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UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF TEXAS SAN ANTONIO DIVISION

IN RE:	§	
	§	
HOME OWNERS LONG DISTANCE	§	CASE NO. 02-50080 K
INCORPORATED,	§	(Chapter 7)
	§	
Debtor.	§	

NOTICE OF FILING OF FIRST AND FINAL APPLICATION OF MATTHEWS AND BRANSCOMB, P.C., COUNSEL FOR THE CHAPTER 7 TRUSTEE, FOR ALLOWANCE OF FEES AND EXPENSES FOR THE PERIOD OF MARCH 8, 2002 THROUGH NOVEMBER 12, 2002

THIS PLEADING REQUEST RELIEF THAT MAY BE ADVERSE TO YOUR INTERESTS.

IF NO TIMELY RESPONSE IS FILED WITHIN TWENTY (20) DAYS FROM THE DATE OF SERVICE, THE RELIEF REQUESTED HEREIN MAY BE GRANTED WITHOUT A HEARING BEING HELD.

A TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO BE HELD.

On November 22, 2002, Matthews and Branscomb, a Professional Corporation (the "Applicant") filed its First and Final Application for Allowance of Fees and Expenses of Counsel to the Chapter 7 Trustee for the Period of March 8, 2002 through November 12, 2002 ("Fee Application").

The total fees for the period of March 8, 2002 through November 12, 2002 for which compensation is sought, are \$69,755.50, and expenses incurred for the same period total \$7,169.15. The Applicant seeks allowance and payment of the fees and expenses. In accordance with Local Bankruptcy Rule 2016(b), a copy of the Fee Application Summary submitted with the Fee Application is attached hereto as Exhibit "A".

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You may request a copy of the Fee Application at no charge by contacting Rebecca Holt or Beth Buchan of our office in writing.

Dated: November 2, 2002.

MATTHEWS & BRANSCOMB A Professional Corporation 112 East Pecan Street, Suite 1100 San Antonio, Texas 78205 Telephone: (210) 357-9300

Telecopier: (210) 357-9300 Telecopier: (210) 226-0521

Roderick J. Regan

State Bar No. 16733046

Patrick H. Autry

State Bar No. 01447600

Rebecca L. Holt

State Bar No. 24032431

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the Notice of Filing of First and Final Application of Matthews and Branscomb, P.C., Counsel for the Chapter 7 Trustee, for Allowance of Fees and Expenses for the Period of March 8, 2002, through November 12, 2002, has been served this <u>2.2</u> day of November, 2002, by First Class Mail, postage prepaid, upon the parties on the attached Service List.

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FEE APPLICATION SUMMARY

I. CLIENT: José C. Rodriguez,

Chapter 7 Trustee

II. REQUESTING APPLICANT/FIRM: Matthews and Branscomb

A Professional Corporation

112 East Pecan Street, Suite 1100

San Antonio, Texas 78205

\$ 69,755.50

III. TOTAL AMOUNT OF FEES REQUESTED:

A. Fees: \$69,755.50

B. Expenses: \$ 7,169.15

C. Pre-Petition Retainer, if any: None

D Time Period Covered: March 8, 2002 through November 12, 2002

IV. BREAKOUT OF CURRENT APPLICATION:

NAME	HOURS	RATE	TII	ME VALUI	3
Attorneys: Patrick H. Autry	10.40	\$275.00	¢	2,860.00	
Roderick J. Regan	189.20	\$275.00		2,570.00	
Rebecca Lea Holt	183.10	\$125.00		2,887.50	
Paraprofessionals:					
Beth Buchan	6.80	\$60.00	\$	408.00	
Beth Jelinski	1.50	\$85.00	\$	127.50	
Cynthia Watts	9.50	\$95.00	\$	902.50	

TOTAL FEES REQUESTED:

EXPENSES:

Photocopies	\$ 983.65
Postage	\$ 308.24
Telephone Calls	\$ 4.80
Automated Research	\$ 1,293.71
Deliveries	\$ 211.77
Telecopy Charges	\$ 1.00
Secretarial O/T	\$ 39.50
Client Advances	\$ 4,326.48



Total expenses claimed on this Application are \$7,169.15. Standard fees include \$.15 per page for photocopying and \$.25 per page for telefaxing documents.

MINIMUM INCREMENTS: 1/10th of an hour (6 minutes)

AMOUNT ALLOCATED HEREIN FOR PREPARATION OF THIS FEE APPLICATION:

Approximately \$1,212.50

V. PRIOR APPLICATIONS:

None

VI. OTHER CO-EQUAL OR ADMINISTRATIVE CLAIMANTS IN THIS CASE:

None

VII. RESULT OBTAINED:

The Applicant sets forth below a general description of the services rendered in connection with this case and the fees attributable to those services:

DESCRIPTION OF SERVICES	AND THE PARTY OF
FEE AND EMPLOYMENT APPLICATIONS: Applicant prepared the	Time Value:
Trustee's Application to Employ Applicant as Special Counsel. Additionally,	\$1,887.50
Applicant also prepared its First and Final Fee Application in accordance with	
the rules established by the Office of the United States Trustee and this Court.	
Applicant analyzed its billing entries and assigned them to the categories	
promulgated by the United States Trustee.	
TYPE CAPTON NOTE IN THE PARTY OF THE PARTY O	
LITIGATION -MCI Worldcom, Inc., et al. v. Home Owners Long Distance	Time Value:
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in	Time Value: \$67,868.00
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in this Adversary Proceeding in which the Applicant, on behalf of the Trustee,	
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in this Adversary Proceeding in which the Applicant, on behalf of the Trustee, asserted claims against the Debtor's current and former principals pertaining	
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in this Adversary Proceeding in which the Applicant, on behalf of the Trustee, asserted claims against the Debtor's current and former principals pertaining to the alleged corporate mismanagement of the Debtor. Additionally,	
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in this Adversary Proceeding in which the Applicant, on behalf of the Trustee, asserted claims against the Debtor's current and former principals pertaining to the alleged corporate mismanagement of the Debtor. Additionally, Applicant, on behalf of the Trustee, entered into a settlement agreement with	
Incorporated, et al. Applicant was primarily engaged to assist the Trustee in this Adversary Proceeding in which the Applicant, on behalf of the Trustee, asserted claims against the Debtor's current and former principals pertaining to the alleged corporate mismanagement of the Debtor. Additionally,	

VIII. IF THIS APPLICATION IS IN EXCESS OF THE RATES DISCLOSED HEREAFTER, EXPLAIN:

1. Number of year's experience:

Attorneys:

Mr. Autry (20 years)

Mr. Regan (11 years) Ms.Holt (1 year)

Legal assistants:

Ms. Watts (7 years)

Ms. Jelinski (10 years)

2. If Debtor's counsel:

N/A

If Creditor's counsel:

N/A

The compensation which the Applicant requests comports with the mandate of the Bankruptcy Code, which directs that services be evaluated in light of comparable services performed in non-bankruptcy cases in the community. The fee request by the Applicant, \$69,755.50, reflects an average hourly rate of \$174.17 for hours of service.

Considering the results obtained in light of the contingent nature of Applicant's employment and the complexity of the issues addressed during the periods covered by this Application, this rate is entirely appropriate.