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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:)	Chapter 11
)	
PILGRIM'S PRIDE CORPORATION, <i>et al.</i> ,)	Case No. 08-45664-dml11
)	
Debtors.)	Jointly Administered
)	

**APPLICATION OF PHIBRO ANIMAL HEALTH CORPORATION
AND PRINCE AGRI PRODUCTS, INC. FOR ALLOWANCE AND
PAYMENT OF ADMINISTRATIVE EXPENSE CLAIMS**

Phibro Animal Health Corporation ("**Phibro**") and Prince Agri Products, Inc. ("**Prince Agri**") hereby file this *Application for Allowance and Payment of Administrative Expense Claims* (the "**Application**"). In support hereof, Phibro and Prince Agri respectfully state as follows:

1. On or about December 1, 2008 (the "Petition Date"), Pilgrim's Pride Corporation and certain of its affiliates (collectively, the "**Debtors**") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "**Bankruptcy Code**").
2. On the Petition Date, the Debtors filed a motion requesting authority to establish and implement procedures for submitting and resolving claims filed pursuant to Section 503(b)(9) of the Bankruptcy Code relating to goods received within twenty (20) days prior to the

Petition Date (the “**Section 503(b)(9) Motion**”). On December 31, 2008, the Court entered an order approving the Section 503(b)(9) Motion.

3. On the Petition Date, the Debtors also filed a motion requesting authority to establish and implement procedures for the treatment of reclamation claims (the “**Reclamation Procedures Motion**”). On December 18, 2008, the Court entered an order approving the Reclamation Procedures Motion.

Section 503(b)(9) Administrative Expense Claim of Phibro

4. Within twenty (20) days prior to the Petition Date, Phibro delivered to one or more of the Debtors, in the ordinary course of business, certain goods with a value of \$207,618.90 (collectively, the “**Phibro Goods**”). True and correct copies of the Phibro invoices for the Phibro Goods are attached hereto as Exhibit “A” and incorporated herein by reference. These invoices, which provide the information required pursuant to the Section 503(b)(9) Motion and related order, do not relate to services provided to the Debtors by Phibro.

5. Phibro has also asserted a reclamation demand covering the Phibro Goods as set forth in its demand for reclamation previously provided to the Debtors pursuant to the Reclamation Procedures Motion and related order. The Debtors have paid, or otherwise assert in their omnibus objection to reclamation demands filed in this case that they intend to pay, pursuant to a separate order of the Court, Phibro certain amounts with regard to goods provided by Phibro to the Debtors within forty-five (45) days prior to the Petition Date. Although Phibro does not believe it should occur, and in fact asserts that no legal basis exists for it to occur, in the unlikely event that Phibro is later ordered to return any funds paid to it for any reason, Phibro files this Application and asserts that its right to receive an administrative expense claim

regarding any such returned amounts and that all other rights related thereto are hereby asserted, reserved, and preserved.

6. Pursuant to 11 U.S.C. § 503(b)(9), Phibro is entitled to allowance and payment of an administrative expense claim in an amount equal to the Phibro Goods provided to one or more of the Debtors. Section 503(b)(9) does not require valuation nor does it include any standard requiring benefit to the bankruptcy estate. As such, no defense nor reason for non-allowance and/or non-payment of the amounts set forth herein exists.

Section 503(b)(9) Administrative Expense Claim of Prince Agri

7. Within twenty (20) days prior to the Petition Date, Prince Agri delivered to one or more of the Debtors, in the ordinary course of business, certain goods with a value of \$50,680.00 (collectively, the “**Prince Agri Goods**,” and together with the Phibro Goods, the “**Goods**”). True and correct copies of the Prince Agri invoices for the Prince Agri Goods are attached hereto as Exhibit “B” and incorporated herein by reference. These invoices, which provide the information required pursuant to the Section 503(b)(9) Motion and related order, do not relate to services provided to the Debtors by Prince Agri.

8. Prince Agri has also asserted a reclamation demand covering the Prince Agri Goods as set forth in its demand for reclamation previously provided to the Debtors pursuant to the Reclamation Procedures Motion and related order. The Debtors have paid, or otherwise assert in their omnibus objection to reclamation demands filed in this case that they intend to pay, pursuant to a separate order of the Court, Prince Agri certain amounts with regard to goods provided by Prince Agri to the Debtors within forty-five (45) days prior to the Petition Date. Although Prince Agri does not believe it should occur, and in fact asserts that no legal basis exists for it to occur, in the unlikely event that Prince Agri is later ordered to return any funds

paid to it for any reason, Prince Agri files this Application and further asserts that its right to receive an administrative expense claim regarding any such returned amounts and that all other rights related thereto are hereby asserted, reserved, and preserved.

9. Pursuant to 11 U.S.C. § 503(b)(9), Prince Agri is entitled to allowance and payment of an administrative expense claim in an amount equal to the Prince Agri Goods provided to one or more of the Debtors. Section 503(b)(9) does not require valuation nor does it include any standard requiring benefit to the bankruptcy estate. As such, no defense nor reason for non-allowance and/or non-payment of the amounts set forth herein exists.

WHEREFORE, PREMISES CONSIDERED, Phibro and Prince Agri each hereby request, to the extent their claims are or become unpaid, that the Court enter an order (a) allowing Phibro's administrative expense claim in the amount of \$207,618.90, (b) allowing Prince Agri's administrative expense claim in the amount of \$50,680.00, (c) ordering payment with regard to the Goods with ten days of such order becoming a final, non-appealable order, and (d) granting Phibro and Prince Agri such other and further relief, whether at law or at equity, as the Court deems proper.

Dated: March 3, 2009

Respectfully submitted,

/s/ Clifton R. Jessup, Jr.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Application was served on March 3, 2009, on (1) the parties receiving electronic notification of filings in this case via the Court's electronic case filing (ECF) system, and (2) the following via overnight courier:

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