

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
Orexigen Therapeutics, Inc.,¹) Case No. 18-10518 (KG)
)
Debtor.) **Objection Deadline: April 22, 2019 at 4:00 p.m. (ET)**
) **Hearing Date: May 1, 2019 at 10:00 a.m. (ET)**

**SECOND INTERIM FEE APPLICATION OF IRELL & MANELLA LLP,
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 1, 2018 THROUGH FEBRUARY 28, 2019**

Name of Applicant: Irell & Manella LLP

Authorized to provide professional services to: Official Committee of Unsecured Creditors

Date of retention: Nunc pro tunc to March 27, 2018

Period for which compensation and reimbursement is sought: Dec. 1, 2018 through Feb. 28, 2019

Total amount of fee compensation sought as actual, reasonable and necessary: \$98,876.50

Total amount of expense reimbursement sought as actual, reasonable and necessary: \$401.40

Total amount of holdback fees sought: \$99,270.90

This is a(n) Monthly X Interim Application Final Application

¹ The last four digits of the Debtor's federal tax identification number are 8822. The Debtor's mailing address for purposes of this Chapter 11 case is 3344 North Torrey Pines Court, Suite 200, La Jolla, CA 92037.



If this is not the first application filed, disclose the following for each prior application:

Date Filed	Period Covered	Total Requested Fees (100%)	Requested Expenses	Approved Fees (80%)	Approved Expenses
06/22/2018 Dkt. # 410	03/27/18-04/30/18	\$407,663.00	\$336.58	\$326,130.40	\$336.58
08/21/2018 Dkt. # 695	05/01/18-05/31/18	\$211,741.50	\$1,334.29	\$169,393.20	\$1,334.29
09/10/2018 Dkt. # 717	06/01/18-06/30/18	\$137,672.00	\$5,629.36	\$110,137.60	\$5,629.36
09/25/2018 Dkt. # 747	07/01/18-07/31/18	\$29,249.00	\$1,090.32	\$23,399.20	\$1,090.32
10/12/2018 Dkt. # 777	08/01/18-08/31/18	\$38,337.00	\$5,453.09	\$30,669.60	\$5,453.09
12/14/2018 Dkt. # 854	09/01/18-09/30/18	\$27,434.50	\$946.98	\$27,434.50	\$946.98
12/14/2018 Dkt. # 855	10/01/18-10/31/18	\$38,450.00	\$83.10	\$38,450.00	\$83.10
12/19/2018 Dkt. # 865	11/01/18-11/30/18	\$5,166.00	\$0.00	\$4,132.80	\$0.00
03/22/2019 Dkt. #989	12/01/18-12/31/18	\$11,561.50	\$0.00	\$9,249.20	\$0.00
04/01/2019 Dkt. #1014 ²	01/01/19-01/31/19	\$29,744.40	\$0.00	N/A	N/A
04/03/2019 Dkt. #1026	02/02/19-02/28/19	\$50,134.50	\$400.10	N/A	N/A

Interim Fee Applications

Date Filed	Period Covered	Requested Fees (100%)	Requested Expenses	Order	Total Fees & Expenses Authorized
12/20/2018 Dkt. # 871	03/27/18-11/30/18	\$895,713.00	\$13,843.64	01/25/2019 Dkt. # 937	\$909,556.64

² The time to object to the monthly fee applications for January-February 2019 has not yet run. Once the objection period has expired, Irell will file certificates of no objection as appropriate.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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Orexigen Therapeutics, Inc., ¹)	Case No. 18-10518 (KG)
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Debtor.)	Objection Deadline: April 22, 2019 at 4:00 p.m. (ET)
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**SECOND INTERIM FEE APPLICATION OF IRELL & MANELLA LLP,
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 1, 2018 THROUGH FEBRUARY 28, 2019**

Irell & Manella LLP (“Irell”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtor (the “Debtor”), hereby submits this *Second Interim Fee Application of Irell & Manella LLP, Counsel to the Official Committee of Unsecured Creditors, for Compensation and Reimbursement of Expenses for the Period December 1, 2018 through February 28, 2019* (the “Application”). In support of the Application, Irell respectfully represents as follows:

BACKGROUND

1. On March 12, 2018 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”).

2. The Debtor continues to operate as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On March 27, 2018, the Office of the United States Trustee (the “UST”) for Region 3 (Delaware) appointed the Committee, consisting of the following members: (i) Wilmington Saving Fund Society, FSB as Indenture Trustee; (ii) McKesson Specialty Health;

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and (iii) Young & Rubicam, LLC. On the same date, the Committee selected Irell as counsel.

4. On May 15, 2018, an order was entered authorizing the retention of Irell as counsel to the Committee *nunc pro tunc* to March 27, 2018 [D.I. 298]. On the same date, an order was entered authorizing the retention of Elliott Greenleaf, P.C. (“EG”) as Delaware counsel to the Committee *nunc pro tunc* to March 27, 2018 [D.I. 299].

JURISDICTION AND VENUE

5. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding and this Application is proper on this district pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A) and (M).

6. The statutory bases for relief requested herein are sections 105(a), 330, and 331 of the Bankruptcy Code.

RELIEF REQUESTED

7. By this Application, Irell seeks interim approval and allowance of its compensation for legal services and reimbursement of expenses incurred for the period December 1, 2018 through February 28, 2019 (the “Application Period”), including authorization for the Debtor to pay the 20% holdback of fees as provided under the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [D.I. 171] (the “Interim Compensation Order”). Irell has filed and served monthly fee applications and accompanying certificates of no objection² for the periods covering December 1, 2018 through and including February 28, 2019 (collectively, the “Monthly Fee Applications”). Each of the Monthly Fee Applications is incorporated by reference as if fully set

² The time to object to the monthly fee applications for January-February 2019 has not yet run. Once the objection period has expired, Irell will file certificates of no objection as appropriate.

forth herein.³

8. In accordance with the *United States Trustee's Guidelines For Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 for Attorneys in Larger Chapter 11 Cases* (the “Guidelines”), this Application is supported by (i) **Exhibit A**, which is a summary of compensation by each professional of Irell that worked on the above-captioned chapter 11 cases; (ii) **Exhibit B**, which is a summary of compensation by project category; (iii) **Exhibit C**, which is an expense summary; (iv) **Exhibit D**, which contains Irell’s customary and comparable compensation disclosures; (v) **Exhibit E**, which is the estimated budget for Irell as Counsel to the Committee for the period December 1, 2018 through February 28, 2019, and (vi) the Certification of Jeffrey M. Reisner, which is attached hereto as **Exhibit F**.

COMPENSATION REQUESTED

9. Irell seeks interim allowance of fees in the amount of \$98,876.50⁴ for legal services rendered and reimbursement of expenses in the amount of \$401.40, which were incurred during the Application Period. In addition, Irell requests that the Debtor is authorized to pay the \$19,775.30 in fees representing the twenty percent (20%) “holdback” of fees.

NOTICE

10. Notice of this Application has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee; (b) the DIP Administrative Agent; (c) certain of the DIP Lenders (d) the Committee; (e) counsel to the Debtor; and (f) all parties required to be given notice in the Interim Compensation Order.

³ Copies of the Monthly Fee Applications may be obtained by written request to the undersigned counsel.

⁴ 5.80 hours, representing fees of \$5,892.00, were voluntarily written off (not charged), including non-working travel time billed at 50%.

WHEREFORE, Irell respectfully requests that the Court (i) grant the Application and (ii) grant such further relief as is just and proper.

Dated: April 8, 2019
Newport Beach, CA

IRELL & MANELLA LLP

/s/ Jeffrey M. Reisner

Jeffrey M. Reisner (admitted pro hac vice)
Michael H. Strub, Jr. (admitted pro hac vice)
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*Counsel to the Official Committee
of Unsecured Creditors*

EXHIBIT A**SUMMARY OF FEES BY INDIVIDUAL FOR THE APPLICATION PERIOD
(December 1, 2018 — February 28, 2019)**

Name of Professional	Position	Hourly Billing Rate	Billable Hours	Billed Hours	Total Compensation
Jeffrey M. Reisner	Partner	1,260.00	32.00	31.00	\$39,060.00
Elliot Freier	Partner	1,260.00	1.60	1.60	\$2,016.00
Kerri Lyman	Associate	965.00	62.40	57.60	\$55,584.00
Brian Bark	Contract Attorney ¹	715.00	3.10	3.10	\$2,216.50
			99.10	93.30	\$98,876.50²
Blended Hourly Rate for Attorneys: \$997.74					
Blended Hourly Rate for Professionals: \$997.74					

¹ Mr. Bark was formerly an associate of I&M.

² 5.80 hours, representing fees of \$5,892.00, were voluntarily written off (not charged), including non-working travel time billed at 50%.

EXHIBIT B

Matter	Category	Billable Hours	Billed Hours	Billed Fees
0100	Asset Analysis & Recovery	0.00	0.00	0.00
0200	Asset Disposition	0.00	0.00	0.00
0300	Business Operations	0.00	0.00	0.00
0400	Case Administration	0.00	0.00	0.00
0500	Claims Administration & Objection	26.40	26.10	26,771.50
0700	Fee/Employment Applications	8.80	7.80	7,586.00
0800	Fee/Employment Objections	0.00	0.00	0.00
0900	Financing	3.20	2.60	2,627.00
1000	Litigation	0.00	0.00	0.00
1100	Meetings of Creditors	10.70	10.50	11,991.00
1200	Plan & Disclosure Statement	50.00	46.30	49,901.00
1800	Tax Issues	0.00	0.00	0.00
2000	Relief From Stay Proceedings	0.00	0.00	0.00
2100	Services for Other Professionals	0.00	0.00	0.00
		99.10	93.30	98,876.50⁹

⁹ 5.80 hours, representing fees of \$5,892.00, were voluntarily written off (not charged), including non-working travel time billed at 50%.

EXHIBIT C

EXPENSE SUMMARY FOR THE APPLICATION PERIOD (December 1, 2018 — February 28, 2019)

<u>Expense Category</u>	<u>Total Expenses</u>
Computer Research - Westlaw	378.50
Misc. Database (Pacer)	1.30
Internal Printing Expense	4.80
Internal Color Printing Expense	16.80
Total Costs	\$401.40

EXHIBIT D**CUSTOMARY COMPARABLE COMPENSATION DISCLOSURES**
(December 1, 2018 through February 28, 2019)

Category of Timekeeper	Blended Hourly Rate		
	Billed In comparable practice areas for preceding calendar year¹⁰	Billed Firm-wide for preceding calendar year¹¹	Billed This Application
Partner	\$1,226.63	\$1,147.93	\$1,260.00
Of Counsel	N/A	\$1,348.13	N/A
Counsel	N/A	\$979.09	N/A
Associate	\$946.56	\$713.70	\$952
Paralegal	N/A	\$369.97	N/A
Aggregated:	\$1,086.60	\$897.97	\$998

¹⁰ This column reflects the blended 2018 rates charged by the firm for complex corporate and litigation matters in the following sections of the firm: Bankruptcy, Reorganization & Creditors' Rights.

¹¹ This column excludes blended hourly rates for the Bankruptcy, Reorganization & Creditors' Rights section.

EXHIBIT E**ESTIMATED BUDGET FOR COUNSEL TO THE COMMITTEE
(December 1, 2018 through February 28, 2019)**

Month	Cash Collateral Projections¹²	Irell Fees	EG Fees	Total Fees	(Over)/Under Projections
Prior Periods	\$825,000	\$895,713.00	\$129,311.00	\$1,025,024.00	(\$200,024.00)
12/01/18-12/31/18	\$50,000	\$11,561.50	\$8,467.50	\$20,029.00	\$29,971.00
01/01/19-01/31/19	\$50,000	\$37,180.50	\$516.00	\$37,696.50	\$12,303.50
02/01/19-02/28/19	\$50,000	\$50,134.50	\$3,868.00	\$54,002.50	(\$4,002.50)
Total	\$975,000	\$994,589.50	\$142,162.50	\$1,136,752.00	(\$161,752.00)

¹² As set forth in the *Final Order (I) Approving Debtor-in-Possession Financing Pursuant to 11 U.S.C. §§ 105(a), 362, and 364 and Fed. R. Bankr. P. 2002, 4001 and 9014 and Local Bankruptcy Rule 4001-2*; (II) *Authorizing Use of Cash Collateral Pursuant to 11 U.S.C. §§ 105, 361, 362 and 363 of the Bankruptcy Code*; (III) *Granting Adequate Protection and Super-Priority Administrative Claims*; and (IV) *Granting Related Relief* [Docket No. 189] (the “Final Order”) and *Order Approving the Stipulation Authorizing the Use of Cash Collateral* [Docket No. 713].

EXHIBIT F

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
Orexigen Therapeutics, Inc., ¹)	
)	Case No. 18-10518 (KG)
Debtor.)	

CERTIFICATION OF JEFFREY M. REISNER

Jeffrey M. Reisner, an attorney-at-law, duly admitted in good standing to practice in the States of California and New York, and in the District of Columbia, hereby certifies that:

1. I am a partner in the firm of Irell & Manella LLP (“Irell”) and I am duly authorized to make this certification on behalf of Irell. Irell was retained by the Official Committee of Unsecured Creditors (the “Committee”) as counsel pursuant to an order of the Bankruptcy Court. This certification is made in support of the *Second Interim Fee Application of Irell & Manella LLP, Counsel to The Official Committee of Unsecured Creditors, for Compensation and Reimbursement of Expenses for the Period December 1, 2018 Through February 28, 2019* (the “Application”) and in compliance with rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (“Rule 2016-2”) of the Bankruptcy Court, and with the United States Trustee's *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* (the “Guidelines”).

2. To that end, the following is provided in response to the request for additional information set forth in 4 C.5 of the Guidelines:

- a. Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain. *Yes, to the extent necessary to comply with the Appendix*

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B Guidelines.

- b. If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher by 10% or more, did you discuss the reasons for the variation with the client? *Not applicable.*
- c. Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case? *No.*
- d. Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.). If so, please quantify by hours and fees. *No. Irell reserves the right to seek such fees in subsequent applications.*
- e. Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees. *No.*
- f. If the fee application includes any rate increases since retention: (i) Did your client review and approve those rate increases in advance? And (ii) Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458? *No rates were increased since retention.*

3. I have read the Application and I certify that the Application substantially complies with Rule 2016-2 and the Revised UST Guidelines.

Dated: April 8, 2019
Newport Beach, CA

IRELL & MANELLA LLP

/s/ Jeffrey M. Reisner

Jeffrey M. Reisner (admitted pro hac vice)
Michael H. Strub, Jr. (admitted pro hac vice)
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Email: mstrub@irell.com

*Counsel to the Official Committee
of Unsecured Creditors*

**IN THE UNITED STATES BANKRUPTCY COURT
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**NOTICE OF SECOND INTERIM FEE APPLICATION OF IRELL & MANELLA LLP,
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 1, 2018 THROUGH FEBRUARY 28, 2019**

TO: Counsel to the Debtors; the Office of the United States Trustee for the District of Delaware; Counsel to the DIP Agent; Counsel to the DIP Administrative Agent; Counsel to the Official Committee of Unsecured Creditors; and all parties required to be given notice in the Interim Compensation Order.

Irell & Manella LLP (“Irell”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtor (the “Debtor”), hereby submits this *Second Interim Fee Application of Irell & Manella LLP, Counsel to the Official Committee of Unsecured Creditors, for Compensation and Reimbursement of Expenses for the Period December 1, 2018 through February 28, 2019* (the “Application”). The Application seeks fees in the amount of \$98,876.50 and expenses in the amount of \$401.40 for the period December 1, 2018 through February 28, 2019.

Objections, if any, to the relief requested in the Application must be filed with the United States Bankruptcy Court, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **April 22, 2019 at 4:00 p.m. (ET)**.

At the same time, you must also serve a copy of the objection upon the following parties so as to be **received no later than 4:00 p.m. (ET) on April 22, 2019**:

(i) the Debtor: Orexigen Therapeutics, Inc., 3344 North Torrey Pines Court, Suite 200, La Jolla, CA 92037; (ii) co-counsel to the Debtor: Hogan Lovells US LLP, 875 Third Avenue, New York, NY 10022, (Attn: Christopher R. Donoho, III, Esq.); and Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, 16th Floor, Wilmington, DE 19801, (Attn: Robert J. Dehney, Esq.); (iii) counsel to the DIP Administrative Agent: Arnold & Porter Kaye Scholer LLP, 70 W. Madison St., Suite 4200, Chicago, IL 60602 (Attn: Tyler Nurnberg, Esq. and Alan Glantz, Esq.); (iv) counsel to certain of the DIP Lenders: Quinn Emanuel Urquhart & Sullivan, LLP, 865 S. Figueroa St., 10th Floor, Los Angeles, CA 90017 (Attn: Eric Winston, Esq. and Bennett Murphy, Esq.); and Whiteford Taylor Preston LLP, The Renaissance Center, Suite 500, 405 N. King Street,

² The last four digits of the Debtor’s federal tax identification number are 8822. The Debtor’s mailing address for purposes of this Chapter 11 case is 3344 North Torrey Pines Court, Suite 200, La Jolla, CA 92037.

Wilmington, DE 19801 (Attn: Chris Samis, Esq. and L. Katherine Good, Esq.); (v) counsel to the Official Committee of Unsecured Creditors: Irell & Manella LLP, 840 Newport Center Drive, Suite 400, Newport Beach, CA 92660 (Attn: Jeffrey M. Reisner, Esq.); (vi) the Office of the United States Trustee: J. Caleb Boggs Federal Building, Room 2207, 844 N. King Street, Wilmington, DE 19801, (Attn: Timothy J. Fox, Esq.); and (vii) Conflict Counsel to the Debtor and Debtor-In-Possession: Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, DE 19899 (Attn: Kerri K. Mumford, Esq. and Jennifer L. Cree, Esq.).

A HEARING ON THE APPLICATION WILL BE HELD ON **MAY 1, 2019 AT 10:00 A.M. (EST)** BEFORE THE HONORABLE KEVIN GROSS, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6th FLOOR, COURTROOM 3, WILMINGTON, DELAWARE 19801.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: April 8, 2019
Newport Beach, CA

IRELL & MANELLA LLP

/s/ Jeffrey M. Reisner

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