

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: : Chapter 11  
: :  
ONCO INVESTMENT COMPANY, et al., : Case No. 04-10558 (JBR)  
: (Jointly Administered)  
Debtors. :  
: **Objection Deadline: 3/4/05 at 4:00 p.m.**  
: **Hearing Date: To be scheduled by the Debtors.**

**NOTICE OF APPLICATION**

TO: U.S. Trustee, counsel to the Debtors, counsel to the Official Committee of Unsecured Committee, and counsel to Debtor's primary post-petition secured lenders.

Pepper Hamilton LLP, counsel to the Ad Hoc Committee of Senior Secured Noteholders of Oglebay Norton Company, (hereinafter referred to as "Applicant") has filed its **Third Interim and Final Application for Compensation and Reimbursement of Expenses for the Period September 1, 2004 Through January 31, 2005** (the "Application").

You are required to file a response to the Application on or before **March 4, 2005 at 4:00 p.m. (Prevailing Eastern Time)**.

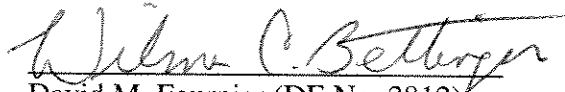
At the same time, you must also serve a copy of the response upon Applicant:

David M. Fournier, Esq.  
Pepper Hamilton LLP  
Hercules Plaza  
1313 Market Street, Suite 5100  
Wilmington, Delaware 19801

A HEARING ON THE APPLICATION WILL BE SCHEDULED at the Court's convenience before the Honorable Joel B. Rosenthal, United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: February 10, 2005

  
David M. Fournier (DE No. 2812)  
Wilmer C. Bettinger (DE No. 359)  
PEPPER HAMILTON LLP  
Hercules Plaza  
1313 Market Street, Suite 5100  
Wilmington, Delaware 19801  
(302) 777-6500

UNITED STATES BANKRUPTCY COURT  
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In re: : Chapter 11  
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ONCO INVESTMENT COMPANY, et al., : Case No. 04-10558 (JBR)  
: (Jointly Administered)  
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**THIRD INTERIM AND FINAL APPLICATION OF  
PEPPER HAMILTON LLP, COUNSEL FOR THE  
AD HOC COMMITTEE OF SENIOR SECURED NOTEHOLDERS  
OF OGLEBAY NORTON COMPANY,  
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES  
INCURRED FOR THE PERIOD SEPTEMBER 1, 2004 THROUGH JANUARY 31, 2005**

Name of Applicant: Pepper Hamilton LLP

Authorized to provide professional services to: Ad Hoc Committee of Senior Secured Noteholders

Date of Retention: N/A

Period for which compensation and reimbursement are sought: September 1, 2004 through January 31, 2005

Amount of compensation sought as actual, reasonable, and necessary: \$9,044.50

Amount of expense reimbursement sought as actual, reasonable, and necessary: \$1,266.39

TOTAL Amount of Compensation sought as actual, reasonable and necessary for Chapter 11 proceedings: \$30,628.50

TOTAL Amount of Expense Reimbursement sought as actual, reasonable and necessary for Chapter 11 proceedings: \$3,369.29

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This is an: \_\_\_ monthly \_\_\_ interim  X  final application.

If this is not the first application filed, disclose the following for each prior application:

<b><u>Date Filed</u></b>	<b><u>Period Covered</u></b>	<b><u>Requested Fees, Expenses</u></b>	<b><u>Approved Fees, Expenses</u></b>
9/24/04	2/23/04 – 3/31/04	\$10,943.50 (fees) \$216.40 (expenses)	<i>sub judice</i>
9/27/04	4/1/04 – 8/31/04	\$10,640.50 (fees) \$1,887.23 (expenses)	<i>sub judice</i>

**COMPENSATION BY TIMEKEEPER**

<b><u>Name of Professional Person</u></b>	<b><u>Position With the Applicant and Number of Years in That Position</u></b>	<b><u>Hourly Billing Rate (Including Changes)</u></b>	<b><u>Total Billed Hours</u></b>	<b><u>Total Compensation</u></b>
David M. Fournier	Partner (6 years) J.D. 1989	\$440.00 (2004) \$460.00 (2005)	12.60 1.30	\$5,544.00 \$598.00
J. Helen Cook	Senior Legal Assistant	\$150.00 (2004) \$160.00 (2005)	13.90 2.80	\$2,085.00 \$448.00
Erika T. Bonnett	Legal Assistant	\$110.00 (2004)	3.20	\$352.00
David A. Smith	Document Clerk	\$35.00 (2005)	0.50	\$17.50

## COMPENSATION BY PROJECT CATEGORY

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	1.90	\$443.50
Court Hearings	6.40	\$2,440.00
Fees	15.50	\$2,724.00
Fees/Objections	1.10	\$121.00
Contested Matters/ Motions	0.40	\$176.00
Claims Administration/ General	0.20	\$22.00
Plan and Disclosure Statement	8.80	\$3,118.00
TOTAL HOURS:	34.30	
TOTAL FEES:	\$9,044.50	
BLENDED RATE:	\$263.69	

## EXPENSE SUMMARY

<u>Expense Category</u>	<u>Service Provider</u>	<u>Total Expenses</u>
Duplicating and Reproduction	(Internal)	\$643.00
Messenger	(Internal)	\$105.00
	PARCELS, Inc.	\$25.00
Messenger Service -- Overnight Courier	Federal Express	\$183.36
Postage		\$201.00
Reference Service	PACER	\$39.45
Facsimile Charges	(Internal)	\$68.00
Telephone		\$0.79
<b>TOTAL EXPENSES:</b>		<b>\$1,266.40</b>

IN THE UNITED STATES BANKRUPTCY COURT  
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**THIRD INTERIM AND FINAL APPLICATION OF  
PEPPER HAMILTON LLP, COUNSEL FOR THE  
AD HOC COMMITTEE OF SENIOR SECURED NOTEHOLDERS  
OF OGLEBAY NORTON COMPANY,  
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES  
INCURRED FOR THE PERIOD SEPTEMBER 1, 2004 THROUGH JANUARY 31, 2005**

For its Third Interim and Final Application for Compensation and Reimbursement of Expenses (the “Application”), Pepper Hamilton LLP (the “Applicant”), counsel to the Ad Hoc Committee of Senior Secured Noteholders of Oglebay Norton Company<sup>1</sup> (the “Ad Hoc Committee of Senior Noteholders”), respectfully represents as follows:

**A. BACKGROUND**

1. On February 23, 2004 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued to manage and operate their business as a debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. On April 7, 2004, the Final Order (I) Authorizing Debtors to (A) Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364(c)(1), 364(c)(2),

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<sup>1</sup> Oglebay Norton is one of the above-captioned Debtors and Debtors-in-Possession.

364(c)(3) and 364(d)(1); and (B) Utilize Cash Collateral Pursuant to 11 U.S.C. §§ 105, 361, 362 and 363; and (II) Granting Adequate Protection to Prepetition Secured Lenders Pursuant to 11 U.S.C. §§ 105, 361 and 363 (the "Final DIP Order") was entered by this Court.

3. Pursuant to the Final DIP Order, the Ad Hoc Committee of Senior Secured Noteholders is entitled to the payment of attorneys' fees and expenses, if such attorneys' fees and expenses are requested pursuant to the provisions of the Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order") entered by the Court on March 23, 2004.

4. Pursuant to the Order Confirming Second Amended Joint Plan of Reorganization of the Debtors and Debtors-in-Possession, the Debtors' Plan of Reorganization was confirmed on November 16, 2004.

5. Applicant has rendered services on behalf of the Ad Hoc Committee of Senior Noteholders from September 1, 2004 through January 31, 2005 totaling 34.30 hours, and in connection therewith requests allowance of interim compensation in the amount of \$9,044.50 and reimbursement of expenses in the amount of \$1,266.39.

6. To date, the Debtor has paid Applicant \$19,370.83 for services rendered and expenses incurred from the commencement of this case.

7. Applicant maintains contemporaneous records of the time expended for the professional services and expenses related thereto performed in connection with this Chapter 11 case and such records are maintained in the ordinary course of its business. These records provide a detailed description of the services rendered and expenses incurred during the period for which this



Application is being made. Applicant's time records in the sum of \$9,044.50 regarding this Chapter 11 proceeding are annexed hereto as Exhibit A.

7. Applicant has filed the following applications for compensation and reimbursement of expenses for services rendered and expenses incurred in this Chapter 11 case:

<b><u>Fee Application</u></b>	<b><u>Date Filed</u></b>	<b><u>Period Covered</u></b>	<b><u>Requested Fees, Expenses</u></b>
First Interim (Docket No. 1652)	9/24/04	2/23/04- 3/31/04	\$10,943.50 (fees) \$126.40 (expenses)
Second Interim (Docket No. 1666)	9/27/04	4/1/04 – 8/31/04	\$10,640.50 (fees) \$1,887.23 (expenses)

**B. DESCRIPTION OF SERVICES AND EXPENSES AND RELIEF REQUESTED**

8. Applicant's services on behalf of the Ad Hoc Committee of Senior Noteholders are described in detail in Exhibit A. In general, Applicant represented the Ad Hoc Committee of Senior Noteholders in all aspects of the negotiations leading up to the Final DIP Order, in routine bankruptcy proceeding matters as they affect the Ad Hoc Committee of Senior Noteholders, and in attending all hearings before this Court. In summary, Applicant's activities included, without limitation, the following:

- a. Communications with the primary counsel to the Ad Hoc Committee;
- b. Attending Court hearings; and
- c. Drafting, filing, reviewing, investigating and responding to various pleadings filed in case as requested by the Ad Hoc Committee of Senior Noteholders.

8. To assist the Court in its review of the fees sought by Applicant, Applicant has separated its time entries in Exhibit A into the following categories:

a. Case Administration. This category includes time spent by Applicant in connection with the performance of its duties as counsel to the DIP Lender which do not fall within any of the more specific categories discussed below. In addition to other miscellaneous substantive services, time in this category was spent in the review of pleadings filed by other parties in these cases; meeting with Applicant's lawyers and professional staff when necessary to coordinate the handling of the matters arising in these cases; and other services of a miscellaneous nature necessary for the preservation of the interests of the Ad Hoc Committee of Senior Noteholders in these cases. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$443.50. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.1.

b. Court Hearings. Applicant has attended certain hearings in these cases during the period covered by this Application. Also included in this category is time spent in the preparation of motions for co-counsel to appear telephonically at hearings in these cases. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$2,440.00. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.2.

c. Fees. Entries in this category include time spent in the preparation of Applicant's First and Second Interim Applications for Compensation and Reimbursement of Expenses and this Final Application. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$2,724.00. The detailed

time entries of Applicant's professionals which fall within this category are attached as Exhibit A.3.

d. Fees/ Objections. Entries in this category include in the preparation, filing and service of Certifications of No Objection regarding various Committee professionals' applications for compensation and reimbursement of expenses. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$121.00. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.4.

e. Contested Matters/Motions. Time spent in this category included the representation of the Ad Hoc Committee of Secured Noteholders relative to contested motions not falling within another more specific category. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$176.00. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.5.

f. Claims Administration/General. Entries in this category include time spent in discussions with various parties regarding the claims bar date. The total fees sought under this category for the period September 1, 2004 through January 31, 2005 are \$22.00. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.6.

g. Plan and Disclosure Statement. Entries in this category include time spent in attendance at the hearing on the confirmation of the Debtors' Plan and in communications with co-counsel regarding the same. The total fees sought under this category

for the period September 1, 2004 through January 31, 2005 are \$3,118.00. The detailed time entries of Applicant's professionals which fall within this category are attached as Exhibit A.7.

The foregoing general description of services rendered in specific areas is not intended to be exhaustive of the scope of Applicant's activities on behalf of the Ad Hoc Committee of Secured Noteholders in this case. The time records attached as Exhibit A present more completely the work performed by Applicant in each billing category during the period covered by this Application.

8. Applicant believes that the post-petition services rendered during the period September 1, 2004 through January 31, 2005 on behalf of the Ad Hoc Committee of Secured Noteholders are reasonably worth the sum of \$9,044.50, and Applicant requests the allowance of such sum. The blended hourly rate for all services rendered by Applicant during the period covered by this Application is \$263.69.

9. Applicant further requests reimbursement of costs expended on behalf of the Ad Hoc Committee of Secured Noteholders for the period ending January 31, 2005 in connection with these Chapter 11 proceedings in the sum of \$1,266.39 as set forth in the summary attached as Exhibit B.

10. The expenses incurred by Applicant include long distance telephone calls, over-night delivery, travel expenses, local messenger service, meals, facsimiles, postage, duplicating, and computerized legal research charges, all of which Applicant normally bills to its non-bankruptcy clients at rates calculated to compensate Applicant for only the actual cost of the expense. The rate Applicant charges for photocopying is \$.15 per page and out-going facsimile transmission charges are \$1.00 per page. Applicant does not charge for incoming facsimiles.

Applicant charges \$7.50 for routine messenger services. Consistent with the firm's charges to non-bankruptcy clients, where Applicant's Court Liaison Department handles electronic filings with the Court, Applicant charges a \$10.00 filing fee.

11. As outlined above, the attorneys who worked on this case from September 1, 2004 through January 31, 2005 have various levels of expertise. From time to time these attorneys consulted with each other and other attorneys on different aspects of the case. It is submitted that this is a more efficient way to run a case than to expect a single attorney to be an expert in all applicable areas of law. If a single attorney were to attempt to run a case such as this, the attorney would have to learn through research what other attorneys know and can tell him based on their years of knowledge and experience. The primary attorneys and their areas of expertise are listed on Exhibit C attached hereto.

12. Applicant has reviewed the requirements of Del.Bankr.LR 2016-2 and believes that this Application complies with the requirements of the same.

WHEREFORE, Applicant prays this Court enter an Order allowing the following:

(A) allowing on a final basis (i) compensation in the amount of \$10,943.50 for services rendered by the Applicant for the period February 23, 2004 through March 31, 2004 for and on behalf of the Committee, and (ii) reimbursement of expenses in the amount of \$216.40 incurred by Applicant for the period February 23, 2004 through March 31, 2004 for and on behalf of the Committee as requested in the First Interim Application;

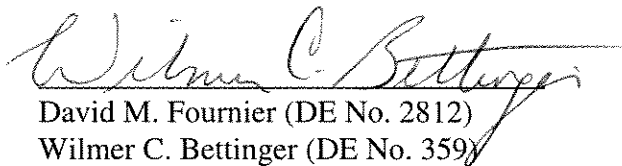
(B) allowing on a final basis (i) compensation in the amount of \$10,640.50 for services rendered by the Applicant for the period April 1, 2004 through August 31, 2004 for and on behalf of the Committee, and (ii) reimbursement of expenses in the amount of \$1,887.23

incurred by Applicant for the period April 1, 2004 through August 31, 2004 for and on behalf of the Committee as requested in the Second Interim Application;

(C) allowing on a final basis (i) compensation in the amount of \$9,044.50 for services rendered by the Applicant for the period September 1, 2004 through January 31, 2005 for and on behalf of the Committee, and (ii) reimbursement of expenses in the amount of \$1,266.39 incurred by Applicant for the period September 1, 2004 through January 31, 2005 for and on behalf of the Committee as requested in this Third Interim and Final Application and allowing Applicant to bill to the Debtors, in the ordinary course, expenses which have not yet registered on its billing system;

(D) directing prompt payment of the same by the Liquidating Trust to the extent not previously paid; and

(E) granting such other and further relief as may be just.



David M. Fournier (DE No. 2812)

Wilmer C. Bettinger (DE No. 359)

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Hercules Plaza, Suite 5100

1313 Market Street

Wilmington, Delaware 19801

(302) 777-6500

*Counsel for the Ad Hoc Committee of Senior Noteholders  
of Oglebay Norton Company*

Dated: February 12, 2005