Haynes Boone Obtains Dismissal in $1.3 Billion Subrogation Lawsuits

By Charles M. Jones, II, Kelli Stephenson Norfleet, Charles A. Beckham, Jr., Martha Wyrick, Brian Singleterry, Imaan Patel, Emily Buchanan | November 21, 2024

RELATED PRACTICES Bankruptcy Litigation, Insurance Recovery

Haynes Boone obtained a complete trial court dismissal of a complex $1.3 billion subrogation action against Chiyoda International Corporation and other members of a joint venture that worked on the Freeport, Texas liquefied natural gas facility.

The case stems from a June 2022 explosion at the Freeport LNG (FLNG) Liquefaction and Export Terminal in Quintana, Texas. The related lawsuits filed by FLNG's insurers—*FLNG Liquefaction, LLC et al. v. Zachry Industrial Inc. et al.* (3:24-ap-03189) and *Allianz Global Risks US Insurance Co. et al. v. Zachry Industrial Inc. et al* (3:24-ap-00190)—sought reimbursement for insurance payouts made to FLNG. Haynes Boone argued multiple issues including that there was a lack of grounds for the claims under the governing engineering, procurement and construction (EPC) contract.

Following a Nov. 18 hearing, a United States Bankruptcy Judge for the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division, dismissed the claims in full.

Bankruptcy Litigation partners Charlie Jones, Kelli Norfleet and Charlie Beckham led the trial team with support from associates Martha Wyrick, Brian Singleterry and Imaan Patel, along with Insurance Litigation Associate Emily Buchanan.

"This was a complex case with significant stakes for Chiyoda, so we're pleased the court recognized the merits of our arguments," Jones said. "While we are certainly thrilled with the outcome, our work isn't finished. We are prepared to continue defending our client vigorously through the appellate process."

Haynes Boone's Restructuring Group is a nationally recognized practice that specializes in complex bankruptcy litigation, representing diverse clients including debtors, lenders, creditors and trustees across federal bankruptcy, district and circuit courts. With decades of experience and a comprehensive approach, our attorneys strategically navigate high-stakes insolvency proceedings, leveraging the firm's extensive litigation resources and deep expertise in specialized areas of law.

© 2026 Haynes and Boone, LLP