

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

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In re: : Case No. 08-12606 (BLS)  
: :  
VERASUN ENERGY CORPORATION, et al., : Chapter 11  
: Jointly Administered  
Debtors. :  
: :  
: :  
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**FIRST MONTHLY FEE APPLICATION OF  
HOULIHAN LOKEY HOWARD & ZUKIN CAPITAL, INC.  
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES AS FINANCIAL ADVISOR  
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF  
VERASUN ENERGY CORPORATION, ET AL. FOR THE PERIOD OF  
NOVEMBER 18, 2008 THROUGH DECEMBER 31, 2008**

Name of Applicant: Houlihan Lokey Howard & Zukin Capital, Inc.

Authorized to Provide Professional Services to: Official Committee of Unsecured Creditors of VeraSun Energy Corporation, et al. (the “Creditors’ Committee”)

Date of Retention: January 7, 2009, *nunc pro tunc* to November 18, 2008

Period for which compensation and reimbursement are sought: November 18, 2008 through December 31, 2008

Amount of Compensation sought as actual, reasonable, and necessary: \$286,666.66 (80% of \$358,333.33)

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$7,447.80

No time was expended in preparation of this Application during the period covered by this Application.

**EXPENSE SUMMARY**

**VERASUN ENERGY CORPORATION., et al.**

**November 18, 2008 through December 31, 2008**

Overtime Meals	\$	580.07
Working Meals	\$	785.59
Hotel and Taxes	\$	755.14
Airfare	\$	4,561.24
Ground Trans and Mileage	\$	424.24
Research	\$	42.80
Telephone Charges	\$	298.72

Total	\$	<hr/> 7,447.80
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Houlihan Lokey Howard & Zukin Capital (“Houlihan Lokey”), as financial advisor to the Official Committee of Unsecured Creditors (the “Creditors’ Committee”), of VeraSun Energy Corporation (“VeraSun”) hereby submits its application for compensation and reimbursement of expenses (the “Application”) pursuant to sections 328(a), 330(a), and 1103(a) of title 11 of the United States Code (as amended, the “Bankruptcy Code”) and Rules 2014 and 5002 of the Federal Rules of Bankruptcy Procedure (the “Federal Bankruptcy Rules”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Bankruptcy Rules” and, together with the Federal Bankruptcy Rules, the “Bankruptcy Rules”) and the Administrative Order Under Bankruptcy Code Sections 105(a) and 331 Establishing Procedures of Interim Compensation and Reimbursement of Professionals [Docket No. 263] (the “Motion”). Houlihan Lokey’s Application seeks compensation for financial advisory services performed and expenses incurred during the period commencing November 18, 2008 through December 31, 2008 (the “Application Period”).

By this Application, Houlihan Lokey moves this Court for an Order approving interim compensation in the amount of \$286,666.66 (80% of \$358,333.33 (\$250,000 for the period of December 1, 2008 through December 31, 2008; and \$108,333.33 pro-rated for November 18, 2008 through November 30, 2008)) and reimbursement of actual reasonable and necessary out-of-pocket expenses of \$7,447.80. Total compensation and expense reimbursement being requested for this Application Period is \$294,114.46, of which \$294,114.46 remains unpaid.

Pursuant to Local Rule 2016-2(f), this Application is supported by the Certification of Christopher R. DiMauro, which is annexed hereto as Exhibit A. In support of this Application, Houlihan Lokey states as follows.

### **Background**

1. On October 31, 2008 (the "Petition Date"), VeraSun and twenty-four of its subsidiaries and affiliates filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On November 14, 2008, the United States Trustee appointed the Creditors' Committee and designated the following five members: (i) HSBC Bank USA, National Association, as Indenture Trustee; (ii) The CIT Group/Equipment Financing, Inc.; (iii) Trotter, Incorporated; (iv) Haas TCM Processing LLC; and (v) Crown Iron Works. In addition, Aegon USA Investment Management, LLC and Whitebox Advisors, LLC serve as ex-officio members of the Creditors' Committee.

3. No trustee or examiner has been appointed in any of the Debtors' chapter 11 cases.

### **Jurisdiction and Venue**

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief sought

herein are sections 328(a) and 1103 of the Bankruptcy Code, Bankruptcy Rules 2014 and 5002, and Local Rule 2014-1.

**Terms And Conditions Of Compensation Of Houlihan Lokey**

5. On December 8, 2008, the Official Committee of Unsecured Creditors sought an order approving the Creditors' Committee's employment and retention of Houlihan Lokey Howard & Zukin Capital, Inc. [Docket No. 375] (the "Retention Application").

6. On January 9, 2009, the Court entered an Order Approving the Employment of Houlihan Lokey Howard & Zukin Capital, Inc., as Financial Advisor and Investment Banker to the Official Committee of Unsecured Creditors Nunc Pro Tunc to November 18, 2008 [Docket No. 482] (the "Retention Order").

7. The terms and conditions of Houlihan Lokey's engagement in these cases, which are embodied in the Retention Application and approved by the Court, are based upon Houlihan Lokey's Engagement Letter with the Creditors' Committee of November 18, 2008 (the "Engagement Letter"). Pursuant to the Engagement Letter, the Creditors' Committee agreed to compensate Houlihan Lokey monthly fees of \$250,000 per month, plus a deferred fee (as defined in paragraph 3 of the Engagement Letter).

8. In addition, the Engagement Letter entitled Houlihan Lokey to receive reimbursement of all actual, reasonable and necessary out-of-pocket expenses.

9. As detailed in the Retention Application, the terms of the Engagement Letter were comparable to the terms of Houlihan Lokey and other financial advisors and investment bankers agreed upon in similar engagements, both in and outside of bankruptcy.

10. By this Application, Houlihan Lokey requests that this Court authorize: (a)

interim allowance of compensation for professional services Houlihan Lokey rendered during the Application Period for the Creditors' Committee in the amount of \$286,666.66 and (b) the reimbursement of actual and necessary expenses Houlihan Lokey incurred in connection with the rendition of such professional services for the Creditors' Committee in the amount of \$7,447.80.

### **Summary of Services Provided By Houlihan Lokey**

11. Since November 18, 2008, Houlihan Lokey has worked diligently on the matters for which it was engaged, and, as a result, has become uniquely situated to increase the likelihood of a successful restructuring. The Creditors' Committee chose Houlihan Lokey to act as its financial advisor post-petition because Houlihan Lokey has substantial expertise in financial restructuring, and is well qualified to perform these services.

12. During the Application Period, although a number of professionals have worked on this engagement, the following professionals in Houlihan Lokey's Los Angeles office have performed substantial services to the Creditors' Committee in these cases:

Christopher R. DiMauro – Managing Director  
Andrew R. Morrow – Senior Vice President  
Nathan R. Court – Associate  
Joshua Friedman – Financial Analyst

13. The vast majority of Houlihan Lokey's work on behalf of the Creditors' Committee during the Application Period involved seven significant categories of work, which included:

- a) **Analyzing business plans and forecasts of the Debtors.** Throughout the Application Period, Houlihan Lokey reviewed the Debtors' various business

plans and cash flow forecasts. Houlihan Lokey reviewed plans and forecasts for feasibility and reasonableness, and conducted extensive telephonic diligence with the Debtors regarding such plans and forecasts. Houlihan Lokey regularly monitored and performed due diligence on the Debtors' cash flow projections and variances to budget.

- b) **Evaluating the assets and liabilities of the Debtors.** Houlihan Lokey expended significant effort performing ongoing due diligence on the Debtors' portfolio of assets and corresponding liabilities. Houlihan Lokey reviewed the Debtors' prior financing practices and liabilities associated with the Debtors' major assets. Such reviews included a detailed analysis of available financial information. In addition, Houlihan Lokey conducted extensive diligence on the Debtors' intercompany transactions and liabilities. Telephonic diligence was performed, reviewing various relationships among the Debtors' estates, and their implications for creditor recoveries.
- c) **Assessing the financial issues and options concerning (i) the sale of the Debtors, either in whole or in part, and (ii) the Debtors' chapter 11 plan(s) of reorganization or liquidation or any other chapter 11 plan(s).** Houlihan Lokey reviewed the Debtors' sale process, including the parties contacted, and provided suggestions of additional potential financial and strategic buyers. Houlihan Lokey reviewed the Debtors' various indications of interest for both the Debtors as a whole and on an individual asset basis. Houlihan Lokey participated in regular calls with the Debtors' advisors and management to review expected timing and economics of asset sales. In

connection with each asset sale, Houlihan Lokey evaluated the marketing process and evaluated the adequacy of proposed consideration and other key deal terms.

- d) **Analyzing and reviewing the financial and operating statements of the Debtors.** Throughout the Application Period, Houlihan Lokey performed periodic reviews of the Debtors' financial and operating statements, both public and non-public. Houlihan Lokey also reviewed extensive documentation, including monthly operating reports and cash flow forecasts. In addition, operating statements for the Debtors' various subsidiaries were also reviewed to facilitate an understanding of cash needs. Finally, documentation of the Debtors' intercompany transactions was reviewed, along with historical entity-level financial statements. Such reviews were part of a comprehensive review of intercompany issues among the Debtors.
- e) **Analyzing strategic alternatives available to the Debtor.** Houlihan Lokey reviewed the Debtors' financial and operational status within a broader market context in order to determine potential strategic alternatives available to the Debtors. Houlihan Lokey spent considerable time reviewing the ethanol industry, including margins, pricing, capacity and regulatory considerations.
- f) **Evaluating and negotiating the terms of any post-petition financing.** Houlihan Lokey conducted due diligence the Debtors' various DIP financing facilities and the propriety of DIP terms in context of the Debtors' cash needs and availability of alternate sources of financing. Houlihan Lokey provided

input regarding appropriateness of the terms of the Debtors' various DIP financings.

**g) Providing such specific valuation or other financial analyses as the Creditors' Committee has required in connection with the cases.**

Houlihan Lokey expended significant time and effort (both in-person and via conference calls) meeting the due diligence requirements of the Creditors' Committee. Houlihan Lokey diligenced and analyzed several of the Debtors' contract rejections and assumptions. Houlihan Lokey reviewed and conducted due diligence on all major contract rejection or assumptions, including speaking to the Debtors regarding the business logic of each assumption or rejection and the potential impact on creditor recoveries. Houlihan Lokey provided the Creditors' Committee with ongoing reviews of the Debtors' assets and liabilities and an assessment of consideration received via asset sales. Houlihan Lokey regularly evaluated strategic alternatives available to the Creditors' Committee. Finally, Houlihan Lokey conducted meetings via conference call with parties-in-interest to provide periodic situational updates.

14. Houlihan Lokey has also coordinated any such services performed at the Creditors' Committee's request with services of any other advisors and counsel, as appropriate, in an effort to avoid duplication of effort.

15. Pursuant to the Retention Order, Houlihan Lokey is excused from complying with the information requirements contained in Local Rule 2016-2(d), however a summary of the time expended by Houlihan Lokey professionals during the Application Period is attached hereto as Exhibit B.

### **Houlihan Lokey's Application**

16. The professional services and related expenses that are the subject of Houlihan Lokey's Application were rendered and incurred in connection with these cases, and in discharge of Houlihan Lokey's professional responsibilities as financial advisor for the Creditors' Committee in these chapter 11 cases. Houlihan Lokey's services have been substantial, necessary, and beneficial to the Creditors' Committee and other parties in interest. Houlihan Lokey believes that the fees and expenses requested by this Application are reasonable and necessary given the variety and complexity of the issues involved in these cases and the need to act or respond on an expedited basis to those issues - and are contemplated by the Bankruptcy Code and this Court's Retention Order.


17. All requested expenses are in compliance with Local Rule Number 2016-2. Houlihan Lokey has maintained detailed records of actual and necessary expenses incurred during the Application Period.

18. Houlihan Lokey requests allowance of compensation in the amount of \$286,666.66 (80% of \$358,333.33) for financial advisory services rendered during the Application Period and seeks reimbursement of actual, reasonable and necessary out-of-pocket expenses during the same period in the amount of \$7,447.80. Fee and expense detail is outlined in Exhibit C attached hereto. Total compensation and expense reimbursement being requested for this Application Period is \$294,114.46, of which, \$294,114.46 remains unpaid.

WHEREFORE, Houlihan Lokey requests that the Court enter an order providing that, for the period of November 18, 2008 through December 31, 2008, an interim allowance be made to Houlihan Lokey for: (a) compensation for financial advisory services rendered to the Creditors' Committee during the Application Period in the amount of \$286,666.66 (80% of \$358,333.33) for professional services rendered; (b) reimbursement of actual, reasonable and necessary expenses of \$7,447.80; and (c) granting any such and further relief as the Court may deem proper.

Dated: January 29, 2009  
Los Angeles, California

HOULIHAN LOKEY HOWARD & ZUKIN  
CAPITAL

By: 

Christopher R. DiMauro  
1930 Century Park West  
Los Angeles, California 90067  
(310) 553-8871

Financial Advisor to the Official Committee  
of Unsecured Creditors of VeraSun Energy  
Corporation

**EXHIBIT A**

**CERTIFICATION OF CHRISTOPHER R. DIMAURO**

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

----- X  
In re: : Case No. 08-12606 (BLS)  
: :  
VERASUN ENERGY CORPORATION, et al., : Chapter 11  
: Jointly Administered  
Debtors. :  
: :  
: :  
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**CERTIFICATION OF CHRISTOPHER R. DiMAURO**

1. I am a Managing Director of Houlihan Lokey Howard & Zukin Capital, Inc., and I make this certification in accordance with Local Rule 2016-2(f) (the “Local Rule”).

2. I have read this First Monthly Fee Application For Allowance Of Fees And Reimbursement Of Expenses Of Houlihan Lokey Howard & Zukin Capital As Financial Advisor To The Official Committee Of Unsecured Creditors For The Period November 18, 2008 through December 31, 2008 (the “Application”).

3. I understand the Local Rule, and believe that the Application complies with the provisions of the Local Rule, the United States Bankruptcy Code and the Orders of this Court.

  
\_\_\_\_\_  
Managing Director

**EXHIBIT B**  
**HOURLY DETAIL**

Time Detail  
(Units in hours)

**Category Code:**

- 1 = Analyzing business plans and forecasts of the Debtors
- 2 = Evaluating the assets and liabilities of the Debtors
- 3 = Assessing the financial issues and options concerning (i) the sale of the Debtors and (ii) the Debtors' Chapter 11 plan(s)
- 4 = Analyzing and reviewing the financial and operating statements of the Debtors
- 5 = Analyzing strategic alternatives available to the Debtors
- 6 = Evaluating and negotiating the terms of any post-petition financing
- 7 = Providing specific valuation or other financial analyses as the Creditors' Committee has required

	Category							Total
	1	2	3	4	5	6	7	
<b>November 2008</b>								
Chris Di Mauro	9.0	5.0	1.5	5.0	2.0	1.3	1.0	24.8
Andrew Morrow	6.0	7.0	0.8	4.0	1.0	3.8	10.0	32.5
Nathan Court	5.0	23.0	3.6	4.0	5.5	8.8	12.0	61.9
Joshua Friedman	12.0	14.0	9.3	9.0	2.5	15.3	10.0	72.0
<b>Total</b>	<b>32.0</b>	<b>49.0</b>	<b>15.1</b>	<b>22.0</b>	<b>11.0</b>	<b>29.0</b>	<b>33.0</b>	<b>191.1</b>
<b>December 2008</b>								
Chris Di Mauro	24.5	13.0	2.5	10.5	2.0	5.0	14.5	72.0
Andrew Morrow	27.0	39.0	2.8	17.5	2.5	8.3	12.5	109.5
Nathan Court	31.0	62.0	4.5	29.0	4.5	10.5	16.0	157.5
Joshua Friedman	43.0	81.0	3.3	38.0	1.3	6.0	59.0	231.5
<b>Total</b>	<b>125.5</b>	<b>195.0</b>	<b>13.0</b>	<b>95.0</b>	<b>10.3</b>	<b>29.8</b>	<b>102.0</b>	<b>570.5</b>

**EXHIBIT C**  
**FEE AND EXPENSE DETAIL**



HOULIHAN LOKEY HOWARD & ZUKIN

INVESTMENT BANKING SERVICES

www.hlhz.com

INVOICE 12558

Client 44796  
Case 81760

PERSONAL & CONFIDENTIAL

February 2, 2009

HSBC Bank USA, NA  
452 Fifth Avenue  
New York, NY 10018

Attn: Mr. Robert A. Conrad, Corporate Trust & Loan Agency

Professional Fees and Expenses incurred in connection with terms of Engagement Agreement of Verasun Energy Corp. and Order of the Court dated January 7, 2009

**PROFESSIONAL MONTHLY FEE(S):**

November 18, 2008 through November 30, 2008	\$	108,333.33	
December 1, 2008 through December 31, 2008	\$	250,000.00	
<b>Total Fees</b>			\$ 358,333.33
Less: Court Approved 20% Holdback			\$ (71,666.67)
<b>Net Fees</b>			<b>\$ 286,666.66</b>

**Out-of-Pocket Expenses:**

*Any expenses not yet posted by our Accounting Department will be included in a subsequent invoice.*

Overtime Meals	\$	580.07	
Working Meals	\$	785.59	
Hotel and Taxes	\$	755.14	
Airfare	\$	4,561.24	
Research	\$	42.80	
Factiva			
Ground Transportation and Mileage	\$	424.24	
Telephone Charges	\$	298.72	
<b>Expenses</b>			<b>\$ 7,447.80</b>
<b>TOTAL AMOUNT DUE AND PAYABLE:</b>			<b>\$ 294,114.46</b>

**PAYMENT DUE UPON RECEIPT**

Wire Transfer Instructions:

Beneficiary Account Name: Houlihan Lokey Howard & Zukin Capital, Inc. General Account

Beneficiary Account No: 3030160796

Beneficiary Bank Name: Union Bank of California

ABA/Routing Number/Bank ID: 122000496

Swift Code (International Wires only): BOFCUS33MPK

Federal ID #95-4024056

Date of Expense	Professional	Title	Expense Category	Expense Amount	Expense Detail	Misc. Comments
<b>Airfare</b>						
11/13/2008	Andrew R Morrow	Senior Vice President	Client Related Airfare	1,545.50	LAX/PHL - Y-Up - US Airways	
11/13/2008	Andrew R Morrow	Senior Vice President	Booking Fee	27.00		
11/13/2008	Andrew R Morrow	Senior Vice President	Client Related Airfare	1,120.26	PH/LAX - Y-Up - Northwest Airlines	
11/13/2008	Andrew R Morrow	Senior Vice President	Booking Fee	27.00		
11/25/2008	Andrew R Morrow	Senior Vice President	Client Related Airfare	81.38	HON, HI/KONA, HI - Coach - Mesa Air	
11/13/2008	Andrew R Morrow	Senior Vice President	Booking Fee	27.00		
11/24/2008	Andrew R Morrow	Senior Vice President	Client Related Airfare	534.60	LAX/HON - Y-Up - American Airlines	
11/13/2008	Andrew R Morrow	Senior Vice President	Booking Fee	27.00		
12/19/2008	Chris R DiMauro	Managing Director	Client Related Airfare	1,144.50	LAX/JFK/LAX - Y-Up - American Airlines	
12/19/2008	Chris R DiMauro	Managing Director	Booking Fee	27.00		
			<b>Airfare Total</b>	<b>4,561.24</b>		
<b>Hotel and Taxes</b>						
11/13/2008	Andrew R Morrow	Senior Vice President	Hotel Room	189.00	Hilton - Philadelphia Airport	
11/13/2008	Andrew R Morrow	Senior Vice President	Taxes	26.46	Hilton - Philadelphia Airport	
11/13/2008	Andrew R Morrow	Senior Vice President	Hotel Room	289.00	Hotel DuPont, Wilmington, DE	
11/13/2008	Andrew R Morrow	Senior Vice President	Taxes	28.90	Hotel DuPont, Wilmington, DE	
12/19/2008	Chris R DiMauro	Managing Director	Hotel Room	85.47	Omni Berkshire, NY	
12/19/2008	Chris R DiMauro	Managing Director	Taxes	25.42	Omni Berkshire, NY	
12/19/2008	Chris R DiMauro	Managing Director	Hotel Room	85.47	Omni Berkshire, NY	
12/19/2008	Chris R DiMauro	Managing Director	Taxes	25.42	Omni Berkshire, NY	
			<b>Hotel Room &amp; Taxes Total</b>	<b>755.14</b>		
<b>Ground Transportation and Mileage</b>						
11/12/2008	Andrew R Morrow	Senior Vice President	Ground Trans related to client meetings	122.20	Boston Coach	Philadelphia Airport to Wilmington, DE
11/12/2008	Andrew R Morrow	Senior Vice President	Ground Trans related to client meetings	65.00	Taxi Taxi	Home to Airport
11/13/2008	Andrew R Morrow	Senior Vice President	Ground Trans related to client meetings	95.00	Seacoast Cab Co	Delaware Dupont Hotel to Philadelphia Hilton Hotel
11/14/2008	Andrew R Morrow	Senior Vice President	Ground Trans related to client meetings	20.00	Ladavision	Philadelphia Hilton to Airport
11/14/2008	Andrew R Morrow	Senior Vice President	Ground Trans related to client meetings	60.00	Bell Cab	Airport to Home
12/17/2008	Chris R DiMauro	Managing Director	Ground Trans related to client meetings	31.02	Platinum Touch	JFK to Berkshire Omni Hotel - NY
12/19/2008	Chris R DiMauro	Managing Director	Ground Trans related to client meetings	31.02	Platinum Touch	Berkshire Omni Hotel to JFK
				<b>424.24</b>		
<b>Overtime Meals</b>						
Meals consumed while actively working on this engagement after hours.						
11/18/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	9.15		
11/19/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	21.82		
11/19/2008	Nathan Court	Associate	Overtime Meals - Dinner	25.93		
11/20/2008	Nathan Court	Associate	Overtime Meals - Dinner	28.63		
11/20/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	19.45		
11/23/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	8.01		
11/23/2008	Nathan Court	Associate	Overtime Meals - Dinner	34.90		
11/23/2008	Nathan Court	Associate	Overtime Meals - Dinner	10.28		
11/24/2008	Nathan Court	Associate	Overtime Meals - Dinner	26.29		
11/24/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	23.84		
11/25/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	31.35		
11/25/2008	Nathan Court	Associate	Overtime Meals - Dinner	23.54		
12/1/2008	Nathan Court	Associate	Overtime Meals - Dinner	26.72		
12/1/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	21.44		

12/2/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	33.60
12/3/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	24.36
12/3/2008	Nathan Court	Associate	Overtime Meals - Dinner	24.51
12/6/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	5.93
12/9/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	14.26
12/10/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	19.46
12/10/2008	Nathan Court	Associate	Overtime Meals - Dinner	23.67
12/14/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	8.49
12/15/2008	Nathan Court	Associate	Overtime Meals - Dinner	29.86
12/15/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	16.51
12/16/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	31.35
12/18/2008	Joshua Friedman	Financial Analyst	Overtime Meals - Dinner	4.72
12/22/2008	Nathan Court	Associate	Overtime Meals - Dinner	28.00
			<b>Overtime Meals Total</b>	<b>580.07</b>

**Working Meals**

Working Meals represent the cost of meals consumed while actively working on various time sensitive aspects of the engagement as well as meals consumed while traveling.

11/13/2008	Matthew R Niemann	Managing Director	Working Client Meals	5.62
11/13/2008	Matthew R Niemann	Managing Director	Working Client Meals	8.30
11/13/2008	Andrew R Morrow	Senior Vice President	Working Client Meals	27.74
11/13/2008	Andrew R Morrow	Senior Vice President	Working Client Meals	9.00
11/18/2008	Josh Friedman	Financial Analyst	Working Client Meals	8.81
11/19/2008	Nate Court	Associate	Working Client Meals	19.93
11/19/2008	Johnson Lorraine	Administration	Working Client Meals	28.75
11/19/2008	Josh Friedman	Financial Analyst	Working Client Meals	18.76
11/21/2008	Nate Court	Associate	Working Client Meals	15.93
11/21/2008	Josh Friedman	Financial Analyst	Working Client Meals	18.66
11/24/2008	Josh Friedman	Financial Analyst	Working Client Meals	20.27
11/25/2008	Nate Court	Associate	Working Client Meals	20.39
11/25/2008	Josh Friedman	Financial Analyst	Working Client Meals	23.36
11/26/2008	Nate Court	Associate	Working Client Meals	16.58
12/1/2008	Josh Friedman	Financial Analyst	Working Client Meals	23.9
12/1/2008	Josh Friedman	Financial Analyst	Working Client Meals	17.27
12/2/2008	Josh Friedman	Financial Analyst	Working Client Meals	18.06
12/3/2008	Nate Court	Associate	Working Client Meals	17.03
12/3/2008	Josh Friedman	Financial Analyst	Working Client Meals	10.72
12/4/2008	Josh Friedman	Financial Analyst	Working Client Meals	17.97
12/5/2008	Nate Court	Associate	Working Client Meals	14.73
12/5/2008	Josh Friedman	Financial Analyst	Working Client Meals	14.73
12/6/2008	Nate Court	Associate	Working Client Meals	22.37
12/9/2008	Josh Friedman	Financial Analyst	Working Client Meals	16.1
12/10/2008	Nate Court	Associate	Working Client Meals	29.09
12/10/2008	Josh Friedman	Financial Analyst	Working Client Meals	20.98
12/11/2008	Josh Friedman	Financial Analyst	Working Client Meals	11.75
12/11/2008	Nate Court	Associate	Working Client Meals	11.16
12/12/2008	Josh Friedman	Financial Analyst	Working Client Meals	20.49
12/15/2008	Josh Friedman	Associate	Working Client Meals	20.65
12/15/2008	Josh Friedman	Financial Analyst	Working Client Meals	19.91
12/16/2008	Josh Friedman	Financial Analyst	Working Client Meals	20.08
12/17/2008	Josh Friedman	Financial Analyst	Working Client Meals	22.59
12/18/2008	Chris R DiMauro	Managing Director	Working Client Meals	40.91
12/18/2008	Josh Friedman	Financial Analyst	Working Client Meals	10.75
12/19/2008	Chris R DiMauro	Managing Director	Working Client Meals	11.27
12/19/2008	Chris R DiMauro	Managing Director	Working Client Meals	11.90
12/19/2008	Nate Court	Associate	Working Client Meals	9.22

12/19/2008	Josh Friedman	Financial Analyst	Working Client Meals	9.9
12/22/2008	Andrew R Morrow	Senior Vice President	Working Client Meals	13.1
12/22/2008	Josh Friedman	Financial Analyst	Working Client Meals	16.45
12/22/2008	Nate Court	Associate	Working Client Meals	16.07
12/23/2008	Josh Friedman	Financial Analyst	Working Client Meals	13.05
12/29/2008	Andrew R Morrow	Senior Vice President	Working Client Meals	14.71
12/30/2008	Andrew R Morrow	Senior Vice President	Working Client Meals	11.07
12/31/2008	Josh Friedman	Financial Analyst	Working Client Meals	6.93
12/31/2008	Nate Court	Associate	Working Client Meals	8.58
			<b>Working Meals Total</b>	<b>785.59</b>

**Research**  
Direct Billed - not a % allocation

11/11/2008	Factiva	Client Research	6.65
12/18/2008	Factiva	Client Research	36.15
		<b>Client Research Total</b>	<b>42.80</b>

**Telephone**

11/13/2008	Andrew R Morrow	Senior Vice President	Client Calls while Traveling	18.74	Hotel DuPont, DE
11/13/2008	Nathan Court	Associate	Client Calls	30.00	Verizon
12/4/2008	Chris R DiMauro	Managing Director	Client Calls	11.24	Verizon
12/5/2008	Chris R DiMauro	Managing Director	Client Calls while Traveling	4.27	GoGo
12/17/2008	Chris R DiMauro	Managing Director	Client Calls while Traveling	6.48	GoGo
12/19/2008	Chris R DiMauro	Managing Director	Client Calls while Traveling	5.26	Omni Berkshire Hotel, NY
12/21/2008	Joshua Friedman	Financial Analyst	Client Calls - Cell	111.68	Sprint
12/22/2008	Chris R DiMauro	Managing Director	Client Calls - Cell	66.05	AT&T
12/22/2008	Nathan Court	Associate	Client Calls - Cell	45.00	Verizon
			<b>Telephone Charge Total</b>	<b>298.72</b>	

**Grand Total** **7,447.80**

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

-----	)	Case No. 08-12606 (BLS)
In re:	)	
	)	
VERASUN ENERGY CORPORATION,	)	Chapter 11
<u>et al.</u> ,	)	Jointly Administered
	)	
Debtors.	)	<b>Objection Deadline: February 23, 2009 at 4:00 p.m.</b>
-----	)	<b>Hearing Date: To be determined if an objection is filed.</b>

**NOTICE OF FEE APPLICATION**

PLEASE TAKE NOTICE that the Official Committee of Unsecured Creditors appointed in these cases (the “Committee”) filed the *First Monthly Fee Application of Houlihan Lokey Howard & Zukin Capital, Inc. for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses as Financial Advisor to the Committee for the Period of November 18, 2008 through December 31, 2008* (the “Application”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Application must be filed with the Bankruptcy Court, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **February 23, 2009 at 4:00 p.m.** and served upon the following: (i) the Debtors, Verasun Energy Corporation, 110 N Minnesota Ave Ste 300, Sioux Falls, Sd 57104, Attn: Mark Dickey; (ii) counsel to the Debtors, Skadden Arps Slate Meagher & Flom, One Rodney Square, P.O. Box 636, Wilmington, DE 19899, Attn: Mark S Chehi and 333 W Wacker Drive, Chicago, IL 60606, Attn: Peter Krebs; (iii) counsel to the Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Michael S. Stamer and Greenberg Traurig, LLP, The Nemours Bldg., 1007 North Orange Street, Suite 1200, Wilmington, DE 19801, Attn: Donald J. Detweiler; (iv) counsel to the pre-petition lenders, Chadbourne & Park LLP, 1200 New Hampshire Ave NW, Washington, DC 20036, Attn: Rohit Chaudhry and Dougherty Funding, 45 S 7th St, Plaza VII Ste 3300, Minneapolis, MN 55402, Attn: David Gale and Gray Plant Mooty, 810 S 8th St, 500 IDS Ctr., Minneapolis, MN 55402, Attn: Phillip Bohl & Adam Nathe; (v) counsel to the indenture trustee, Kelley Drye & Warren LLP, 101 Park Ave, New York, NY 10178, Attn: David E. Retter & Jason R. Adams; and (vi) the United States Trustee, Office of the United States Trustee, 844 King St., Ste. 2207, Lockbox 35, Wilmington, DE 19801; Attn: Mark Kenney.

PLEASE TAKE FURTHER NOTICE THAT PURSUANT TO THE ORDER ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF PROFESSIONALS IF NO OBJECTIONS ARE FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, THE DEBTORS WILL BE AUTHORIZED TO PAY 80% OF THE REQUESTED FEES AND 100% OF THE REQUESTED EXPENSES WITHOUT FURTHER ORDER OF THE COURT. IF AN OBJECTION IS FILED TO THE APPLICATION, A HEARING WILL BE HELD ON A DATE TO BE DETERMINED BEFORE THE HONORABLE BRENDAN L. SHANNON, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, WILMINGTON, DELAWARE 19801.

Dated: February 2, 2009

/s/ Dennis A. Meloro  
Donald J. Detweiler (No. 3087)  
Sandra G.M. Selzer (No. 4283)  
Dennis A. Meloro (No. 4435)  
**GREENBERG TRAURIG, LLP**  
The Nemours Building  
1007 North Orange Street, Suite 1200  
Wilmington, DE 19801  
(302) 661-7000 (Telephone)  
(302) 661-7360 (Facsimile)

- and -

Michael S. Stamer (admitted *pro hac vice*)  
David H. Botter (admitted *pro hac vice*)  
**AKIN GUMP STRAUSS HAUER & FELD LLP**  
One Bryant Park  
New York, New York 10036  
(212) 872-1000 (Telephone)  
(212) 872-1002 (Facsimile)

Co-Counsel for the Official Committee of  
Unsecured Creditors of VeraSun Energy Corporation, et  
al.