

1 Debtors' Special Natural Resources Counsel:

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10 **IN THE UNITED STATES BANKRUPTCY COURT**

11 **FOR THE DISTRICT OF ARIZONA**

12 **In re:**

13 **CP ACQUISITION CO., et al.**

14 **Debtors.**

Chapter 11 Proceedings

Case No. 03-11258-PHX-RJH

**(Jointly Administered with Case Nos.
03-11259-PHX-RJH through 03-11263-
PHX-RJH)**

15 **THIS FILING APPLIES TO:**

- 16 **ALL DEBTORS**
- 17 **SPECIFIED DEBTORS**

**FINAL APPLICATION BY ZENDER
THURSTON, P.S. AS COUNSEL FOR
DEBTORS FOR COMPENSATION
AND REIMBURSEMENT OF
EXPENSES FOR JULY 1, 2003
THROUGH DECEMBER 31, 2004**

[HEARING TO BE SET]

18 **TO THE HONORABLE RANDOLPH J. HAINES, UNITED STATES BANKRUPTCY**

19 **JUDGE:**

20 COMES NOW Zender Thurston, P.S. ("Applicant"), and hereby applies pursuant to this

21 Final Application (the "Final Application" or the "Application") under 11 U.S.C. §§ 327, 328,

22 and 503 for approval of: (i) \$220,509.82 for fees and expenses that were approved by the Court

23 on an interim basis, and which have been previously paid; and (ii) \$17,264.12 for fees and

24 expenses incurred during the period from November 1, 2004 through December 31, 2004.

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1 **RELEVANT BACKGROUND**

2 1. On June 29, 2003 (the “Petition Date”), each of the Debtors filed their voluntary
3 petitions for relief under Chapter 11 of title 11 of the United States Code (the “Bankruptcy
4 Code”). The Debtors remain in possession of their assets and properties as debtors-in-possession
5 pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6 2. To date, no trustee or examiner has been appointed in any of the cases. On
7 July 23, 2003, an Official Joint Committee of Unsecured Creditors (the “Committee”) was
8 appointed, and it has retained counsel.

9 3. On August 22, 2003, Applicant filed Debtors’ Application for Order Authorizing
10 the Employment of Zender Thurston, P.S., *Nunc Pro Tunc*, as Debtors’ Special Natural
11 Resources Counsel Pursuant to Sections 327(e), 328(a), 330 and 504 of the Bankruptcy Code.

12 4. Pursuant to the Second Amended Joint Consolidating Chapter 11 Plan (the
13 “Plan”), confirmed and effective as of December 31, 2004 (“Effective Date”), any and all
14 requests for payment of administrative expense claims must be filed within 45 days after the
15 Effective Date of the Plan.

16 **COMPENSATION AND REIMBURSEMENT OF**
17 **EXPENSES SOUGHT BY APPLICANT**

18 5. Applicant hereby seeks final allowance of its claims for compensation and
19 reimbursement of expenses pursuant to Section 503(b)(2) of the Bankruptcy Code. Applicant
20 requests compensation on an hourly basis for its services rendered, with professional fees
21 ranging from \$75 - \$195 per hour, depending on the experience level of the attorney or legal
22 assistant and the nature of the work performed. The rates sought are the same rates Applicant
23 charges its clients for similar services in cases other than under the Bankruptcy Code and are
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1 similar to the customary compensation rates charged by comparably skilled practitioners in other
2 bankruptcy cases.

3 6. Applicant filed its First Interim Application on November 26, 2003, and requested
4 approval of compensation for services in the amount of \$43,441.78 for the period of July 1, 2003
5 through October 31, 2003. Applicant has received payment in the amount of \$43,441.78, as
6 requested in said First Interim Application.

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8 7. Applicant filed its Second Interim Application on March 30, 2004, and requested
9 approval of compensation for services in the amount of \$43,974.53 for the period of November
10 1, 2003 through February 29, 2004. Applicant has received payment in the amount of
11 \$43,974.53, as requested in said Second Interim Application.

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13 8. Applicant filed its Third Interim Application on July 28, 2004, and requested
14 approval of compensation for services in the amount of \$66,895.50 for the period of March 1,
15 2004 through June 30, 2004. Applicant has received payment in the amount of \$66,895.50, as
16 requested in said Third Interim Application.

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18 9. Applicant filed its Fourth Interim Application on November 29, 2004, and
19 requested approval of compensation for services in the amount of \$66,198.01 for the period of
20 July 1, 2004 through October 31, 2004. Applicant has received payment in the amount of
21 \$66,198.01, as requested in said Fourth Interim Application.

22 10. By this Final Application, Applicant request that this Court authorize and order on
23 a final basis: (i) final allowance of previously approved fees and expenses in the amount of
24 \$220,509.82; and (ii) compensation for services rendered from November 1, 2004 through
25 December 31, 2004 of 17,264.12.
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11. As required by the Interim Compensation Procedures Order, Applicant filed fee statements with the Court for the periods of November 1, 2004 to November 30, 2004 (filed on December 17, 2004), and December 1, 2004 to December 31, 2004 (filed on January 12, 2005). Each Fee Statement attaches a detailed invoice describing the services rendered, time expended and expenses incurred by Applicant during the period covered by Fee Statement. Thus, the Fee Statements show all of Applicant's time and expenses for this Reporting Period. Copies of each of the Fee Statements are attached hereto and incorporated herein by reference for all purposes, as follows:

<u>Exhibit Number</u>	<u>Period Covered by Fee Statement</u>
"1"	November 1 – November 30, 2004
"2"	December 1 – December 31, 2004

12. No objections were filed with respect to Applicant's November Fee Statement. As of the date of this Application, Applicant's December Fee Statement has just been filed and the objection period has yet to expire, and, in accordance with the Interim Compensation Procedures Order, Applicant has received payments of 80% of its fees and 100% of its expenses with respect to the November Fee Statement. The payments due to and received by Applicant on account of the Fee Statements are summarized as follows:

Invoice Period	Fees Invoiced	Fees Paid	Expenses Sought	Expenses Paid	Date Paid
November 2004	\$4,081.50	\$3,265.20	\$1,708.62	\$1,708.62	1/10/05
December 2004	\$11,474.00	\$0	\$0	\$0	
Totals	\$15,555.50	\$3,265.20	\$1,708.62	\$1,708.62	

1 Accordingly, for the \$15,555.50 in fees and \$1,708.62 in expenses sought herein, Applicant has
2 received payments of \$3,265.20 for fees and \$1,708.62 for expenses, leaving a remaining
3 balance of \$12,290.30 for fees owing. Applicant requests allowance of all amounts and seeks
4 payment from the Debtors for the remaining balance owing for the Reporting Period as set forth
5 herein. Any amounts received prior to the hearing on this Application on account of the
6 December Fee Statement will be a credit on the amount otherwise requested herein.
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8 **SUMMARY OF PROJECTS/ACTIVITIES**

9 13. Every time entry for all work performed on this case, including a designation of
10 the attorney or paralegal who performed the work, is contained chronologically in Exhibits "1"
11 and "2." The categories in which Applicant recorded time during the Reporting Period are:

- 12 -- Current Forest Practices Issues
- 13 -- Daleface Timber Sale
- 14 -- Fee/Employment Applications
- 15 -- Miscellaneous Business
- 16

17 14. The following is a summary, by project, of the services rendered, which services
18 are more completely detailed in Exhibits "1" and "2."

19 **Current Forest Practices Issues (B011)**

20 15. This project category includes all of Applicant's services related to current forest
21 practices issues, except for the Daleface Timber Sale matter, set out below. This category
22 includes 5 hours and requested fees in the amount of \$975.00 for the Reporting Period. A
23 summary of the attorneys or paralegals who performed services and for whom reimbursement is
24 requested, and the total amounts requested for each individual is as follows:
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B011	Hourly Rate	Nov.	Dec.	Total Hours Billed	Total Compensation
Daniel D. Zender	195	5.0	0	5.0	\$975.00
Total		5.0	0	5.0	\$975.00

Daleface Timber Sale (B302)

16. This project category includes all of Applicant's services related to the forest practices appeal on Sumas Mountain in Whatcom County, Washington. This category includes 60.3 hours and requested fees in the amount of \$11,451.50. A summary of the attorneys or paralegals who performed services and for whom reimbursement is requested, and the total amounts requested for each individual is as follows:

B302	Hourly Rate	Nov.	Dec.	Total Hours Billed	Total Compensation
Daniel D. Zender	195	1.7	36.7	38.4	\$7,488.00
T. Gregory Greenan	185	.6	20.5	21.1	\$3,903.50
Sabrina L. England	75	0	.6	.6	\$45.00
Kimberly A. Thanjan	75	0	.2	.2	\$15.00
Total		2.3	58	60.3	\$11,451.50

Fee/Employment Applications (B401)

17. This project category includes all of Applicant's services related to the preparation of employment and fee pleadings filed by Applicant. This category includes 10.2 hours and requested fees in the amount of \$765.00. A summary of the attorneys or paralegals who performed services and for whom reimbursement is requested, and the total amounts requested for each individual is as follows:

B401	Hourly Rate	Nov.	Dec.	Total Hours Billed	Total Compensation
Sabrina L. England	75	5.1	5.1	10.2	\$765.00
Total		5.1	5.1	10.2	\$765.00

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Hamilton Yard (09702)

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18. This project category includes all of Applicant's services related to Debtor's real property in Hamilton, Washington, consisting of the office and log yard area. This category includes 4.6 hours and requested fees in the amount of \$825.00. A summary of the attorneys or paralegals who performed services and for whom reimbursement is requested, and the total amounts requested for each individual is as follows:

90004	Hourly Rate	Jul.	Aug.	Sep.	Oct.	Total Hours Billed	Total Compensation
Daniel D. Zender	195	0	0	4.0	0	4.0	\$780.00
Shelly R. Johnson	75	0	0	.3	0	.3	\$22.50
Karen E. Reich	75	0	0	.3	0	.3	\$22.50
Total		0	0	4.6	0	4.6	\$825.00

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Miscellaneous Business (90004)

19. This project category includes all of Applicant's one-time services not related to other project categories, as may occur from time to time. This category includes 12.8 hours and requested fees in the amount of \$2,364.00. A summary of the attorneys or paralegals who performed services and for whom reimbursement is requested, and the total amounts requested for each individual is as follows:

90004	Hourly Rate	Nov.	Dec.	Total Hours Billed	Total Compensation
Daniel D. Zender	195	11.7	0	11.7	\$2,281.50
Sabrina L. England	75		1.1	1.1	\$82.50
Total		11.7	1.1	12.8	\$2,364.00

OTHER FACTORS RELEVANT TO APPLICATION

20. Skill required to perform the legal services. The services performed by Applicant involved complex natural resource, land use, and real property issues and required a solid

1 foundation in said areas of law. Applicant believes that its skills and reputation in these areas are
2 excellent.

3 21. Preclusion of employment. Applicant was not precluded from other employment
4 due to the acceptance of this case.

5 22. Customary fees. As discussed above, each of the attorneys of the Applicant
6 charged his or her customary standard billing rate with respect to the categories set forth above.

7 23. Fixed fee. The fee during this period of time was fixed as each attorney was
8 performing services on an hourly basis; accordingly, the fee is not contingent upon the success or
9 the results achieved, other than this Court's review of the relative benefits of its efforts to the
10 estate.
11

12 24. Results achieved. Applicant respectfully submits that the results in these natural
13 resource matters have been excellent and in the best interests of the Debtors and all parties
14 herein. With respect to the Daleface Timber Sale, the the appeal before the Forest Practices
15 Appeals Board (the "Board") has been decided, and on December 10, 2004 a written decision
16 was issued, including the Final Findings, Conclusions of Law and FINAL ORDER. The
17 unanimous 20 page decision was very much in favor of Crown Pacific and the State Department
18 of Natural Resources. Following are a few quotes from the written decision of the Board
19 [comments are in Italics]:
20

21 "Having listened to the testimony of experts on behalf of DNR, Crown and FOSM
22 [FOSM is the Appellant] and having reviewed the reports and letters written by these experts,
23 the Board finds the analysis provided in the Golder [Crown Pacific's experts] reports and the
24 testimony of Goldbach [a Crown expert] to be most persuasive. The Golder reports analyze and
25 put to rest the concerns raised by McShane [expert witness for Appellants]. The Board finds the
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1 Golder II report is a careful, thorough analysis of all the possible impacts that could flow from
2 the proposed road crossing. In the reports, Goldbach has analyzed in a quantitative way, the
3 types of slope and rock failures that could occur, the potential magnitude of those failures and
4 the likely consequences of failures that could occur, the potential magnitude of those failures and
5 the likely consequences of failures of this magnitude. Based on this analysis, the Board finds that
6 a rock or soil failure of a magnitude sufficient to leave the bed of the road is unlikely to occur,
7 and that if it does, it is extremely unlikely to deposit debris in Powers Creek in such a manner as
8 to cause the stream to change course and threaten residences. Further, the Board Finds that
9 analysis of the lower alluvial fan is not necessary because any debris materially related to the
10 road building activity will, at worst, deposit in the low gradient reach of the Creek, well
11 upstream of the true alluvial fan. [*Decision, at page 12*].”
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15 ‘The second issue raised by FOSM is the key issue in this case: Did DNR make a mistake in
16 concluding that the road building and creek crossing in the inner gorge of Powers Creek, as
17 conditioned, would not have a probable significant acres environmental impact? The Board
18 concludes that it did not. It concludes that the conditions 1 through 9 on the application have
19 been designed to insure that the Powers Creek road crossing will not accelerate rates and
20 magnitudes of mass wasting that could deliver sediment or debris to a public resource or could
21 deliver sediment or debris in a manner that would threaten public safety. FOSM has failed to
22 establish that a debris flow or avulsion is reasonably likely to occur because of the construction
23 of the road crossing in the inner gorge of Powers Creek. With strict adherence to the application
24 as conditioned, the entry of any material into the creek from failure of the rock cut or soil is
25 remote. [*Decision at page 18*].
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2 ‘The Board concludes that FOSM has failed to prove the [*determination of non-significant*
3 *environmental impact*] is clearly erroneous. [*Decision at page 19*].’

4
5 Applicant respectfully asserts that it has vigorously represented the Debtors in preparing for
6 administrative litigation by encouraging Crown Pacific to add additional specific expert
7 witnesses, insisting on a supplemental engineering report admitted by the lead opposing expert in
8 his deposition to be a good report, the likes of which he had not seen before regarding forest
9 road construction, in negotiating a harvest plan agreeable to the opponents and their expert (in
10 writing), and, in the words of the opposing attorney, by dividing the interests of the members of
11 FOSM. This has been a case with sophisticated opposition and counsel, and is viewed as
12 significant in its influence on the manner in which timber owners are allowed to carry out forest
13 practices in this region of mixed use areas (residential communities and commercial forestry).
14 The decision of the Board has been appealed to superior court, but my latest conversation with
15 the opposing attorney has been a suggestion we meet to discuss settlement of the superior court
16 appeal.

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19 25. All services for which compensation is requested were performed on behalf of the
20 Debtors and not on behalf of any creditor or other person.

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22 26. All services performed and expenses incurred were reasonable and necessary, and
23 none were duplicative.

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25 27. There is no agreement or understanding in existence between the Applicant and
26 any other party for the sharing of compensation except as allowed under Rule 2016 of the
Federal Rules of Bankruptcy Procedure.

1 28. Pursuant to Rule 2016 no payments have heretofore been made by any party, or
2 promised by any party to Applicant for the services rendered, except in accordance with the
3 Procedures Order.

4 29. Applicant has transmitted a complete copy of this Final Application to the
5 Debtors for their review and approval.

6
7 **SUMMARY**

8 30. Pursuant to this Final Application, Applicant seeks approval of: (i) \$220,509.82
9 for fees and expenses that were approved by the Court on an interim basis, and which have been
10 previously paid; and (ii) \$17,264.12 for fees and expenses incurred during the period from
11 November 1, 2004 through December 31, 2004. Applicant has already been paid \$3,265.20 for
12 fees and \$1,708.62 for expenses for the period from November 1, 2004 through December 31,
13 2004, leaving a remaining balance of \$12,290.30 for fees and \$0 for expenses owing.

14
15 **PRAYER**

16 WHEREFORE, Applicant respectfully prays for approval of: (i) all fees and expenses
17 approved by the Court on an interim basis; (ii) that Applicant be allowed compensation for fees
18 for the period from November 1, 2004 through December 31, 2004 in the sum of \$17,264.12;
19 (iii) that after deduction of the fees and expenses that have already been paid to Applicant
20 pursuant to the Procedures Order, the Court order the payment of the balance of compensation
21 allowed herein to the Applicant; and (iv) for any and all further relief to which the Applicant is
22 justly entitled.

23 //

24 //

1 Dated this 8th day of February, 2005

2 Respectfully Submitted,
3 ZENDER THURSTON, P.S.
4 Debtors' Special Natural Resources Counsel

5 By: /S/ Daniel D. Zender
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13 Copy of the foregoing sent this by e-mail
14 9th day of February, 2005, to:

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19 Liquidating Trustee

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19 _____
20 /s/ Tina C. Tisby
21 Tina C. Tisby

To: Attached Distribution List
From: Zender Thurston, P.S.
Date: December 17, 2004
Subject: Zender Thurston, P.S. Fee Statement for November 2004

DEADLINE FOR OBJECTIONS: JANUARY 6, 2005
CALCULATION OF 20% HOLDBACK

Total Fees for November 2004		\$4,081.50
Total Expenses for November 2004		\$1,708.62
Total Fees and Expenses as of November 30, 2004		\$5,790.12
Total Fees for November 2004	\$4,081.50	
Calculation of 20% Holdback	-\$816.30	-\$816.30
Total Payment Owed as of June 30, 2004		\$4,973.82

SUMMARY OF FEES, COSTS AND HOLDBACK

Total Cumulative Fees as of November 30, 2004	\$228,038.25
Total Cumulative Expenses as of November 30, 2004	\$7,283.15
Total Cumulative Holdback as of November 30, 2004	\$45,607.65

Distribution List

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Counsel for various Noteholders



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

November/30/2004

Billing through 11/30/2004

Invoice# 34319

Our file# DZ9749 - 90004 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

MISCELLANEOUS BUSINESS

PROFESSIONAL SERVICES

11/15/2004	DDZ	Acme Lease - Phone conference with client; Review lease	0.70 hrs.	136.50
11/22/2004	DDZ	Review and draft lease	3.00 hrs.	585.00
11/24/2004	DDZ	Acme Lease - Research; Draft document	4.00 hrs.	780.00
11/29/2004	DDZ	Acme Lease - Phone conference with client; Letter to client; Draft document	2.50 hrs.	487.50
11/30/2004	DDZ	Research	1.00 hrs.	195.00
11/30/2004	DDZ	Review and respond to e-mail from client	0.50 hrs.	97.50
				\$2,281.50

Billing Summary

Total professional services \$2,281.50

Total of new charges for this invoice **\$2,281.50**



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

November/30/2004

Billing through 11/30/2004

Invoice# 34316

Our file# DZ9749 - B011 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

Current Forest Practices Issues

PROFESSIONAL SERVICES

11/08/2004	DDZ	Research re: cultural resources; Phone conference with Pete Heidi	0.65 hrs.	126.75
11/10/2004	DDZ	Phone conference with client re: cultural resources status, etc.	0.20 hrs.	39.00
11/11/2004	DDZ	Phone call from Jan Pauw; Research re: cultural resources	0.60 hrs.	117.00
11/11/2004	DDZ	Research re: cultural resources	0.25 hrs.	48.75
11/15/2004	DDZ	Research	0.50 hrs.	97.50
11/18/2004	DDZ	Phone conference with attorney Greg Tolbert re: Cultural Resources; Research	1.15 hrs.	224.25
11/19/2004	DDZ	Phone conference with attorney Jim Lynch re: Cultural Resources; Research; Letter to client	1.65 hrs.	321.75
				\$975.00

Billing Summary

Total professional services	\$975.00
Total of new charges for this invoice	\$975.00



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

November/30/2004
Billing through 11/30/2004
Invoice# 34317
Our file# DZ9749 - B302 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

Daleface Timber Sale

PROFESSIONAL SERVICES

11/03/2004	TGG	Status report	0.20 hrs.	37.00
11/05/2004	TGG	revise and forward status report	0.20 hrs.	37.00
11/08/2004	DDZ	Draft status report re: FOSM v. DNR and Crown Pacific	0.30 hrs.	58.50
11/09/2004	DDZ	Letter to Bob Beschta	0.40 hrs.	78.00
11/15/2004	DDZ	Review status of opponents; Phone conference with attorney Melissinos	1.00 hrs.	195.00
11/15/2004	TGG	Status conference re status report to bankruptcy attorney; Review file re same	0.20 hrs.	37.00
				\$442.50

EXPENSES

10/15/2004		Advance for conference call charges		1,257.10
10/20/2004		Advance for copies		28.89
10/21/2004		Advance for supplies for hearing		118.25
10/22/2004		Advance for copies		11.56
11/15/2004		Advance for document delivery		21.82
11/29/2004		Advance for hotel in Olympia for hearing		271.00



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

CROWN PACIFIC, LTD.

DZ9749 - B302

Invoice # 34317

Page 2

\$1,708.62

Billing Summary

Total professional services

\$442.50

Total expenses incurred

\$1,708.62

Total of new charges for this invoice

\$2,151.12



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

November/30/2004

Billing through 11/30/2004

Invoice# 34320

Our file# DZ9749 - B401 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

Fee/Employment Applications

PROFESSIONAL SERVICES

11/08/2004	SLE	Review September billing	0.30 hrs.	22.50
11/12/2004	SLE	Review October billing	0.30 hrs.	22.50
11/16/2004	SLE	Prepare fee statement for Sept & Oct.; E-mail correspondence with Chasless Yancy Hunter	0.50 hrs.	37.50
11/17/2004	SLE	Assemble and organize information	0.20 hrs.	15.00
11/21/2004	SLE	Prepare Fourth Interim Fee Application	3.30 hrs.	247.50
11/23/2004	SLE	Assemble and organize information	0.50 hrs.	37.50
				\$382.50

Billing Summary

Total professional services \$382.50

Total of new charges for this invoice **\$382.50**

To: Attached Distribution List
From: Zender Thurston, P.S.
Date: January 11, 2005
Subject: Zender Thurston, P.S. Fee Statement for December 2004

DEADLINE FOR OBJECTIONS: February 1, 2005

CALCULATION OF 20% HOLDBACK

Total Fees for December 2004		\$11,474.00
Total Expenses for December 2004		\$0
Total Fees and Expenses as of December 31, 2004		\$11,474.00
Total Fees for December 2004	\$11,474.00	
Calculation of 20% Holdback	-\$2,294.80	-\$2,294.80
Total Payment Owed as of December 31, 2004		\$9,179.20

SUMMARY OF FEES, COSTS AND HOLDBACK

Total Cumulative Fees as of December 31, 2004	\$239,512.25
Total Cumulative Expenses as of December 31, 2004	\$7,283.15
Total Cumulative Holdback as of December 31, 2004	\$47,902.45

Distribution List

Crown Pacific Limited Partnership
Attn: Steven E. Dietrich
805 S.W. Broadway, Suite 1500
Portland, OR 97205
Telephone: 503-274-2300
Fax: 503-228-4875
steve.dietrich@crow-pacific.com

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Stinson Morrison Hecker LLP
1850 North Central Avenue, Suite 2100
Phoenix, AZ 85004-4584
Telephone: 602-279-1600
Fax: 602-240-6925
tashworth@stinsonmoheck.com

Trudy Nowak
U.S. Trustee
2929 N. Central Ave., Suite 700
Phoenix, AZ 85004
Telephone: 602-640-2100
Fax: 602-640-2217
trudy.A.Nowak@usdoj.gov

Prentice L. O'Leary
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Fax: 602-734-3824
sfreeman@lrlaw.com
Counsel for various Noteholders



Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

December/31/2004

Billing through 12/31/2004

Invoice# 34695

Our file# DZ9749 - 90004 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

MISCELLANEOUS BUSINESS

PROFESSIONAL SERVICES

12/01/2004	SLE	Revise Lease; Assemble and organize information	1.10 hrs.	82.50
				\$82.50

Billing Summary

Total professional services	\$82.50
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Total of new charges for this invoice	\$82.50
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Zender Thurston, P.S.

Attorneys at Law

remit payments to:
1700 D Street
PO Box 5226
Bellingham, WA 98227
(360) 647-1500

December/31/2004

Billing through 12/31/2004

Invoice# 34697

Our file# DZ9749 - B302 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

Daleface Timber Sale

PROFESSIONAL SERVICES

12/09/2004	DDZ	Phone conference with client; Phone conference with Tim Raschko; Review status of bankruptcy and Daleface	2.80 hrs.	546.00
12/09/2004	TGG	Correspondence re estimated future hours	0.30 hrs.	55.50
12/10/2004	DDZ	Phone conference with attorney Melissinos; Phone conference with client (voice mail); Phone conference with Tim Raschko; Research re: transfers of interest, etc.	3.00 hrs.	585.00
12/10/2004	TGG	Status conference; Telephone conferecne with Olympic Resourse Management; Research re change of owner	1.60 hrs.	296.00
12/13/2004	DDZ	Phone conference with client; Review status; Research and consider transition from bankruptcy; Phone message for Tim Raschko	3.30 hrs.	643.50
12/13/2004	TGG	Review decision of FPAB; Correspondence with counsel for DNR re same; Status conferecne re change of owner; Correspondence with experts	1.70 hrs.	314.50
12/14/2004	DDZ	Prepare for and transfer from Crown re: Daleface litigation; Phone conference with attorney Andy Schultz (Debevoise); E-mail to attorney Schultz; Phone conference with client (x2)	2.80 hrs.	546.00
12/14/2004	SLE	Assemble and organize information	0.20 hrs.	15.00
12/14/2004	TGG	Telephone conferecne with R. Paul; Correspondence with experts; Research re appeal and substitution of parties	2.30 hrs.	425.50
12/15/2004	DDZ	Phone conference with client; Prepare for transfer	3.00 hrs.	585.00
12/16/2004	DDZ	Phone conference with Tim Raschko; Prepare re: transfer of interests	3.30 hrs.	643.50
12/16/2004	SLE	Assemble and organize information	0.20 hrs.	15.00



Zender Thurston, P.S.

Attorneys at Law

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CROWN PACIFIC, LTD.

DZ9749 - B302

Invoice # 34697

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12/16/2004	TGG	Research re substitution of parties and Administrative Procedure Act, RCW 35.05	4.40 hrs.	814.00
12/17/2004	DDZ	Voice mail for attorney John Melissinos; Research re: transfers; Develop strategies re: transfers	4.20 hrs.	819.00
12/17/2004	KAL	Begin preparing Motion for Substitution	0.20 hrs.	15.00
12/17/2004	TGG	Research and draft memo re substitution of parties; Instructions to paralegal re formatting motion to substitute	1.80 hrs.	333.00
12/20/2004	DDZ	Review and research transfer of interests and timing; Phone conference with client (x2); Phone conference with attorney Melissinos; Phone conference with attorney Andy Schultz; Phone conference with John Shea	5.20 hrs.	1014.00
12/20/2004	TGG	Research re substitution and standard of review; Conference re status as between Crown and successor	3.70 hrs.	684.50
12/21/2004	DDZ	Voice mail for attorney Melissinos; Phone conference with client; Review e-mail from attorneys Andy Shultz and Susan Freeman	2.80 hrs.	546.00
12/21/2004	TGG	Research and draft memo re substitution of parties; Conferences re status	3.40 hrs.	629.00
12/22/2004	DDZ	Phone conference with client; Review status of transfer	0.80 hrs.	156.00
12/22/2004	TGG	Draft memo re substitution; Conference re status	0.80 hrs.	148.00
12/23/2004	DDZ	Phone conference with Russ Paul; Conference call with attorney Melissinos and Tracey Mulings; Phone conference with Tim Raschko; E-mail to Tim Raschko; E-mail to Russ Paul; Review status and plans	5.00 hrs.	975.00
12/23/2004	TGG	Status conference	0.20 hrs.	37.00
12/28/2004	SLE	Phone call to Environmental Hearings Office regarding oversized exhibits	0.20 hrs.	15.00
12/28/2004	TGG	Status conference	0.30 hrs.	55.50
12/30/2004	DDZ	Phone conference with Russ Paul re: status of transfer; Phone conference with Tim Raschko (left voice mail)	0.50 hrs.	97.50

\$11,009.00

Billing Summary

Total professional services

\$11,009.00

Total of new charges for this invoice

\$11,009.00



Zender Thurston, P.S.

Attorneys at Law

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1700 D Street
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Bellingham, WA 98227
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CROWN PACIFIC, LTD.

DZ9749 - B302

Invoice # 34697

Page 3



Zender Thurston, P.S.

Attorneys at Law

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1700 D Street
PO Box 5226
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(360) 647-1500

December/31/2004
Billing through 12/31/2004
Invoice# 34698
Our file# DZ9749 - B401 DDZ

Roger Krage, Senior VP, General Counsel
Crown Pacific Limited Partnership
121 SW Morrison Street, Suite 1500
Portland, OR 97204

Fee/Employment Applications

PROFESSIONAL SERVICES

12/01/2004	SLE	Review status	0.20 hrs.	15.00
12/09/2004	SLE	Phone call from atty Melissinos; Review status with D. Zender	0.50 hrs.	37.50
12/10/2004	SLE	Review status; Phone conf. w/attorney Melissinos	0.80 hrs.	60.00
12/14/2004	SLE	Review status	0.20 hrs.	15.00
12/16/2004	SLE	Review November billing; Prepare November Fee Statement; Email correspondence to Chasless Yancy Hunter	1.00 hrs.	75.00
12/17/2004	SLE	Assemble and organize information; Email correspondence to Chasless Yancy Hunter	0.30 hrs.	22.50
12/21/2004	SLE	Review status; Phone call to attorney Melissinos - left message	0.50 hrs.	37.50
12/23/2004	SLE	Review status; Email correspondence with Chasless Yancy Hunter; Assemble and organize information	1.30 hrs.	97.50
12/29/2004	SLE	Review status of 2004 billing	0.30 hrs.	22.50
				\$382.50

Billing Summary

Total professional services \$382.50

Total of new charges for this invoice \$382.50