

at the 10

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J.S. BANKRUPTCY COURT
PATRICIA GRAY, CLERK

ATTORNEYS FOR PEGASUS GOLD INC. AND ITS AFFILIATES

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA

In re:	)	Case Nos. BK-N-98-30088-GWZ through
	)	BK-N-98-30105-GWZ
PEGASUS GOLD CORPORATION, a	)	(Jointly Administered)
Nevada corporation; and related entities,)	
	)	Chapter 11
Debtors,)	
	)	FINAL COMPENSATION
	)	APPLICATION WITH ATTACHED
	)	TIME AND EXPENSE RECORDS:
	)	LAWSON LUNDELL LAWSON &
	)	McINTOSH
)	
	)	Date of Hearing: May 17, 1999
	)	Time of Hearing: 9:00 a.m.
	)	Set By: The Court

TO THE DEBTORS, THE OFFICE OF THE UNITED STATES TRUSTEE, AND OTHER PARTIES ENTITLED TO NOTICE:

Lawson Lundell Lawson & McIntosh ("Lawson") submits this Application for an award of final compensation for professional fees and reimbursable expenses incurred from the period from January 16, 1998 to and including February 5, 1999, including the final interim period of December 1, 1998 through February 5, 1999 (the "Application Period") and respectfully represents:

1. On January 16, 1998, the above-named Debtors filed a Petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Nevada.

2. On May 13, 1998, the Debtors filed a motion for employment *nunc pro tunc* of, among others, Lawson and such employment was subsequently approved by the Court.
3. On August 28, 1998, Lawson's application for an award of interim compensation in the amount of Canadian \$20,515.31 for professional fees and reimbursable expenses incurred from the period from January 16, 1998 to May 31, 1998 was approved.
4. On November 5, 1998, Lawson's application for an award of interim compensation in the amount of Canadian \$19,189.41 for professional fees and reimbursable expenses incurred from the period from June 1, 1998 to August 31, 1998 was approved.
5. On January 25, 1999, Lawson's application for an award of interim compensation in the amount of Canadian \$3,266.59 for professional fees and reimbursable expenses incurred from the period from September 1, 1998 to November 30, 1998 was approved.
6. Lawson, Canadian lawyers for Pegasus Gold Inc. ("Pegasus Canada") and its related entities in possession in the above-captioned cases, hereby applies for final approval of the payments of the awards of interim compensation previously made as provided in paragraphs 3 through 5 and for the payment of final interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.
7. In addition to the final approval of the payments of the awards of interim compensation previously made, Lawson seeks the payment of: (i) interim compensation in the amount of Canadian \$1,247.50, representing one-hundred percent (100%) of the fees for services rendered during the Application Period, and (ii) interim reimbursement of expenses in the amount of Canadian \$811.41 representing one hundred percent (100%) of the expenses incurred during the Application Period. Members of Lawson expended a total of 5.6 hours in the provision of services to the Debtors during the Application Period.
8. Copies of the monthly accounts rendered by Lawson to Pegasus Canada for services rendered and reimbursable expenses incurred during the Application Period are attached hereto as Exhibit "A" and a summary setting out, among other things, the name of each

Fees reqd = 40,603
 Exp reqd = 4,427.22
 Bas appl = 39,355.50 in
 Exp reqd = 3,615.81 Canadian \$'s

FEE
 ① \$508 20,515.31 ✓ granted in \$1039 (19325.50/489.81)
 ② \$1470 19,189.41 ✓ granted in \$1925 (10827.50/2361.91)
 ③ \$1946 3,266.59 ✓ granted in \$2076 (3002.50/264.09)
 ④ \$297 1247.50/811.41 = 2058.91 granted in 8
 \$45,030.22 (not included)

individual who performed services to the Debtors during the Application Period, the status of such individuals, the hourly billing rate applicable to each such individual and the time expended by those individuals is attached hereto as Exhibit "B", provided, however, that in each such case certain privileged descriptions of services may have been deleted.

9. During the Application Period, Lawson provided various services to Pegasus Canada, a British Columbia company which is a "reporting issuer" (or public company) in various Canadian jurisdictions, including advice with respect to certain matters relating to the termination of the corporate existence of the company upon completion of the distributions contemplated by the Chapter 11 process and Pegasus Canada's ongoing obligations under (in particular) British Columbia corporate law and Canadian securities laws (including the company's requirement to file and mail to shareholders interim financial statements and other "continuous disclosure" documents).


In this way, the services provided by Lawson have greatly benefited the estate. Lawson submits that the services provided by it are in no way duplicative of services provided by the other law firms employed in this matter, all of which are United States counsel.

10. Lawson also requests payment of an amount on account of its professional fees and reimbursable expenses in connection with the preparation of this final compensation application and attendance at the hearing of such application and on account of its charges for acting as the registered and records office of Pegasus Canada under the Company Act (British Columbia) for the next two calendar years (the projected period of its existence under British Columbia corporate law), such amount not to exceed Canadian \$1,500.
11. Neither Lawson nor any members of Lawson has any agreement or understanding of any kind to divide, pay over, or share with any other person, except as among the members of Lawson, any portion of the fees or expenses to be awarded pursuant to this Application.

THEREFORE, Lawson respectfully requests final approval of the payments of the awards of interim compensation previously made and that the Debtors pay the compensation for services

rendered during the Application Period and reimburse the expenses incurred during the Application Period, as set out in this Application.

LAWSON LUNDELL LAWSON & McINTOSH

Per: 

Jerrold W. Schramm

DATED: April 6, 1999

DATE OF MAILING: April 6, 1999

PEGASUS GOLD INC.
C/O MR. ROBERT A. LONERGAN
1500 - 601 WEST FIRST AVENUE
SPOKANE, WA
U.S.A. 99204

Invoice No. 163688
Reference No. 007640
Contact: DAVID SMITH
1600 CATHEDRAL PLACE
925 WEST GEORGIA STREET
VANCOUVER, B.C.
V6C 3L2

February 1, 1999

IN ACCOUNT WITH

LAWSON LUNDELL LAWSON & McINTOSH

BARRISTERS and SOLICITORS

To professional services rendered for the period up to
and including December 31, 1998, as per attached detail:

OUR FEE	\$ 663.00
Exempt Disbursements	<u>786.78</u>
Balance Due	<u>\$ 1,449.78</u>

THIS IS OUR ACCOUNT

LAWSON LUNDELL LAWSON & McINTOSH

