

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

PURINA MILLS, INC.,
a Delaware Corporation, et al.

Debtors.

Jointly Administered

Case No. 99-3938-SLR

Chapter 11

**FINAL VERIFIED FEE APPLICATION OF PACHULSKI, STANG, ZIEHL, YOUNG &
JONES P.C., CO-COUNSEL TO THE OFFICIAL COMMITTEE OF CREDITORS
HOLDING UNSECURED CLAIMS, FOR FINAL ALLOWANCE OF COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES**

Name of Applicant: Pachulski, Stang, Ziehl, Young & Jones P.C.

Authorized to Provide
Professional Services to: Official Committee of Creditors Holding Unsecured Claims

Date of Retention: January 19, 2000

Period for which compensation and
reimbursement is sought: April 1, 2000 – June 30, 2000

Amount of Compensation sought
as actual, reasonable, and necessary: \$16,977.50

Amount of Expense Reimbursement sought
as actual, reasonable, and necessary: \$1,611.15

This is a: monthly interim X final application

1950

Prior fee applications filed:

<u>Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees</u>	<u>Requested Expenses</u>	<u>Approved Fees</u>	<u>Requested Expenses</u>
6/27/00	1/19/00-1/31/00	\$2,212.50	\$160.35	\$2,212.50	\$160.35
6/27/00	2/1/00-2/29/00	\$4,378.50	\$1,621.49	\$4,378.50	\$1,621.49
6/27/00	3/1/00-3/31/00	\$4,071.50	\$465.91	\$4,071.50	\$465.91

total for all periods: \$27,640 \$3858.90

By this Final Verified Fee Application of Pachulski, Stang, Ziehl, Young & Jones

P.C., Co-Counsel to the Official Committee of Creditors Holding Unsecured Claims, for Final Allowance of Compensation for Services Rendered and Reimbursement of Expenses ("Fee Application"), PSZY&J seeks allowance of fees and reimbursement of costs for the period covering April 1, 2000 through June 30, 2000. By the Fee Application, PSZY&J also seeks final approval of the fees and expenses allowed by the Court's August 8, 2000 order regarding the following fee applications: (1) First Interim Application of Pachulski, Stang, Ziehl, Young & Jones P.C., Co-Counsel to the Official Committee of Creditors Holding Unsecured Claims, For Allowance of Compensation for Services Rendered and Reimbursement of Expenses; (2) Second Interim Application of Pachulski, Stang, Ziehl, Young & Jones P.C., Co-Counsel to the Official Committee of Creditors Holding Unsecured Claims, For Allowance of Compensation for Services Rendered and Reimbursement of Expenses; and (3) Third Interim Application of Pachulski, Stang, Ziehl, Young & Jones P.C., Co-Counsel to the Official Committee of Creditors Holding Unsecured Claims, For Allowance of Compensation for Services Rendered and Reimbursement of Expenses (collectively, the "Interim Fee Applications").

Name of Professional Person	Position, year assumed, prior relevant experience, year of obtaining relevant license to practice	Hourly billing rate (incl. chgs)	Total bills hours	Total compensation
Laura Davis Jones	Shareholder 2000; member of DE Bar since 1986.	\$365.00	10.30	\$3,759.50
Ira D. Kharasch	Shareholder 1987; member of CA Bar since 1983	\$350.00	1.00	\$350.00
Bruce Grohsgal	Shareholder 2000; member of DE Bar since 1997.	\$325.00	6.90	\$2,242.50
Jonathan J. Kim	Associate 1999; member of the CA Bar since 1995.	\$235.00	16.60	\$3,901.00
Erik S. Kurtzman	Associate 1999; member of CA Bar since 1996	\$220.00	.20	\$44.00
Rachel S. Lowy	Associate 2000; member of the DE Bar since 1998.	\$175.00	1.20	\$210.00
Hamid R. Rafatjoo	Associate 2000; member of CA Bar since 1995.	\$235.00	12.50	\$2,937.50
Kathleen M. DePhillips	Paralegal	\$90.00	.30	\$27.00
Bruce D. Campbell	Paralegal	\$90.00	12.00	\$1,080.00
Helen D. Martin	Case Management Assistant	\$40.00	19.10	\$764.00
Amy S. Miles	Case Management Assistant	\$30.00	5.80	\$174.00
Tishawanda Coleman	Case Management Assistant	\$30.00	20.80	\$624.00
Violet E. Mobley	Case Management	\$30.00	7.20	\$216.00

	Assistant			
Pamela L. Pollock	Case Management Assistant	\$30.00	21.60	\$648.00

Grand Total: \$16,977.50

Total Hours: 135.50

Blended Rate: \$125.29

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JONES P.C., CO-COUNSEL TO THE OFFICIAL COMMITTEE OF CREDITORS
HOLDING UNSECURED CLAIMS, FOR FINAL ALLOWANCE OF COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES**

Pursuant to sections 330 and 331 of title 11 of Chapter 11 of the United States Code ("Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure and Article III(A)(1)(g)(ii)(A) of the Second Amended Joint Plan of Reorganization of Purina Mills, Inc., Its Parent Corporation and Its Debtor Subsidiaries, as modified (the "Joint Plan"), the law firm of Pachulski, Stang, Ziehl, Young & Jones P.C. (hereinafter "PSZY&J" or the "Firm") hereby files its application ("Fee Application") for an order awarding it final allowance of reasonable compensation with respect to the bankruptcy cases of Purina Mills, Inc., et al. (the "Debtors") for professional legal services rendered to the Official Committee of Creditors Holding Unsecured Claims ("Committee") in the amount of \$16,977.50, together with reimbursement for actual and necessary expenses incurred in the amount of \$1,611.15 for the period from April 1, 2000 through and including June 30, 2000 (the "Application Period"). Through this Fee Application, PSZY&J also seeks final approval of all fees and costs awarded to PSZY&J through the Interim

Fee Applications, which fees and costs total \$10,662.50 and \$2,247.75, respectively. In support of its Fee Application, PSZY&J respectfully represents as follows:

Pursuant to an order entered by this Court on or about March 2, 2000 (effective as of January 19, 2000) (the "Retention Order") PSZY&J was employed to serve as co-counsel to the Committee in connection with these Chapter 11 cases. The Retention Order authorized PSZY&J to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses it incurred. At all relevant times, PSZY&J has been a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code and has not represented or held an interest in adverse to the interest of the Debtors or the Committee.

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).

On or about April 5, 2000, the Court entered an order confirming the Joint Plan. Pursuant to the procedures set forth in the Joint Plan, professionals must file and serve an application for final allowance of their fees and reimbursement of their expenses within sixty (60) days after the Effective Date (as such term is defined in the Joint Plan). If no interested party objects to a professional's request within the later of (a) ninety (90) days after the Effective Date or (B) thirty (30) days after the filing of the application, the applicable professional may submit to the Court a certification of no objection providing for the final allowance of the compensation and reimbursement of expenses. This Fee Application is PSZY&J's final fee application and is being filed pursuant to Article III(A)(1)(g)(ii)(A) of the Joint Plan.

All services for which compensation is requested by PSZY&J were performed for or on behalf of the Committee and not on behalf of any committee member, creditor or other person.

During the period covered by this Fee Application or the Interim Applications, PSZY&J has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases. There is no agreement or understanding between PSZY&J and any other person, other than members of the Firm, for the sharing of compensation to be received for services rendered in these cases.

Fee Statements

The fee statement for the Application Period is attached hereto as Exhibit A. This statement contains daily time logs describing the time spent by each attorney and paraprofessional during the Application Period. To the best of PSZY&J's knowledge, this Fee Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, this Court's Order No. 32 and the terms of the Joint Plan. PSZY&J's time reports are initially handwritten by the attorney or paralegal performing the described services. The time reports are organized on a daily basis. PSZY&J is particularly sensitive to issues of "lumping," and unless time was spent in one time frame on a variety of different matters for a particular client, separate time entries are set forth in the time reports. PSZY&J's charges for its professional services are based upon the time, nature, extent and value of such services and the cost of comparable services other than in a case under the Bankruptcy Code.

Actual and Necessary Expenses

A summary of actual and necessary expenses incurred by PSZY&J for the Application Period is attached hereto as part of Exhibit A. PSZY&J customarily charges \$0.15 per page for photocopying expenses related to cases, such as this one, arising in Delaware. PSZY&J's photocopying machines automatically record the number of copies made when the person that is doing the copying enters the client's account number into a device attached to the photocopier. PSZY&J summarizes each client's photocopying charges on a daily basis. Whenever feasible, PSZY&J sends large copying projects to an outside copy service that charges a reduced rate for photocopying. Costs incurred for secretary overtime are not included in PSZY&J's normal hourly billing rates and, therefore, are itemized and included in PSZY&J's disbursements.

PSZY&J charges \$1.00 per page for out-going facsimile transmissions. There is no additional charge for long distance telephone calls on faxes. The charge for outgoing facsimiles reflects PSZY&J's calculation of the actual costs incurred by PSZY&J for the machines, supplies and extra labor expenses associated with sending telecopies and is reasonable in relation to the amount charged by outside vendors who provide similar services. PSZY&J does not charge fax receipts to the Committee in these cases.

Regarding providers of on-line legal research (e.g., LEXIS and WESTLAW), PSZY&J charges the standard usage rates these providers charge for computerized legal research. PSZY&J bills its clients the actual cash charged by such services, with no premium. Any volume discount received by PSZY&J is passed on to the client.

PSZY&J believes the foregoing rates are the market rates that the majority of law firms charge clients for such services. In addition, PSZY&J believes that such charges are in accordance with the American Bar Association's ("ABA") guidelines, as set forth in the ABA's Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

SUMMARY OF SERVICES RENDERED

The attorneys of PSZY&J who have rendered professional services in this case during the Application Period are: Laura Davis Jones, Ira D. Kharasch, Bruce Grohsgal, Jonathan J. Kim, Rachel S. Lowy, and Hamid R. Rafatjoo. Paraprofessional services were rendered by paralegals Kathleen M. DePhillips and Bruce Dean Campbell. The case management assistants were Amy S. Miles, Violet E. Mobley, Helen D. Martin, Tishawanda Coleman, and Pamela L. Pollock.

PSZY&J, by and through the above-named persons, has advised the Committee on a regular basis with respect to legal matters in connection with the operation and reorganization of the Debtors' businesses and with respect to all other matters arising in the performance of the Debtors' duties.

SUMMARY OF SERVICES BY PROJECT

The services rendered by PSZY&J during the Application Period can be grouped into the categories set forth below. The attorneys and paraprofessionals who rendered services relating to

each category are identified, along with detailed time entries in the particular categories listed in the attachment hereto.

A. Asset Analysis and Recovery

Time spent in this category relates primarily to issues relating to the review and analysis of certain leases and executory contracts and motions relating to the same. During the Interim Period, PSZY&J spent minimal time related to such tasks.

Fees: \$141.00; Total hours: .60

B. Asset Disposition

Time spent in this category relates primarily to issues relating to a certain sale and leaseback transaction. During the Interim Period, PSZY&J spent minimal time related to such tasks.

Fees: \$73.00; Total hours: .20

C. Case Administration

Time spent in this category relates primarily to PSZY&J's efforts to maintain control of the documents generated in the cases. During the Application Period, PSZY&J, among other things: (i) generated multiple memoranda regarding critical dates in the Debtors' cases; (ii) maintained a current document system and prepared memoranda for interested parties alerting them of recent filings; (iii) monitored the critical dates arising in these cases and used such information (a) to provide the Court and interested parties with agendas for the Court's hearings and (b) to provide interested parties with calendars of upcoming critical dates; (iv) reviewed and

analyze the docket to maintain document control; and (v) communicated with co-counsel regarding the foregoing.

Fees: \$7,563.00; Total hours: 101.90

D. Bankruptcy Litigation

PSZY&J spent minimal time on Bankruptcy Litigation matters. This category includes time expended in connection with preparation for and attendance at hearings and coordination of same with co-counsel.

Fees: \$2,242.50; Total hours: 6.90

E. Claims Administration/Objections

PSZY&J spent minimal time on claims objection and administration matters. This category includes minimal time expended reviewing objections to claims and attending a hearing regarding same.

Fees: \$459.50; Total hours: 1.90

F. Plan and Disclosure Statement

This category includes minimal time expended in connection with final issues relating to the confirmation of the plan of reorganization. During the Application Period, PSZY&J, among other things: (i) participated in conference calls regarding confirmation issues; (ii) reviewed, analyzed, and revised various pleadings relating to confirmation of the plan; and (iii) attended the confirmation hearing.

Fees: \$3,392.00; Total hours: 9.40

G. Retention of Professionals

Time spent in this category relates primarily to the review and analysis of the employment applications. During the Interim Period, PSZY&J spent minimal time related to such tasks.

Fees: \$104.00; Total hours: .40

H. Compensation of Professionals

Time spent in this category relates primarily to services rendered in connection with the compensation of professionals. During the Application Period, PSZY&J, among other things: (i) addressed issues regarding monthly compensation of professionals; (ii) drafted and filed PSZY&J's first interim fee application; (iii) drafted and filed PSZY&J's second interim fee application; (iv) drafted and filed PSZY&J's third interim fee application; and (v) assisted co-counsel in the preparation, filing, and noticing of their interim fee applications.

Fees: \$3,002.50; Total hours: 14.20

DISBURSEMENTS

As described hereinabove, PSZY&J has incurred actual, reasonable and necessary out-of-pocket disbursements during the Application Period in the amount of \$1,611.15. This disbursement sum is broken down into categories of charges. A summary of the expenses incurred by PSZY&J is included in the Exhibit attached hereto.

VALUATION OF SERVICES

Attorneys and Paraprofessionals have expended a total of 135.50 hours in connection with this matter during the Application Period, as follows:

Name of Professional Person	Hourly billing rate (incl. chgs)	Total bills hours	Total compensation
Laura Davis Jones	\$365.00	10.30	\$3,759.50
Ira D. Kharasch	\$350.00	1.00	\$350.00
Bruce Grohsgal	\$325.00	6.90	\$2,242.50
Jonathan J. Kim	\$235.00	16.60	\$3,901.00
Erik S. Kurtzman	\$220.00	.20	\$44.00
Rachel S. Lowy	\$175.00	1.20	\$210.00
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Kathleen M. DePhillips	\$90.00	.30	\$27.00
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Tishawanda Coleman	\$30.00	20.80	\$624.00
Violct E. Mobley	\$30.00	7.20	\$216.00
Pamela L. Pollock	\$30.00	21.60	\$648.00

The nature of the work performed by these persons is fully set forth in the attachment hereto. These are PSZY&J's normal hourly rates for work of this character. The reasonable value of the services rendered by PSZY&J to the Debtors during the Application Period is \$16,977.50. PSZY&J believes that the time entries included in the attachment hereto are in

compliance with requirements of Order No. 32. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of these cases; (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.


This application is PSZY&J's final fee application covering of the period of January 19, 2000 through June 30, 2000.

WHEREFORE, PSZY&J respectfully request that an allowance be made to it in the sum of \$16,977.50 as compensation for necessary professional services rendered to the Debtors during the Application Period and in the sum of \$1,611.50 for reimbursement of actual necessary costs and expenses incurred during that period, for a total of \$18,588.65; that such sums be authorized for payment; that the Court grant final approval of the fees and expenses sought through the Interim Fee Applications; and for the Court grant such other and further relief as the Court may deem just and proper.

Wilmington, Delaware

Dated: August 25, 2000

PACHULSKI, STANG, ZIEHL, YOUNG & JONES P.C.



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