

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

In re:

**MISSISSIPPI PHOSPHATES
CORPORATION, *et al.*¹**

Debtors

CASE NO. 14-51667-KMS
Chapter 11

Jointly Administered

**APPLICATION OF THE DEBTORS FOR AUTHORITY TO RETAIN
AND EMPLOY CERTAIN PROFESSIONALS UTILIZED
IN THE ORDINARY COURSE OF BUSINESS**

Mississippi Phosphates Corporation, *et al.*, the Debtors and debtors-in-possession (collectively, the “**Debtors**”) in these jointly administered chapter 11 cases, by and through their undersigned attorneys, file this *Application of the Debtors for Authority to Retain and Employ Certain Professionals Utilized in the Ordinary Course of Business* (the “**Ordinary Course Professionals Application**”). In support of the Application, the Debtors state as follows:

JURISDICTION

1. This Court has jurisdiction over the subject matter of this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Court possesses the requisite authority to grant the relief requested herein pursuant to Sections 105, 327, 330 and 331 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure.

¹ The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. # 62]: Mississippi Phosphates Corporation (“**MPC**”), Case No. 14-51667, Ammonia Tank Subsidiary, Inc. (“**ATS**”), Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. (“**SATS**”), Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the “**Bankruptcy Cases**.”

BACKGROUND

2. On October 27, 2014 (the “**Petition Date**”), each of the Debtors filed a voluntary petition in this Court for reorganization relief under Chapter 11 of the United States Bankruptcy Code. The Debtors continue to operate their businesses and manage their assets as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

3. An Official Committee of Unsecured Creditors (the “**Committee**”) was appointed by the United States Trustee in these Bankruptcy Cases on November 12, 2014 [Dkt. # 161], and the Court has approved the Committee’s retention of Burr & Forman LLP as counsel for the Committee [Dkt. # 473].

4. In the *Motion of the Debtors for an Administrative Order pursuant to 11 U.S.C. §§ 331 and 503 to Establish a Procedure for Interim Compensation and Reimbursement of Expenses of Employed Professionals of the Debtors and the Official Committee of Unsecured Creditors* (the “**Motion for Administrative Order**”), the Debtors stated that they anticipated that they may need to file additional applications to employ other professionals during the course of these Bankruptcy Cases,² including ordinary course professionals.

RELIEF REQUESTED

5. The Debtors request that the Court approve the employment of the Ordinary Course Professionals (as defined below) *nunc pro tunc* to the Petition Date for specific purposes other than the conduct of these Bankruptcy Cases.

² The Debtors retained other persons or firms on an independent-contractor basis, such as: Allen Engineering and Science, Inc. (“**Allen Engineering**”) for engineering, consulting and management services; GodwinGroup for public relations work; and Dennis Roberts as their human resources contractor. The Debtors do not believe that such persons or firms are “professionals” such that they need to be retained pursuant to Section 327 of the Bankruptcy Code, and therefore are not within the scope of the relief sought in this Motion.

6. The Debtors regularly call upon certain attorneys and other professionals (collectively “**Ordinary Course Professionals**”) in the usual course of managing their day-to-day affairs and operations. Presently, the Debtors employ and seek authority pursuant to Section 327(b) of the Bankruptcy Code to continue the employment of the following Ordinary Course Professionals for the purposes stated below:

<u>Firm / Professional</u>	<u>Scope of Engagement</u>
Horne, LLP	Accounting related to audit of and testing for 401(k) Plan
Heidelberg, Steinberger, Colmer & Burrow, P.A.	Workers Compensation Defense

7. It is necessary for the Debtors to employ and compensate the Ordinary Course Professionals in order for the Debtors to continue to perform the business operations and to provide the administrative services necessary for the bankruptcy estates.

PROPOSED TERMS OF EMPLOYMENT AND PROCEDURE

8. During the pendency of this Chapter 11 proceeding, the Debtors intend to employ the Ordinary Course Professionals listed above and others to be engaged as and when needed on an ongoing basis or at some point in the future, if not already employed, and for the purposes stated above. The Ordinary Course Professionals will be paid at their normal rates as set forth in the Statement of Compensation included in the affidavit to be filed by each Ordinary Course Professional (the “**Affidavit**”).

9. No Ordinary Course Professional may be employed or paid until the Affidavit has been filed with the Court. The Affidavit will be filed with the Court and served upon the United States Trustee and those creditors registered on the CM/ECF system for the Bankruptcy Cases on or before twenty one (21) days after the later of: (a) entry of an Order granting this Application, or (b) the engagement of such professional by the Debtors. The Affidavit will be in a form substantially similar to the attached hereto as **Exhibit “A”**. If no objection to the Affidavit is filed with the Court within twenty-four (24) days of the filing of the Affidavit, the Debtors shall

be authorized to employ the Ordinary Course Professional pursuant to Section 327(b) of the Bankruptcy Code *nunc pro tunc* to the Petition Date without further order of the Court.

10. The Affidavit for Horne, LLP is attached hereto as ***Exhibit "B"*** while the Affidavit for Heidelberg, Steinberger, Colmer & Burrow, P.A. is attached hereto as ***Exhibit "C"***.

11. Any Ordinary Course Professional may be compensated for fees in the ordinary course of business on a monthly basis that amount to no more than \$20,000.00, for that corresponding month ("***Qualified Fees***").

12. For any fees that are not Qualified Fees, all Ordinary Course Professionals will apply to the Court for compensation for professional services rendered and for reimbursement of expenses incurred, in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules of this Court, the "large case guidelines" promulgated by the Office of the United States Trustee, and any other applicable orders or guidelines entered herein.

13. Payment of compensation and reimbursement of expenses that are not Qualified Fees will be subject to applications filed by the Ordinary Course Professionals and approval by this Court.

14. Although certain of the Ordinary Course Professionals represented the Debtors pre-petition and may hold unsecured claims against the bankruptcy estates, the Debtors believe that the Ordinary Course Professionals do not hold any material adverse interest to those of the Debtors, the bankruptcy estates, or any interested parties with respect to the matters on which such Ordinary Course Professionals are to be employed. Therefore, the Debtors believe that each Ordinary Course Professional therefore complies with Section 327(e) of the Bankruptcy Code.

15. The Debtors further believe that each Ordinary Course Professional does not hold any material adverse interest to those of the Debtors, the bankruptcy estates, or any interested parties with respect to the matters that such Ordinary Course Professional is to be employed as required under the Bankruptcy Code and Rules as stated in the Affidavit filed thereby.

16. The Ordinary Course Professionals will not be representing the Debtors in conducting the Bankruptcy Cases.

17. The Debtors believe that they and the bankruptcy estates will be best served by retention of the Ordinary Course Professionals pursuant to the terms and procedures herein. Further, the past experiences with the Debtors and their operations make the continued, uninterrupted employment of the Ordinary Course Professionals in the best interests of all interested parties herein. The Debtors reserve the right to supplement or amend the list of the Ordinary Course Professionals provided herein as and when necessary.

WHEREFORE, the Debtors respectfully request that the Court enter an Order authorizing retention and employment of the Ordinary Course Professionals pursuant to the terms and procedure proposed herein and granting such other relief the Court deems just and proper.

Dated: May 1, 2015.

Respectfully submitted,

MISSISSIPPI PHOSPHATES CORPORATION, *ET AL.*

By: /s/ Stephen W. Rosenblatt

Stephen W. Rosenblatt (Miss. Bar No. 5676)
Christopher R. Maddux (Miss. Bar No. 100501)
Paul S. Murphy (Miss. Bar No. 101396)
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ATTORNEYS FOR THE DEBTORS

CERTIFICATE OF SERVICE

I certify that the foregoing pleading was filed electronically through the Court's CM/ECF system and served electronically on all parties enlisted to receive service electronically.

Dated: May 1, 2015.

/s/ Stephen W. Rosenblatt

STEPHEN W. ROSENBLATT

EXHIBIT "A"

Proposed Form for Affidavit of Ordinary Course Professional

Form 2014 Statement

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

In re:)	
)	
MISSISSIPPI PHOSPHATES)	
CORPORATION, <i>et al.</i>³)	CASE NO. 14-51667-KMS
)	Chapter 11
)	
Debtors)	Jointly Administered
)	

**STATEMENT OF _____ PURSUANT
TO FED. R. BANKR. P. 2014 AND ORDER GRANTING APPLICATION OF
DEBTORS FOR AUTHORITY TO RETAIN AND EMPLOY
CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY COURSE**

1. I am a shareholder in the _____ firm of _____ (the “**Firm**”), which has been retained by Mississippi Phosphates Corporation, *et al.*, the Debtors and debtors-in-possession (collectively, the “**Debtors**”) in these jointly administered chapter 11 cases (the “**Debtors**”) as an “ordinary course professional” pursuant to the *Order Granting Application of Debtors for Authority to Retain and Employ Certain Professionals Utilized in the Ordinary Course of Business* [Dkt. # ____] (the “**Order**”) which retention is to be *nunc pro tunc* to October 27, 2014 (the “**Petition Date**”).

2. The nature and scope of the services to be provided to the Debtors by the Firm are to _____.

³ The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. # 62]: Mississippi Phosphates Corporation (“**MPC**”), Case No. 14-51667, Ammonia Tank Subsidiary, Inc. (“**ATS**”), Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. (“**SATS**”), Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the “**Bankruptcy Cases.**”

3. Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, the Firm hereby confirms that, to the best of its knowledge and belief, and except as may be set forth on an exhibit hereto or as described in paragraph 5 hereof, other than in connection with this case, it does not have any connection with the Debtors, their creditors, the United States Trustee, any person employed by the United States Trustee or any other party with an actual or potential interest in these chapter 11 cases or their respective attorneys or accountants.

4. Pursuant to the Order, the Firm hereby confirms that it does not represent any interest adverse to the Debtors or the Debtors' estates in the matters upon which it is engaged in accordance with Section 327(e) of the Bankruptcy Code.

5. The Firm may have performed services for persons that are parties in interest in the Debtors' chapter 11 case in the past and may perform services in the future for such parties in matters unrelated to these chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent the Debtors, claimants, and parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases, nor does it have a relationship with any such person or its attorneys or accountants that would be adverse to the Debtors or the Debtors' estates.

6. Neither I nor any principal of or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Firm.

7. Neither I nor any principal of or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or the Debtors' estates with respect to the matters on which the Firm is to be employed.

8. The Debtors do not owe the Firm any moneys for prepetition services. If during the period of its employment, the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Statement.

9. At this time, it is not possible to estimate the amount of time that will be required to perform the services referred to herein and, accordingly, it is not possible to estimate the total cost thereof. The Firm will calculate its fees for professional services by reference to hourly rates for these services (as such rates are subject to normal adjustment from time to time for inflation and other factors) as described in the engagement letter attached as **Exhibit A** to this statement.

10. The Firm customarily revises its regular hourly rates on January 1 of each year and will request that effective January 1 of each year the aforementioned rates be revised to reflect the hourly rates in effect at that time. In addition, subject to Court approval, reasonable out of pocket expenses, including travel, delivery service and other costs incurred in providing the services are included at actual cost, in the total amount billed.

11. The sole source of compensation to be paid to the Firm in these chapter 11 cases is property of the Debtors now or hereafter acquired.

In accordance with 28 U.S.C. § 1746, I declare under penalty of perjury the foregoing is true and correct.

[Name of Professional]

ButlerSnow 25798887v1

EXHIBIT "B"

Affidavit of Horne LLP

on an exhibit hereto or as described in paragraph 5 hereof, other than in connection with this case, it does not have any connection with the Debtors, their creditors, the United States Trustee, any person employed by the United States Trustee or any other party with an actual or potential interest in these chapter 11 cases or their respective attorneys or accountants.

4. Pursuant to the Order, the Firm hereby confirms that it does not represent any interest adverse to the Debtors or the Debtors' estates in the matters upon which it is engaged in accordance with Section 327(e) of the Bankruptcy Code.

5. The Firm may have performed services for persons that are parties in interest in the Debtors' chapter 11 case in the past and may perform services in the future for such parties in matters unrelated to these chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent the Debtors, claimants, and parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases, nor does it have a relationship with any such person or its attorneys or accountants that would be adverse to the Debtors or the Debtors' estates.

6. Neither I nor any principal of or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Firm.

7. Neither I nor any principal of or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or the Debtors' estates with respect to the matters on which the Firm is to be employed.

8. The Debtors do not owe the Firm any moneys for prepetition services. If during the period of its employment, the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Statement.

9. At this time, it is not possible to estimate the amount of time that will be required to perform the services referred to herein and, accordingly, it is not possible to estimate the total cost thereof. The Firm will calculate its fees for professional services by reference to hourly rates for these services (as such rates are subject to normal adjustment from time to time for inflation and other factors) as described in the engagement letter attached as Exhibit A to this statement.

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11. The sole source of compensation to be paid to the Firm in these chapter 11 cases is property of the Debtors now or hereafter acquired.

In accordance with 28 U.S.C. § 1746, I declare under penalty of perjury the foregoing is true and correct.

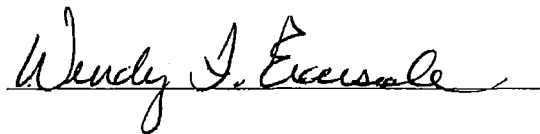
A handwritten signature in cursive script, reading "Wendy J. Excelsior", written over a horizontal line.

EXHIBIT "C"

Affidavit of Heidelberg, Steinberger, Colmer & Burrow, P.A.

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

In re:

**MISSISSIPPI PHOSPHATES
CORPORATION, *et al.*¹**

Debtors

CASE NO. 14-51667-KMS
Chapter 11

Jointly Administered

**STATEMENT OF HEIDELBERG, STEINBERGER, COLMER & BURROW, P.A.
PURSUANT TO FED. R. BANKR. P. 2014 AND ORDER GRANTING
APPLICATION OF DEBTORS FOR AUTHORITY TO RETAIN AND EMPLOY
CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY COURSE**

1. I am a shareholder in the law firm of Heidelberg, Steinberger, Colmer & Burrow, P.A. (the “**Firm**”), which has been retained by Mississippi Phosphates Corporation, *et al.*, the Debtors and debtors-in-possession (collectively, the “**Debtors**”) in these jointly administered chapter 11 cases (the “**Debtors**”) as an “ordinary course professional” pursuant to the *Order Granting Application of Debtors for Authority to Retain and Employ Certain Professionals Utilized in the Ordinary Course of Business* [Dkt. # ____] (the “**Order**”) which retention is to be *nunc pro tunc* to October 27, 2014 (the “**Petition Date**”).

2. The nature and scope of the services to be provided to the Debtors by the Firm are to represent the Debtors and certain insurance carriers of the Debtors in connection with certain workers' compensation matters.

¹ The chapter 11 cases of the following affiliated Debtors have been administratively consolidated for joint administration pursuant to that certain *Order Granting Motion of the Debtor for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b)*, dated October 29, 2014 [Dkt. # 62]: Mississippi Phosphates Corporation (“**MPC**”), Case No. 14-51667, Ammonia Tank Subsidiary, Inc. (“**ATS**”), Case No. 14-51668 and Sulfuric Acid Tanks Subsidiary, Inc. (“**SATS**”), Case No. 14-51671. These chapter 11 cases are sometimes referred to herein as the “**Bankruptcy Cases**.”

3. Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, the Firm hereby confirms that, to the best of its knowledge and belief, and except as may be set forth on an exhibit hereto or as described in paragraph 5 hereof, other than in connection with this case, it does not have any connection with the Debtors, their creditors, the United States Trustee, any person employed by the United States Trustee or any other party with an actual or potential interest in these chapter 11 cases or their respective attorneys or accountants.

4. Pursuant to the Order, the Firm hereby confirms that it does not represent any interest adverse to the Debtors or the Debtors' estates in the matters upon which it is engaged in accordance with Section 327(e) of the Bankruptcy Code.

5. The Firm may have performed services for persons that are parties in interest in the Debtors' chapter 11 case in the past and may perform services in the future for such parties in matters unrelated to these chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent the Debtors, claimants, and parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases, nor does it have a relationship with any such person or its attorneys or accountants that would be adverse to the Debtors or the Debtors' estates.

6. Neither I nor any principal of or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Firm.

7. Neither I nor any principal of or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or the Debtors' estates with respect to the matters on which the Firm is to be employed.

8. As evidenced by our proof of claim [Claim Nos. 125; 126; and 127], the Debtors owe the Firm a total of \$6,738.23 for prepetition services. If during the period of its employment, the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Statement.

9. At this time, it is not possible to estimate the amount of time that will be required to perform the services referred to herein and, accordingly, it is not possible to estimate the total cost thereof. The Firm will calculate its fees for professional services by reference to hourly rates for these services (as such rates are subject to normal adjustment from time to time for inflation and other factors) as described in the engagement letter attached as Exhibit A to this statement.

10. The Firm customarily revises its regular hourly rates on January 1 of each year and will request that effective January 1 of each year the aforementioned rates be revised to reflect the hourly rates in effect at that time. In addition, subject to Court approval, reasonable out of pocket expenses, including travel, delivery service and other costs incurred in providing the services are included at actual cost, in the total amount billed.

11. The sole source of compensation to be paid to the Firm in these chapter 11 cases is property of the Debtors now or hereafter acquired.

In accordance with 28 U.S.C. § 1746, I declare under penalty of perjury the foregoing is true and correct.
