

FIRST TRUST FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
Form N-Q
April 27, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21539

First Trust/Four Corners Senior Floating Rate Income Fund II

(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios, L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Name and address of agent for service)

Registrant's telephone number, including area code: 630-765-8000

Date of fiscal year end: May 31

Date of reporting period: February 28, 2009

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a)
 FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATURE |
|--|---|-------------|-------|-------------|-----------------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS (d) - 159.2% | | | | | |
| | AEROSPACE & DEFENSE - 7.1% | | | | |
| \$ 497,500 | BE Aerospace, Inc., Term Loan, Tranche B | Ba1 | BBB- | 5.75% | 07 |
| 1,582,109 | DAE Aviation Holdings, Inc., Term Loan B1 | B3 | B+ | 4.23%-4.92% | 07 |
| 1,559,635 | DAE Aviation Holdings, Inc., Term Loan B2 | B3 | B+ | 4.66%-4.92% | 07 |
| 1,464,118 | GenCorp, Inc., Synthetic Letter of Credit | Ba3 | BB | 2.73% | 04 |
| 805,644 | GenCorp, Inc., Term Loan | Ba3 | BB | 3.51% | 04 |
| 1,550,628 | Hexcel Corporation, Term Loan B | Ba1 | BB+ | 3.31%-4.31% | 03 |
| 821,887 | IILC Industries, Inc., Term Loan, First Lien | NR(e) | NR(e) | 2.48% | 02 |
| 1,975,000 | L-1 Identity Solutions Operating Company, Term Loan | Ba3 | BB+ | 6.75% | 08 |
| 3,906,594 | Robertson Aviation, LLC, Term Loan | NR(e) | NR(e) | 3.20%-3.23% | 04 |
| 987,469 | Safenet, Inc., Term Loan, First Lien | WR | B+ | 3.40%-3.66% | 04 |
| 2,815,460 | Spirit Aerosystems, Inc., Term Loan B | Ba3 | BBB- | 2.91% | 09 |
| 2,066,667 | Vought Aircraft Industries, Inc., Synthetic Letter of Credit, Tranche B | Ba3 | B- | 2.94% | 12 |
| 2,518,805 | Vought Aircraft Industries, Inc., Term Loan B | Ba3 | B- | 2.98% | 12 |
| 1,000,000 | Wesco Aircraft Hardware Corp., Term Loan, First Lien | B1 | BB- | 2.73% | 09 |
| | AGRICULTURAL PRODUCTS - 1.7% | | | | |
| 504,241 | Dole Food Company, Inc., Prefunded Letter of Credit | Ba3 | B+ | 3.16% | 04 |
| 891,433 | Dole Food Company, Inc., Term Loan B | Ba3 | B+ | 2.50%-4.25% | 04 |
| 3,321,222 | Dole Food Company, Inc., Term Loan C | Ba3 | B+ | 2.56%-4.25% | 04 |
| | AIRLINES - 0.2% | | | | |
| 495,000 | Delta Air Lines, Inc. Synthetic Revolving Credit Facility | Ba2 | BB- | 2.44%-2.45% | 04 |

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|-----------|--|-------|-------|-------------|--|----|
| | ALUMINUM - 1.6% | | | | | |
| 4,424,811 | Novelis Corp., Term Loan | Ba3 | BB | 3.46% | | 07 |
| 2,011,278 | Novelis, Inc., Term Loan | Ba3 | BB | 3.46% | | 07 |
| | APPAREL RETAIL - 0.5% | | | | | |
| 1,216,072 | Hanesbrands, Inc., Term Loan B, First Lien | Ba2 | BB+ | 2.91%-4.00% | | 09 |
| | APPLICATION SOFTWARE - 0.7% | | | | | |
| 2,815,385 | Verint Systems, Inc., Term Loan, First Lien | NR | B+ | 3.71% | | 05 |
| | ASSET MANAGEMENT & CUSTODY BANKS - 2.3% | | | | | |
| 1,387,574 | Grosvenor Capital Management Holdings, LLP, Term Loan | NR(e) | NR(e) | 2.44%-4.21% | | 12 |
| 3,883,461 | LPL Holdings, Inc., Term Loan D | Ba3 | B+ | 2.23%-3.21% | | 06 |
| 2,977,500 | Nuveen Investments, Inc., Term Loan | B1 | B+ | 3.48%-4.47% | | 11 |
| 451,454 | Oxford US Acquisition, LLC, Term Loan, Tranche B2 | Ba3 | WR | 2.88% | | 05 |
| | AUTO PARTS & EQUIPMENT - 0.2% | | | | | |
| 1,003,829 | TRW Automotive, Inc., Term Loan B | Ba1 | BB | 2.00%-4.63% | | 05 |
| | AUTOMOBILE MANUFACTURERS - 1.5% | | | | | |
| 2,878,486 | Ford Motor Company, Term Loan, First Lien | B2 | CCC+ | 5.00% | | 12 |
| 7,866,939 | General Motors Corp., Term Loan, First Lien | B3 | CCC | 4.15% | | 11 |
| | AUTOMOTIVE RETAIL - 0.8% | | | | | |
| 2,835,656 | KAR Holdings, Inc., Term Loan B | Ba3 | B+ | 2.73%-3.71% | | 10 |
| | BROADCASTING - 6.3% | | | | | |
| 6,400,000 | Citadel Broadcasting Corporation, Term Loan, First Lien | Caa2 | B+ | 2.19%-2.23% | | 06 |
| 883,271 | Cumulus Media, Inc., Term Loan, First Lien | B3 | B | 2.20% | | 06 |
| 5,191,651 | Gray Television, Inc., Term Loan B | B3 | B | 1.95%-2.93% | | 12 |
| 4,376,250 | LBI Media, Inc., Term Loan B | Ba2 | B+ | 1.98% | | 03 |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

PRINCIPAL

RATINGS (b)

STATE

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| VALUE | DESCRIPTION | MOODY'S | S&P | RATE | MATUR |
|---|--|---------|------|-------------------|-------|
| SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED) | | | | | |
| | BROADCASTING - (CONTINUED) | | | | |
| \$ 1,500,000 | Paxson Communications Corp., Term Loan, First Lien | B2 | CCC | 4.34% | 01 |
| 3,500,000 | Raycom Media, Inc., Term Loan, Tranche B | NR | NR | 2.00% | 06 |
| 2,468,750 | Sirius Satellite Radio, Inc., Term Loan, First Lien | Caa1 | B- | 2.75% | 12 |
| 1,155,750 | Univision Communications, Inc., Term Loan, Second Lien | Caa2 | CCC | 2.98% | 03 |
| 1,984,576 | Young Broadcasting, Inc., Term Loan (h) | WR | D | 4.00%-4.75% | 11 |
| 984,810 | Young Broadcasting, Inc., Incremental Term Loan (h) | WR | D | 4.00%-4.75% | 11 |
| | BUILDING PRODUCTS - 0.0% | | | | |
| 1,000,000 | South Edge, LLC, Term Loan C (i) | NR | NR | 7.50% | 10 |
| | CABLE AND SATELLITE - 5.5% | | | | |
| 5,342,771 | Charter Communications Operating, LLC, Term Loan (j) | B1 | C | 3.18%-3.36% | 03 |
| 3,730,677 | CSC Holdings, Inc., Incremental Term Loan | Ba1 | BBB- | 2.21%-2.69% | 03 |
| 495,006 | DIRECTV Holdings, LLC, Term Loan, Tranche C | Baa3 | BBB- | 5.25% | 04 |
| 6,000,000 | UPC Distribution Holding B.V., Term Loan N | Ba3 | B+ | 2.16% | 12 |
| | CASINOS & GAMING - 10.2% | | | | |
| 897,637 | Cannery Casino Resorts, LLC, Delayed Draw Term Loan | B1 | BB | 2.66%-2.73% | 05 |
| 1,085,827 | Cannery Casino Resorts, LLC, Term Loan, First Lien | B1 | BB | 2.72% | 05 |
| 3,156,716 | CCM Merger, Inc., Term Loan B | B3 | B+ | 6.75%-8.50% | 04 |
| 229,108 | Fontainebleau Resorts Las Vegas, LLC, Delayed Draw Term Loan, First Lien | B3 | CCC | 2.00% (f) | 06 |
| 2,270,892 | Fontainebleau Resorts Las Vegas, LLC, Term Loan, First Lien | B3 | CCC | 5.44% | 06 |
| 1,989,818 | Golden Nugget, Inc., Delayed Draw Term Loan | B3 | B- | 2.00% (f) - 2.48% | 06 |
| 3,482,182 | Golden Nugget, Inc., Term Loan, First Lien | B3 | B- | 2.48% | 06 |
| 1,470,000 | Great Canadian Gaming Corp., Term Loan, First Lien | Ba2 | BBB- | 2.73% | 02 |
| 946,136 | Green Valley Ranch Gaming, LLC, Term Loan, First Lien | B3 | B | 2.45%-4.00% | 02 |
| 174,706 | Isle of Capri Casinos, Inc., Delayed Draw Term Loan A | B1 | B+ | 3.21% | 11 |
| 231,765 | Isle of Capri Casinos, Inc., Delayed Draw Term Loan B | B1 | B+ | 3.21% | 11 |
| 579,412 | Isle of Capri Casinos, Inc., Term Loan, First Lien | B1 | B+ | 3.21% | 11 |
| 1,275,880 | Las Vegas Sands, LLC, | | | | |

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|--|---|------|------|-------------|----|
| 3,557,284 | Delayed Draw Term Loan 1 Las Vegas Sands, LLC, Term Loan, Tranche B, First Lien | B2 | B+ | 2.16% | 05 |
| 2,454,030 | Penn National Gaming, Inc., Term Loan B | Ba2 | BB+ | 2.23%-2.99% | 10 |
| 815,062 | Seminole Tribe of Florida, Delayed Draw Term Loan B1 | Baa3 | BBB | 3.00% | 03 |
| 2,935,182 | Seminole Tribe of Florida, Delayed Draw Term Loan B2 | Baa3 | BBB | 3.00% | 03 |
| 2,607,287 | Seminole Tribe of Florida, Delayed Draw Term Loan B3 | Baa3 | BBB | 3.00% | 03 |
| 6,000,000 | VML US Finance, LLC, Term Loan | B2 | B | 2.73% | 05 |
| 2,142,857 | WIMAR LANDCO, LLC, Term Loan (h) | WR | WR | 4.50% | 07 |
| 8,526,799 | WIMAR OPCO, LLC, Term Loan (h) | WR | WR | 6.50% | 01 |
| COMMODITY CHEMICALS - 0.5% | | | | | |
| 1,436,329 | Ineos Group Limited, Term Loan B2 | Caa1 | CCC+ | 8.20% | 12 |
| 1,436,328 | Ineos Group Limited, Term Loan C2 | Caa1 | CCC+ | 8.70% | 12 |
| COMPUTER HARDWARE - 1.1% | | | | | |
| 5,521,379 | Activant Solutions Holdings, Inc., Term Loan | B1 | B+ | 3.44% | 05 |
| DATA PROCESSING & OUTSOURCED SERVICES - 1.7% | | | | | |
| 6,895,000 | Clarke American Corp., Term Loan B | B1 | BB- | 2.98%-3.96% | 06 |
| DIVERSIFIED CHEMICALS - 4.3% | | | | | |
| 1,080,000 | Brenntag Holding GmbH & Company KG, Acquisition Term Loan | B1 | B+ | 2.47%-3.50% | 01 |
| 3,000,000 | Brenntag Holding GmbH & Company KG, Term Loan, Second Lien | Caa1 | CCC+ | 5.50% | 06 |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATUR |
|---|---|-------------|-----|-------------|----------------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED) | | | | | |
| DIVERSIFIED CHEMICALS - (CONTINUED) | | | | | |
| \$ 4,420,000 | Brenntag Holding GmbH & Company KG, Term Loan B2 | B1 | B+ | 2.47%-3.50% | 01 |
| 4,222,102 | Huntsman International, LLC, Term Loan | Ba1 | BB+ | 2.23% | 04 |
| 268,821 | LyondellBasell Industries AF S.C.A., DIP Term Loan | | | | |

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|-----------|---|------|-----|------------------|----|
| | (g) (h) | Caa2 | C | 1.50% (f)-13.00% | 12 |
| 16,552 | LyondellBasell Industries AF S.C.A., Dutch Revolving Credit Facility (h) | Caa2 | C | 5.75% | 12 |
| 39,432 | LyondellBasell Industries AF S.C.A., Dutch Term Loan A (h) | Caa2 | C | 4.96% | 12 |
| 47,520 | LyondellBasell Industries AF S.C.A., German Term Loan B1 (h) | Caa2 | C | 5.16% | 12 |
| 47,520 | LyondellBasell Industries AF S.C.A., German Term Loan B2 (h) | Caa2 | C | 5.16% | 12 |
| 47,520 | LyondellBasell Industries AF S.C.A., German Term Loan B3 (h) | Caa2 | C | 5.16% | 12 |
| 206,201 | LyondellBasell Industries AF S.C.A., Term Loan B1 (h) | Caa2 | C | 7.00% | 12 |
| 206,201 | LyondellBasell Industries AF S.C.A., Term Loan B2 (h) | Caa2 | C | 7.00% | 12 |
| 206,201 | LyondellBasell Industries AF S.C.A., Term Loan B3 (h) | Caa2 | C | 7.00% | 12 |
| 62,071 | LyondellBasell Industries AF S.C.A., U.S. Primary Revolving Credit Facility (h) | Caa2 | C | 5.75% | 12 |
| 118,262 | LyondellBasell Industries AF S.C.A., U.S. Term Loan A (h) | Caa2 | C | 5.75% | 12 |
| 989,691 | Rockwood Specialties Group, Inc., Term Loan E | Ba2 | BB+ | 1.98% | 07 |
| | DIVERSIFIED METALS & MINING - 1.0% | | | | |
| 2,797,500 | Alpha Natural Resources, LLC, Term Loan B | Ba3 | BB+ | 3.00% | 10 |
| | DIVERSIFIED SUPPORT SERVICES - 1.0% | | | | |
| 3,194,154 | RSC Equipment Rental, Term Loan, First Lien | Ba2 | BB | 2.23% | 11 |
| | EDUCATION SERVICES - 1.0% | | | | |
| 1,911,818 | Education Management, LLC, Term Loan C | B2 | B+ | 3.25% | 06 |
| 1,051,666 | PRO-QUEST-CSA, LLC, Term Loan, First Lien | Ba3 | BB- | 2.98% | 02 |
| | ELECTRIC UTILITIES - 8.9% | | | | |
| 963,629 | Astoria Generating Company Acquisitions, LLC, Term Loan B | B1 | BB- | 2.20%-2.23% | 02 |
| 3,389,170 | Calpine Corporation, First Priority Term Loan | B2 | B+ | 4.34% | 03 |
| 2,305,928 | Covanta Energy Corporation, Synthetic Letter of Credit | Ba2 | BB | 2.93% | 02 |
| 4,601,950 | Covanta Energy Corporation, Term Loan B | Ba2 | BB | 2.00%-3.75% | 02 |
| 2,579,896 | Mirant North America, LLC, Term Loan | Ba2 | BB | 2.23% | 01 |
| 7,602,051 | NRG Energy, Inc., Synthetic Letter of Credit | Ba1 | BB | 2.96% | 02 |
| 1,942,076 | Riverside Energy Center, | | | | |

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|-----------|---|-------|-------|-------------|----|
| 169,917 | LLC, Term Loan Rocky Mountain Energy Center, LLC, Synthetic Letter of Credit | Ba3 | BB- | 5.42% | 06 |
| 889,529 | Rocky Mountain Energy Center, LLC, Term Loan | Ba3 | BB- | 5.42% | 06 |
| 1,571,246 | ELECTRICAL COMPONENTS & EQUIPMENT - 0.6% Itron, Inc., Term Loan B | Ba3 | B+ | 2.23% | 04 |
| 220,126 | ENVIRONMENTAL & FACILITIES SERVICES - 1.8% EnergySolutions, LLC, Synthetic Letter of Credit | Ba2 | NR(e) | 2.73% | 06 |
| 1,589,419 | EnergySolutions, LLC, Term Loan (Duratek) | Ba2 | NR(e) | 4.15% | 06 |
| 3,312,842 | EnergySolutions, LLC, Term Loan (EnergySolutions) | Ba2 | NR(e) | 4.15% | 06 |
| 847,826 | FOOD DISTRIBUTORS - 2.7% B&G Foods, Inc., Term Loan C | Ba2 | BB- | 4.20% | 02 |
| 849,167 | Birds Eye Foods, Inc., Term Loan, First Lien | NR(e) | NR(e) | 3.21% | 03 |
| 3,954,874 | Dean Foods Company, Term Loan B | B1 | BB | 1.98%-2.96% | 04 |
| 1,500,000 | New Uno Acquisition Corporation, Term Loan,Tranche B | NR(e) | NR(e) | 6.50% | 10 |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATUR |
|--------------------|-------------|-------------|-----|------|----------------|
| | | MOODY'S | S&P | | |

SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED)

| | | | | | |
|--------------|--|-----|-----|-------------|----|
| \$ 5,316,608 | FOOD RETAIL - 2.0% SUPERVALU, Inc., Term Loan B | Ba3 | BB+ | 1.70% | 06 |
| 5,883,967 | FOREST PRODUCTS - 3.2% Georgia-Pacific Corporation, Term Loan B1 | Ba2 | BB+ | 2.96%-4.19% | 12 |
| 3,007,982 | Georgia-Pacific Corporation, Term Loan B2 | Ba2 | BB+ | 2.96%-4.19% | 12 |

GAS UTILITIES - 0.4%

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|-----------|---|-------|-------|-------------|----|
| 1,000,000 | Atlas Pipeline Partners, L.P., Term Loan | Ba2 | BB- | 3.23% | 07 |
| | HEALTH CARE FACILITIES - 4.6% | | | | |
| 975,521 | HCA, Inc., Term Loan A | Ba3 | BB | 2.96% | 11 |
| 3,577,572 | Health Management Associates, Inc., Term Loan B | B1 | BB- | 3.21% | 02 |
| 511,777 | Lifepoint Hospitals, Inc., Term Loan B | Ba1 | BB | 2.89% | 04 |
| 4,797,255 | Select Medical Corporation, Term Loan B | Ba2 | B+ | 2.47%-4.25% | 02 |
| 271,667 | Sun Healthcare Group, Inc., Synthetic Letter of Credit | Ba2 | B+ | 3.46% | 04 |
| 2,488,021 | Sun Healthcare Group, Inc., Term Loan, First Lien | Ba2 | B+ | 2.45%-3.63% | 04 |
| 155,646 | United Surgical Partners International, Inc., Delayed Draw Term Loan | Ba3 | B | 2.47% | 04 |
| 824,032 | United Surgical Partners International, Inc., Term Loan B | Ba3 | B | 2.47%-3.16% | 04 |
| | HEALTH CARE SERVICES - 10.3% | | | | |
| 290,150 | CHS/Community Health Systems, Inc., Delayed Draw Term Loan | Ba3 | BB | 2.73% | 07 |
| 5,668,119 | CHS/Community Health Systems, Inc., Term Loan | Ba3 | BB | 2.73%-3.51% | 07 |
| 5,611,967 | DaVita, Inc., Term Loan B-1 | Ba1 | BB+ | 1.91%-2.96% | 10 |
| 7,095,292 | Fresenius Medical Care AG, Term Loan B | Baa3 | BBB- | 2.54%-2.95% | 03 |
| 1,960,000 | Healthways, Inc., Term Loan B | Ba2 | BB | 2.96% | 12 |
| 1,458,750 | Quintiles Transnational Corp., Term Loan B, First Lien | B1 | BB | 3.46% | 03 |
| 5,858,129 | US Oncology Holdings, Inc., Term Loan B | Ba2 | BB- | 4.56%-6.18% | 08 |
| | HOMEBUILDING - 0.3% | | | | |
| 979,849 | Mattamy Funding Partnership, Term Loan | NR(e) | NR(e) | 3.56% | 04 |
| | INDEPENDENT POWER PRODUCERS & ENERGY TRADERS - 2.4% | | | | |
| 4,424,265 | Dynegy Holdings, Inc., Synthetic Letter of Credit | Ba1 | BB- | 1.98% | 04 |
| 3,441,288 | Texas Competitive Electric Holdings Company, LLC, Initial Term Loan B-3 | Ba3 | B+ | 3.95%-4.45% | 10 |
| | INDUSTRIAL CONGLOMERATES - 0.2% | | | | |
| 557,937 | Mueller Water Products, Inc., Term Loan B | B1 | BB+ | 2.23%-3.21% | 05 |
| | INDUSTRIAL MACHINERY - 0.4% | | | | |
| 1,477,500 | Edwards (Cayman Islands II) Ltd., Term Loan, First Lien | B1 | BB- | 2.48% | 05 |
| | INSURANCE BROKERS - 0.3% | | | | |

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|-----------|---|-----|------|-------------|----|
| 793,107 | HealthCare Partners, LLC, Term Loan | Ba2 | BBB- | 2.23% | 10 |
| | INTEGRATED TELECOMMUNICATION SERVICES - 1.5% | | | | |
| 944,443 | Intelsat Corp., Term Loan B-2-A | B1 | BB- | 3.93% | 07 |
| 944,156 | Intelsat Corp., Term Loan B-2-B | B1 | BB- | 3.93% | 07 |
| 944,156 | Intelsat Corp., Term Loan B-2-C | B1 | BB- | 3.93% | 07 |
| 116,756 | Telesat Canada, U.S. Delayed Draw Term Loan II | B1 | BB- | 4.46% | 10 |
| 1,359,413 | Telesat Canada, U.S. Term Loan I | B1 | BB- | 3.91%-5.20% | 10 |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATUR |
|--------------------|-------------|-------------|-----|------|----------------|
| | | MOODY'S | S&P | | |

SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED)

| | | | | | |
|--------------|---|-------|-------|-------------|----|
| \$ 2,429,519 | INTERNET RETAIL - 0.5% Sabre Holdings Corp., Term Loan | B1 | B+ | 2.45%-3.17% | 09 |
| 4,705,136 | INTERNET SOFTWARE & SERVICES - 1.6% SunGard Data Systems, Inc., Term Loan B | Ba3 | BB | 2.20%-2.99% | 02 |
| 3,534,394 | INVESTMENT BANKING & BROKERAGE - 1.4% Ameritrade Holding Corporation, Term Loan B | Baa3 | BBB+ | 1.96% | 12 |
| 2,052,951 | IT CONSULTING & OTHER SERVICES - 3.4% Alion Science and Technology Corp., Term Loan | B1 | B+ | 9.50% | 02 |
| 543,364 | Apptis (DE), Inc., Term Loan | B1 | B+ | 3.73%-5.50% | 12 |
| 1,459,072 | CACI International, Inc., Term Loan B | Ba1 | NR | 1.95%-3.38% | 05 |
| 921,626 | iPayment, Inc., Term Loan | B1 | B | 2.41%-3.47% | 05 |
| 1,044,950 | Open Solutions, Inc., Term Loan, First Lien | B1 | BB- | 3.26% | 01 |
| 5,880,262 | West Corporation, Term Loan B-2 | B1 | BB- | 2.82%-2.85% | 10 |
| 3,390,058 | LEISURE FACILITIES - 2.2% Cedar Fair, L.P., Term Loan | Ba3 | BB- | 2.48% | 08 |
| 795,038 | London Area and Waterfront Finance, LLC, Term Loan A | NR(e) | NR(e) | 4.69% | 03 |
| 2,113,822 | Six Flags, Inc., Term Loan B | B2 | B | 2.73%-3.68% | 04 |

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| | | | | | |
|-----------|---|-------|-------|-------------|----|
| 982,500 | Town Sports International, LLC, Term Loan B | Ba2 | BB- | 2.25% | 02 |
| 1,886,716 | LEISURE PRODUCTS - 0.4% LodgeNet Entertainment Corp., Term Loan | B3 | B- | 3.46% | 04 |
| 829,035 | LIFE & HEALTH INSURANCE - 0.9% Conseco, Inc., Term Loan | B2 | CCC | 2.45% | 10 |
| 742,118 | Multiplan Merger Corporation, Term Loan | B1 | B+ | 3.00% | 04 |
| 424,877 | Multiplan Merger Corporation, Term Loan C | B1 | B+ | 3.00% | 04 |
| 1,243,687 | Viant Holdings, Inc., Term Loan | Ba3 | B+ | 3.71% | 06 |
| 1,188,075 | MANAGED HEALTH CARE - 2.9% IASIS Healthcare Corporation, Delayed Draw Term Loan | Ba2 | B+ | 2.41% | 03 |
| 318,412 | IASIS Healthcare Corporation, Synthetic Letter of Credit | Ba2 | B+ | 2.40% | 03 |
| 3,433,416 | IASIS Healthcare Corporation, Term Loan | Ba2 | B+ | 2.41% | 03 |
| 2,913,965 | Vanguard Health Systems, Inc., Term Loan B | Ba3 | B+ | 2.73%-3.71% | 09 |
| 7,181,250 | METAL & GLASS CONTAINERS - 2.6% Owens-Illinois Group, Inc., Term Loan B | Baa3 | BBB- | 1.96% | 06 |
| 3,080,000 | MORTGAGE REITS - 1.0% LNR Property Corporation, Initial Term Loan, Tranche B | B2 | BB | 3.92% | 07 |
| 1,870,000 | LNR Property Corporation, Term Loan, Tranche A-1 | B2 | BB | 3.92% | 07 |
| 4,753,000 | MOVIES & ENTERTAINMENT - 7.5% AMC Entertainment, Inc., Term Loan | Ba1 | BB- | 1.98% | 01 |
| 55,118 | Deluxe Entertainment Services Group, Inc., Credit Linked Term Loan A | Ba3 | B- | 3.71% | 05 |
| 1,002,892 | Deluxe Entertainment Services Group, Inc., Term Loan, Tranche B | Ba3 | B- | 3.42%-3.71% | 05 |
| 98,191 | Deluxe Entertainment Services Group, Inc., Term Loan, Tranche C | Ba3 | B- | 3.71% | 05 |
| 3,927,532 | Discovery Communications Holding, LLC, Term Loan B | NR(e) | NR(e) | 3.46% | 05 |
| 2,000,000 | National CineMedia, LLC, Term Loan B | B1 | B+ | 3.75% | 02 |
| 1,987,284 | Regal Cinemas Corporation, | | | | |

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Term Loan B Ba2 BB- 5.21% 10

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATUR |
|---|--|-------------|-------|-------------|----------------|
| | | MOODY'S | S&P | | |
| SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED) | | | | | |
| MOVIES & ENTERTAINMENT - (CONTINUED) | | | | | |
| \$ 1,496,250 | TWCC Holding Corp., Term Loan B | Ba2 | BB | 7.25% | 09 |
| 5,500,031 | WMG Acquisition Corp., Term Loan | Ba3 | BB | 2.45%-3.26% | 03 |
| MULTI-UTILITIES - 1.4% | | | | | |
| 2,510,638 | KGEN, LLC, Synthetic Letter of Credit | B1 | BB | 3.25% | 02 |
| 2,467,374 | KGEN, LLC, Term Loan B | B1 | BB | 3.25% | 02 |
| OFFICE REITS - 0.1% | | | | | |
| 1,000,000 | Tishman Speyer Real Estate D.C. Area Portfolio, L.P., Term Loan | WR | B+ | 2.22% | 12 |
| OFFICE SERVICES & SUPPLIES - 2.0% | | | | | |
| 2,820,794 | Emdeon Business Services, LLC, Term Loan, First Lien | B1 | BB- | 3.46% | 11 |
| 1,193,791 | Pike Electric, Inc., Term Loan B | NR(e) | NR(e) | 2.00% | 07 |
| 1,349,428 | Pike Electric, Inc., Term Loan C | NR(e) | NR(e) | 2.00% | 12 |
| OIL & GAS EQUIPMENT & SERVICES - 2.0% | | | | | |
| 1,979,899 | Hercules Offshore, Inc., Term Loan | Ba3 | BB | 3.21% | 07 |
| 1,354,839 | Targa Resources, Inc., Synthetic Letter of Credit | Ba3 | B+ | 3.46% | 10 |
| 2,358,210 | Targa Resources, Inc., Term Loan | Ba3 | B+ | 3.46%-5.98% | 10 |
| 937,853 | Volnay Acquisition Co. I, Term Loan | Ba1 | BB+ | 2.91%-5.43% | 01 |
| OIL & GAS EXPLORATION & PRODUCTION - 0.8% | | | | | |
| 2,216,136 | ATP Oil & Gas Corporation, Term Loan, Tranche B1 | NR | NR | 8.50% | 07 |
| 693,029 | ATP Oil & Gas Corporation, Term Loan, Tranche B2 | NR | NR | 8.50% | 01 |
| 992,087 | SemCrude, L.P., Term Loan (h) (i) | WR | NR | 5.75% | 03 |

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| | | | | | |
|-----------|---|------|------|-------------|----|
| | OIL & GAS REFINING & MARKETING - 1.8% | | | | |
| 108,101 | Alon USA, Inc., Term Loan (Edgington Facility) | B1 | BB | 2.73%-3.51% | 06 |
| 864,810 | Alon USA, Inc., Term Loan (Paramount Facility) | B1 | BB | 2.73%-3.51% | 06 |
| 114,943 | Calumet Lubricants Co., L.P., Synthetic Letter of Credit | B1 | B | 5.28% | 01 |
| 862,265 | Calumet Lubricants Co., L.P., Term Loan | B1 | B | 4.46%-5.24% | 01 |
| 5,487,857 | Western Refining Company, L.P., Term Loan | B3 | BB- | 8.25% | 05 |
| | OIL & GAS STORAGE & TRANSPORTATION - 2.6% | | | | |
| 3,000,000 | Energy Transfer Equity, L.P., Term Loan B | Ba2 | NR | 2.99% | 11 |
| 3,960,000 | Enterprise GP Holdings, L.P., Term Loan B | Ba2 | BB- | 2.70%-3.65% | 11 |
| | OTHER DIVERSIFIED FINANCIAL SERVICES - 2.4% | | | | |
| 6,356,326 | Royalty Pharma Finance Trust, Term Loan | Baa2 | BBB- | 3.71% | 04 |
| | PACKAGED FOODS & MEATS - 0.8% | | | | |
| 514,361 | Michael Foods, Inc., Term Loan B1 | Ba3 | BB- | 3.00%-3.33% | 11 |
| 1,476,203 | Weight Watchers International, Inc., Term Loan B | Ba1 | BB+ | 2.00%-2.94% | 01 |
| | PAPER PACKAGING - 4.2% | | | | |
| 1,977,436 | Graham Packaging Holdings Co., Term Loan B, First Lien | B1 | B+ | 2.69%-6.31% | 10 |
| 3,792,509 | Graphic Packaging International, Inc., Term Loan B | Ba3 | BB- | 2.45%-3.44% | 05 |
| 1,935,000 | Pregis Corporation, Term Loan B-1 | Ba3 | BB- | 2.73% | 10 |
| 852,751 | Smurfit-Stone Container Enterprises, Inc., Canadian Revolving Credit Facility (h) | WR | D | 2.95%-4.25% | 11 |
| 516,062 | Smurfit-Stone Container Enterprises, Inc., Synthetic Letter of Credit (h) | WR | D | 3.51% | 11 |
| 587,292 | Smurfit-Stone Container Enterprises, Inc., Term Loan B (h) | WR | D | 2.44%-4.25% | 11 |
| 1,106,950 | Smurfit-Stone Container Enterprises, Inc., Term Loan C (h) | WR | D | 2.44%-2.50% | 11 |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
 PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
 FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) | | RATE | STATE MATUR |
|---|---|-------------|------|-------------|----------------|
| | | MOODY'S | S&P | | |
| ----- | | | | | |
| SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED) | | | | | |
| PAPER PACKAGING - (CONTINUED) | | | | | |
| \$ 334,679 | Smurfit-Stone Container Enterprises, Inc., Term Loan C1 (h) | WR | D | 2.44% | 11 |
| 2,571,515 | Smurfit-Stone Container Enterprises, Inc., U.S. Revolving Credit Facility (h) | WR | D | 2.50%-4.25% | 11 |
| PAPER PRODUCTS - 1.1% | | | | | |
| 985,000 | Appleton Papers, Inc., Term Loan B, First Lien | Ba3 | BB- | 2.99%-3.22% | 06 |
| 2,295,000 | Domtar Corporation, Term Loan B | Baa3 | BBB- | 1.82% | 03 |
| PHARMACEUTICALS - 2.6% | | | | | |
| 4,929,950 | Cardinal Health 409, Inc., Dollar Term Loan | Ba3 | BB- | 3.71% | 04 |
| 3,825,000 | Graceway Pharmaceuticals, LLC, Term Loan, First Lien | Ba3 | BB | 4.21% | 05 |
| 406,703 | Stiefel Laboratories, Inc., Delayed Draw Term Loan | B1 | BB- | 3.41% | 12 |
| 531,727 | Stiefel Laboratories, Inc., Initial Term Loan | B1 | BB- | 3.41% | 12 |
| PUBLISHING - 5.7% | | | | | |
| 155,647 | Cenveo Corporation, Delayed Draw Term Loan | Ba2 | BB+ | 3.28% | 06 |
| 4,163,143 | Cenveo Corporation, Term Loan C | Ba2 | BB+ | 3.28% | 06 |
| 1,494,565 | GateHouse Media, Inc., Delayed Draw Term Loan B | Caa1 | CCC+ | 2.45%-2.48% | 08 |
| 4,005,435 | GateHouse Media, Inc., Initial Term Loan | Caa1 | CCC+ | 2.48% | 08 |
| 9,800,000 | Idearc, Inc., Term Loan B (j) | B3 | CCC | 2.48%-3.46% | 11 |
| 2,872,769 | Media News Group, Inc., Term Loan B | Caa2 | CCC+ | 3.41% | 12 |
| 1,442,050 | Media News Group, Inc., Term Loan C | Caa2 | CCC+ | 4.66% | 08 |
| 982,500 | The Reader's Digest Association, Inc., Term Loan B | Caa2 | CCC | 2.45%-4.21% | 03 |
| 722,042 | RH Donnelley, Inc., Term Loan D-1 | B1 | B- | 6.75% | 06 |
| 4,218,080 | RH Donnelley, Inc., Term Loan D-2 | B1 | B- | 6.75% | 06 |
| 6,912,500 | Tribune Company, Term Loan B (h) (i) | WR | D | 5.25% | 05 |
| 731,429 | Tribune Company, Term Loan | | | | |

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| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) MOODY'S | RATINGS (b) S&P | RATE | STATE MATUR |
|-----------------|---|---------------------|-----------------|----------------|-------------|
| 1,000,000 | X (h) (i) Yell Group, PLC, Term Loan B1 | WR Ba3 | D BB- | 5.00% 3.48% | 05 10 |
| 157,664 | REAL ESTATE DEVELOPMENT - 0.0% Shea Capital I, LLC, Term Loan B | NR(e) | NR(e) | 3.72%-4.50% | 10 |
| 87,500 | RESIDENTIAL REITS - 0.0% Apartment Investment Management Co., Term Loan | Ba1 | BB+ | 1.95% | 03 |
| 6,046,709 | RETAIL REITS - 1.9% Capital Automotive, L.P., Term Loan | Ba1 | BB | 2.17% | 12 |
| 1,394,737 | General Growth Properties, Inc., Term Loan A-1 (j) | Ca | C | 1.70% | 02 |
| 1,975,000 | The Macerich Partnership, L.P., Term Loan | NR(e) | NR(e) | 2.00% | 04 |
| 8,251,679 | SEMICONDUCTORS - 1.4% Freescale Semiconductors, Inc., Term Loan, First Lien | B1 | B- | 3.93% | 12 |
| 975,000 | SPECIALIZED CONSUMER SERVICES - 4.1% Acosta, Inc., Term Loan | NR(e) | NR(e) | 2.73% | 07 |
| 970,155 | Advantage Sales & Marketing, Inc., Term Loan | NR(e) | NR(e) | 2.45%-3.47% | 03 |
| 2,303,017 | Affinion Group, Inc., Term Loan B | Ba2 | BB | 3.75%-3.96% | 10 |
| 256,221 | ARAMARK Corporation, Prefunded Synthetic Letter of Credit | Ba3 | BB | 3.90% | 01 |
| 4,034,490 | ARAMARK Corporation, Term Loan | Ba3 | BB | 3.33% | 01 |
| 1,000,000 | Asurion Corp., Term Loan, First Lien | NR(e) | NR(e) | 3.45%-4.24% | 07 |
| 966,917 | N.E.W. Holdings I, LLC, Term Loan, First Lien | NR(e) | NR(e) | 2.95%-4.69% | 05 |
| 1,964,693 | Nielsen Finance, LLC, Dollar Term Loan | Ba3 | B+ | 2.45% | 08 |
| 3,000,000 | SPECIALIZED FINANCE - 0.6% J.G. Wentworth, LLC, Term Loan, First Lien | Ca | CCC+ | 3.71% | 04 |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) MOODY'S | RATINGS (b) S&P | RATE | STATE MATUR |
|-----------------|-------------|---------------------|-----------------|------|-------------|
|-----------------|-------------|---------------------|-----------------|------|-------------|

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SENIOR FLOATING-RATE LOAN INTERESTS (d) - (CONTINUED)

| SPECIALIZED FINANCE - (CONTINUED) | | | | | | |
|---|--|-------|-------|-------------|--|----|
| \$ 5,179,166 | Peach Holdings, Inc., Term Loan | B2 | B | 4.73%-5.71% | | 11 |
| SPECIALTY CHEMICALS - 2.2% | | | | | | |
| 2,000,000 | Celanese Holdings, LLC, Synthetic Letter of Credit | Ba2 | BB+ | 1.91% | | 04 |
| 4,428,674 | Celanese Holdings, LLC, Term Loan, First Lien | Ba2 | BB+ | 2.94% | | 04 |
| SPECIALTY STORES - 2.3% | | | | | | |
| 1,191,313 | Dollarama Group, L.P., Replacement Term Loan B | Ba1 | BB- | 2.92% | | 11 |
| 4,035,589 | Harbor Freight Tools USA, Inc., Term Loan C | NR(e) | NR(e) | 9.75% | | 02 |
| 3,231,442 | The Yankee Candle Company, Inc., Term Loan | Ba3 | BB- | 2.42%-3.47% | | 02 |
| SYSTEMS SOFTWARE - 2.6% | | | | | | |
| 4,403,620 | Dealer Computer Services, Inc., Term Loan, First Lien | Ba2 | BB | 2.48% | | 10 |
| 3,884,107 | Intergraph Corporation, Term Loan, First Lien | Ba3 | BB- | 3.26% | | 05 |
| TECHNOLOGY DISTRIBUTORS - 1.3% | | | | | | |
| 1,976,333 | H3C Holdings, Ltd., Term Loan B | Ba2 | BB | 6.70% | | 09 |
| 3,487,558 | Sensata Technologies Finance Company, LLC, Term Loan, First Lien | B3 | B | 2.66%-2.93% | | 04 |
| TRUCKING - 1.6% | | | | | | |
| 247,340 | The Hertz Corporation, Prefunded Synthetic Letter of Credit | Ba1 | BB+ | 3.28% | | 12 |
| 2,083,626 | The Hertz Corporation, Term Loan | Ba1 | BB+ | 2.20%-2.65% | | 12 |
| 3,488,106 | OshKosh Corporation, Term Loan B | B2 | B+ | 2.20%-3.95% | | 12 |
| WIRELESS TELECOMMUNICATION SERVICES - 0.5% | | | | | | |
| 1,225,883 | Clearwire Corporation, Delayed Draw Term Loan, First Lien | B3 | B+ | 7.77%-9.26% | | 07 |
| 749,118 | Clearwire Corporation, Term Loan, First Lien | B3 | B+ | 8.75% | | 07 |
| TOTAL SENIOR FLOATING-RATE LOAN INTERESTS (d) | | | | | | |
| (Cost \$556,730,581) | | | | | | |

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SENIOR FLOATING-RATE NOTES - 0.0%

| | | | | | |
|----------------------------------|---|------|-----|-------|----|
| 650,000 | ELECTRICAL COMPONENTS & EQUIPMENT - 0.0% NXP B.V. | Caa1 | CCC | 3.84% | 10 |
| 1,225,000 | LEISURE FACILITIES - 0.0% HRP Myrtle Beach (h) (i) (k) (m) | WR | NR | 7.37% | 04 |
| TOTAL SENIOR FLOATING-RATE NOTES | | | | | |
| (Cost \$1,876,481) | | | | | |

NOTES - 0.0%

| | | | | | |
|------------------|---|----|----|--------|----|
| 727,273 | HOMEBUILDING - 0.0% TOUSA, Inc. (Payment-In-Kind Election Note) (h) (k) (l) (m) | NR | NR | 14.75% | 07 |
| TOTAL NOTES | | | | | |
| (Cost \$436,364) | | | | | |

PREFERRED STOCKS - 0.0%

| | | | | | |
|------------------------|--|--|--|--|--|
| 4,273 | HOMEBUILDING - 0.0% TOUSA, Inc. (8.0%, Series A Convertible Payment-In-Kind Preferred Stock) (h) (i) (k) (m) | | | | |
| TOTAL PREFERRED STOCKS | | | | | |
| (Cost \$2,563,636) | | | | | |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

| PRINCIPAL VALUE | DESCRIPTION | RATINGS (b) MOODY'S | S&P | RATE | STATE MATURE |
|---------------------------------|---|------------------------|-----|------|-----------------|
| ----- | | | | | |
| COMMON STOCKS AND RIGHTS - 0.0% | | | | | |
| 690 | OTHER DIVERSIFIED FINANCIAL SERVICES - 0.0% | | | | |
| 690 | Atkins Nutritionals Holdings - Common Stock (m) | | | | |
| 690 | Atkins Nutritionals Holdings - Rights (m) | | | | |
| TOTAL COMMON STOCKS AND RIGHTS | | | | | |
| (Cost \$36,260) | | | | | |

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| PRINCIPAL AMOUNT | DESCRIPTION |
|---------------------|--|
| ----- | |
| | SHORT-TERM INVESTMENTS - 2.5% |
| \$ 6,095,667 | ASSET MANAGEMENT & CUSTODY BANKS - 2.5% JPMorgan Federal Money Market Fund - 0.18% (n) |
| | TOTAL SHORT-TERM INVESTMENTS |
| | (Cost \$6,095,667) |
| | TOTAL INVESTMENTS - 161.7% (Cost \$567,738,989) (o) |
| | NET OTHER ASSETS AND LIABILITIES - (0.7)% |
| | LOAN OUTSTANDING - (27.9)% |
| | AUCTION MARKET PREFERRED SHARES, AT LIQUIDATION VALUE (INCLUDING ACCRUED DISTRIBUTIONS) - (33.1)% |
| | NET ASSETS (APPLICABLE TO COMMON SHAREHOLDERS) - 100.0% |

See Notes to Quarterly Portfolio of Investments

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
PORTFOLIO OF INVESTMENTS (a) (CONTINUED)
FEBRUARY 28, 2009 (UNAUDITED)

-
- (a) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common Shareholders.
 - (b) Ratings below Baa3 by Moody's Investors Service, Inc. or BBB- by Standard & Poor's Ratings Group are considered to be below investment grade.
 - (c) Senior Loans generally are subject to mandatory and/or optional prepayment. As a result, the actual remaining maturity of Senior Loans may be substantially less than the stated maturities shown.
 - (d) Senior Loans in which the Fund invests generally pay interest at rates which are periodically predetermined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as the London Interbank Offered Rate ("LIBOR"), (ii) the prime rate offered by one or more United States banks or (iii) the certificate of deposit rate.

- (e) This Senior Loan Interest was privately rated upon issuance. The rating agency does not provide ongoing surveillance on the rating.
- (f) Represents commitment fee rate on unfunded loan commitments.
- (g) This DIP facility is partially drawn per Debtor-In-Possession Credit Agreement dated March 3, 2009.
- (h) This borrower has filed for protection in federal bankruptcy court.
- (i) Non-income producing security.
- (j) This borrower has filed for protection in federal bankruptcy court subsequent to the date of this report.
- (k) This security is restricted and cannot be offered for public sale without first being registered under the Securities Act of 1933, as amended. Prior to registration, restricted securities may only be resold in transactions exempt from registration (See Note 1F in the Notes to Quarterly Portfolio of Investments).
- (l) This security is a Senior Subordinated Payment-in-Kind Election Note whereby 1.00% of interest per annum will be paid in cash and 13.75% of interest per annum shall be paid by the issuer, at its option (i) entirely in cash, (ii) entirely in Payment-in-Kind interest or (iii) in a combination of (i) and (ii). Interest is to be paid semi-annually; however, the issuer is in default and income is not being accrued.
- (m) This security is fair valued in accordance with valuation procedures adopted by the Fund's Board of Trustees.
- (n) Represents the daily interest rate in effect at February 28, 2009.
- (o) Aggregate cost for financial reporting purposes, which approximates the aggregate cost for federal income tax purposes. As of February 28, 2009, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$2,229 and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$176,772,347.

NR Not rated.

WR Withdrawn rating.

SECURITY VALUATION INPUTS

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A summary of the inputs used to value the Fund's total investments as of February 28, 2009 is as follows (See Note 1A in the Notes to Quarterly Portfolio of Investments):

| | INVESTMENTS |
|---|----------------|
| ----- | |
| Level 1 - Quoted Prices | \$ 6,095,667 |
| Level 2 - Other Significant Observable Inputs | 384,873,204 |
| Level 3 - Significant Unobservable Inputs | - |
| | ----- |
| Total | \$ 390,968,871 |
| | ===== |

See Notes to Quarterly Portfolio of Investments

Page 10

NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
FEBRUARY 28, 2009 (UNAUDITED)

1. VALUATION AND INVESTMENT PRACTICES

A. PORTFOLIO VALUATION:

The net asset value ("NAV") of the Common Shares of First Trust/Four Corners Senior Floating Rate Income Fund II (the "Fund") is determined daily as of the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The NAV per Common Share is calculated by dividing the value of all assets of the Fund (including accrued interest), less all liabilities (including accrued expenses, dividends declared but unpaid and any borrowings of the Fund) and the liquidation value of any outstanding Preferred Shares, by the total number of Common Shares outstanding.

The Fund's investments are valued daily at market value or, in the absence of market value with respect to any portfolio securities, at fair value according to valuation procedures adopted by the Fund's Board of Trustees. A majority of the Fund's assets are valued using market information supplied by third parties. In the event that market quotations are not readily available, the pricing service does not provide a valuation for a particular asset, or the valuations are deemed unreliable, the Fund's Board of Trustees has designated First Trust Advisors L.P. ("First Trust") to use a fair value method to value the Fund's securities and other investments. Additionally, if events occur after the close of the principal market for particular securities (e.g., domestic debt and foreign securities), but before the Fund values its assets, that could materially affect NAV, First Trust may use a fair value method to value the Fund's securities and other investments. The use of fair value pricing by the Fund is governed by valuation procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the Investment Company Act of 1940, as amended ("1940 Act").

The Senior Floating-Rate Loans ("Senior Loans") in which the Fund invests are not listed on any securities exchange or board of trade. Senior Loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially in the past several years, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some Senior Loans have few or no trades, or trade infrequently, and information regarding a specific Senior Loan may not be widely available or may be incomplete. Accordingly, determinations of the market value of Senior Loans may be based on infrequent and dated information. Because there is less reliable, objective data available, elements of judgment may play a greater role in valuation of Senior Loans than for other types of securities. Typically, Senior Loans are valued using information provided by a third party pricing service. If the pricing service cannot or does not provide a valuation for a particular Senior Loan or such valuation is deemed unreliable, First Trust may value such Senior Loan at a fair value according to valuation procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act.

Portfolio securities listed on any exchange other than the NASDAQ National Market ("NASDAQ") are valued at the last sale price on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities traded on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined at the close of the exchange representing the principal market for such securities. Portfolio securities traded in the over-the-counter market, but excluding securities traded on the NASDAQ, are valued at the closing bid prices. Short-term investments that mature in less than 60 days when purchased are valued at amortized cost.

In September 2006, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements ("FAS 157"), effective for fiscal years beginning after November 15, 2007. This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 became effective for the Fund as of June 1, 2008, the beginning of its current fiscal year. The three levels of the fair value hierarchy under FAS 157 are as follows:

- o Level 1 - quoted prices in active markets for identical securities
- o Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- o Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

FEBRUARY 28, 2009 (UNAUDITED)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. A summary of the inputs used to value the Fund's investments as of February 28, 2009 is included with the Fund's Portfolio of Investments.

B. CREDIT DEFAULT SWAPS:

The Fund may enter into credit default swap contracts for hedging purposes or to gain exposure to a credit in which the Fund may otherwise invest. A credit default swap contract is an agreement between two parties to exchange the credit risk of an issuer. The Fund may be either the buyer or seller in a credit default swap transaction. The "buyer" in a credit default swap contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on the underlying reference obligation has occurred. If an event of default occurs, the seller must pay the buyer the full notional value, or "par value," of the reference obligation. In exchange, the seller receives the par value of securities of the reference obligor. In the case of cash settlement, the seller will pay the difference between par and the market value of the securities of the reference obligor. An event of default may be a grace period extension, obligation acceleration, repudiation/moratorium, or restructuring.

Buying a credit default swap contract involves the risk that the contract may expire worthless and the credit risk that the seller may fail to satisfy its payment obligations to the Fund in the event of default. Selling a credit default swap contract involves greater risks than if the Fund had invested in the reference obligation directly. The Fund will segregate cash or liquid assets in an amount equal to the aggregate market value of the credit default swap contracts of which it is a seller. Additionally, the Fund maintains cash or liquid assets for the full notional amount of the credit default swap contracts of which it is a seller. The Fund may only enter into such transactions with counterparties rated A- or higher.

Credit default swap contracts are marked to market daily based upon quotations from brokers or market makers and the change in value, if any, is recorded as unrealized appreciation (depreciation). For a credit default swap contract sold by the Fund, payment of the agreed-upon amount made by the Fund in the event of default of the referenced debt obligation is recorded as the cost of the referenced debt obligation purchased/received. As of February 28, 2009, the Fund had no credit default swaps.

C. REPURCHASE AGREEMENTS:

The Fund engages in repurchase agreement transactions. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. This arrangement results in a fixed rate of return that is not subject to market fluctuations during the Fund's holding period. The value of the collateral is at all times at least equal to the total amount of the repurchase obligation, including interest. In the event of counterparty default, the Fund has the right to use the collateral to offset losses incurred. There is potential loss to the Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in

the value of the underlying securities during the period while the Fund seeks to assert its rights. The Fund reviews the value of the collateral and the creditworthiness of those banks and dealers with which the Fund enters into repurchase agreements to evaluate potential risks. As of February 28, 2009, the Fund had no open repurchase agreements.

D. SECURITIES TRANSACTIONS:

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date; interest income on such securities is not accrued until settlement date. The Fund maintains liquid assets with a current value at least equal to the amount of its when-issued or delayed-delivery purchase commitments. At February 28, 2009, the Fund had no when-issued or delayed-delivery purchase commitments.

E. UNFUNDED LOAN COMMITMENTS:

The Fund may enter into certain credit agreements, all or a portion of which may be unfunded. The Fund had unfunded loan commitments of approximately \$558,168 as of February 28, 2009. The Fund is obligated to fund these loan commitments at the borrower's discretion.

NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS (CONTINUED)

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II
FEBRUARY 28, 2009 (UNAUDITED)

F. RESTRICTED SECURITIES:

The Fund invests in restricted securities, which are securities that cannot be offered for public sale without first being registered under the Securities Act of 1933, as amended. Prior to registration, restricted securities may only be resold in transactions exempt from registration. The Fund held restricted securities at February 28, 2009 as shown in the following table. The Fund does not have the right to demand that such securities be registered. These securities are valued according to the valuation procedures as stated in the Portfolio Valuation footnote (Note 1A) and are not expressed as a discount to the carrying value of a comparable unrestricted security. There are no unrestricted securities with the same maturity dates and yields for these issuers.

| SECURITY | ACQUISITION DATE | PRINCIPAL VALUE/SHARES | VALUE PER SHARE | CURRENT CARRYING COST | VALUE |
|----------|------------------|------------------------|-----------------|-----------------------|-------|
|----------|------------------|------------------------|-----------------|-----------------------|-------|

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| | | | | | |
|------------------------------|------------|-------------|---------|--------------|---------|
| HRP Myrtle Beach | 3/23/06 | \$1,225,000 | \$ 0.00 | \$ 1,225,000 | \$ 0.00 |
| TOUSA, Inc.-Notes | 7/31/07(1) | \$ 727,273 | 0.00 | 436,364 | 0.00 |
| TOUSA, Inc.-Preferred Stocks | 7/31/07(1) | 4,273 | 0.00 | 2,563,636 | 0.00 |
| | | | | ----- | |
| | | | | \$ 4,225,000 | \$ 0.00 |
| | | | | ===== | |

(1) Security was acquired through a restructuring that was effective on July 31, 2007.

Page 13

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) First Trust/Four Corners Senior Floating Rate Income Fund II

By (Signature and Title)* /s/ James A. Bowen

James A. Bowen, Chairman of the Board, President

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and Chief Executive Officer
(principal executive officer)

Date April 27, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* /s/ James A. Bowen

James A. Bowen, Chairman of the Board, President
and Chief Executive Officer
(principal executive officer)

Date April 27, 2009

By (Signature and Title)* /s/ Mark R. Bradley

Mark R. Bradley, Treasurer, Controller, Chief
Financial Officer and Chief Accounting Officer
(principal financial officer)

Date April 27, 2009

* Print the name and title of each signing officer under his or her signature.