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UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

2003 JUN 17 AM 11:54

MISSISSIPPI CHEMICAL CORPORATION., et al.,	)	Chapter 11
	)	Case No. 03-02984 WEE
	)	Jointly Administered
Debtors.	)	

APPLICATION FOR ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF ORRICK, HERRINGTON & SUTCLIFFE, LLP, NUNC PRO TUNC TO JUNE 3, 2003, AS ATTORNEYS FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

TO: THE HONORABLE EDWARD ELLINGTON
UNITED STATES BANKRUPTCY JUDGE

The Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtors and debtors-in-possession herein (collectively, "Debtors"), hereby moves (the "Application") this Court for an order (the "Order") authorizing and approving the Committee's employment and retention of Orrick, Herrington & Sutcliffe, LLP ("Orrick"), as attorneys for the Committee, nunc pro tunc to June 3, 2003, pursuant to sections 328(a) and 1103 of Title 11, United States Code, 11 U.S.C. §§ 101 et seq., (the "Bankruptcy Code"), and Rules 2014, 2016 and 5002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and in support thereof respectfully represents as follows:

JURISDICTION

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On May 15, 2003 (the "Petition Date"), the Debtors filed their voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors are operating their business and managing their property as debtors and debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. No trustee or examiner has been appointed in this case.

REQUESTED RELIEF AND REASONS THEREFOR

4. On June 3, 2003, the Committee was appointed by the Office of the United States Trustee for the Southern District of Mississippi, pursuant to section 1102(a) of the Bankruptcy Code.

5. On June 3, 2003, after the appointment of the Committee, its members met for the first time to, among other things, choose counsel. The Committee determined to retain Orrick as lead counsel and Harris Geno & Dunbar, P.A. as local counsel, subject to entry of appropriate Orders approving such employment and retention. Orrick has indicated its willingness to act as lead counsel on behalf of the Committee in accordance with the terms of this Application. The Committee understands that Orrick will seek compensation from Debtors' estates at its regular hourly rates for attorneys and paraprofessionals and reimbursement of expenses incurred on the Committee's behalf, subject to Court approval after notice and hearing.

6. The Committee selected Orrick as lead counsel based, among other reasons, on the fact that Orrick has considerable experience and knowledge in the field of creditors' rights and business reorganizations under Chapter 11 of the Bankruptcy Code, and in other areas of law related to these Chapter 11 cases, including litigation and corporate law matters, and is well

qualified to represent the Committee in these proceedings. In addition, commencing on or about October 18, 2002, Orrick represented an informal committee of holders of Debtors' publicly held debt securities (the "Pre-Petition Informal Committee") respecting the restructuring of Debtors' financial obligations. As a result, Orrick has an extensive knowledge of Debtors and their businesses as well as their capital structure, financing documents and other material agreements.

7. Orrick has advised the Committee that, except as otherwise noted herein, neither Orrick nor any of its members and associates represent any interest adverse to Debtors, their estates, their creditors or the Committee in the matters upon which Orrick is to be engaged. Orrick is a "disinterested person," as the Committee understands this term is defined, within the meaning of sections 101(14) and 101(31), as modified by section 1103(b), of the Bankruptcy Code. The Committee has reviewed the affidavit of Thomas L. Kent, Esq., a member of Orrick (the "Kent Affidavit"), which accompanies this Application. The Committee understands that Orrick may have in the past represented and may presently or in the future represent Debtors' creditors or other parties-in-interest in matters unrelated to these cases.

8. Orrick has advised the Committee that, based on its review to date, which review is ongoing and may be supplemented hereafter, it currently represents and/or has represented the following entities (or in some cases their affiliates) on matters unrelated to Debtors:

(a) Secured Creditors: Morgan Stanley Senior Funding, Credit Agricole Indosuez, BNP Paribas, The Bank of Nova Scotia, SunTrust Bank, Wachovia Bank, N.A., The Bank of New York Trust Company of Florida, ABN AMRO Bank, N.V., and Harris Trust & Savings Bank.

(b) Unsecured Creditors: Vanguard Group, IKON Office Solutions, The Nature Conservancy, and United Parcel Service.

9. The professional services which Orrick is expected to render to the Committee, include, but are not limited to, the following:

(a) Assist and advise the Committee in its consultations with Debtors relative to the administration of their reorganization cases;

(b) Represent the Committee at hearings held before the Court in these cases and communicate with the Committee regarding the issues raised, as well as the decisions of the Court;

(c) Assist and advise the Committee in its examination and analysis of the conduct of Debtors' affairs and the reasons for their Chapter 11 filings;

(d) Review and analyze all applications, motions, orders, statements of operations and schedules filed with the Court by Debtors and other parties-in-interest in this proceeding, advise the Committee as to their propriety, and, after consultation with the Committee, take appropriate action;

(e) Assist the Committee in preparing the applications, motions and orders in support of positions taken by the Committee, as well as preparing witnesses and reviewing documents in this regard;

(f) Apprise the Court of the Committee's analysis of Debtors' operations;

(g) Confer with the financial advisors and any other professionals retained by the Committee, if any are selected and approved, so as to advise the Committee and the Court more fully of Debtors' operations;

(h) Assist the Committee in its negotiations with Debtors and other parties-in-interest concerning the terms of any proposed plan of reorganization;

(i) Assist the Committee in its consideration of any plan of reorganization proposed by Debtors or other party-in-interest as to whether it is in the best interest of creditors and is feasible;

(j) Assist the Committee with such other services as may contribute to the confirmation of a plan of reorganization; and

(k) Assist the Committee in performing such other services as may be in the interest of creditors, including but not limited to, the commencement of, and participation in, appropriate litigation respecting the Debtors' estates.

10. Orrick intends to work closely with Harris to ensure that there is no unnecessary duplication of services performed or charged to Debtors' estates.

11. Section 328(a) of the Bankruptcy Code authorizes the employment of a professional person on any reasonable terms and conditions of employment, including on an hourly basis. The Committee likely will require Orrick to render extensive legal services, the cost of which cannot be estimated. Accordingly, it is necessary and essential for the Committee, as an official committee appointed under section 1102 of the Bankruptcy Code, to employ attorneys under a general retainer to render the foregoing services. Subject to this Court's approval and in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules and the rules of and other procedures that may be fixed by this Court, the Committee requests that Orrick be compensated on an hourly basis, plus reimbursement of the actual and necessary expenses Orrick incurs, in accordance with the ordinary and customary rates which are in effect on the date the services are rendered.

12. Orrick has advised the Committee that its lawyers and paraprofessionals bill their time in one-tenth hour increments and the current hourly rates, subject to periodic adjustment, charged by Orrick of the primary Orrick lawyers proposed to represent the Committee in these cases, are as follows:

Anthony Princi	$575 per hour
Thomas L. Kent	$435 per hour
Brian E. Goldberg	$385 per hour

Other Orrick attorneys and paraprofessionals may, from time to time, assist in connection with this matter.

13. Orrick has further advised the Committee that, consistent with Orrick's practice with respect to its other clients, it will also charge for other services that may be rendered in this matter including, but not limited to, telephone and fax, photo-copying, travel, business meals, computerized research, messengers, couriers, postage and other fees and expenses. Such amounts will be billed at actual cost or, in certain situations, at amounts that approximate Orrick's costs, including reasonable allocation of associated rent, amortization/depreciation and administrative costs, but in no event will any such costs exceed amounts as allowed by the local rules of this Court.

14. Orrick has advised the Committee that in connection with its representation of the Pre-Petition Informal Committee, it was paid an initial $150,000 retainer and that it received another $158,199.03 for services rendered and expenses incurred. As was agreed to by the Pre-Petition Informal Committee and Debtors, such amounts were paid to Orrick by Debtors. Orrick is currently preparing its final invoice for the entire period during which it represented the Pre-Petition Informal Committee and will issue a final billing statement which, net of the payments made, shall be paid from the retainers received. Orrick has further advised the Committee that any portion of the pre-petition payments received that are not applied to the final invoice will be

held by Orrick as a retainer for, and to be applied against, its fees and expenses respecting representation of the Committee as such amount may be allowed by further Order of this Court.

15. Orrick seeks to be retained by the Committee nunc pro tunc to June 3, 2003 because we have been actively involved and have been performing work on behalf of the Committee since that date.

NOTICE PRIOR APPLICATIONS AND WAIVER OF BRIEF

16. Notice of the Application has been given to, among others, the United States Trustee, counsel to Debtors, and all other parties who filed a notice of appearance in these cases. The Committee submits no other or further notice is necessary or required.

17. The Committee submits that the Application does not present novel issues of law requiring the citation to any authority and, accordingly, no brief is necessary.

18. No prior application for the relief requested herein has been made to this or any other court.

WHEREFORE, the Committee respectfully requests that the Court (a) enter an Order substantially similar to the annexed proposed Order authorizing and approving the retention of Orrick Herrington & Sutcliffe, LLP, as lead attorneys to the Committee nunc pro tunc to June 3, 2003, pursuant to section 328 and 1103 of the Bankruptcy Code and Rules 2014, 2016 and 5002

of the Bankruptcy Rules, and (b) grant such other and further relief as is just and proper in the circumstances.

Respectfully submitted,

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF MISSISSIPPI CHEMICAL CORP.

By: _____

Greg Seketa
Conseco Capital Management, Inc.
Chairperson

Dated: June 10, 2003

CERTIFICATE OF SERVICE

I, Craig M. Geno, do hereby certify that I have this date, sent a true and correct copy of the above and foregoing **APPLICATION FOR AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF ORRICK, HERRINGTON & SUTCLIFFE, LLP, NUNC TO JUNE 3, 2003, AS ATTORNEYS FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS** to the following listed below:

James W. O'Mara, Esq. Douglas C. Noble, Esq. Phelps Dunbar, LLP Post Office Box 23066 Jackson, MS 39225-3066	Alan J. Bogdanow, Esq. William D. Young, Esq. Vinson & Elkins, L.L.P. 3700 Trammel Crow Center 2001 Ross Avenue Dallas, TX 75201-2975
Stephen W. Rosenblatt, Esq. Butler, Snow, O'Mara, Stevens & Cannada Post Office Box 22567 Jackson, MS 39225-2567	James E. Spiotto, Esq. Chapman And Cutler 111 W. Monroe Street Chicago, Illinois 60603
Ronald H. McAlpin, Esq. Assistant U. S. Trustee Suite 706 100 West Capitol Street Jackson, MS 39269	David N. Usry, Esq. Assistant U. S. Attorney 188 E. Capitol Street, Suite 500 Jackson, MS 39201

THIS, the 19th day of June, 2003.

Craig M. Geno

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

MISSISSIPPI CHEMICAL CORPORATION., et al.,	)	Chapter 11
	)	Case No. 03-02984 WEE
	)	Jointly Administered
Debtors.	)	

AFFIDAVIT OF THOMAS L. KENT IN SUPPORT OF APPLICATION FOR ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF ORRICK, HERRINGTON & SUTCLIFFE, LLP, NUNC PRO TUNC TO JUNE 3, 2003, AS ATTORNEYS FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

THOMAS L. KENT, of full age, being duly sworn according to law, upon his oath, deposes and says:

1. I am an attorney at law of the State of New York and a member of the law firm of Orrick, Herrington & Sutcliffe, LLP, 666 5th Avenue, New York, New York 10103 ("Orrick"), proposed lead counsel for the Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtors and debtors-in-possession (collectively, "Debtors"). I submit this Affidavit in support of the Application For Order Authorizing And Approving The Employment And Retention Of Orrick, Herrington & Sutcliffe, LLP, Nunc Pro Tunc To June 3, 2003, As Attorneys To The Official Committee Of Unsecured Creditors (the "Application").

2. Subject to this Court's approval, Orrick has been retained by the Committee for the purpose of representing the Committee to perform the services as set forth in

paragraph 8 of the Application and has agreed with the Committee that no compensation or reimbursement of expenses will be paid, except as may be allowed by the Court. If authorized to act as lead counsel for the Committee by this Court, Orrick will submit applications for compensation and reimbursement of expenses in accordance with the Application. For the information of the Court, Orrick's lawyers and paraprofessionals bill their time in one-tenth hour increments and the current hourly rates, subject to periodic adjustment, charged by Orrick of the primary Orrick lawyers proposed to represent the Committee in these cases, are as follows:

Anthony Princi	$575 per hour
Thomas L. Kent	$435 per hour
Brian E. Goldberg	$385 per hour

Other Orrick attorneys and paraprofessionals may, from time to time, assist in connection with this matter.

3. In addition, subject to this Court's approval, consistent with Orrick's practice with respect to its other clients, Orrick will also charge for other services which may be rendered in this matter including, but not limited to, telephone and fax, photocopying, travel, business meals, computerized research, messengers, couriers, postage and other fees and expenses. Such amounts will be billed at actual cost or, in certain situations, at amounts that approximate Orrick's costs, including reasonable allocation of associated rent, amortization/depreciation and administrative costs, but in no event will any such costs exceed amounts as allowed by the local rules of this Court.

4. Commencing on or about October 18, 2002, Orrick represented an informal committee of holders of Debtors' publicly held debt securities (the "Pre-Petition Informal Committee") respecting the restructuring of Debtors' financial obligations. In

connection with that representation, Orrick was paid a $150,000 retainer and received another $158,199.03 for services rendered and expenses incurred. As was agreed to by the Pre-Petition Informal Committee and Debtors, such amounts were paid to Orrick by Debtors. Orrick is currently preparing its final invoice for the entire period during which it represented the Pre-Petition Informal Committee and will issue a final billing statement which, net of the payments made, shall be paid from the retainers received. Orrick has agreed that any portion of the pre-petition payments received that are not applied to the final invoice will be held by Orrick as a retainer for, and applied against, its fees and expenses respecting representation of the Committee as such amounts may be allowed by Order of this Court.

5. No agreement or understanding in any form exists between Orrick and any other person for a division of compensation for services to be rendered in or in connection with these cases, and no such division of compensation prohibited by section 504 of the Bankruptcy Code will be made by Orrick.

6. As discussed more fully below, Orrick and the members thereof, including the undersigned affiant, insofar as I have been able to ascertain, are disinterested persons, within the meaning of sections 101(14) and 101(31), as modified by section 1103(b), of the Bankruptcy Code, and do not represent or hold any interest adverse to Debtors or their estates in the matters upon which Orrick is to be engaged. By reason of the foregoing, I believe Orrick is eligible for employment and retention by the Committee pursuant to section 328 of the Bankruptcy Code and applicable Bankruptcy Rules and local bankruptcy rules.

7. To the best of my knowledge, and except as otherwise set forth herein, the members and associates of Orrick (i) do not have any connection with Debtors or their affiliates,

their creditors, or any other party in interest, (ii) are "disinterested persons," as that term is defined in section 101(14) of the Bankruptcy Code, and (iii) do not hold or represent any interest adverse to Debtors' estates.

8. Orrick may have in the past represented and may presently or in the future may represent, certain of Debtors' creditors in matters unrelated to these cases.[1] I do not believe that any of the above representations by, or connections with, Orrick will affect its representation of the Committee in these cases or otherwise result in Orrick not being a "disinterested party" as defined by section 101(14) of the Bankruptcy Code.

9. Based on our review to date, which review is ongoing and may be supplemented hereafter, Orrick currently represents and/or has represented the following entities (or in some cases their affiliates) on matters unrelated to the Debtors:

a. Secured Creditors: Morgan Stanley Senior Funding, Credit Agricole Indosuez, BNP Paribas, The Bank of Nova Scotia, SunTrust Bank, Wachovia Bank, N.A., The Bank of New York Trust Company of Florida, ABN AMRO Bank, N.V., and Harris Trust & Savings Bank

b. Unsecured Creditors: Vanguard Group, IKON Office Solutions, The Nature Conservancy, and United Parcel Service.

10. Specifically, to the best of my knowledge, Orrick:

[1]At this time, Orrick does not have a complete list of creditors or other parties-in-interest in connection with Debtors' estates. It is quite likely that there will be other entities involved in Debtors' estates that Orrick has represented, represents or will represent in the future, and Orrick will submit a supplemental affidavit upon learning of any such entities. In any event, Orrick will not represent any such entities in connection with Debtors' Chapter 11 cases.

(a) is not a creditor (including by reason of unpaid fees for pre-petition services), an equity security holder or an "insider" of Debtors, as that term is defined in section 101(31) of the Bankruptcy Code;

(b) is not and was not an investment banker for any outstanding security of Debtors;

(c) has not been, within three years before the date of the filing by Debtors of their respective Chapter 11 petitions (the "Petition Date"), an investment banker for a security of Debtors, or an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of Debtors;

(d) is not and was not, within two years before the Petition Date, a director, officer, or employee of Debtors or of an investment banker specified in subparagraph (b) or (c) above; and

(e) does not have an interest materially adverse to the interest of Debtors' estates or of any class of creditors or equity interest holders, by reason of any direct or indirect relationship to, connection with, or interest in, Debtors, or an investment banker specified in subparagraphs (b) and (c) above, or for any other reason. Trustee.

11. Additionally, I am not related, and to the best of my knowledge, no attorney at Orrick is related, to any United States District Judge or United States Bankruptcy Judge in the Southern District of Mississippi or the United States Trustee for such District or any employee in the office of such United States Trustee.

12. Orrick seeks to be retained by the Committee nunc pro tunc to June 3, 2003 because we have been actively involved and have been performing work on behalf of the Committee since that date.

13. Orrick will supplement this Affidavit, as necessary or appropriate, upon learning of any additional representations or relationships that should be disclosed to this Court and parties in interest in these Chapter 11 cases.

THOMAS L. KENT

Sworn to and subscribed before
me this 13th day of June, 2003.

Notary Public

MARILYN TOLEDO
Notary Public, State of New York
No. 01TQ4994208
Qualified in Bronx County
Commission Expires March 30, 20 06