

MCGROARTY & LANE, CHARTERED
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1 MCGROARTY & LANE, CHARTERED
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3 Nevada Bar No. 000840
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6 (702) 388-1717
7 Attorneys for Debtors

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

8 In re:) Case No. 97-20554 GWZ
9 STRATOSPHERE CORPORATION,) Chapter 11
10 a Delaware corporation,) (Jointly Administered)
11 Debtor.

12 In re:) Case No. 97-20555 GWZ
13 STRATOSPHERE GAMING CORP.,) Date of Hearing: December 10, 1998
14 corporation,) Time of Hearing: 10:00 a.m.
15 Debtor.

16 FINAL FEE APPLICATION OF
17 MCGROARTY & LANE, CHARTERED, SEEKING COMPENSATION FOR
18 LEGAL SERVICES RENDERED

19 This final application for allowance of compensation (the "Final Application") is filed
20 by MCGROARTY & LANE, CHARTERED ("M&L"), workers' compensation counsel for
21 Stratosphere Corporation, a Delaware corporation, and Stratosphere Gaming Corp., a Nevada
22 corporation, debtors and debtors-in-possession, ("Debtors") in the above-captioned Chapter 11
23 case. Pursuant to this Final Application, M&L respectfully requests that the Court enter an
24 Order:

25 (a) For the period from July 1, 1998 through October 31, 1998 ("Application Period"),
26 allowing M&L professional compensation in the amount of \$1,075.00 and no out-of-pocket
27 expenses .

28 (b) Authorizing the Debtors to pay to M&L all unpaid fees as allowed by the Court;

(c) Determining that the total amount of professional fees charged by M&L to the

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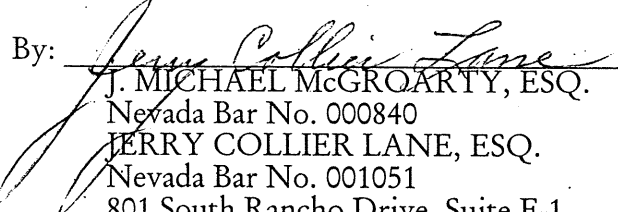
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Debtors during the Application Period are reasonable within the meaning of 11 U.S.C. § 330(a);
and

This Final Application is supported by the attached points and authorities and the exhibits to the Final Application, which contain descriptions and analysis of the professional services rendered by M&L.

DATED this 10th day of November, 1998.

MCGROARTY & LANE, CHARTERED

By: 
J. MICHAEL MCGROARTY, ESQ.
Nevada Bar No. 000840
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McGROARTY AND LANE, CHARTERED
BILLING SUMMARY

Fees Previously Requested	\$7,295.50
Fees Previously Awarded	\$7,295.50
Expenses Previously Requested	\$ 129.50
Expenses Previously Awarded	\$ 129.50
Retainer Paid	\$-0-
Drawn on Retainer	\$-0-
Remaining Retainer	\$-0-

Professional Services

NAMES OF PROFESSIONALS & PARAPROFESSIONALS	Hours Billed Current Application	Rate	Total for Application
<u>Attorneys</u>			
David H. Benavidez	5.7	\$150.00	\$ 855.00
J. Michael McGroarty	0.2	\$150.00	\$ 30.00
<i>Total</i>	5.9		\$ 885.00
<u>Paraprofessionals</u>			
Pat Goeking	1.4	\$ 95.00	\$ 133.00
Greg Schaefer	0.6	\$95.00	\$ 57.00
<i>Total</i>	2.0		\$ 190.00
TOTAL HOURS & FEES	7.9		\$ 1,075.00
TOTAL & BLENDED HOURLY RATE (without paralegal time)		\$150.00	

EXPENSES

None.

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1 POINTS AND AUTHORITIES

2 I. GENERAL BACKGROUND

3 1. On January 27, 1997 (the "Petition Date"), the Debtors filed their voluntary Chapter
4 11 petitions, thereby commencing their Chapter 11 case. Debtors own and operate a casino
5 hotel and related facilities in Las Vegas, Nevada ("Casino-Hotel").

6 2. Debtors are in possession of and continue to operate and manage the Casino-Hotel
7 as debtors-in-possession in accordance with Sections 1107 and 1108 of the United States
8 Bankruptcy Code.

9 3. On July 18, 1997, the Debtors filed an ex parte application to employ M&L as
10 workers' compensation counsel. Pursuant to their application, the Court subsequently entered
11 an Order authorizing the employment of M&L as workers' compensation counsel.

12 4. This is the final fee application for allowance of interim compensation filed by M&L
13 in the above-captioned case. M&L holds no retainer account.

14 5. Pursuant to this Final Application, M&L requests allowance of compensation of
15 \$1,075.00, and no expenses in connection with services provided during the Application Period.
16 M&L has received no payments on these professional fees incurred during the Application
17 Period.

18 M&L's Final Application is a "core proceeding" which the Court has jurisdiction to
19 decide pursuant to 28 U.S.C. §§157(1), (b), and 1334. The statutory authority for the relief
20 requested by M&L is 11 U.S.C. §330. This Third Application has been filed in accordance with
21 Federal Bankruptcy Rule 2016 and the Guidelines of the Office of the United States trustee for
22 the District of Nevada.

23 II. CASE STATUS

24 M&L hereby adopts the case status as set out in the Final Application of Gordon and
25 Silver, Ltd., general bankruptcy counsel for the Stratosphere, to be filed with this Court on or
26 about November 13, 1998.

27 III. TASKS PERFORMED BY M&L DURING THE APPLICATION PERIOD

28 1. The Application Period encompassed by this Application runs from July 1, 1998

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1 through October, 31, 1998. During the Application Period, M&L performed a wide range of
2 services to the Debtors. The discussion below provides an overview of the services performed
3 by task category. Exhibit "B" attached to this Application contains a comparative analysis of
4 M&L's "actual" as compared to "budgeted" hours and professional fees.

5 **A. General Case Administration**

6 M&L billed 0.2 hours (\$19.00) regarding various general matters which otherwise did
7 not fall into the specific task categories below, specifically advice regarding closure of Royce
8 Coats claim.

9 **B. Claims Litigation**

10 M & L billed 1.3 hours (\$134.50) attributable to the workers' compensation claim of
11 Rosa Hernandez involving recovery from the subsequent injury fund.

12 M & L billed 0.4 hours (\$38.00) attributable to closure of the workers' compensation
13 claim of Michael Richardson.

14 M & L billed 6.0 hours (\$883.50) attributable to the workers' compensation claim of
15 Martha Aguilar.

16 **IV. CONTENTS OF THE ATTACHED SUPPORTING DOCUMENTS**

17 Exhibit "A" attached to this Application is a schedule setting forth the aggregate number
18 of hours of professional services rendered for the Debtors by M&L during the Application
19 Period and specifying the number of hours spent by each involved attorney and legal assistant
20 in M&L. A listing of the respective hourly rates charged for each person's services is also set
21 forth in Exhibit "A".

22 Exhibit "B" attached to this Application identifies and provides chronologically
23 throughout the Application Period: (a) the dates on which M&L performed professional
24 services for the Debtors; (b) each person performing such services; (c) the amount of time spent
25 by each person on each day that the person performed such services (charged in units of one-
26 tenth (0.1) of an hour); and (d) specific daily descriptions of the services performed by each
27 person during the Application Period in M&L's representation of the Debtors.

28 Thus, the attached supporting Exhibits "A", and "B" contain a thorough and detailed

1 description of M&L's professional services.

2 V. STANDARDS RELEVANT TO INTERIM PROFESSIONAL COMPENSATION

3 1. The fees billed by M&L to the Debtors for professional services rendered during the
4 Application Period total \$1,075.00. This amount was calculated (as required by Bankruptcy
5 Code section 330) in accordance with the standards used to calculate what would be charged for
6 comparable services in a nonbankruptcy situation.

7 2. The pertinent factors to be considered in establishing fees for legal services rendered
8 are: (a) the time and labor required, the novelty and difficulty of the questions involved, and
9 the skill required to perform the legal services properly; (b) the likelihood that the acceptance
10 of the particular employment will preclude other employment by the lawyer; (c) the fee
11 customarily charged for similar services; (d) the amount involved and the results obtained; (e)
12 the time constraints required by the exigencies of the case, including the frequency and amount
13 of time required to be devoted other than in regular business hours; (f) the nature and length of
14 the professional relationship with the client; (g) the experience, reputation, and ability of the
15 lawyers performing the services; and (h) whether the fee is fixed or contingent. In re First
16 Colonial Corp. of America, 544 F.2d 1291 (5th Cir. 1977). cert. denied, 431 U.S. 904 (1977);
17 American Bar Association's Code of Professional Responsibility, Disciplinary Rule 2-106.

18 3. M&L submits that its requested professional compensation during the Application
19 Period is fair and reasonable under the circumstances of this case and its representation of the
20 Debtors herein.

21 4. M&L has not incurred any out-of-pocket expenses during the Application Period.

22 VI. COMPLIANCE WITH SECTION 504 OF THE BANKRUPTCY CODE AND
23 BANKRUPTCY RULE 2016

24 M&L has not entered into any arrangement or agreement with any person or entity with
25 respect to the sharing of fees for which M&L is seeking compensation as set forth in this Second
26 application, except as permitted by Bankruptcy Code section 504(b)(1).

27 VII. CONCLUSION

28 WHEREFORE, M&L respectfully requests that the Court enter an Order:

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a) For the period from July 1, 1998 through October 31, 1998, allowing M&L professional compensation in the amount of \$1,075.00;

b) Determining that the total amount of professional fees charged by M&L to the Debtors during their Chapter 11 case is reasonable within the meaning of 11 U.S.C. §330(a);

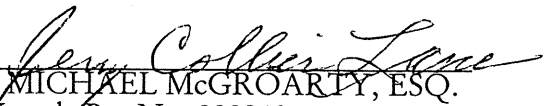
c) Authorizing the Debtors to pay the balance to M&L of all unpaid fees as allowed by the Court; and

d) Granting such other and further relief as the Court deems just and appropriate.

DATED this 10th day of November, 1998.

Respectfully submitted,

McGROARTY AND LANE, CHARTERED

By: 
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