



2. The statutory bases for the relief requested herein are Sections 327, 330 and 331 of the Bankruptcy Code and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

3. The relief requested is also made pursuant to the *Order Granting Application of Debtors to Employ Butler Snow LLP as Its Attorneys* [Dkt. # 302] (the “**Employment Order**”) and the *Order Granting 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* [Dkt. # 586] (the “**Interim Fee Procedures Order**”).

### **BACKGROUND**

4. On October 27, 2014 (the “**Petition Date**”), the Debtors filed their voluntary petitions for relief and thereby commenced these Bankruptcy Cases under chapter 11, title 11 of the United States Code (the “**Bankruptcy Code**”), in the United States Bankruptcy Court for the Southern District of Mississippi, Southern Division (the “**Bankruptcy Court**”). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are operating their businesses and managing their properties as debtors-in-possession. No trustee or examiner has been appointed in any of these Bankruptcy Cases.

5. 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]. Burr & Forman LLP has been retained as counsel for the Committee in these Bankruptcy Cases [Dkt. # 473].

6. Pursuant to the Employment Order, the Debtors were authorized to employ and retain Butler Snow as their bankruptcy counsel to prosecute the Bankruptcy Cases and all related matters thereto and to render necessary legal services to the Debtors during their Bankruptcy Cases, as more fully described in the Employment Order.

7. Butler Snow does not hold or represent any interest adverse to the Debtors or the bankruptcy estates, and is a disinterested person as that term is defined in Section 101(14) of the

Bankruptcy Code, as modified by Section 1107(b) of the Bankruptcy Code, and as disclosed in that certain *Affidavit of Stephen W. Rosenblatt and § 329(a) Statement of Compensation in Support of Application to Employ Butler Snow LLP as Bankruptcy Counsel*, which was Exhibit A to the *Application of Debtors to Employ Butler Snow LLP as its Attorneys and Disclosure of Compensation with Supporting Affidavit* [Dkt. # 173] (the “**Employment Application**”). Butler Snow also disclosed its connections to various parties-in-interest in the Bankruptcy Cases according to the result of its conflicts search.

8. The Employment Order provided that Butler Snow would be entitled to receive reasonable compensation and to receive reimbursement of actual, necessary expenses after notice and a hearing as contemplated by 11 U.S.C. § 330 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, and any other applicable or related statutes and rules. The Employment Order also provided that any application for compensation and reimbursement for expenses filed by Butler Snow herein shall set forth the date of entry of all previous orders allowing compensation and expenses and the amounts so allowed.

9. On March 13, 2015, this Court entered the Interim Fee Procedures Order.

10. On March 26, 2015, Butler Snow filed its *First Application of Butler Snow LLP for Interim Allowance of Administrative Claim for Compensation and Reimbursement of Expenses* [Dkt. # 651] in which it sought allowance as an administrative expense claim fees in the amount of \$1,117,526.20 for services rendered as counsel to the Debtors during October 27, 2014 through February 28, 2015 (the “**Initial Fee Period**”) and \$22,616.95 for expenses incurred as counsel to the Debtors. Butler Snow also sought payment from the Butler Snow Professional Fees Escrow Account the total amount of the 20% holdbacks for the Initial Fee Period.

11. On May 11, 2015, the Court entered its *Agreed Order Granting First Application of Butler Snow LLP for Interim Allowance of Administrative Claim for Compensation and Reimbursement of Expenses* [Dkt. # 750] and awarded Butler Snow allowed fees as an administrative expense claim in the amount of \$1,114,021.20 for services rendered as counsel to the Debtors during the Initial Fee Period; allowed expenses as an administrative expense claim in

the amount of \$17,345.58 for expenses incurred as counsel to the Debtors during the Initial Fee Period; and authorized the payment to Butler Snow from the Butler Snow Professional Fees Escrow Account the sum of \$214,728.87 as the amount of the holdbacks for the Initial Fee Period.

12. Pursuant to the Interim Fee Procedures Order, Butler Snow has submitted interim compensation applications to the specified Recipients on the following dates, for the specific time periods, and in the following amounts for the Second Fee Period:

<u>Date</u>	<u>Time Period Covered</u>	<u>Fees Requested</u>	<u>Expenses Requested</u>	<u>Total Requested</u>
05/06/2015	03/1/2015 to 03/31/2015	\$ 192,355.50	\$ 1,215.37	\$ 193,570.87
05/11/2015	04/01/2015 to 04/30/2015	\$ 125,757.00	\$ 1,263.54	\$ 127,020.54
06/15/2015	05/01/2015 to 05/31/2015	\$ 192,754.50	\$ 3,215.06	\$ 195,969.56

<b>Total</b>	<b>\$ 510,867.00</b>	<b>\$ 5,693.97</b>	<b>\$ 516,560.97</b>
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13. As of the date of this Second Application, the deadlines have passed for the March and April interim compensation applications by which an objection may be filed by a Recipient. The deadline by which an objection may be filed by a Recipient with respect to the May interim compensation application has not yet passed.

14. Pursuant to the Interim Fee Procedures Order, Butler Snow has been paid interim compensation and has been reimbursed expenses on the following dates and in the following amounts during the Second Fee Period:

<u>Date</u>	<u>Time Period Covered</u>	<u>Fees Paid to Butler Snow</u>	<u>Expenses Paid to Butler Snow</u>	<u>Holdback Amount Remaining in Escrow</u>
5/28/2015	3/1/2015 to 3/31/2015	\$153,884.40	\$1,215.37	\$34,471.10
5/28/2015	4/1/2015 to 4/30/2015	\$100,605.60	\$1,263.54	\$25,151.40
<b>TOTAL</b>		<b>\$254,490.00</b>	<b>\$2,478.91</b>	<b>\$59,622.50</b>

15. Pursuant to Bankruptcy Rule 2016(a), an entity seeking interim or final compensation for services, or reimbursement of necessary expenses, from the bankruptcy estates

shall file an application setting forth a detailed statement of (a) the services rendered, time expended, and expenses incurred, and (b) the amounts requested.

16. All the services for which Butler Snow seeks compensation were performed for, and on behalf of, the Debtors and the Debtors' bankruptcy estates. Butler Snow has not received any promises of payment from any source other than those payments to be made to the Escrow Agent pursuant to the Escrow Agreement among the Debtors, STUW LLC, as administrative agent for the DIP Lender, Butler Snow, and Trustmark National Bank as the Escrow Agent, as provided in the Interim Fee Procedures Order. In accordance with Bankruptcy Rule 2016(b), Butler Snow has neither shared, nor agreed to share, (a) any compensation it has received or may receive with another party or person other than as permitted by Section 504(b) of the Bankruptcy Code; and (b) has not received any compensation from the Debtors or the DIP Lender or from any other source for the services performed and expenses incurred by Butler Snow on behalf of the Debtors during the Second Fee Period other than as permitted under the Interim Fee Procedures Order.

17. This is Butler Snow's second application for fees and expenses filed in these Bankruptcy Cases. Pursuant to this Second Application, Butler Snow requests allowance, on an interim basis, of compensation in the amount of \$510,867.00 and reimbursement of expenses in the amount of \$5,693.97, for a total of \$516,560.97 (the "**Aggregate Compensation**") for the Second Fee Period. In accordance with the Interim Fee Procedures Order, a copy of the complete, detailed monthly invoices (the "**Monthly Invoices**") for each billing period was submitted by Butler Snow to the Recipients, including the Office of the United States Trustee. A copy of the Monthly Invoices for each month for the Second Fee Period is attached hereto as collective **Exhibit A**.<sup>2</sup> The Aggregate Compensation requested in this Second Application is the same as that covered by the total of the Monthly Invoices.

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<sup>2</sup> **Exhibit A** is a collective exhibit that is comprised of three subparts: Exhibit "A-1" is the Monthly Invoice for March 1 – 31, 2015; Exhibit "A-2" is the Monthly Invoice for April 1 – 30, 2015; and Exhibit "A-3" is the Monthly Invoice for May 1 – 31, 2015.

18. Butler Snow also requests authority to be paid the "Holdback Amount" for the Second Fee Period pursuant to the Interim Fee Procedures Order.

19. Butler Snow submits this Second Application pursuant to Section 330 of the Bankruptcy Code, which provides that the Court may award to an attorney employed by the debtor (a) reasonable compensation for actual, necessary services and (b) reimbursement for actual, necessary expenses. This is an interim application pursuant to Section 331 of the Bankruptcy Code.

20. Butler Snow believes that the sums requested in this Second Application should be approved and allowed by this Court, on an interim basis, as priority administrative expenses as set forth in Sections 503(b)(4) and 507(a)(2) of the Bankruptcy Code.

21. The primary Butler Snow professionals in these Bankruptcy Cases during the Second Fee Period, as well as the position, experience and hourly rates of each, are as follows:

<u>Professional</u>	<u>Position</u>	<u>Experience</u>	<u>2015 Rate</u>
Stephen W. Rosenblatt	Partner	39 years	\$475.00
James Tucker	Partner	40 years+	\$475.00
Christopher R. Maddux	Partner	15 years	\$360.00
Don B. Cannada	Partner	36 years	\$495.00
Michael Caples	Partner	20 years	\$360.00
Gilbert Van Loon	Partner	29 years	\$350.00
Selby A. Ireland	Partner	24 years	\$340.00
Amanda Barbour	Partner	18 years	\$340.00
Paul M. Murphy	Partner	16 years	\$285.00
J. Mitchell Carrington	Associate	2 years	\$190.00
Thomas M. Hewitt	Associate	1 year	\$185.00
Marcie Davant	Paralegal	20 years+	\$180.00
Velvet Johnson	Paralegal	20 years+	\$160.00

22. The rates described above are consistent with the hourly rates customarily charged by Butler Snow for services of this type. The Monthly Invoices contain a detailed itemization and description of the services that Butler Snow rendered during the Second Fee Period. Based on these rates and the services performed by each individual, the reasonable value of such services is \$510,867.00. The individuals of Butler Snow expended a total of 1,526.50

hours for these Bankruptcy Cases during the Second Fee Period (1,375.40 hours for attorneys and 151.10 hours for paralegals). The blended hourly rate for these services of all attorneys is \$354.25, and the blended hourly rate for these services of all timekeepers is \$334.66.

23. Further, in Exhibit A, Butler Snow has: (a) identified the individuals who rendered services in the described subject matters; (b) described each activity or service that each individual performed; and (c) stated the number of hours (in increments of one-tenth of an hour) spent by each individual providing the services. Additionally, a summary of the hours worked by each individual each month, together with that individual's applicable hourly rate, are reflected at the end of each monthly statement.

**THE APPLICABLE STANDARD  
FOR THE AWARD OF COMPENSATION AND EXPENSES**

24. In *In re: Asarco, L.L.C.*, 751 F.3d 291 (5th Cir. 2014), the Court of Appeals for the Fifth Circuit Court discussed the factors that a Bankruptcy Court should consider in reviewing a fee application:

Section 330(a)(3) of the Bankruptcy Code provides a non-exclusive list of factors that bear on a court's determination of the reasonable compensation for actual, necessary services and expenses rendered by attorneys and other court-supervised bankruptcy professionals. *See* 11 U.S.C. § 330(a)(1)(A). Thus,

[T]he court shall consider the nature, the 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;
- (E) with respect to a professional person, whether the person is board certified or otherwise has



- demonstrated skill and experience in the bankruptcy field; and
- (F) 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).

Elaborating on this provision, bankruptcy courts use the lodestar method, multiplying the number of hours of work performed by attorneys and paraprofessionals by the hourly rates of each. The total yields a lodestar amount. *In re Pilgrim's Pride Corp.*, 690 F.3d 650, 654-55 (5th Cir. 2012) (citing *Lawler*, 807 F.2d at 1211). “[A]fter calculating the lodestar, bankruptcy courts retain [ ] the discretion to adjust the lodestar upwards or downwards to reflect *their consideration of the Johnson factors*.” *Id.*, *Johnson v. Ga. Highway Express, Inc.*, 488 F.2d 714, 717-19 (5th Cir. 1974).<sup>3</sup> *See also* 11 U.S.C. § 330(a)(2) . . . . This court has clarified that Section 330(a), the lodestar method, and the *Johnson* factors work in conjunction with each other to guide the court’s discretion. *Id.* at 656 (citing *Cahill*, 428 F.3d at 539-40).

*Id.*, at 295.

#### **APPLICATION OF THE APPLICABLE STANDARD TO BUTLER SNOW’S SECOND APPLICATION**

25. When fixing a fee award, courts consider the nature and extent of the services rendered, the value of such services, and the twelve factors articulated in *Johnson*. *See* 488 F.2d at 717-19; *see also In re Burns*, 503 B.R. 666 (Bankr. S.D. Miss. 2013); *In re Williams*, 2013 Bankr. LEXIS 3715 (Bankr. S.D. Miss. Sept. 5, 2013); *In re Johnson*, 478 B.R. 235 (Bankr. S.D. Miss. 2012); *In re Coastal Land Dev. Corp.*, 2009 Bankr. LEXIS 1423 (Bankr. S.D. Miss. May 29, 2009). Butler Snow’s fees and expenses were incurred in connection with the administration of the Bankruptcy Cases. During the Second fee Period, as more particularly set forth in paragraph 26(C), Butler Snow advised and represented the Debtors in connection with the

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<sup>3</sup> The twelve *Johnson* factors are: (a) The time and labor required; (b) The novelty and difficulty of the questions; (c) The skill requisite to perform the legal service properly; (d) The preclusion of other employment by the attorney due to acceptance of the case; (e) The customary fee; (f) Whether the fee is fixed or contingent; (g) Time limitations imposed by the client or other circumstances; (h) The amount involved and the results obtained; (i) The experience, reputation, and ability of the attorneys; (j) The “undesirability” of the case; (k) The nature and length of the professional relationship with the client; and (l) Awards in similar cases. *Johnson v. Ga. Highway Express, Inc.*, 488 F.2d 714, 717-19 (5th Cir. 1974).



Debtors' business activities, the potential sale of their facilities, financing issues with its DIP Lender, regulatory issues with the Environmental Protection Agency ("**EPA**") and the Mississippi Department of Environmental Quality ("**MDEQ**," and together with the EPA, the "**Environmental Agencies**"), responding to requests for documents and information from the Environmental Agencies, the Lenders, and potential purchasers, negotiations with other government agencies, resolution of certain claims of creditors, resolution of objections to various motions, and numerous other matters arising in the performance of the Debtors' duties as debtor-in-possession. The services rendered and the expenses incurred by Butler Snow as counsel for the Debtors have benefited the Debtors, the Debtors' bankruptcy estates, and their creditors. The services rendered reflected by these fees and expenses were necessary to protect and preserve rights of the Debtors and the bankruptcy estates and served to enhance the value of the bankruptcy estates.

26. The *Johnson* factors are applied to Butler Snow's Second Application as follows:

A. Time and Labor Required. The actual time Butler Snow has expended on behalf of the Debtors is detailed in **Exhibit A**, which is a detailed itemization of the time billed for Butler Snow's services. The time Butler Snow expended is commensurate with the size and scope of the Debtors' Bankruptcy Cases. Although certain redundancy is required in bankruptcy cases such as these, Butler Snow has sought to avoid unnecessary duplication of time or services. The time charges shown in the Monthly Invoices were reasonable and necessary given the significant demands of the Bankruptcy Cases.

B. The Novelty and Difficulty of Questions Presented by the Cases. Butler Snow has advised and represented the Debtors in numerous aspects of the Bankruptcy Cases. As evidenced by the more than 800 docket entries in this case, Butler Snow has negotiated, prepared, and filed a substantial number of various motions and pleadings in this case, many on an emergency or a shortened basis. Many of these have involved complex legal, financial, and operational issues in these Bankruptcy Cases in areas, in addition to bankruptcy, such as environmental law, commercial finance, corporate sale and acquisition transactions, real estate, corporate law, secured transactions, employment law, employee benefits, and insurance. Further, these Bankruptcy Cases qualified as "larger chapter 11 cases" under the Guidelines promulgated by the Office of the United States Trustee, [http://www.justice.gov/ust/eo/rules\\_regulations/guidelines/](http://www.justice.gov/ust/eo/rules_regulations/guidelines/), pursuant to the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330 by Attorneys in Larger Chapter 11 Cases*,

28 CFR Part 58 – Appendix B to Part 58 (the “*Guidelines*”). To date, only one other “larger chapter 11 case” subject to the Guidelines has been filed in Mississippi. There is added difficulty and complexity in managing cases that have assets and liabilities in excess of \$100 million.

C. Skill Requisite to Perform the Legal Services Properly. These Bankruptcy Cases have been complex and challenging and involve matters and issues requiring considerable knowledge and expertise of bankruptcy law, as well as other diverse areas such as environmental law, commercial finance, corporate transactions, secured transactions, real estate transactions, employee benefits, and employment law. In addition, bankruptcy counsel had to understand the dynamics of the Debtors’ operations, environmental responsibilities, financing and assets to advise the Debtors properly on these many diverse issues. Overlaying these issues was the necessity of providing counsel to the Chief Restructuring Officer and management in a fluid environment where the exigencies of the situation often limited the amount of time available for a thorough and detailed analysis. Among the matters handled by Debtors’ counsel during the Second Fee Period were advice, communication, pleadings and documentation related to the following:

- Assuring that the Debtors would have uninterrupted and adequate financial resources for operations, including water treatment and other environmental obligations, through communications and negotiations with counsel for the DIP Lenders regarding securing and maintaining adequate post-petition financing;
- Reducing the operating expenses wherever practical and operating within the constraints of the approved DIP Budget;
- Continuing to coordinate the conduct of a proper sales process of the Debtors’ operational assets, including frequent interaction and communications with, and providing documents and information to, the CRO and management, the Investment Banker, potential buyers, the Environmental Agencies, and the Committee;
- Consulting with the CRO and Investment Banker regarding the review of prospective bidders with respect to the sales process;
- Working with special counsel retained by the Debtors with respect to providing documents and information necessary for the filing of a protective BP Claim by the Debtors;
- Collecting moneys owed to the Debtors;
- Regular (usually weekly) conference calls with the Environmental Agencies to discuss current and prospective environmental and operational issues related to the Debtors’ facility, as well as case

administration, the sales process, DIP financing and budget issues, and the resolution of disputed issues and potential objections;

- Negotiating a new utility rate with Mississippi Power Company based on its decreased usage;

- Continuing talks with representatives of the Department of Justice with respect to seeking a resolution of certain environmental incidents that occurred in 2013 and 2014;

- Discussions with the Federal Communications Commission concerning the transfer of FCC licenses and the sales process;

- Negotiating and drafting documents related to the amendment of a key lease agreement on favorable financial terms to the Debtors and to the sales process;

- Addressing insurance issues related to both past and present policies, as well as to funding of present and future policies;

- Exploring various ways to reduce costs for insurance, in light of the values of its assets, particularly with respect to casualty insurance;

- Establishing uniform procedure for dealing with administrative claims asserted pursuant to Section 503(b)(9);

- Objecting to certain 503(b)(9) claims and resolving certain of those objections;

- Resolving objections to the “cure amount” for executory contracts and unexpired leases filed by parties in response to the *Motion of Debtors to Determine Cure Amounts for Executory Contracts and Unexpired Leases That May Be Assumed and Assigned as Part of the Sale Motion* [Dkt. # 512];

- Resolving tidelands lease issue with the State of Mississippi and obtaining approval of an assumption of that lease agreement;

- Analyzing employee proofs of claim;

- Attending various court hearings involving matters of these Bankruptcy Cases;

- Retaining various professionals for audit of 401(k) plan and workers compensation defense matters;

- Coordinating with Escrow Agent payments to retained professionals for the Committee and the Debtors;
- Negotiations with the Lenders and Environmental Agencies regarding a settlement agreement and documentation regarding settlement agreement;
- Consult with the Debtors on various environmental and operational issues related to gypsum stack maintenance;
- Discussions with Mississippi Department of Revenue regarding amount of its tax claims;
- Review and analyze status and amounts of claim of Jackson County for ad valorem taxes for real and personal property and inventory;
- Identify and communicate with professionals to address ad valorem tax issues;
- Drafting plan term sheet and begin work on plan and disclosure statement; and
- Case administration matters, including the preparation and filing of Monthly Operating Reports.

These matters were in addition to the other routine legal matters handled by Butler Snow in representing the interests of the Debtors as debtors-in-possession.

D. Attorney's Opportunity Costs in Pressing the Instant Case. These Bankruptcy Cases demanded a substantial time commitment from Butler Snow's lead bankruptcy attorneys. Long workdays have not been uncommon, as more fully reflected in Exhibit A. The time demands for these Bankruptcy Cases, as well as the difficulty and the magnitude of the issues being handled, necessarily limited the number of new matters the lead bankruptcy lawyers for the Debtors could undertake.

E. Customary Fees for Similar Work in the Community. Butler Snow's fees for services rendered by its lawyers and paralegals are customary and usual in the legal community for handling matters of the types and complexity of both bankruptcy and non-bankruptcy issues of the kinds involved in these Bankruptcy Cases. Further, the hourly rates are those customarily charged to Butler Snow's similarly situated bankruptcy and non-bankruptcy clients for similar legal services. Butler Snow's hourly rates are substantially lower than those of many other bankruptcy professionals who are playing significant roles in these Bankruptcy Cases. Further, Butler Snow's rates are lower than the rates we otherwise would normally charge for an engagement of this size and complexity.

We are charging the Debtors for these Bankruptcy Cases at our rates for normal, ordinary and routine matters.

F. Contingent Nature of Fees. Although Butler Snow's requested fees in the Debtors' Bankruptcy Cases are based upon Butler Snow's regular hourly billing rates, the ability to be paid based on these hourly rates effectively is contingent. Some of the contingent factors include: (1) the Debtors' obtaining an adequate DIP Facility to fund the ongoing operations of the Debtors' operations, the sales process of the Debtors' assets, and payment of professionals' fees which are to be borne by the bankruptcy estate; (2) the Bankruptcy Cases not converting to chapter 7 cases or being dismissed; and (3) the approval of these fees by the Bankruptcy Court pursuant to 11 U.S.C. §§ 330 and 331. Accordingly, these fees sought by Butler Snow are contingent on these events.

G. Amount Involved and Results Obtained. The fees requested by Butler Snow are reasonable given the amount involved and the results obtained. These Bankruptcy Cases are "larger chapter 11 cases" under the Guidelines, which involve assets and liabilities in excess of \$100 million. As noted above, there is added difficulty and complexity in managing cases that have assets and liabilities in excess of \$100 million.

With respect to the results obtained, it is too early to ascertain what the ultimate outcome of these Bankruptcy Cases will be. At this stage, however, Butler Snow has worked with the CRO and management of the Debtors, over the cumulative time of these Bankruptcy Cases, in the following areas: (1) successfully converted the inventory of raw materials into DAP at significant value to the bankruptcy estates; (2) collected deposits and lease payments that the counterparties previously had refused to pay; (3) effectively transitioned the workforce of 224 employees and 26 "nested" third-party contract employees to a skeletal workforce; (4) effectively managed the termination of the self-funded medical plan, including negotiating the handling of run-out claims; (5) assisted in the termination of the Debtors' present 401(k) plan, including the liquidation of the plan trust; (6) maintained water treatment and other environmental remediation efforts in compliance with the requirements of the EPA and the MDEQ; (7) conducted periodic conference calls and regularly communicated with the EPA and the MDEQ concerning environmental issues; (8) embarked on a structured, court-supervised sales process; (9) secured adequate DIP funding for all of the ongoing operations of the Debtors in these Bankruptcy Cases; (10) responded to substantial requests for documents and information; (11) maintained a Data Room and production of documents for both creditors and potential buyers; (12) assisted special counsel in filing a protective BP Claim for the Debtors; (13) put structures in place in the Bankruptcy Cases for the efficient administration of these Bankruptcy Cases; and (14) assisted in the dialogue among the Lenders, the Committee and the Environmental Agencies to address issues, both global and singular, affecting the Bankruptcy Cases. In short, while we do not yet have a successful outcome in these Bankruptcy Cases, the groundwork has been laid to create an opportunity for a successful outcome.

H. Time Limitations by the Circumstances. From the outset of the case, the filings of the Bankruptcy Cases were a “hard landing,” *i.e.*, bankruptcy cases filed on very short notice with less than optimal time for preparation. Even during the Second Fee Period of the Bankruptcy Cases, the Debtors have had to deal with severe time constraints and constant tight deadlines. Additionally, the Debtors had to work within the compressed time frames often imposed by other parties or by the circumstances. Consequently, a great deal of work has had to be done in a very short period of time as the Debtors simultaneously sought to secure and maintain funding, maintain environmental obligations, establish and run an effective sales process, and attempt to resolve more global, plan-related issues.

I. Experience, Reputation, and Ability of Attorneys and Legal Assistants. Butler Snow’s attorneys have performed services on behalf of the Debtors within their specialized areas of expertise. Not surprising, a substantial portion of Butler Snow’s services during the Second Fee Period were performed by its lead bankruptcy lawyers – Stephen W. Rosenblatt and Christopher R. Maddux. Both Mr. Rosenblatt and Mr. Maddux are partners of Butler Snow whose practices are primarily focused on bankruptcy and financial restructuring.

(1) Stephen W. Rosenblatt. Mr. Rosenblatt has over 39 years of legal experience. He is a Fellow in the American College of Bankruptcy, is an AV-rated attorney by *Martindale-Hubbell*<sup>®</sup>, has been certified as a Business Bankruptcy Specialist by the American Board of Certification and has been included in *Chambers USA, America’s Leading Business Lawyers*<sup>®</sup> since 2005. Mr. Rosenblatt has been listed in the Bankruptcy and Creditor-Debtors Rights Law section of *Best Lawyers in America*<sup>®</sup> for more than twenty years and was selected as *Best Lawyers*<sup>®</sup> 2013 Jackson, Mississippi, Bankruptcy and Creditor Debtors Rights/Insolvency and Reorganization Law Lawyer of the Year. He has been included in *Mid-South Super Lawyers*<sup>®</sup>, Bankruptcy and Creditor/Debtors Rights since 2006 and has been listed in *Top 50 Mississippi Super Lawyers*<sup>®</sup> since 2008.

Mr. Rosenblatt is also active in practice-related organizations, such as the Mississippi Bankruptcy Conference, of which he was a founding member and a past President. Mr. Rosenblatt is also a member of the American Bankruptcy Institute (ABI), the Association of Insolvency and Restructuring Advisors (AIRA) and the Turnaround Management Association (TMA). He served as the Chair of the Steering Committee on Local Bankruptcy Rules and was a Barrister in the Charles Clark Inn of Court. Mr. Rosenblatt has spoken at continuing legal education programs on numerous bankruptcy-related topics, as well as on law firm management.



As an active member of the Mississippi Bar, Mr. Rosenblatt is the Past-President of the Mississippi Bar Foundation and recently completed a term of four years as a Director of the Board of the Mississippi Volunteer Lawyers Project. He has served as a member of the Board of Bar Commissioners and is a past President of the Young Lawyers Division of the Mississippi Bar.

(2) Christopher R. Maddux. Mr. Maddux has over 15 years of legal experience. He is listed in *Chambers USA, America's Leading Business Lawyers*® and in *Best Lawyers in America*® in the Bankruptcy and Creditor-Debtors Rights Law section, as well as in *Mid-South Super Lawyers*®, Bankruptcy. Mr. Maddux served as the Chair of the 2014 Annual Seminar of the Mississippi Bankruptcy Conference. Mr. Maddux is also a member of the American Bankruptcy Institute (ABI) and the Turnaround Management Association (TMA).

J. Undesirability of the Case. Although it is always personally difficult to file a chapter 11 case where operations are going to be idled and a debtor's workforce is to be reduced, Butler Snow does not consider representation of the Debtors in these Bankruptcy Cases to be undesirable.

K. Nature and Length of the Professional Relationship with the Client. As reflected in Amended Affidavit of Stephen W. Rosenblatt and § 329(a) Statement of Compensation in Support of *Application to Employ Butler Snow LLP as Bankruptcy Counsel* [Dkt. # 173], prior to being retained as counsel for the Debtors in connection with the financial restructuring and potential bankruptcy of the Debtors, Butler Snow had represented the Debtors and the MPC's parent, Phosphate Holdings, Inc. ("**PHI**") since PHI was formed as a Delaware corporation on December 17, 2004, as a part of the confirmed chapter 11 plan of Mississippi Chemical Corporation, *et al.*, Case No. 03-02984-WEE. Since 2004, Butler Snow had represented MPC and PHI on a variety of matters (and ATS and SATS since their formation), including general corporate matters; commercial transactions; real estate transactions; environmental matters; employment benefit plans and employment issues; financing transactions; the Deepwater Horizon economic loss commercial tort claim; certain wrongful death claims; and shareholder claims. Butler Snow's knowledge of some of the Debtors' business affairs advanced the interests of the Debtors' estates and promoted a more efficient administration of the Debtors' estates.

L. Awards in Similar Cases. The compensation requested by Butler Snow is commensurate with fees requested and awarded by the other bankruptcy courts in similar bankruptcy cases.

27. The hours Butler Snow devoted to the representation of the Debtors meet the above-stated criteria. As the billing summaries included in Exhibit A and the Monthly Invoices



demonstrate, the individual attorneys and paralegals involved in Butler Snow's representation of the Debtors kept detailed, contemporaneous records of the time devoted to the Debtors' Bankruptcy Cases. The time spent on each particular task is reasonable and comparable to the time Butler Snow's professionals would have expended on behalf of another bankruptcy client. Butler Snow seeks payment only for such documented and reasonable services rendered to and for the benefit of the bankruptcy estates.

28. A summary of expenses is included in Exhibit A and an itemization and description of the disbursements made by Butler Snow on the Debtors' behalf during the Second Fee Period is reflected in the Monthly Invoices. As a part of its ordinary course of business activity, Butler Snow keeps contemporaneous records of expenses incurred on behalf of clients. Butler Snow's clerical and bookkeeping staff recorded the expense information in the Monthly Invoices at or about the same time as such charges occurred. Butler Snow maintains an automatic, computerized cost accounting system to track expenses and to ensure that charges for copies, postage, and other expenses are properly posted to the account of the client for which Butler Snow incurs such expenses. All of these disbursements comprise the requested sum for Butler Snow's out-of-pocket expenses, totaling \$5,693.97, all of which are the actual or customary charges by Butler Snow for the kind and type of expense and were reasonable and were necessary to Butler Snow's representations of the Debtors in these Bankruptcy Cases.

#### SUMMARY

29. Applying the factors of Section 330 of the Bankruptcy Code, as well as the standards set forth in *Asarco*, and the *Johnson* factors, Butler Snow respectfully submits that the Court should approve and allow, on an interim basis, the Applicant's fees and the reimbursement of the Applicant's expenses in the amounts requested.

30. Butler Snow requests allowance, on an interim basis, of an administrative expense claim for fees and expenses totaling \$516,560.97, consisting of: (a) \$510,867.00 for compensation for reasonable and necessary legal services provided during the Second Fee

Period; and (b) \$5,693.97 for reimbursement of expenses in connection with the legal services provided during the Second Fee Period, all as set forth in Exhibit A.

WHEREFORE, Butler Snow respectfully requests that it be granted the following relief: (i) that the Second Application be approved; (ii) that Butler Snow be allowed, on an interim basis, fees as an administrative expense claim in the amount of \$510,867.00 for services rendered as counsel to the Debtors during the Second Fee Period; (iii) that Butler Snow be allowed, on an interim basis, expenses as an administrative expense claim in the amount of \$5,693.97 for expenses incurred as counsel to the Debtors during the Second Fee Period; (iv) that Butler Snow be authorized to be paid from the Butler Snow Professional Fees Escrow Account the total amount of the 20% holdbacks for the Second Fee Period as soon as practicable after the entry of the Order Granting this Second Application; and (vi) for such other relief as may be just and proper.

THIS, the 26<sup>th</sup> day of June 2015.

Respectfully submitted,

BUTLER SNOW LLP

By: s/ Stephen W. Rosenblatt  
Stephen W. Rosenblatt (Miss. Bar No. 5676)  
BUTLER SNOW LLP  
1020 Highland Colony Parkway, Suite 1400  
Ridgeland, Mississippi 39157  
(601) 985-4504  
steve.rosenblatt@butlersnow.com

OF COUNSEL:

Christopher R. Maddux (Miss. Bar No. 100501)  
Paul S. Murphy (Miss. Bar No. 101396)  
J. Mitchell Carrington (Miss. Bar No. 104228)  
Thomas M. Hewitt (Miss. Bar No. 104589)  
BUTLER SNOW LLP  
1020 Highland Colony Parkway, Suite 1400  
Ridgeland, Mississippi 39157  
Telephone: (601) 948-5711  
www.butlersnow.com

**CERTIFICATE OF SERVICE**

I certify that the foregoing pleading was filed electronically through the Court's ECF system and served electronically on all persons who are registered users of the CM/ECF System for the Bankruptcy Cases. I further certify that the foregoing pleading (but with **Exhibit A** copied four-to-a-page) was served on all persons and entities listed on the Shortened Service List approved by the Court in the Bankruptcy Cases.<sup>4</sup>

Dated: June 26, 2015.

/s/ Stephen W. Rosenblatt

STEPHEN W. ROSENBLATT

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<sup>4</sup> On January 26, 2015, the Court entered its *Order Approving Motion of the Debtors to Establish Limited Service List* [Dkt. # 425]. The "***Shortened Service List***" reflects those parties specified in that Order, plus any additional parties as the Shortened Service List has been updated and amended on a monthly basis thereafter.