

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AgFeed USA, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 13-11761 (BLS)

Jointly Administered

Objection Deadline: May 22, 2014 at 4:00 p.m. (ET)

**SEVENTH MONTHLY APPLICATION OF LATHAM & WATKINS LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES AS
SPECIAL COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
THE PERIOD FROM JANUARY 1, 2014 THROUGH JANUARY 31, 2014**

Name of Applicant:

Latham & Watkins LLP

Authorized to Provide Professional Services to:

Debtors and Debtors-in-Possession

Effective Date of Retention:

July 15, 2013

Period for which compensation and
reimbursement is sought:

January 1, 2014 through January 31, 2014

Amount of Compensation sought as
actual, reasonable and necessary:

\$78,702.00
(80% = \$69,263.20)

Amount of Expense Reimbursement sought
as actual, reasonable and necessary:

\$404.00

This is an: X monthly ___ final application

This application includes 1.5 hours with a value of \$517.50 incurred in connection with the preparation of fee applications.

¹ The Debtors and the last four digits of their federal tax identification number are: AgFeed USA, LLC (8748), AgFeed Industries, Inc. (7168); TS Finishing, LLC (8748); New York Finishing, LLC (8748); Pork Technologies, LC (2076); New Colony Farms, LLC (9246); Heritage Farms, LLC (8141); Heritage Land, LLC (8129); Genetics Operating, LLC (1921); M2P2 Facilities, LLC (8748); MGM, LLC (8748); M2P2 General Operations, LLC (8748); New Colony Land Company, LLC (5834); M2P2 AF JV, LLC (8748); Midwest Finishing, LLC (8748); and Genetics Land, LLC (1921). The Debtors' mailing address is 816 Congress Avenue, Suite 1280, Austin, Texas 78701.

Prior applications:

		Requested		Approved	
Date Filed; Docket No.	Period Covered	Fees	Expenses	Fees	Expenses
12/2/13; D.I. 653 ²	7/15/13 – 7/31/13	\$98,477.50	\$1,196.54	\$98,477.50	\$1,196.54
12/2/13; D.I. 654 ³	8/1/13 – 8/31/13	\$42,335.00	\$232.82	\$42,335.00	\$232.82
12/2/13; D.I. 655 ⁴	9/1/13 – 9/30/13	\$55,798.50	\$675.75	\$55,798.50	\$675.75
2/3/14; D.I. 838	10/1/13 – 10/31/13	\$67,421.50	\$2,240.13	\$67,421.50	\$2,240.13
2/3/14; D.I. 839	11/1/13 – 11/30/13	\$78,344.00	\$2,334.27	\$78,344.00	\$2,334.27
2/3/14; D.I. 840	12/1/13 – 12/31/13	\$20,203.50	\$1,275.17	\$20,203.50	\$1,275.17

² This application amended D.I. 575.

³ This application amended D.I. 576.

⁴ This application amended D.I. 577.

COMPENSATION BY INDIVIDUAL

Name of Professional	Position of the Applicant, Date of Hire, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
W.R. Baker III	Partner. Joined firm in 2003. Member of District of Columbia Bar since 1984. Member (inactive) of Texas Bar since 1983. Litigation.	\$1,075.00	27.4	\$29,455.00
J.C. Word	Partner. Joined firm in 2002. Member of Maryland Bar since 1997. Member of District of Columbia Bar since 1998. Member of Virginia Bar since 2000. Litigation.	\$855.00	25.8	\$22,059.00
K.A. Schettig	Associate. Joined firm in 2009. Member of California Bar since 2008. Member of District of Columbia Bar since 2010. Litigation.	\$650.00	12.4	\$8,060.00
T.K. Sanders	Associate. Joined firm in 2008. Member of Virginia Bar since 2008. Member of District of Columbia Bar since 2009. Litigation.	\$625.00	17.0	\$10,625.00
J.M. Bargnesi	Associate. Joined firm in 2011. Member of New York and District of Columbia Bars since 2012.	\$540.00	12.7	\$6,858.00
K. Bowman	Senior Paralegal. Joined firm in 2001.	\$345.00	1.5	\$517.50
J. D. Gibson	Litigation Services. Joined firm in 2007.	\$275.00	4.1	\$1,127.50
Grand Total:			100.9	\$78,702.00
Blended Rate:		\$623.57		

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Class Action (Matter 0003)	73.5	\$54,464.50
SEC Investigation (Matter 0004)	25.9	\$23,720.00
Bankruptcy (Matter 0007)	1.5	\$517.50
TOTALS	100.9	\$78,702.00

EXPENSE SUMMARY

Expenses Category (Examples)	Total Expenses
Practice Technology/Litigation Support Services	\$27.00
Airfare & Trainfare	\$371.00
Document Preparation	\$6.00
TOTAL DISBURSEMENTS	\$404.00

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**SEVENTH MONTHLY APPLICATION OF LATHAM & WATKINS LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
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SPECIAL COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
THE PERIOD FROM JANUARY 1, 2014 THROUGH JANUARY 31, 2014**

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, the law firm of Latham & Watkins LLP (hereinafter “L&W”) hereby moves this Court for reasonable compensation for professional legal services rendered as special counsel to the above-captioned debtors and debtors-in-possession (collectively the “Debtors”) in the amount of \$78,702.00, together with reimbursement for actual and necessary expenses incurred in the amount of \$404.00, for the period commencing January 1, 2014 through and including January 31, 2014 (the “Fee Period”). In support of its Application, L&W respectfully represents as follows:

1. Pursuant to the *Order Authorizing the Employment and Retention of Latham & Watkins LLP as Special Counsel to AgFeed Industries, Inc., Nunc Pro Tunc to the Petition Date* [Docket No. 338] entered by this Court on September 20, 2013 (the “Order”),

¹ The Debtors and the last four digits of their federal tax identification number are: AgFeed USA, LLC (8748), AgFeed Industries, Inc. (7168); TS Finishing, LLC (8748); New York Finishing, LLC (8748); Pork Technologies, LC (2076); New Colony Farms, LLC (9246); Heritage Farms, LLC (8141); Heritage Land, LLC (8129); Genetics Operating, LLC (1921); M2P2 Facilities, LLC (8748); MGM, LLC (8748); M2P2 General Operations, LLC (8748); New Colony Land Company, LLC (5834); M2P2 AF JV, LLC (8748); Midwest Finishing, LLC (8748); and Genetics Land, LLC (1921). The Debtors’ mailing address is 816 Congress Avenue, Suite 1280, Austin, Texas 78701.

L&W was employed as special counsel in connection with the Debtors' chapter 11 cases to provide the following services *nunc pro tunc* to July 15, 2013:

- a. continuing representation of the Debtor, as well as the individuals who did not receive Wells Calls² in the SEC Investigation;
- b. assisting the individuals receiving Wells Calls in the SEC Investigation in connection with the transition to separate counsel; and
- c. continuing representation of the Debtor in the Securities Class Action.

2. Pursuant to the *Supplemental Order Authorizing the Employment and Retention of Latham & Watkins LLP as Special Counsel to AgFeed Industries, Inc., Nunc Pro Tunc to the Petition Date* [Docket No. 915] entered by this Court on February 22, 2014 (the "Supplemental Order"), L&W was employed, *nunc pro tunc* to July 15, 2013, as special counsel in connection with the Debtors' chapter 11 cases to represent certain individual defendants (the "Defendants")³ in the Securities Class Action, solely as it relates to the filing and prosecution of Defendants' motion to dismiss the Securities Class Action, provided, however, that the Supplemental Order is without prejudice to the Debtors' right to subsequently seek authorization from this Court for L&W's retention to represent the individuals in the Securities Class Action for matters unrelated to the filing and prosecution of the motion to dismiss.

3. The Order authorized L&W to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the *Application, Pursuant to Bankruptcy Code Sections 327(e) and 328(a), Bankruptcy Rule 2014(a), and Local Rule 2014-1, for Authorization to Employ and Retain Latham & Watkins LLP as Attorneys for AgFeed Industries, Inc., Nunc Pro Tunc to the Petition Date* [Docket No. 154].

³ The individual defendants represented by L&W in the Securities Class Action are John A. Stadler, Gerard Daignault, Clay Marshall, Edward Pazdro, Arnold Staloff, Frederic Rittreiser, and K. Ivan Gothner.

4. All services for which compensation is requested by L&W were performed for or on behalf of the Debtors.

SUMMARY OF SERVICES RENDERED

5. Attached hereto as Exhibit A is a detailed statement of fees incurred during the Fee Period showing the amount of \$78,702.00 due for fees. Exhibit B is a detailed statement of expenses paid during the Fee Period showing the amount of \$404.00 for reimbursement of expenses.

6. The services rendered by L&W during the Fee Period are grouped into the categories set forth in Exhibit A: Class Action (Matter 0003); SEC Investigation (Matter 0004); and Bankruptcy (Matter 0007). The attorneys and paralegals who rendered services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category, in the attachments hereto.

7. In accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 176] entered by this Court on August 21, 2013 (the "Interim Compensation Order"), L&W requests that upon the expiration of the objection deadline with respect to this Application, and the filing of a certificate of no objection, the Debtors be authorized to pay L&W an amount equal to 80 percent of the fees and 100 percent of the expenses requested in this Application.

DISBURSEMENTS

8. L&W has incurred out-of-pocket disbursements during the Fee Period in the amount of \$404.00. This disbursement sum is broken down into categories of charges, including, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges,

charges for mailing supplies (including, without limitation, envelopes and labels) provided by L&W to outside copying services for use in mass mailings, travel expenses, including local ground transportation, expenses for “working meals,” computerized research, transcription costs, technology support services, as well as non-ordinary overhead expenses such as secretarial and other overtime. A complete list of the expenses incurred during the Fee Period is attached hereto as Exhibit B. To the extent such itemization is insufficient to satisfy the requirements of Del. Bankr. LR 2016-2(e)(ii), L&W respectfully requests that the Court waive strict compliance with such rule.

9. Costs incurred for staff overtime and computer assisted research are not included in L&W’s normal hourly billing rates and, therefore, are itemized and included in L&W’s disbursements. Pursuant to Local Rule 2016-2, L&W represents that it will charge for copying at a rate of \$.10 per page. There is no charge for incoming or outgoing telecopier transmissions and no surcharge for computerized research.

VALUATION OF SERVICES

10. Attorneys and paraprofessionals of L&W have expended a total of 100.9 hours in connection with this matter during the Fee Period.

11. The amount of time spent by each of these persons providing services to the Debtors for the Fee Period is fully set forth in the detail attached hereto as Exhibit A. These are L&W’s normal hourly rates of compensation for work of this character. The reasonable value of the services rendered by L&W for the Fee Period as counsel for the Debtors in these cases under chapter 11 is \$78,702.00.

12. L&W believes that the time entries and summary descriptions included in Exhibit A and the expense breakdown set forth in Exhibit B are in compliance with the

requirements of Local Rule 2016-2. For confidentiality reasons, the names of the individuals who received Wells Calls and their respective counsel have been redacted.

13. In accordance with the factors enumerated in 11 U.S.C. § 330, the amount requested is fair and reasonable given (a) the complexity of this case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

14. This Application covers the period January 1, 2014 through and including January 31, 2014. L&W has and will continue to perform additional necessary services subsequent to January 31, 2014, for which L&W will file subsequent fee applications.

WHEREFORE, L&W requests that (i) allowance be made to it in the sum of \$78,702.00 as compensation for necessary professional services rendered to the Debtors for the Fee Period, and the sum of \$404.00 for reimbursement of actual necessary costs and expenses incurred during that period, (ii) the Debtors be authorized to remit payment to L&W in accordance with the Interim Compensation Order, and (iii) this Court grant such other and further relief as this Court may deem just and proper.

Dated: May 2, 2014
Washington, D.C.

LATHAM & WATKINS, LLP

/s/ William R. Baker III

William R. Baker III (D.C. Bar No. 383944)

Michelle E. Rose (D.C. Bar No. 474044)

J. Christian Word (D.C. Bar No. 461346)

Michael J. Faris (IL Bar No. 6204179)

555 Eleventh Street, NW, Suite 1000

Washington, D.C. 20004-1304

Telephone: (202) 637-2200

Facsimile: (202) 637-2201

Special Counsel for the Debtors and Debtors-in-Possession

VERIFICATION

DISTRICT OF COLUMBIA)
) SS:
)

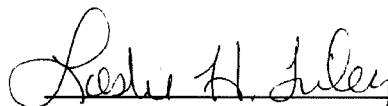
William R. Baker III, after being duly sworn according to law, deposes and says:

1. I am a Partner in the applicant firm, Latham & Watkins LLP ("L&W"), and have been admitted to the bar of the District of Columbia since 1984.
2. I have personally performed many of the legal services rendered by L&W, as special counsel for the Debtors, and am thoroughly familiar with all other work performed on behalf of the Debtors by the lawyers and paraprofessionals in the firm.
3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief.



WILLIAM R. BAKER III

SWORN TO AND SUBSCRIBED before me this 30th day of April,
2014.



Notary Public
My Commission Expires: 11/14/2017

LESLIE H. FINLEY
NOTARY PUBLIC DISTRICT OF COLUMBIA
My Commission Expires November 14, 2017