

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

**NOTICE OF HEARING AND APPLICATION FOR ALLOWANCE OF FEES OF
MANCHESTER COMPANIES, INC.
FROM JANUARY 29, 2004 THROUGH MARCH 10, 2004**

To: The United States Trustee and other parties in interest specified in Local Rule 9013-3.

1. Manchester Companies, Inc. (“MCI”) makes this application for allowance of professional fees for services performed on behalf of Intrepid U.S.A., Inc. and related Debtors and gives notice of hearing herewith.

2. The Court will hold a hearing on this Application at 2:00 p.m. on October 6, 2004, or as soon thereafter as counsel may be heard, in Courtroom 7 West, US Courthouse, 300 South Fourth Street, Minneapolis, Minnesota.

3. Any response to this motion must be filed and delivered not later than October 1, 2004, which is three days before the time for the hearing (excluding Saturdays, Sundays, and holidays), or filed and served by mail no later than September 27, 2004, which is seven days before the time set for the hearing (excluding Saturdays, Sundays, and holidays). **UNLESS A RESPONSE OPPOSING THE APPLICATION IS TIMELY FILED, THE COURT MAY ALLOW THE APPLICATION WITHOUT A HEARING.**

4. This court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334, Rule 5005 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”), and Local

Rule 1070-1. This Application is filed under Bankruptcy Rule 2016 and Local Rule 2016-1. This Application arises under 11 U.S.C. §§ 328(a), 331, and 330. Applicant requests allowance of compensation for professional services rendered. This is a core proceeding. The Petitions commencing these bankruptcy cases were filed under Chapter 11 on January 29, 2004 and April 12, 2004 (the “Filing Dates”).

BACKGROUND OF MCI EMPLOYMENT

5. Mark Sheffert of MCI has been a trusted advisor for Intrepid prior to the commencement of the bankruptcy cases. In the fall and early winter prior to the bankruptcy filings, Intrepid was working with MCI to obtain replacement financing and to resolve the operational, financial and other disputes with DVI, which eventually made the bankruptcy filings necessary. Thus, MCI was an important advisor to Intrepid at the very beginning of the bankruptcy process and continued in that role until approximately March 10, 2004 when agreement was reached with the Official Committee of Unsecured Creditors (the “Committee”), the DVI entities, and the Office of the United States Trustee that Intrepid should engage Crossroads (now known as XRoads Solutions, LLC, hereafter “XRoads”) to advise the Debtors going forward.

6. From the beginning of the cases, MCI’s role changed several times. Parties-in-interest and the Court are aware of the highly contentious nature of these cases at the beginning, with DVI’s motion to dismiss and the United States Trustee’s motion for appointment of a trustee. MCI played a central role in resolution of these issues, much of the time as a “behind the scenes” advisor to Intrepid and its principal, Todd Garamella, whose cooperation was crucial to the resolution finally reached among all the parties.

7. Throughout this early period in the cases, Debtors made several attempts to obtain approval of MCI's employment. The first was by application for approval of employment based on an initial \$50,000 flat fee and a \$75,000 success fee due upon reaching agreement among the various parties. This application, based on a February 11, 2004 engagement agreement was subsequently converted to a motion for approval of employment, following objection by the United States Trustee to the flat fee and success fee structure, and other matters raised by the employment.

8. Following extensive and intense settlement negotiations regarding case dismissal or appointment of a trustee, negotiations in which Manchester was fully involved, the parties reached agreement on a number of issues. These included resolution of DVI's motion to dismiss, resolution of the United States Trustee's motion for appointment of a trustee, and resolution of the Manchester employment dispute. As a result, the original application and the motion regarding Manchester employment were withdrawn. It was agreed that instead of a flat fee and success fee structure, Manchester would be employed on an hourly rate basis for a limited period of time, from January 29 through March 10, 2004. This time period was based on the fact that XRoads replaced Manchester as the business advisor to the Debtors on or around March 10, 2004. This engagement was described in the "Engagement Agreement (January 29, 2004 through March 10, 2004)" submitted to the Court with an amended application to employ. The Court entered an Order approving the employment on April 1, 2004, a copy of which is attached hereto as Exhibit A.

9. The agreement that MCI should be employed on an hourly basis was reached after March 10 and after MCI's services were complete. Until then MCI's employment was expected to be on a flat fee-success fee basis. Although MCI employees keep track of their time on a daily

and project basis, their time records are not as detailed as those of legal professionals in bankruptcy cases. The time records attached hereto as Exhibit B are the records maintained by MCI for the period in question.

10. MCI has not received any fees regarding this engagement to date.

11. MCI believes that Debtors are current in payment of ordinary operating expenses and any allowed administrative expenses, that any quarterly fees have been or will be paid as required to the U.S. States Trustee, and that all monthly operating reports are being timely filed.

RELIEF REQUESTED

12. By this Application, MCI requests allowance and payment of professional fees from the bankruptcy estate in the amount of **\$93,700.00**.

13. The consulting services rendered by MCI From January 29, 2004 through March 10, 2004 are detailed on the attached Exhibit B. Those services are described as follows:

a) Coordinating communication among the Intrepid entities, Todd Garamella, DVI, and other interested parties in the bankruptcy to resolve numerous contested issues that arose early in the cases. This included extensive communication among the various parties and their counsel, which was coordinated at many times during the negotiations by Mark Sheffert. During these negotiations, MCI originated many of the terms included in the term sheet which preliminarily resolved many issues and which led to the final resolution. Among other things, MCI compromised its own position as financial and bankruptcy consultant to the Debtors in favor of employment of XRoads, which resulted in a benefit to all of the interested parties through consensual resolution of hotly contested issues.

b) One very important part of positioning the Intrepid entities for resolution of the numerous disputes with DVI was a demonstration that alternative financing would be

available. To this end, MCI, primarily through Alan Thometz and Vince Fusco, put together information regarding the Debtor companies and presented it to several potential lenders and obtained favorable responses from those lenders which moved the negotiation process forward. Subsequently, in the full spirit of cooperation, MCI agreed to meet with XRoads and to turn its financing files over to them in order to expedite such DIP financing for Debtors.

c) MCI representatives worked with the Debtors and Debtors' counsel to prepare for testimony at the hearings on the DVI motion to dismiss and the United States Trustee motion for appointment of a trustee, and MCI representatives Jim Geiser, Katherine Vessells and, to a lesser extent Alan Thometz, attended those hearings as potential witnesses and participated in conferences during breaks in the hearings to advise and provide background information to Debtors and counsel for the Debtors.

d) MCI, primarily through Jim Geiser, gathered and provided information to Debtor's counsel regarding Intrepid operations and background information used in the preparation of Intrepid bankruptcy schedules. He also coordinated a presentation of information regarding Intrepid to the Committee.

Those performing the above-described services are--

Name	Hours	Hourly Rate	Fees
Mark Sheffert	122.5	\$450	\$55,125.00
Alan Thometz	57.0	\$350	\$19,950.00
James Geiser	49.0	\$250	\$12,250.00
Katherine T. Vessells	17.5	\$250	\$4,375.00
Vince Fusco	16.0	\$125	\$2,000.00
TOTAL	262.0		\$93,700.00

Blended Hourly Rate: \$357.63

TOTAL FEES: \$93,700.00

14. All services for which compensation is requested by Applicant were performed for and on behalf of the Debtors, and not on the behalf of any committee, creditor or other person.

15. The amount requested constitutes reasonable compensation for actual, necessary services rendered by Applicant, based on the nature, the extent, and the value of such services, the time spent on such services, and the cost of comparable services other than in a case under Title 11. Applicant has not entered into any agreement, express or implied, with any other party-in-interest, including the Debtor, and creditor, receiver, trustee or any representative of any of them, or with any attorney for such party-in-interest in the proceedings, for the purpose of fixing fees or other compensation to be paid to such party-in-interest in the proceedings for services rendered from the assets of the estate in excess of the compensation allowed by law.

WHEREFORE, Manchester Companies, Inc. respectfully requests that this Court enter an Order:

1. Allowing Manchester Companies, Inc. its fees in the amount of \$93,700.00.
2. Authorizing and directing the Debtor to pay to Manchester Companies, Inc. the fees allowed herein; and
3. Granting such other and further relief as may be just and proper.

Dated: September 10, 2004

MANCHESTER COMPANIES, INC.



Mark W. Sheffert, CEO
Manchester Companies, Inc.
4700 IDS Center
80 South Eighth Street
Minneapolis, MN 55402
(612) 436-2818 / (612) 338-4723

Preparation assisted by:

FREDRIKSON & BYRON, P.A.

/e/ Faye Knowles

Faye Knowles (#56959)

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200 South Sixth Street

Minneapolis, MN 55402

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fknowles@fredlaw.com

#3007742\1

VERIFICATION

I, Mark W. Sheffert, CEO of Manchester Companies, Inc., the Applicant named in the foregoing notice of Hearing and Application, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information, and belief.

Executed on September 10, 2004



Mark W. Sheffert

#3007742\1

APR 02 2004

#2944261/2

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.
Intrepid of Golden Valley, Inc.
F.C. Acquisition Corporation,

Case No. 04-40416-NCD
Case No. 04-40462-NCD
Case No. 04-40418-NCD
(Jointly Administered)

Debtors.

**ORDER AUTHORIZING EMPLOYMENT OF MANCHESTER COMPANIES, INC.
FROM JANUARY 29, 2004 THROUGH MARCH 10, 2004**

Upon the Application by the Debtors to employ Manchester Companies, Inc. for the above period, it appears that it has been necessary for the Debtors to employ the firm as an advisor, it appears that the firm does not hold or represent an interest adverse to the estates and that it is disinterested within the meaning of 11 U.S.C. §327(a), and it appears that the Debtors and Manchester Companies, Inc. have reached agreement with the United States Trustee regarding terms and scope of employment,

IT IS HEREBY ORDERED:

1. The Debtors may employ Manchester Companies, Inc. for the period January 29, 2004 through March 10, 2004 on the basis set forth in the application, for the duties described in the Engagement Agreement, and subject to the provisions of 11 U.S.C. §§ 328 and 330;
2. Notwithstanding the above approval of employment, paragraph 6 of the Engagement Agreement regarding indemnification shall have no force or effect.
3. The activity at the commencement of the cases and the circumstances of the cases, including the change in Debtor's bankruptcy counsel, emergency negotiations, and numerous contested motions, warrant Manchester Companies, Inc.'s employment being effective as of the commencement of the case. This determination is made pursuant to the considerations set out in *Lavender v. Wood Law Firm*, 785 F. 2d 247 (8th Cir. 1986).

4. Manchester Companies, Inc. may submit an application for allowance of fees and reimbursement of expenses following approval of its employment.

Dated: April 1, 2004

/e/ Nancy C. Dreher

Nancy C. Dreher
United States Bankruptcy Judge

e152-1

NOTICE OF ELECTRONIC ENTRY AND
FILING ORDER OR JUDGMENT
Filed and Docket Entry made on 04/01/04
Lori A. Vosejka, Acting Clerk, By KK

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 1/29/04 to 2/1/04
Mark Sheffert**

Day	Date	Detail	Hours
Thur	1/29/04	Conference calls w/Todd Garamella (Intrepid), John McDonald (atty), Greg vonArx (Intrepid), Texas counsel and Briggs & Morgan re: Proxy	5.50
Fri	1/30/04	Conference calls w/Todd Garamella (Intrepid), John McDonald (atty), Greg vonArx (Intrepid), Texas counsel and Briggs & Morgan re: Proxy strategy. Discussions with MCI Associates re: Bankruptcy strategy and DIP financing	5.50
Sat	1/31/04	Conference calls w/Todd Garamella, John McDonald, Fredrikson & Byron re: Proxy strategy	4.50
Sun	2/1/04	Phone conference w/Todd Garamella (Intrepid)	1.50

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/2/04 to 2/8/04
Mark Sheffert**

Day	Date	Detail	Hours
Mon	2/2/04	Various calls w/Todd Garamella (Intrepid) re: Bankruptcy strategy and DIP lending	3.00
Tue	2/3/04	None	0.00
Wed	2/4/04	Discuss and review potential DIP lenders w/MCI Associates Various calls w/Todd Garamella (Intrepid) and John McDonald (atty)	3.50
Thur	2/5/04	Various calls w/Todd Garamella (Intrepid) and Texas counsel	2.00
Fri	2/6/04	Phone conference w/Todd Garamella (Intrepid) and DIP financing update from Alan Thometz	1.50
Sat	2/7/04	None	0.00
Sun	2/8/04	None	0.00

Intrepid USA
Time Sheet - Week(s) of 2/9/04 to 2/15/04
Mark Sheffert

Day	Date	Detail	Hours
Mon	2/9/04	Various phone calls w/Todd Garamella (Intrepid), Fredrikson & Byron, John McDonald and Texas counsel	2.50
Tue	2/10/04	Review documents in prep for 2/12 settlement conference	4.50
Wed	2/11/04	Review documents in prep for 2/12 settlement conference. Discussion and phone confernces w/Todd Garamella (Intrepid), Fredrikson & Byron, John McDonald and in prep for 2/12 settlement conference	4.50
Thur	2/12/04	Meeting w/Todd Garamella (Intrepid) and MCI Associates re settlement conference. Meeting w/DVI representatives - facilitated settlement agreement	12.00
Fri	2/13/04	Review and discuss settlement agreement terms and conditions w/John McDonald, Fredrikson & Byron and Texas counsel. Intrepid conference call	6.50
Sat	2/14/04	Various calls w/Todd Garamella (Intrepid)	1.50
Sun	2/15/04	None	0.00

Intrepid USA
Time Sheet - Week(s) of 2/16/04 to 2/22/04
Mark Sheffert

Day	Date	Detail	Hours
Mon	2/16/04	Conference call w/DVI and Intrepid counsel	4.00
Tue	2/17/04	Various conference calls and calls w/Todd Garamella (Intrepid), John McDonald, Fredrikson & Byron, DVI counsel re: settlement agreement	5.50
Wed	2/18/04	Phone call w/Todd Garamella (Intrepid) re: settlement agreement. Conference call w/Fredrikson & Byron and John McDonald re: motion to appoint Trustee	3.50
Thur	2/19/04	Various calls w/Todd Garamella (Intrepid), John McDonald and Fredrikson & Byron re: motion to appoint Trustee	3.00
Fri	2/20/04	Prep and review affidavit. Review of objection to motion to appoint Trustee. Various discussions w/Todd Garamella (Intrepid) and John McDonald re: motion to appoint Trustee	5.50
Sat	2/21/04	Various calls w/Todd Garamella (Intrepid) Review status of DIP lending / proposals	2.50
Sun	2/22/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/23/04 to 2/29/04
Mark Sheffert**

Day	Date	Detail	Hours
Mon	2/23/04	Various phone conversations w/ Todd Garamella (Intrepid) re: Motion Hearing	2.50
Tue	2/24/04	Various phone conversations w/ Todd Garamella (Intrepid) re: Financing	3.50
Wed	2/25/04	Various phone conversations w/ Todd Garamella (Intrepid) re: Motion Hearing	2.00
Thur	2/26/04	None	0.00
Fri	2/27/04	DIP Financing - Merrill Lynch, discussions w/Intrepid	2.50
Sat	2/28/04	Phone conversation with Todd Garamella (Intrepid) re: Motion Hearing	1.50
Sun	2/29/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/1/04 to 3/7/04
Mark Sheffert**

Day	Date	Detail	Hours
Mon	3/1/04	Prepared unsworn declaration	2.50
Tue	3/2/04	Various phone conversations w/Fredrikson & Byron, John McDonald and Todd Garamella (Intrepid) in preparation of Motion Hearing	4.50
Wed	3/3/04	Various conversations w/Fredrikson & Byron, John McDonald, Todd Garamella (Intrepid) and MCI staff at Motion Hearing	5.00
Thur	3/4/04	Prepare MCI presentation to unsecured creditors committee, meet with MCI Assoc.'s Jim Geiser and Alan Thometz.	3.00
Fri	3/5/04	Various phone conversations w/Todd Garamella (Intrepid) and John McDonald re: Recap	2.50
Sat	3/6/04	None	0.00
Sun	3/7/04	Phone conversations with Todd Garamella (Intrepid) re: Recap	2.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/8/04 to 3/10/04
Mark Sheffert**

<u>Day</u>	<u>Date</u>	<u>Detail</u>	<u>Hours</u>
Mon	3/8/04	Various conversations w/Fredrikson & Byron (Clint Cutler, Jim Baille) and w/ John McDonald and Todd Garamella (Intrepid)	3.50
Tue	3/9/04	Discussed Recap vs. Sale w/MCI Assoc's and Todd Garamella (Intrepid)	2.50
Wed	3/10/04	Discussed proposed settlement and MCI role in Recap w/Todd Garamella (Intrepid), F&B, and John McDonald	2.50

Total Hours for Mark Sheffert 122.50

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 1/29/04 to 2/1/04
Alan Thometz**

Day	Date	Detail	Hours
Thur	1/29/04	Arranging DIP financing- Merrill Lynch, Fleet, Healthcare Business Credit	2.00
Fri	1/30/04	Arranging DIP financing - LaSalle	3.00
		Meeting with M. Sheffert & MCI Associates re: Bankruptcy strategy and DIP financing	1.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/2/04 to 2/8/04
Alan Thometz**

Day	Date	Detail	Hours
Tue	2/3/04	Attended Intrepid Bankruptcy Court hearing.	3.00
Wed	2/4/04	DIP financing - LaSalle	1.00
		Discuss and review potential DIP lenders proposals with Mark Sheffert	1.00
Thur	2/5/04	DIP financing - speaking with lenders and Intrepid about proposals	3.00
Fri	2/6/04	DIP financing - speaking with lenders and Intrepid about proposals	2.50
		DIP financing update to Mark Sheffert	0.50

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/9/04 to 2/15/04
Alan Thometz**

Day	Date	Detail	Hours
Mon	2/9/04	Met at Intrepid with Fredrikson on preparing schedules for court. Prepared Affidavit. Meeting at Dorsey with Neal Patterson.	3.00
Thur	2/12/04	Participated in settlement discussion with key parties (Alix Partners, DVI, Goldman Sachs, Cerberus and MCI Associates) - Hotel Sofitel. Prepared Settlement Term Sheet.	12.00
Fri	2/13/04	Revised term sheet - sent to all parties and prepared Unsworn Declaration	2.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/16/04 to 2/22/04
Alan Thometz**

Day	Date	Detail	Hours
Mon	2/16/04	Prepared Unsworn Declaration	2.00
Tue	2/17/04	Participated in drafting of Stock Purchase and Settlement Agreement.	3.00
Wed	2/18/04	Participated in drafting of Stock Purchase and Settlement Agreement.	2.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/23/04 to 2/29/04
Alan Thometz**

Day	Date	Detail	Hours
Mon	2/23/04	Arranging DIP financing - Merrill Lynch. Meeting at Dorsey w/ Ken Cutler and Kathy Vessells (MCI).	2.00
Fri	2/27/04	DIP financing - Merrill Lynch, discussions with Intrepid.	3.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/1/04 to 3/7/04
Alan Thometz**

Day	Date	Detail	Hours
Mon	3/1/04	Prepared Unsworn Declaration.	2.00
Wed	3/3/04	Attended Intrepid Bankruptcy Court hearing.	3.00
Thur	3/4/04	Prepared for MCI presentation to unsecured creditors committee, meet with MCI Assoc's Sheffert and Geiser	3.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/8/04 to 3/10/04
Alan Thometz**

<u>Day</u>	<u>Date</u>	<u>Detail</u>	<u>Hours</u>
Tue	3/9/04	Discussed refinance verse sale alternatives with Mark Sheffert (MCI) and prepared to testify if necessary for March 10 hearing.	2.00
Wed	3/10/04	Meeting with Clint Cutler and Faye Knowles of Fredrikson & Byron and Jim Geiser and Kathy Vessells of MCI - discussed outline of proposed settlement and MCI role in refinancing	1.00
Total Hours for Alan Thometz			<u>57.00</u>

Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/9/04 to 2/15/04
Jim Geiser

<u>Day</u>	<u>Date</u>	<u>Detail</u>	<u>Hours</u>
Mon	2/9/04	None	0.00
Tue	2/10/04	Prepare contract	1.00
		Review internal documents	1.00
		Review bankruptcy records	2.00
Wed	2/11/04	Prepare contract	1.00
		Review internal documents	4.00
		Review bankruptcy records	3.00
Thur	2/12/04	Mediation mtg with DVI & MCI Associates - re: settlement agreement.	11.50
Fri	2/13/04	Review notes and issues from Mediation	2.00
Sat	2/14/04	None	0.00
Sun	2/15/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/23/04 to 2/29/04
Jim Geiser**

Day	Date	Detail	Hours
Mon	2/23/04	None	0.00
Tue	2/24/04	None	0.00
Wed	2/25/04	Review status of negotiations	1.00
Thur	2/26/04	None	0.00
Fri	2/27/04	None	0.00
Sat	2/28/04	None	0.00
Sun	2/29/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/1/04 to 3/7/04
Jim Geiser**

Day	Date	Detail	Hours
Mon	3/1/04	None	0.00
Tue	3/2/04	Draft and sign new contract Attended Intrepid Bankruptcy Court hearing.	2.00 3.00
Wed	3/3/04	Attended Intrepid Bankruptcy Court hearing.	7.50
Thur	3/4/04	Meeting with Greg Von Arx at Co. offices Meet at Fredrikson & Byron to interview with Creditors Comm Meet with colleagues at MCI offices (Sheffert and Thometz) to prepare presentation to unsecured creditors committee.	3.50 1.00 3.00
Fri	3/5/04	None	0.00
Sat	3/6/04	None	0.00
Sun	3/7/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/8/04 to 3/10/04
Jim Geiser**

Day	Date	Detail	Hours
Mon	3/8/04	None	0.00
Tue	3/9/04	Conversation with Faye Knowles (F&B) to discuss 3/10 court hearing	0.50
Wed	3/10/04	Court hearing	1.00
		Meeting at Fredrikson & Byron (Cutler, Knowles from F&B and Thometz, Vessells from MCI) re: proposed settlement and MCI role in refinancing	1.00

Total Hours for Jim Geiser 49.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 1/29/04 to 2/1/04
Kathy Vessells**

Day	Date	Detail	Hours
Thur	1/29/04		0.00
Fri	1/30/04	Meeting at Intrepid with LaSalle Business Credit -- LaSalle presenting its senior loan proposal and conference call with Chicago office to discuss DIP proposal. Meeting with Mark Sheffert and MCI Associates re: Bankruptcy strategy and DIP Financing.	3.00
Sat	1/31/04	None	0.00
Sun	2/1/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/9/04 to 2/15/04
Kathy Vessells**

Day	Date	Detail	Hours
Mon	2/9/04	Meeting at Dorsey with Neal Patterson, Alan Thometz, re: Intrepid work	1.00
Tue	2/10/04	None	0.00
Wed	2/11/04	None	0.00
Thur	2/12/04	None	0.00
Fri	2/13/04	None	0.00
Sat	2/14/04	None	0.00
Sun	2/15/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/23/04 to 2/29/04
Kathy Vessells**

Day	Date	Detail	Hours
Mon	2/23/04	Meeting at Dorsey with Ken Cutler, Alan Thometz re: Intrepid work.	1.00
Tue	2/24/04	None	0.00
Wed	2/25/04	None	0.00
Thur	2/26/04	None	0.00
Fri	2/27/04	None	0.00
Sat	2/28/04	None	0.00
Sun	2/29/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/1/04 to 3/7/04
Kathy Vessells**

Day	Date	Detail	Hours
Mon	3/1/04	None	0.00
Tue	3/2/04	Attended Intrepid Bankruptcy Court hearing.	3.00
Wed	3/3/04	Attended Intrepid Bankruptcy Court hearing.	7.50
Thur	3/4/04	None	0.00
Fri	3/5/04	None	0.00
Sat	3/6/04	None	0.00
Sun	3/7/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/8/04 to 3/10/04
Kathy Vessells**

<u>Day</u>	<u>Date</u>	<u>Detail</u>	<u>Hours</u>
Mon	3/8/04	None	0.00
Tue	3/9/04	None	0.00
Wed	3/10/04	Attended Intrepid Bankruptcy Court hearing.	1.00
		Meeting at Fredrickson w/Clint Cutler (F&B), Faye Knowles (F&B), Alan Thometz (MCI), and Jim Geiser (MCI).	1.00
Total Hours for Kathy Vessells			<u><u>17.50</u></u>

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 2/2/04 to 2/8/04
Vince Fusco**

Day	Date	Detail	Hours
Mon	2/2/04	Valuation modeling and financial analysis in support of engagement team	3.50
Tue	2/3/04	Valuation modeling and financial analysis in support of engagement team	4.50
Wed	2/4/04	None	0.00
Thur	2/5/04	Valuation modeling and financial analysis in support of engagement team	4.00
Fri	2/6/04	None	0.00
Sat	2/7/04	None	0.00
Sun	2/8/04	None	0.00

**Manchester Companies
Intrepid USA
Time Sheet - Week(s) of 3/1/04 to 3/7/04
Vince Fusco**

Day	Date	Detail	Hours
Mon	3/1/04	None	0.00
Tue	3/2/04	None	0.00
Wed	3/3/04	Home Healthcare Industry research	4.00
Thur	3/4/04	None	0.00
Fri	3/5/04	None	0.00
Sat	3/6/04	None	0.00
Sun	3/7/04	None	0.00

Total Hours for Vince Fusco 16.00

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

CERTIFICATE OF SERVICE

Faye Knowles, under penalty of perjury, states that on September 13, 2004 she caused to be served the following:

Notice of Hearing and Application for Allowance of Fees of Manchester Companies, Inc. From January 29, 2004 Through March 10, 2004, proposed Order and Certificate of Service

By U.S. Mail on the parties listed on the attached service list.

Dated: September 13, 2004

/e/Faye Knowles

Faye Knowles

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD
Case No. 04-40462-NCD
Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

**ORDER ALLOWING FEES OF MANCHESTER COMPANIES, INC.
FROM JANUARY 29, 2004 THROUGH MARCH 10, 2004**

This matter came before the undersigned United States Bankruptcy Judge on the application of Manchester Companies, Inc. (“MCI”) for allowance of fees from January 29, 2004 through March 10, 2004. Appearances are noted on the record.

Based on the submissions of the applicant, the documents of record herein, and the Court being fully advised in the premises, and the Court’s findings of facts and conclusion of law, if any, having been stated on the record at the close of argument,

IT IS HEREBY ORDERED:

1. Manchester Companies, Inc.’s fees for the above period are hereby allowed in the amount of **\$93,700.00**;
2. Debtors are hereby authorized and directed to pay to Manchester Companies, Inc. the fees allowed herein.

Date: October __, 2004

United States Bankruptcy Judge