First Omnibus Motion for Entry of an Order Authorizing the Assumption and Assignment of Certain GPX Project Executory Contracts* [Docket Nos. 766, 767] (the “**Assumption Motion**”), seeking to assume the Subcontract and assign it to CB&I. The Assumption Motion provided the proposed cure amounts and procedures for Golden Pass to pay the cure amounts subject to ongoing reconciliation. As set forth in the Assumption Motion, there was no monetary cure obligation under the Subcontract. The Debtors served the Assumption Motion on Tecon and its counsel via Electronic Mail and First-Class Mail [Docket No. 806]. Tecon had 21 days (until September 4, 2024) to object to the stated cure amounts. It did not object.

13. On September 13, 2024, the Debtors filed a *Notice of Revised Assumption and Assignment Schedule* [Docket Nos. 949, 950] (the “**Revised Assumption Notice**”). The Revised Assumption Notice again proposed a cure amount of \$0 for the Subcontract. The Debtors served the Revised Assumption Notice on Tecon and Tecon’s counsel via Electronic Mail and First-Class Mail [Docket No. 1082]. Tecon had additional time to object to the stated cure amount, even though the cure amount did not change. Again, Tecon did not object.

14. On September 20, 2023, the Debtors filed the Notice of Reconciled Cure Amount (the “**Reconciled Cure Notice**,” and, together with the Assumption Motion and Revised Assumption Notice, the “**Assumption Notices**”), which again proposed a cure amount of \$0 for the Subcontract. The Debtors served the Reconciled Cure Notice on Tecon and Tecon’s counsel via Electronic Mail and First-Class Mail [Docket No. 1103]. Tecon had even more time to object to the stated cure amount, even though the cure amount did not change. Yet again, Tecon did not object.

15. On October 4, 2024, the Court entered the *Order Granting Debtors’ First Omnibus Motion Authorizing the Assumption and Assignment of Certain GPX Project Executory Contracts* [Docket No 1088] (the “**Assumption Order**”), authorizing the Debtors to assume the Subcontract and assign it to CB&I with a cure amount of \$0.00. The Assumption Order enjoins any claims against the Debtors for monetary cures.

III. The Tecon Claim

16. On September 16, 2024, Tecon filed the Tecon Claim, asserting a claim for \$1,204,910.42 relating to “interest under Tex Prop Code 28.004 + Pre-Pet legal fees and costs.” In support, Tecon attached documentation purporting to show that certain invoices from July 2022 to July 2024 were either unpaid or untimely paid.

17. On October 24, 2024, the Debtors objected to the Tecon Claim in the *Debtor's Sixth Omnibus Claims Objection (Claims Satisfied Pursuant to Golden Plass Settlement)* [Docket No. 1124] (the “**Sixth Omnibus Objection**”) on the basis that Golden Pass paid, or will soon pay, all amounts due and payable under the Subcontract, as contemplated by the GPX Settlement and the Assumption Order. Tecon responded to the Debtors’ objection on November 25, 2024. [Docket No. 1502]. The Reorganized Debtors withdrew the Sixth Omnibus Objection solely with respect to the Tecon Claim and now file this Objection.

18. The Tecon Claim is premised upon the Prompt Payment Act, which provides in relevant part as follows:

If an owner² . . . receives a written payment request from a contractor for an amount that is allowed to the contractor³ under the contract for properly performed work . . . the owner shall pay the amount to the contractor . . . not later than the 35th day after the date the owner receives the request.

Tex. Prop. Code § 28.002(a).

19. The Prompt Payment Act further requires the contractor to pay its subcontractors⁴ for amounts due and payable within seven days of receipt of payment from the owner. *Id.* at § 28.002(b). The statute allows for interest of 1.5% per month on unpaid invoices where certain requirements are met. *Id.* at § 28.004(a)-(b).

² “Owner” is defined by the Texas Property Code as a “person or entity, other than a governmental entity, with an interest in real property that is improved, for whom an improvement is made, and who ordered the improvement to be made.” Tex. Prop. Code § 28.001(4). In this case, the owner is Golden Pass.

³ “Contractor” is defined by the Texas Property Code as a “person who contracts with an owner to improve real property or perform construction services for an owner.” Tex. Prop. Code § 28.001(1). In this case, the contractor is CCZJV.

⁴ “Subcontractor” is defined by the Texas Property Code as a “person who contracts to furnish labor or material to, or has performed labor or supplied materials for, a contractor or another subcontractor in connection with a contract to improve real property.” Tex. Prop. Code § 28.001(6). In this case, Tecon is the subcontractor.

20. There are several exemptions under the Prompt Payment Act, including for contractors and subcontractors on projects like the GPX Project. Section 28.010 provides in relevant part as follows:

This chapter does not apply to any agreement to explore, produce, or develop oil, natural gas, natural gas liquids, synthetic gas, sulfur, ore, or other mineral substances . . . or to purchase, sell, gather, store, or transport oil, natural gas, natural gas liquids, synthetic gas, or other hydrocarbon substances by pipeline or by a fixed, associated facility.

Id. at § 28.010(a)(1); (3) (emphasis added).

21. “Agreement” for purposes of this section means “a written or oral agreement or understanding . . . to provide work or services, including any construction, operating, repair, or maintenance services; or . . . to perform a part of the services... or an act collateral to those services, including furnishing or renting equipment, incidental transportation, or other goods and services furnished in connection with those services.” *Id.* at § 28.010(b)(1).

Argument

22. Section 502 of the Bankruptcy Code provides that “[a] claim or interest, proof of which is filed under section 501 of this title is deemed allowed, unless a party in interest . . . objects.” 11 U.S.C. § 502(a). Section 502 also provides that “if such objection to a claim is made, the court . . . shall determine the amount of such claim . . . and shall allow such claim in such amount, except to the extent that such claim is unenforceable against the debtor and property of the debtor, under any *agreement* or applicable law.” 11 U.S.C. § 502(b) (emphasis added).

23. As set forth in Bankruptcy Rule 3001(f), a properly executed and filed proof of claim constitutes *prima facie* evidence of the validity and the amount of the claim under section 502(a) of the Bankruptcy Code. *See In re Jack Kline Co., Inc.*, 440 B.R. 712, 742 (Bankr. S.D. Tex. 2010). However, a proof of claim loses the presumption of *prima facie* validity under Bankruptcy Rule 3001(f) if an objecting party refutes at least one of the allegations essential to the

claim's legal sufficiency. *See In re Fidelity Holding Co., Ltd.*, 837 F.2d 696, 698 (5th Cir. 1988). Once such an allegation is refuted, the burden reverts to the claimant to prove the validity of its claim by a preponderance of the evidence. *Id.* Despite this shifting burden, "the ultimate burden of proof always lies with the claimant." *In re Armstrong*, 347 B.R. 581, 583 (Bankr. N.D. Tex. 2006) (citing *Raleigh v. Ill. Dep't of Revenue*, 530 U.S. 15 (2000)).

I. Tecon Waived Any Claim to Statutory Interest

24. Tecon has long since waived its claim to interest that it alleges is due under the state law by failing to object to the Assumption Motion and the stated cure amount. The Assumption Order controls, and it provides in relevant part that:

- "[A]ll monetary amounts necessary to cure outstanding defaults under the Assigned Contracts . . . have been satisfied by Golden Pass or its designee pursuant to the procedures set forth in the Motion and subject to paragraph 7 of this Order." Assumption Order at 2.
- "Any outstanding defaults under the Assigned Contracts are deemed cured as of the date of entry of this Order." *Id.*
- "[N]either the Debtors nor CB&I shall have any liability for such Cure Amounts, and the Contract Counterparties shall have no recourse to the Debtors or CB&I for satisfaction of such Cure Amounts." *Id.* at 3.

25. The term "default" includes pecuniary losses arising from a contract and applicable state law. Specifically, section 1123(d) of the Bankruptcy Code provides that "the amount necessary to cure [a] default shall be determined in accordance with the underlying agreement *and applicable nonbankruptcy law*." 11 U.S.C. § 1123(d) (emphasis added). Similarly, section 365(b) of the Bankruptcy Code obligates the debtor to compensate a party for any pecuniary loss resulting from a default in the underlying contract, without exclusive reference to damages contemplated by the contract itself. 11 U.S.C. § 365(b)(1)(B). Non-contractual, statutory interest would be a relevant component of a monetary cure obligation to the extent required by applicable

nonbankruptcy law. As this Court held in *In re Moody Nat'l SHS Houston H, LLC*: “Thou shall look to state law when determining cure amounts.” 426 B.R. 667, 674 (Bankr. S.D. Tex. 2010).

26. The Assumption Notices proposed to cure all monetary defaults relating to the Subcontract for \$0.00. Tecon received actual notice of the proposed cure amount and had three opportunities to object to the proposed cure amount to assert its alleged entitlement to statutory interest. It failed to do so and is therefore bound by the Assumption Order. *See In re Bros. Materials*, 2016 Bankr. LEXIS 4077, at *23 (Bankr. S.D. Tex. Nov. 28, 2016); *In re Treyson*, 2016 Bankr. LEXIS 1768, at *13 (Bankr. S.D. Tex. Apr. 19, 2016); *In re Cellnet Data Sys., Inc.*, 313 B.R. 604, 609 (Bankr. D. Del. 2004), supplemented, No. 00-00844(PJW), 2005 WL 1331257 (Bankr. D. Del. June 6, 2005). The Court should disallow the Tecon Claim in its entirety, as it is a collateral attack on the Assumption Order.

II. Tecon is Not Entitled to Interest Under Applicable Law

27. Even if Tecon did not waive its claim for interest (it did), the Prompt Payment Act does not apply to the EPC Contract or the Subcontract. The statute includes an express exemption for agreements “(1) to explore, produce, or develop . . . natural gas, natural gas liquids . . . ; (2) for any well or mine services, including conditioning or gathering natural gas, condensate, petroleum products, or other liquid commodities; or (3) to purchase, sell, gather, store, or transport . . . natural gas or natural gas liquids . . . by a fixed, associated facility.” Tex. Prop. Code at § 28.010. The statute defines an “agreement” to include “a written or oral agreement or understanding” to “provide work or services, including any construction, operating, repair, or maintenance services” or to perform “an act collateral to those services, including furnishing or renting equipment, incidental transportation, or other goods and services furnished in connection with those services.” *Id.* at § 28.010(b)(1).

28. The EPC Contract is exempt under the plain language of the statute. It contemplates the constructions of three “trains” to produce liquified natural gas, ultimately allowing the owner to produce over 15 million tons of liquified natural gas per year. Post-production, the owner will store liquified natural gas at the project site until it transports it to customers globally. Courts have held that similar contracts to design and build similar projects are exempt under the Prompt Payment Act. In *Arrow Field Servs., LLC v. Linde Eng’g N. Am., Inc.*, a general contractor sued the owner of a natural gas processing plant for unpaid invoices and, on appeal, asserted a claim for interest under the Prompt Payment Act. *Arrow Field Servs., LLC v. Linde Eng’g N. Am., Inc.*, 2024 Tex. App. LEXIS 8698, at *3 (Tex. App. Dec. 17, 2024). The appellate court held that the agreement between the owner and the contractor for the construction of a natural gas processing plant was an agreement to produce or develop natural gas or natural gas liquids, or an agreement to gather, store, or transport natural gas or natural gas liquids, exempt under the statute as a matter of law. *Id.*, at * 82; *see also Danos v. Transcontinental Gas Pipe Line Company, LLC, et al.*, 4:19-cv-00176 (S.D. Tex. 2019) [Dkt. Nos. 146, 162, 170, 198, 204, 205, 209, 211, and Minute Entry on July 22, 2021] (applying the exemption for mineral development and oilfield services to a contract for the construction and repair of an out-of-state compressor station).

29. The Subcontract is exempt as well. It is an agreement pertaining to construction services and work collateral to those services, including furnishing goods and services collateral to the construction, operating, repair, or maintenance of a liquid natural gas plant. It would of course be illogical to exempt an agreement between an owner and general contractor, but not the general contractor and its subcontractors. A general contractor’s obligation to pay its subcontractors is typically contingent upon the general contractor receiving payment from the owner. The statute recognizes this conditionality: “[a] contractor who receives a payment . . .

from an owner in connection with a contract to improve real property shall pay each of its subcontractors the portion of the owner's payment . . . that is attributable to work properly performed." Tex. Prop. Code § 28.002(b). The Tecon Claim is premised upon Tecon having some greater right against ZII than ZII (through CCZJV) has against Golden Pass. That is of course not what the Prompt Payment Act provides.

III. Tecon is Not Entitled to Legal Fees

30. Tecon's claim for prepetition legal fees and costs should also be denied. A creditor can recover prepetition attorneys' fees only if such recovery is permissible under the prepetition agreement and is enforceable under applicable state law. *See* 11 U.S.C. § 502(b).

31. Here, the Subcontract does not provide for attorneys' fees. Generally, attorney's fees incurred by a party are not recoverable unless provided by statute or contract between the parties. *Herrera v. Wendell Legacy Homes, LLC*, 631 S.W.3d 441, 455 (Tex. App.—Beaumont 2021, no pet.). Because the contract is silent as to attorneys' fees and there is no statute authorizing the award of attorneys' fees, Tecon's claim for prepetition attorneys' fees should be denied.

Reservation of Rights

32. The Reorganized Debtors reserve the right to (i) amend, modify, or supplement this Objection, (ii) file additional objections to the Tecon Claim on any basis, and (iii) pursue claims and causes of action against Tecon or any other person or entity and seek appropriate remedies in connection with same. The Reorganized Debtors reserve their rights to object to any proof of claim, including but not limited to the Tecon Claim, on any grounds whatsoever at a later date, including, among other things, based on amount, priority, classification, or otherwise.

33. Nothing contained herein or any actions taken pursuant to such relief requested is intended or shall be construed as: (a) an admission as to the amount of, basis for, or validity of any

claim against a Reorganized Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Reorganized Debtors' or any other party in interest's rights to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Objection or any order granting the relief requested by this Objection or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a waiver of any claims or causes of action which may exist against any creditor or interest holder; (f) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (g) a waiver or limitation of the Reorganized Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (h) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance of property of the Reorganized Debtors' estates; or (i) a concession by the Reorganized Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Objection are valid and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

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The Reorganized Debtors request that the Court enter the Order granting the relief requested in this Objection and such other and further relief as the Court deems appropriate under the circumstances.

Dated: June 3, 2025
Houston, Texas

/s/ John B. Thomas

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*Counsel to the Reorganized Debtors and
Debtors in Possession*

Certificate of Service

I certify that on June 3, 2025 I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ John B. Thomas
John B. Thomas

EXHIBIT**A**

**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)
)	

**DECLARATION OF TRAVIS SESSIONS IN SUPPORT OF REORGANIZED
DEBTORS' OBJECTION TO TECON'S CLAIM [CLAIM #1540]**

I, Travis Sessions, declare as follows pursuant to 28 U.S.C. § 1746:

1. During the time period relevant to Tecon Services, Inc.'s ("Tecon") claim, I was the Director of Subcontracts for Zachry Industrial, Inc. ("**Zachry**") which is among the above-captioned reorganized debtors and debtors in possession (the "**Reorganized Debtors**"). I have worked for Zachry for nearly twenty-seven (27) years. As a result of my experience at Zachry and its affiliated entities, including in my current role as Director of Supply Chain Operations, I have extensive experience and familiarity with Zachry's Subcontract² with Tecon.

2. Contemporaneously with the filing of this Declaration, the Reorganized Debtors filed the *Objection to Proof of Claim No. 1540*. (the "**Objection**").

3. The facts set forth in this Declaration are based upon my personal knowledge, personal conversations I have had with the Reorganized Debtors' management, or upon my review

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.

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

of records kept in the ordinary course of the Debtors' business that were, as appropriate, reviewed by me or others under my supervision and direction. Further, I or others under my supervision and direction have reviewed and analyzed, to the extent possible, the proof of claim filed by Tecon. If called and sworn as a witness, I could and would testify competently to the matters set forth herein.

Objection to Proof of Claim No. 1540

4. I have read the Objection and, to the best of my knowledge, information, and belief, the assertions made in the Objection are accurate. The Reorganized Debtors and their advisors have determined that the Claim is unenforceable because all defaults relating to the Subcontract were deemed cured, and any of the Reorganized Debtors' liability arising from such defaults has been extinguished by final order of this Court.

5. The primary purpose of the GPX Project was to gather, develop, condition, and process liquified natural gas. Likewise, the EPC Contract obligated CCZJV to construct three natural gas liquification plants, which would allow Golden Pass to produce over 15 million tons of liquified natural gas per year.

6. Further, the Subcontract was an agreement to provide insulation services for fixtures located on the GPX Project, as well as to procure and store materials necessary for this insulation.

7. As such, I believe that the failure to disallow and expunge the Claim could result in the applicable claimant receiving an unwarranted recovery against the Reorganized Debtors' estates to the detriment of creditors with valid claims. As such, I believe that the disallowance of the Claim is appropriate.

Dated: June 3, 2025

By: /s/ Travis Sessions
Travis Sessions
Director of Supply Chain Operations
Zachry Industrial, Inc.

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

In re:

ZACHRY HOLDINGS, INC., *et al.*¹

Debtors.

)
) Chapter 11
)
) Case No. 24-90377 (MI)
)
) (Jointly Administered)
) **Re: Docket No. ____**

**ORDER SUSTAINING REORGANIZED DEBTORS' OBJECTION TO TECON
SERVICES INC.'S CLAIM [CLAIM NO. 1540]**

Upon the objection (the “**Objection**”)² of the above-captioned debtors (collectively, the “**Debtors**” or the “**Reorganized Debtors**”) for entry of an order (this “**Order**”) disallowing the Tecon Claim, all as more fully set forth in the Objection; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Objection is in the best interests of the Reorganized Debtors, their creditors, and other parties in interest; and this Court having found support for this Objection in the Sessions Declaration; and this Court having found that the Debtors’ notice of the Objection and opportunity for a hearing on the Objection were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the

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² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Objection.

Objection; and this Court having determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, IT IS HEREBY ORDERED THAT:

1. The Tecon Claim (Claim No. 1540) is hereby disallowed in its entirety.
2. Kurtzman Carson Consultants, LLC (doing business as Verita Global), as claims, noticing and solicitation agent, is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in this Order.
3. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order, the Objection, or the Objection Procedures shall be deemed: (a) an admission as to the validity of any prepetition claim against a Reorganized Debtor entity; (b) a waiver of any right of any Reorganized Debtor, or any other party in interest to dispute any prepetition claims on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Objection or any order granting the relief requested by the Objection; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of any right of any Reorganized Debtor, or any other party in interest under the Bankruptcy Code or any other applicable law.
4. The Reorganized Debtors are authorized, but not directed, to execute and deliver such documents and to take and perform all actions necessary to implement and effectuate the relief granted in this Order in accordance with the Objection.
5. Notice of the Objection as provided therein shall be deemed good and sufficient notice of such Objection and the requirements of the Bankruptcy Rules and the Bankruptcy Local

Rules are satisfied by such notice.

6. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.

Dated: _____, 2025
Houston, Texas

THE HON. MARVIN P. ISGUR
UNITED STATES BANKRUPTCY JUDGE