Docket #1377 Date Filed: 11/11/2024

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

In re:	Chapter 11
ZACHRY HOLDINGS, INC., *et al*.	Case No. 24-90377(MI)
Debtors.	(Jointly Administered)

GOLDEN PASS LNG TERMINAL LLC'S STATEMENT AND RESERVATION OF RIGHTS WITH RESPECT TO DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ZACHRY HOLDINGS, INC. AND ITS DEBTOR AFFILIATES AND CHAPTER 11 PLAN
[RELATES TO DKT. NOS. 1319 & 1320]

Golden Pass LNG Terminal LLC ("Golden Pass") files this Statement and Reservation of Rights with respect to the Debtors' *Amended Disclosure Statement for the Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and its Debtor Affiliates* [Dkt. No. 1320] (the "Disclosure Statement"), and proposed amended chapter 11 plan [Dkt. No. 1319] (the "Plan"), and respectfully states as follows:

STATEMENT AND RESERVATION OF RIGHTS

1. Since the approval of the GPX Settlement,[1] Golden Pass has worked cooperatively and in good faith with the Debtors to fulfill its obligations under the settlement. As set forth in the Disclosure Statement, Golden Pass has satisfied the vast majority of the known valid GPX Claims that have been reconciled with the Debtors.[2]

[1] Capitalized terms not defined herein shall have the meaning set forth in the Plan, or the GPX Settlement Term Sheet, as applicable.

[2] Dkt. No. 1320, p. 1.

2. Fulfilling the GPX Claim payment obligations under the GPX Settlement has been no easy task. Over ten thousand invoices, involving over a thousand vendors and covering a multi-year period, have been reviewed and reconciled with the Debtors, the Debtors' former joint-venture partners, and vendors to the GPX Project over the last three months. The magnitude of the administrative burden and effort has matched that of the consideration paid by Golden Pass under the settlement.

3. For the avoidance of doubt, Golden Pass does not intend to expand any obligations Golden Pass has to the Debtors under the GPX Settlement, or assume any obligations of the Debtors as debtor-in-possession under a chapter 11 plan, including the obligations to timely object to invalid claims and otherwise resolve any claims asserted against the Debtors.[3]

4. Golden Pass further reserves all rights under the GPX L/C, including the right to draw additional amounts above the Schedule Draws in the amount of any Excess Claims. As set forth in the GPX Settlement, Golden Pass agreed to pay certain valid GPX Claims up to the Direct Payment Cap.[4] The GPX Settlement further provides that if valid GPX Claims exceed the Direct Payment Cap, additional GPX Claims can be satisfied by the Debtors, or paid by Golden Pass, but subject to Golden Pass's right to make additional draws under the GPX L/C for such amounts paid that exceed the Direct Payment Cap (the "Excess Claims").[5]

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[3] Golden Pass understands that the Debtors intend to file omnibus objections to all satisfied or otherwise invalid claims asserted by GPX Project vendors. The Debtors have already commenced omnibus claim objections for claims related to the GPX Project based on satisfaction by Golden Pass and Golden Pass understands that further objections will commence soon.

[4] Dkt No. 625, Exhibit A (Golden Pass shall pay "(the "GPX Claims") in an amount not to exceed [redacted Direct Payment Cap number], including but not limited to, the invoices listed on Schedule 2, which includes all associated sales tax (the "Direct Payment Cap").

[5] *Id.* ("For any unpaid Zachry obligations for GPX Claims in excess of the Direct Payment Cap (the "Excess Claims"), Golden Pass shall pay such Excess Claims that are not otherwise satisfied by Zachry and shall be entitled to draw upon the L/C (defined below) for those amounts . . .".).

5. As of the date of this filing, it is uncertain whether there will be valid GPX Claims that exceed the Direct Payment Cap, and, if so, whether the Debtors will pay any such excess or request payment by Golden Pass. Consistent with the GPX Settlement, beginning on July 29, 2024, Golden Pass has provided weekly, detailed statements of all payments made towards the Direct Payment Cap to the Debtors and other notice parties. As reflected in those Statements, Golden Pass's payments to date are nearing the Direct Payment Cap.

6. Golden Pass and the Debtors have worked diligently, including holding weekly meetings with the parties' respective accounting, finance, and project teams to identify any additional claims that could be subject to the Direct Payment Cap and determine the amount of potential Excess Claims. Golden Pass expects that, over the following weeks, the parties will continue to cooperate and share information (including, from the Debtors, identification of any remaining claims that the Debtors believe are unsatisfied GPX Claims, or, alternatively, will be subject to objections by the Debtors as satisfied or otherwise invalid), so that Golden Pass can conclude its obligations under the GPX Settlement and the parties can appropriately determine any Excess Claims amount.[6]

7. Golden Pass reserves all rights with respect to final approval of the Disclosure Statement and the Plan.

Dated: November 11, 2024
Houston, Texas

[6] Consistent with the GPX Settlement, the Excess Claims amount must be sufficient to reimburse Golden Pass for any payments above the Direct Payment Cap that the Debtors may ask Golden Pass to make, if any. Consistent with the GPX Settlement, Golden Pass is not obligated to pay any GPX Claims of the Debtors that exceed the Direct Payment Cap without recourse to GPX L/C draws. Golden Pass reserves all rights with respect to any Excess Claims amount determination, including the right to have this Court determine any dispute related to the same.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that on November 11, 2024, 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 to all parties registered to receive such service.

By: */s/ Bob B. Bruner*
Bob. B. Bruner