

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
FANSTEEL INC., <i>et al.</i> , ¹)	Case No. 02-10109 (JJF)
)	(Jointly Administered)
Debtors.)	

**CERTIFICATION OF COUNSEL FOR ORDER AMENDING THE
AGREED ORDER AUTHORIZING THE DEBTORS' MOTION
TO AMEND ORDER AUTHORIZING THE DEBTORS TO EMPLOY
AND COMPENSATE CERTAIN PROFESSIONALS UTILIZED
IN THE ORDINARY COURSE OF THE DEBTORS' BUSINESS [DOCKET NO. 821]**

The undersigned hereby certifies that:

1. This request is submitted pursuant to District of Delaware Local Rule of Bankruptcy Practice & Procedure 9013(i), non-material amendments to orders.
2. On March 6, 2003, this Court entered the "*Agreed Order Authorizing the Debtors' Motion to Amend Order Authorizing the Debtors to Employ and Compensate Certain Professionals Utilized in the Ordinary Course of the Debtors' Business*" [Docket No. 821] (the "Amended Order"). The Amended Order is attached hereto as Exhibit 1.
3. The Amended Order concerned the Debtors' employment and retention of professionals utilized in the ordinary course of Debtors' business (the "Ordinary Course Professionals").
4. The Amended Order, among other things, provided that the Debtors determine a projected budget for each newly qualified Ordinary Course Professional.

¹ The Debtors are the following entities: Fansteel Inc., Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp. and American Sintered Technologies, Inc.

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5. Pursuant to the procedures set forth in the Amended Order, Compliance Administrators and Project Services, Inc. ("CAPS"), an environmental consultant, was qualified as an Ordinary Course Professional with a projected budget of \$15,000, based on its then foreseeable duties to be performed on behalf of the Debtors in 2003.

6. The Debtors and the Committee agree that the budget of CAPS should be increased by \$23,000.

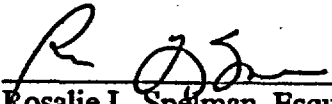
7. Both the Committee and the Office of the United States Trustee have reviewed the attached proposed order, which provides for the increased budget (the "Proposed CAPS Order"). The Proposed CAPS Order is attached hereto as Exhibit 2.

8. The Proposed CAPS Order provides for non-material changes to the Amended Order, insofar as it solely affects CAPS and CAPS' budgeted amount. In all other respects, the terms of the Amended Order remain in full force and effect as they apply to the Debtors' Ordinary Court Professionals other than CAPS.

9. Accordingly, the Debtors hereby request the Court to enter the order annexed hereto approving the attached Proposed CAPS Order.

Dated September 10, 2003

Respectfully submitted,


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Debtors in Possession

EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
FANSTEEL INC., <i>et al.</i> , ¹)	Case No. 02-10109 (JJF)
)	(Jointly Administered)
Debtors.)	
)	Re: Docket No. 646

**AGREED ORDER AUTHORIZING THE DEBTORS' MOTION TO AMEND ORDER
AUTHORIZING THE DEBTORS TO EMPLOY AND COMPENSATE
CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY
COURSE OF THE DEBTORS' BUSINESS**

Upon the motion (the "Motion")² of the debtors and debtors-in-possession (collectively, the "Debtors") in the above-captioned Chapter 11 Cases, for an order under sections 105 and 363(c) of the Bankruptcy Code amending that certain *Order Authorizing Debtors To Employ And Compensate Certain Professionals Utilized In The Ordinary Course Of Debtors' Business*, dated January 20, 2002 (the "Original Order"); and upon consideration of the Motion; and due and proper notice of the Motion having been given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; therefore, it is hereby

ORDERED, that the Motion is granted, insofar as it is modified by this Order; and it is further

¹ The Debtors are the following entities: Fansteel Inc., Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp. and American Sintered Technologies, Inc.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

ORDERED, that the Debtors are authorized (1) to pay to ordinary course professionals ("OCPs") open invoices, in the amount of \$50,359.00, for the calendar year 2002, and (2) to pay up to an additional \$250,000, in the aggregate, to OCPs during the balance of these cases ("OCP Cap Increase"); and it is further

ORDERED, that the Debtors shall inform the Official Committee of Unsecured Creditors (the "Committee"), within a reasonable period of time, of any payments that are made to OCPs beyond the projected amounts for each OCP set forth on the attached budget (the "Individual Projections"), with a reasonable explanation as to why such payments were made. Notwithstanding the foregoing, the Debtors shall not be bound by the Individual Projections for each and every ordinary course professional, but shall be bound only by the OCP Cap Increase and are authorized, but not required, to compensate OCPs up to, and including, the OCP Cap Increase without further order of this Court; and it is further

ORDERED, that entry of this Order is without prejudice to the Debtors' rights to seek authority to further increase the Total Expenditure Cap, if necessary; and it is further

ORDERED, that each additional notice of proposed retention as an ordinary course professional shall include a projection of the amount anticipated to be compensated to that proposed OCP during 2003 ("Projected Budget"). As provided in the Original Order, the Committee and the Office of the United States Trustee shall have ten (10) days to object to the retention of such additional OCP. However, the Committee shall have an additional ten (10) days to object to the Projected Budget. In the absence of an objection by the Committee, the

OCP Cap Increase shall be enlarged by the amount noted in the Projected Budget; and it is further

ORDERED, that this Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: March 6, 2003


The Honorable Joseph J. Farnan, Jr.
United States District Court Judge

**Fansteel Inc.
Ordinary Course Professionals**

	Open 2002	Estimated 2003
Aronberg, Goldgen, Davis & Gamisa	3,617	-
Howard R. Green Co	-	20,000
Holland & Knight	25,155	25,000
Letizia Ambrose & Cohen	35	10,000
Omega Project Services	-	10,000
Reising, Ethington, Barnes	-	10,000
RMT, Inc.	-	15,000
Shawe & Rosenthal	3,033	10,000
Stoll, Keenan & Park LLP		
Thorp Reed & Armstrong, LLP		
White & Williams LLP		
William M. Mercer Inc.	6,519	50,000
Group Benefits Unlimited / CBCA	12,000	100,000
	50,359	250,000

EXHIBIT 2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
FANSTEEL INC., et al., ¹)	Case No. 02-10109 (JJF)
)	(Jointly Administered)
)	
Debtor.)	

**AGREED ORDER CONCERNING COMPLIANCE ADMINISTRATORS
AND PROJECT SERVICE, INC., AND AMENDING THE
AGREED ORDER AS TO CERTAIN PROFESSIONALS
UTILIZED IN THE ORDINARY COURSE OF BUSINESS [DOCKET NO. 821]**

WHEREAS, the captioned debtors and debtors-in-possession (the "Debtors") and the Official Committee of Unsecured Creditors (the "Committee") agreed to, and this Court authorized, an amended order (the "Amended Order") [Docket No. 821] concerning the Debtors' employment and retention of professionals utilized in the ordinary course of Debtors' business (the "Ordinary Course Professionals");

WHEREAS, the Amended Order, among other things, provided that the Debtors determine a projected budget for each newly qualified Ordinary Course Professional;

WHEREAS, pursuant to the procedures set forth in the Amended Order, Compliance Administrators and Project Services, Inc. ("CAPS"), an environmental consultant,

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was qualified as an Ordinary Course Professional with a projected budget of \$15,000, based on its then foreseeable duties to be performed on behalf of the Debtors in 2003;

WHEREAS, the Debtors and the Committee agree that the budget of CAPS should be increased by \$23,000 in connection with the necessity of performing additional work in response to certain governmental environmental regulations;

IT IS HEREBY ORDERED that the Debtors are authorized to pay CAPS an additional \$23,000 beyond the previously projected budget and that, if any further expenditures on CAPS are necessary, Debtors shall first consult with the Committee prior to authorizing work entailing any expenditures, and unless the Committee objects within three days, such additional proposed expense is authorized and no additional order regarding payments to CAPS shall be necessary.

The Honorable Joseph J. Farnan, Jr.
United States District Court Judge