UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI
KANSAS CITY DIVISION

In Re:	§	**In Proceedings Under Chapter 11**
	§	
Farmland Industries, Inc., *et al.*,	§	**Case No. 02-50557-JWV**
	§	**Joint Administration**
	§	

APPLICATION FOR ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P. AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

COMES NOW the Official Committee of Unsecured Creditors (the "Committee") of Farmland Industries, Inc., *et al*. (collectively referred to as the "Debtors"), and hereby submits this application (the "Application") for an order, *inter alia*, authorizing the employment and retention of Akin, Gump, Strauss, Hauer & Feld, L.L.P. ("Akin Gump") as its counsel in these Chapter 11 cases, pursuant to Sections 328 and 1103 of the Bankruptcy Code and Fed. R. Bankr. P. 2014, 2016 and 5002. In support of this Application, the Committee states:

1. The Debtors filed their voluntary petitions under Chapter 11 of the United States Bankruptcy Code on May 31, 2002.

2. The Committee has determined the necessity of employing counsel and desires to employ Akin Gump as counsel to the Committee.

3. The attorneys within the firm of Akin Gump are duly licensed and qualified attorneys, and, in the opinion of the Committee, the firm of Akin Gump is amply qualified to act as counsel for the Committee.

4. The Committee has selected Akin Gump as its counsel because of its experience in representing numerous other creditors' committees in major chapter 11 proceedings, and

because of its expertise, not only in bankruptcy law, but also with respect to other areas of law that may arise in these cases.

5. The professional services that Akin Gump will render to the Committee may include but are not limited to:

a) Providing legal advice to the Committee with respect to its duties and powers in this case along with advising the Committee with respect to local practices and procedures and complying with the rules of the Western District of Missouri;

b) Assisting the Committee in its investigation of the acts, conduct, assets, liabilities and financial condition of the Debtors, the operation of the Debtors' businesses, the disposition of the Debtors' assets, and any other matter relevant to these cases or to the confirmation of a plan;

c) Participating in the confirmation process with respect to any plan of reorganization;

d) Assisting and advising the Committee in its examination and analysis of the conduct of the Debtors' affairs and the causes of its insolvency;

e) Assisting and advising the Committee with regard to its communications to the general creditor body regarding the Committee's recommendations on any proposed plan of reorganization;

f) Reviewing and analyzing all applications, motions, orders, statements of operations and schedules filed with the Court by the Debtors or other third parties;

g) Prosecuting or defending claims or causes of action that are in the interest of unsecured creditors; and

h) Performing such other legal services as may be required and in the interest of the unsecured creditors.

6. The Committee believes that the retention of Akin Gump is necessary in these proceedings and that Akin Gump will provide distinct benefits to the Committee and to the interests of unsecured creditors. The services of Akin Gump will enhance the administration of these cases. The Committee believes that such services will be in the best interest of the unsecured creditors in these proceedings, and that Akin Gump can manage and apportion the legal services required.

7. Subject to Court approval in accordance with section 330 of the Bankruptcy Code, compensation will be payable to Akin Gump on an hourly basis, plus reimbursement of actual, necessary expenses incurred by the law firm. The attorneys and legal assistants presently designated to represent the Committee and their current standard hourly rates are as follows:

a.	Henry J. Kaim	$500.00 per hour
b.	S. Margie Venus	$500.00 per hour
c.	Christopher A. Artzer	$300.00 per hour
d.	Christopher Adams	$250.00 per hour
e.	Elise L. Freedman	$135.00 per hour

The Committee believes Akin Gump's rates and costs are competitive with other firms qualified to represent the Committee in large cases such as these.

8. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and legal assistants may from time to time serve the Committee in connection with the matters herein described. To the extent possible, and in accordance with good practice, certain matters will be carried out by Husch & Eppenberger, LLC, local counsel to the Committee. Akin Gump and Husch & Eppenberger, LLC, will coordinate all work to maximize efficiency and limit fees and expenses incurred during the representation of the Committee in these Chapter 11 cases.

9. The hourly rates set forth above are Akin Gump's standard hourly rates for work of this nature. These rates are set at a level designed to compensate fairly the firm for the work of its attorneys and legal assistants and to cover fixed and routine overhead expenses. It is Akin Gump's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged include, among other things, telephone

and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, travel expenses, computerized research, transcription costs, as well as non-ordinary overhead expenses such as secretarial and other overtime. Akin Gump will charge the Committee for these expenses in a manner and at rates consistent with charges made generally to the firm's other clients.

10. Akin Gump has represented that it does not represent any other entity having an adverse interest in connection with these cases that would preclude representation pursuant to Section 1103(b) of the Bankruptcy Code, except as disclosed in the affidavit of S. Margie Venus. However, Akin Gump is a large firm with a national practice and may currently represent or may have represented certain of the Debtors' creditors or equity holders in matters wholly unrelated to these cases. Akin Gump shall file a verified statement setting forth its connections with the debtors, creditors, other parties-in-interest and their respective attorneys and accountants, and the United States Trustee.

11. To that end, the affidavit of S. Margie Venus has been filed contemporaneously herewith.

12. Notice of this Application has been given to (a) the Debtors; (b) the Debtors' counsel; (c) proposed counsel to the Bondholders' Committee; (d) the Office of the United States Trustee for the Western District of Missouri; and (e) all parties who have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure. The Committee submits that, given the nature of the relief requested, no further notice is necessary.

13. Finally, the Committee respectfully requests that Akin Gump be retained effective as of June 7, 2002 and that all services rendered by them to the Committee from that day forward be deemed pursuant to order of this Court.

WHEREFORE, the Committee respectfully requests that this Court approve the retention of S. Margie Venus and the firm of Akin, Gump, Strauss, Hauer & Feld, L.L.P. pursuant to Sections 328 and 1103 of the Bankruptcy Code to represent it as its counsel, effective as of June 7, 2002, in these cases under Chapter 11 of the Bankruptcy Code, and grant such other and further relief as is just and proper.

Dated: June 17, 2002.

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF FARMLAND INDUSTRIES, INC., *et al*.

By: /s/ Jerry F. Dean
Jerry F. Dean, Chairman of the Committee