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JOSEPH M. MEIER
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Attorneys at Law
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Boise, Idaho 83702
(208) 344-7811
Attorneys for Debtor in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF IDAHO

In re:) Chapter 11
Sawtooth Enterprises, Inc.) Case No. 96-3050
Debtor,) **AFFIDAVIT OF JOSEPH M. MEIER IN SUPPORT OF APPLICATION TO EMPLOY ATTORNEYS FOR DEBTOR**

STATE OF IDAHO)
County of Ada) ss

JOSEPH M. MEIER, being first duly sworn upon oath, deposes and says:

1. I am an attorney at law, duly admitted to practice in the state of Idaho and in this Court, and am with the firm of Cosho, Humphrey, Greener & Welsh, P.A.
2. I maintain an office for the practice of law at 815 West Washington, Boise, Ada County, Idaho.
3. I have no connection with the above named Debtor, its creditors, or any other party in interest herein, or their respective attorneys, except that I represent the Debtor in this proceeding.

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4. Other than as disclosed herein I represent no interest adverse to the above named Debtor as debtor-in-possession herein, or its estate in the matters upon which I am to be engaged.

5. This firm has agreed to represent the Debtor in Possession based on an hourly rate of \$115.00 per hour for your applicant. This firm may from time to time be required to provide services to the debtor using attorneys, other than applicant, whose hourly rates exceed \$115.00 per hour but shall be no more than \$150.00 per hour. Applicant may also use associates and paralegals who bill at less than \$115.00 per hour. Debtor in Possession shall pay all costs incurred in this proceeding.

6. The Debtor-in-Possession contacted this firm after the petition was filed and applicant agreed to represent it on December 18, 1996. The firms fees and costs incurred in representing the debtor are to be guaranteed by Mr. Alan Pesky who has also agreed to deposit a retainer in the amount of \$10,000.00 to help pay applicant's costs and fees incurred in this proceeding. Applicant is advised the Mr. Pesky is a shareholder and a Director of the Debtor. Mr. Pesky is also the Personal Representative of the estate of Lee Pesky who was a large shareholder in the Debtor and a former officer of the company who passed away in November of 1995. The Pesky family, including the estate, are the majority stockholders of the Debtor. Your affiant is also advised that Mr. Pesky is a participant in a Limited Liability Company which may hold a lease on some of the personal property of the estate. Your Affiant is also advised that the Debtor is indebted to Mr. Alan Pesky in the amount of approximately \$35,000.00 as unsecured prepetition debt. Your Affiant has advised Mr. Pesky that applicant shall only represent the interests of Sawtooth Enterprises, Inc. as the Debtor-in-Possession in this proceeding.

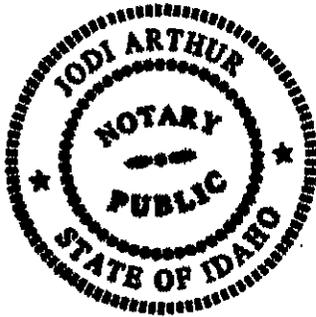
7. From a cursory review of the assets held by debtor there do not appear to be any funds available to pay attorney fees and costs to be incurred in this proceeding as the assets all appear to be fully encumbered.

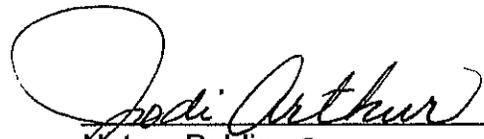
DATED this 9th day of December, 1996.



Joseph M. Meier

SUBSCRIBED AND SWORN to before me this 19th day of December, 1996.





Notary Public
Residing at Eagle, Idaho
My Commission Expires 9/13/2001