

FIRST TRUST FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II

Form N-Q

October 29, 2008

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  
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First Trust/Four Corners Senior Floating Rate Income Fund II  
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(Exact name of registrant as specified in charter)

120 East Liberty Drive  
Wheaton, IL 60187  
-----

(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.  
First Trust Portfolios, L.P.  
120 East Liberty Drive  
Wheaton, IL 60187  
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(Name and address of agent for service)

Registrant's telephone number, including area code: 630-765-8000  
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Date of fiscal year end: May 31  
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Date of reporting period: August 31, 2008  
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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)  
 AUGUST 31, 2008 (UNAUDITED)

PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	
SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - 165.6%				
	AEROSPACE & DEFENSE - 6.0%			
\$ 500,000	BE Aerospace, Inc.	Ba1	BBB-	5.75%-5.91%
3,149,641	DAE Aviation Holdings, Inc.	B1	BB-	6.41%-6.55%
2,273,863	GenCorp, Inc.	Ba2	BB	4.72%-5.06%
1,554,665	Hexcel Corporation	Ba1	BB+	4.81%-4.94%
821,887	ILC Industries, Inc.	NR(e)	NR(e)	4.80%
2,000,000	L-1 Identity Solutions Operating Company	Ba3	BB+	7.50%
2,829,862	Spirit Aerosystems, Inc.	Ba3	BBB-	4.54%
4,321,413	Robertson Aviation, LLC	NR(e)	NR(e)	5.22%-6.75%
992,481	Safenet, Inc.	B1	B+	5.79%
1,492,736	Vought Aircraft Industries, Inc.	Ba3	B-	4.97%
3,100,000	Vought Aircraft Industries, Inc.	Ba3	B-	4.96%
2,000,000	Wesco Aircraft Hardware Corp.	B1	BB-	5.06%
	AGRICULTURAL PRODUCTS - 2.2%			
9,455,542	Dole Food Company, Inc.	Ba3	B+	4.50%-6.00%
	AIRLINES - 0.1%			
495,000	Delta Air Lines, Inc.	Ba2	BB-	4.47%-4.61%
	ALUMINUM - 1.1%			
3,068,791	Novelis Corp.	Ba2	BB	4.81%
1,394,905	Novelis, Inc.	Ba2	BB	4.81%
	APPAREL RETAIL - 0.5%			
1,394,643	Hanesbrands, Inc.	Ba2	BB+	4.55%
891,139	The Neiman Marcus Group, Inc.	Ba3	BB+	4.42%
	APPLICATION SOFTWARE - 0.6%			
2,815,385	Verint Systems, Inc.	NR	B+	5.71%
	ASSET MANAGEMENT & CUSTODY BANKS - 2.0%			
458,319	Gartmore Investment Management	Ba3	BB+	4.55%
1,409,976	Grosvenor Capital Management Holdings, LLP	NR(e)	NR(e)	4.50%-4.68%
3,903,223	LPL Holdings, Inc.	B1	B	4.47%-4.80%
2,992,500	Nuveen Investments, Inc.	Ba3	BB-	5.47%

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1,008,925	AUTO PARTS & EQUIPMENT - 0.2% TRW Automotive, Inc.	Baa3	BBB	4.19%-4.31%
2,893,172	AUTOMOBILE MANUFACTURERS - 2.4% Ford Motor Company	Ba3	B-	5.47%
9,912,166	General Motors Corp.	B1	B+	5.16%
3,938,581	AUTOMOTIVE RETAIL - 0.9% KAR Holdings, Inc.	Ba3	B+	5.06%
6,400,000	BROADCASTING - 9.3% Citadel Broadcasting Corporation	B1	BB-	4.10%-4.44%
921,990	Cumulus Media, Inc.	B1	B	4.22%
5,400,246	Gray Television, Inc.	B2	B	3.97%-4.29%
4,398,750	LBI Media, Inc.	Ba2	B+	3.97%
1,500,000	Paxson Communications Corp.	B1	CCC+	6.04%
3,500,000	Raycom Media, Inc.	NR	NR	4.00%
2,481,250	Sirius Satellite Radio, Inc.	B1	B	4.94%-5.44%
1,155,750	Univision Communications, Inc. (f)	Caa1	CCC	4.97%

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)  
AUGUST 31, 2008 (UNAUDITED)

PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	
SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)				
\$ 16,000,000	BROADCASTING - (CONTINUED) Univision Communications, Inc.	B1	B	4.72%-5.05%
2,984,732	Young Broadcasting, Inc.	B1	B	5.31%
1,000,000	BUILDING PRODUCTS - 0.1% South Edge, LLC (j) (k)	NR (e)	NR (e)	7.75%
16,417,500	CABLE AND SATELLITE - 8.3% Charter Communications Operating, LLC	B1	B+	4.67%-4.80%
8,762,678	CSC Holdings, Inc.	Ba1	BBB-	4.21%
1,997,436	DIRECTV Holdings, LLC	Baa3	BBB-	3.97%-5.25%
9,000,000	UPC Distribution Holding B.V.	Ba3	B+	4.21%

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	CASINOS & GAMING - 12.6%			
1,988,976	Cannery Casino Resorts, LLC	B2	BB	4.93%-5.06%
3,379,552	CCM Merger, Inc.	B1	BB-	4.68%-4.81%
2,270,892	Fontainebleau Resorts Las Vegas, LLC	B1	B+	5.92%
229,108	Fontainebleau Resorts Las Vegas, LLC (g)	B1	B+	2.00% (h)
1,573,091	Golden Nugget, Inc.	B1	BB-	4.48%
898,909	Golden Nugget, Inc. (g)	B1	BB-	2.00% (h)-4.47%
1,477,500	Great Canadian Gaming Corp.	Ba2	BBB-	4.30%
951,136	Green Valley Ranch Gaming, LLC	B2	BB-	4.47%-4.80%
985,000	Greenwood Racing, Inc.	B2	BB-	4.72%
990,882	Isle of Capri Casinos, Inc.	Ba3	BB	4.55%
13,888,000	Las Vegas Sands, LLC	Ba3	BB	4.56%
5,474,444	Penn National Gaming, Inc.	Ba2	BB+	4.21%-4.55%
6,575,749	Seminole Tribe of Florida	Baa3	BBB	4.19%-4.31%
6,000,000	VML US Finance, LLC	B1	BB-	5.06%
2,142,857	WIMAR LANDCO, LLC (i)	WR	WR	6.25%
8,526,799	WIMAR OPCO, LLC (i)	WR	WR	8.25%
	COMMODITY CHEMICALS - 0.4%			
989,899	Ineos Group Limited	Ba3	BB-	4.88%
989,899	Ineos Group Limited	Ba3	BB-	5.38%
	COMPUTER HARDWARE - 1.2%			
5,762,698	Activant Solutions Holdings, Inc.	B1	B+	4.69%-4.81%
	DATA PROCESSING & OUTSOURCED SERVICES - 1.4%			
6,930,000	Clarke American Corp.	B1	BB-	5.29%-5.30%
	DISTILLERS & VINTNERS - 0.6%			
2,500,000	Constellation Brands, Inc.	Ba3	BB-	4.00%-4.19%
	DIVERSIFIED CHEMICALS - 4.2%			
3,000,000	Brenntag Holding GmbH & Company KG (f)	Caa1	CCC+	7.07%
7,000,000	Brenntag Holding GmbH & Company KG	B1	B+	5.07%
7,222,102	Huntsman International, LLC	Ba1	BB+	4.22%
994,845	Rockwood Specialties Group, Inc.	Ba2	BB+	4.30%
	DIVERSIFIED METALS & MINING - 0.7%			
2,797,500	Alpha Natural Resources, LLC	Ba3	BB	4.55%

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AUGUST 31, 2008 (UNAUDITED)

PRINCIPAL VALUE -----	DESCRIPTION -----	RATINGS (B)		RATE -----
		MOODY'S	S&P	
SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)				
\$ 3,210,492	DIVERSIFIED SUPPORT SERVICES - 0.8% RSC Equipment Rental	Ba2	BB	4.55%-4.56%
1,921,818	EDUCATION SERVICES - 1.4% Education Management, LLC	B2	B+	4.56%
4,051,667	PRO-QUEST-CSA, LLC	Ba3	BB-	4.97%-5.30%
995,879	ELECTRIC UTILITIES - 7.7% Astoria Generating Company Acquisitions, LLC	B1	BB-	4.23%
6,932,613	Calpine Corporation	B2	B+	5.69%
7,932,990	Covanta Energy Corporation	Ba2	BB	4.18%-4.31%
2,596,380	Mirant North America, LLC	Ba2	BB	4.22%
10,602,051	NRG Energy, Inc.	Ba1	BB	4.30%
1,986,347	Riverside Energy Center, LLC	Ba3	BB-	7.05%
1,163,786	Rocky Mountain Energy Center, LLC	Ba3	BB-	7.05%
1,583,898	ELECTRICAL COMPONENTS & EQUIPMENT - 0.4% Itron, Inc.	Ba3	B+	4.22%
5,300,341	ENVIRONMENTAL & FACILITIES SERVICES - 1.3% EnergySolutions, LLC	Ba2	NR (e)	4.73%-5.47%
847,826	FOOD DISTRIBUTORS - 2.0% B&G Foods, Inc.	Ba2	BB-	4.81%
854,167	Birds Eye Foods, Inc.	NR (e)	NR (e)	4.56%
3,975,000	Dean Foods Company	B1	BB	3.97%-4.31%
2,500,000	New Uno Acquisition Corporation	NR	NR (e)	7.75%
9,354,259	FOOD RETAIL - 2.2% SUPERVALU, Inc.	Ba3	BB+	3.72%
16,625,159	FOREST PRODUCTS - 3.9% Georgia-Pacific Corporation	Ba2	BB+	4.22%-4.55%
1,000,000	GAS UTILITIES - 0.2% Atlas Pipeline Partners, L.P.	Ba2	BB-	4.97%
3,965,025	HEALTH CARE EQUIPMENT - 1.0% Biomet, Inc.	B1	BB-	5.80%
5,927,343	HEALTH CARE FACILITIES - 5.0% HCA, Inc.	Ba3	BB	5.05%
5,601,955	Health Management Associates,			

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	Inc.	B1	BB-	4.55%
511,777	Lifepoint Hospitals, Inc.	Ba2	BB	4.44%
5,814,302	Select Medical Corporation	Ba2	BB-	4.47%-6.00%
2,806,263	Sun Healthcare Group, Inc.	Ba2	B+	4.80%-5.04%
828,226	USP Domestic Holdings, Inc.	Ba3	B	4.48%-4.80%
161,290	USP Domestic Holdings, Inc. (g)	Ba3	B	1.75% (h)-4.94%
	HEALTH CARE SERVICES - 9.8%			
12,244,822	CHS/Community Health Systems, Inc.	Ba3	BB	4.72%-5.06%
626,450	CHS/Community Health Systems, Inc. (g)	Ba3	BB	1.00% (h)

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)  
AUGUST 31, 2008 (UNAUDITED)

PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	
SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)				
	HEALTH CARE SERVICES - (CONTINUED)			
\$ 10,611,970	DaVita, Inc.	Ba1	BB+	3.97%-4.32%
8,134,335	Fresenius Medical Care AG	Baa3	BBB-	4.17%-4.19%
1,970,000	Healthways, Inc.	Ba2	BB+	4.30%
1,466,250	Quintiles Transnational Corp.	B1	BB	4.81%
5,858,128	US Oncology Holdings, Inc.	Ba2	BB-	5.55%
	HOMEBUILDING - 0.2%			
984,887	Mattamy Funding Partnership	NR(e)	NR(e)	5.06%
	INDEPENDENT POWER PRODUCERS & ENERGY TRADERS - 2.8%			
6,499,810	Dynegy Holdings, Inc.	Ba1	BB-	3.96%
5,458,750	Texas Competitive Electric Holdings Company, LLC	Ba3	B+	5.96%-6.30%
	INDUSTRIAL CONGLOMERATES - 0.1%			
560,770	Mueller Water Products, Inc.	Ba3	BB+	4.22%-4.55%
	INDUSTRIAL MACHINERY - 0.3%			
1,485,000	Edwards (Cayman Islands II) Ltd.	B1	BB-	4.81%
	INSURANCE BROKERS - 0.4%			
802,036	HealthCare Partners, LLC	Ba3	BB+	4.22%

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808,824	HUB International Holdings, Inc.	B2	B+	5.30%
181,794	HUB International Holdings, Inc. (g)	B2	B+	1.88% (h)-5.30%
	INTEGRATED TELECOMMUNICATION SERVICES - 2.2%			
6,877,500	Intelsat Corp.	B1	BB-	5.29%
2,289,506	Telesat Canada	B1	BB-	5.67%-5.81%
196,478	Telesat Canada (g)	B1	BB-	1.50% (h)-5.81%
	INTERNET RETAIL - 0.5%			
2,429,519	Sabre Holdings Corp.	B1	B+	4.47%-4.80%
	INTERNET SOFTWARE & SERVICES - 2.0%			
8,739,320	SunGard Data Systems, Inc.	Ba3	BB	4.55%
	INVESTMENT BANKING & BROKERAGE - 1.1%			
4,534,394	Ameritrade Holding Corporation	Ba1	BB	3.97%
	IT CONSULTING & OTHER SERVICES - 2.5%			
2,097,956	Alion Science and Technology Corp.	B1	B+	5.17%-5.49%
602,487	Apptis (DE), Inc.	B1	B+	5.72%-6.06%
992,228	CACI International, Inc.	Ba1	NR	3.97%-4.32%
965,461	iPayment, Inc.	B1	B	4.46%-4.80%
1,050,267	Open Solutions, Inc.	Ba3	BB-	5.15%
5,910,188	West Corporation	B1	BB-	4.84%-5.17%
	LEISURE FACILITIES - 2.3%			
4,410,000	Cedar Fair, L.P.	Ba3	BB	4.47%
975,554	London Area and Waterfront Finance, LLC	NR(e)	NR(e)	5.29%
3,628,350	Six Flags, Inc.	B1	B	4.73%-5.05%
987,500	Town Sports International, LLC	Ba2	BB	4.25%

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FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II  
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PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	

SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)

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\$ 1,968,922	LEISURE PRODUCTS - 0.4%				
	LodgeNet Entertainment Corp.	B1	B	4.81%	
	LIFE & HEALTH INSURANCE - 0.9%				
1,607,468	Conseco, Inc.	B1	B+	4.47%	
1,237,554	Multiplan Merger Corporation	B1	B+	5.00%	
1,250,000	Viant Holdings, Inc.	Ba3	B+	5.05%	
	MANAGED HEALTH CARE - 1.9%				
4,963,346	IASIS Healthcare Corporation	Ba2	B+	4.39%-4.47%	
2,928,590	Vanguard Health Systems, Inc.	Ba3	B+	5.05%	
	METAL & GLASS CONTAINERS - 1.7%				
7,181,250	Owens-Illinois Group, Inc.	Baa3	BBB-	3.96%	
	MORTGAGE REITS - 1.0%				
1,870,000	LNR Property Corporation	B2	BB	6.04%	
3,080,000	LNR Property Corporation	B2	BB	6.04%	
	MOVIES & ENTERTAINMENT - 6.6%				
4,777,500	AMC Entertainment, Inc.	Ba1	BB-	4.22%	
1,256,299	Deluxe Entertainment Services Group, Inc.	B1	B	4.72%-5.06%	
4,950,000	Discovery Communications Holding, LLC	NR(e)	NR(e)	4.80%	
2,000,000	National CineMedia, LLC	B1	B+	4.54%	
972,559	NEP II, Inc.	NR(e)	NR(e)	5.05%	
3,000,000	Regal Cinemas Corporation	Ba2	BB-	4.30%	
1,500,000	TWCC Holding Corp.	Ba2	BB	7.25%	
9,533,904	WMG Acquisition Corp.	Ba3	BB	4.47%-4.81%	
	MULTI-UTILITIES - 1.2%				
4,990,600	KGEN, LLC	Ba3	BB	4.56%	
	OFFICE REITS - 0.2%				
1,000,000	Tishman Speyer Real Estate D.C. Area Portfolio, L.P.	Ba2	BB-	4.22%	
	OFFICE SERVICES & SUPPLIES - 1.3%				
2,835,795	Emdeon Business Services, LLC	B1	BB-	4.81%	
1,193,791	Pike Electric, Inc.	NR(e)	NR(e)	4.00%	
1,349,428	Pike Electric, Inc.	NR(e)	NR(e)	4.00%	
	OIL & GAS EQUIPMENT & SERVICES - 1.6%				
1,989,950	Hercules Offshore, Inc.	Ba3	BB	4.55%	
3,741,274	Targa Resources, Inc.	Ba3	B+	4.47%-4.80%	
1,000,000	Volnay Acquisition Co. I	Ba1	BB+	4.80%-4.81%	
	OIL & GAS EXPLORATION & PRODUCTION - 1.0%				



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2,227,273	ATP Oil & Gas Corporation	NR	NR	8.50%
1,272,727	ATP Oil & Gas Corporation	NR	NR	8.50%
992,087	SemCrude, L.P. (j) (k)	Caa3	NR	5.50%
	OIL & GAS REFINING & MARKETING - 1.6%			
972,911	Alon USA, Inc.	B1	BB	4.72%-5.06%
981,632	Calumet Lubricants Co., L.P.	B1	B	6.64%-6.80%
5,515,714	Western Refining Company, L.P.	B3	BB-	7.75%

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PRINCIPAL VALUE -----	DESCRIPTION -----	RATINGS (B)		RATE -----
		MOODY'S -----	S&P -----	
	SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)			
	OIL & GAS STORAGE & TRANSPORTATION - 1.7%			
\$ 3,000,000	Energy Transfer Equity, L.P.	Ba2	NR	4.55%
4,000,000	Enterprise GP Holdings, L.P.	Ba2	BB-	4.71%-5.04%
	OTHER DIVERSIFIED FINANCIAL SERVICES - 2.8%			
2,977,500	First Data Corporation	Ba3	BB-	5.22%-5.55%
8,393,750	Royalty Pharma Finance Trust	Baa2	BBB-	5.05%
	PACKAGED FOODS & MEATS - 2.2%			
514,361	Michael Foods, Inc.	Ba3	BB-	4.85%-5.19%
7,046,726	OSI Group, LLC	NR(e)	NR(e)	4.80%
1,483,734	Weight Watchers International, Inc.	Ba1	BB+	4.31%
	PAPER PACKAGING - 3.0%			
1,987,500	Graham Packaging Holdings Co.	B1	B+	4.94%-5.06%
5,848,627	Graphic Packaging International, Inc.	Ba3	BB-	4.79%-4.80%
1,945,000	Pregis Corporation	Ba3	BB-	5.05%
2,386,461	Smurfit-Stone Container Enterprises, Inc.	Ba2	BB	4.50%-4.69%
613,539	Smurfit-Stone Container Enterprises, Inc.	Ba2	BB	4.91%

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	PAPER PRODUCTS - 0.8%			
990,000	Appleton Papers, Inc.	Ba2	BB+	4.42%-4.55%
2,310,000	Domtar Corporation	Baa3	BBB-	3.84%
	PHARMACEUTICALS - 1.7%			
4,954,975	Cardinal Health 409, Inc.	Ba3	BB-	5.05%
1,829,820	Graceway Pharmaceuticals, LLC	Ba3	BB	5.55%
943,218	Stiefel Laboratories, Inc.	B1	BB-	5.04%
	PUBLISHING - 7.8%			
5,497,889	Cenveo Corporation	Ba2	BB+	4.55%
5,500,000	GateHouse Media, Inc.	Caa1	B	4.80%-4.81%
9,850,000	Idearc, Inc.	Ba3	BB	4.47%-4.80%
1,449,446	Media News Group, Inc.	B1	CCC+	6.42%
2,887,654	Media News Group, Inc.	B1	CCC+	5.17%
987,500	Reader's Digest Association (The), Inc.	B1	B	4.46%-4.68%
5,071,906	RH Donnelley, Inc.	Ba1	BB	6.43%-6.75%
6,930,000	Tribune Company	Caa1	B	5.79%
846,429	Tribune Company	Caa1	B	5.54%
909,167	Wenner Media, LLC	NR(e)	NR(e)	4.55%
1,000,000	Yell Group, PLC	Ba3	BB-	4.47%
	RAILROADS - 0.4%			
1,500,000	Railamerica Transportation Corp.	NR	NR	6.79%
	REAL ESTATE DEVELOPMENT - 0.1%			
726,757	Shea Capital I, LLC	NR(e)	NR(e)	5.00%
	RESIDENTIAL REITs - 0.0%			
100,000	Apartment Investment Mgmt. Co.	Ba1	BB+	3.96%
	RETAIL REITs - 2.2%			
6,046,709	Capital Automotive, L.P.	Ba1	BB+	4.22%
1,394,737	General Growth Properties, Inc.	Ba2	BB-	3.62%
1,991,667	The Macerich Partnership, L.P.	NR(e)	NR(e)	4.00%

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PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	
SENIOR FLOATING-RATE TERM LOAN INTERESTS (D) - (CONTINUED)				
\$ 8,372,500	SEMICONDUCTORS - 1.9% Freescale Semiconductors, Inc.	Ba1	BB	4.21%
980,000	SPECIALIZED CONSUMER SERVICES - 3.6% Acosta, Inc.	NR(e)	NR(e)	4.72%
973,232	Advantage Sales & Marketing, Inc.	NR(e)	NR(e)	4.47%-4.81%
2,303,018	Affinion Group, Inc.	Ba2	BB	4.97%-5.31%
2,000,000	Asurion Corp.	NR(e)	NR(e)	5.46%-5.80%
981,955	N.E.W. Holdings I, LLC	NR(e)	NR(e)	5.20%-5.31%
2,977,286	Nielsen Finance, LLC	Ba3	B+	4.80%
5,290,711	RMK Acquisition Corporation	Ba3	BB	4.32%-4.68%
3,000,000	SPECIALIZED FINANCE - 1.7% J.G. Wentworth, LLC	B2	B+	5.05%
5,270,833	Peach Holdings, Inc.	B2	B	6.72%-7.06%
6,451,212	SPECIALTY CHEMICALS - 1.5% Celanese Holdings, LLC	Ba2	BB+	3.96%-4.28%
1,197,438	SPECIALTY STORES - 2.3% Dollarama Group, L.P.	Ba1	BB-	4.80%
4,336,665	Harbor Freight Tools USA, Inc.	NR(e)	NR(e)	4.72%
1,974,874	Michaels Stores, Inc.	B2	B	4.75%
3,231,442	The Yankee Candle Company, Inc.	Ba3	BB-	4.48%-4.81%
4,429,841	SYSTEMS SOFTWARE - 1.9% Dealer Computer Services, Inc.	Ba2	BB	4.80%
3,884,107	Intergraph Corporation	Ba3	BB-	4.81%
2,662,333	TECHNOLOGY DISTRIBUTORS - 1.6% H3C Holdings, Ltd.	Ba2	BB	5.63%
4,508,000	Sensata Technologies Finance Company, LLC	B1	BB	4.41%-4.54%
4,349,915	TRUCKING - 1.8% The Hertz Corporation	Ba1	BB+	3.97%-4.30%
3,694,589	OshKosh Corporation	Ba3	BBB-	4.22%-4.43%
1,985,000	WIRELESS TELECOMMUNICATION SERVICES - 2.3% Clearwire Corporation	NR	NR	8.47%-9.12%
4,951,255	Crown Castle Operating Company	Ba3	BB	4.30%
2,772,000	Windstream Corporation	Baa3	BBB	4.29%

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TOTAL SENIOR FLOATING-RATE TERM LOAN INTERESTS (d)  
(Cost \$726,225,175)

SENIOR FLOATING-RATE NOTES - 0.3%

650,000	ELECTRICAL COMPONENTS & EQUIPMENT - 0.1% NXP B.V.	B3	BB-	5.54%
1,225,000	LEISURE FACILITIES - 0.2% HRP Myrtle Beach (j) (l) (m) (o)	B2	B+	7.38%

TOTAL SENIOR FLOATING-RATE NOTES  
(Cost \$1,876,640)

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)  
AUGUST 31, 2008 (UNAUDITED)

PRINCIPAL VALUE	DESCRIPTION	RATINGS (B)		RATE
		MOODY'S	S&P	
NOTES - 0.0%				
\$ 727,273	HOMEBUILDING - 0.0% TOUSA, Inc. PIK (i) (m) (n) (o)	NR	NR	1.00%
	TOTAL NOTES (Cost \$436,364)			

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

COMMON STOCKS AND RIGHTS - 0.0%

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	OTHER DIVERSIFIED FINANCIAL SERVICES - 0.0%
690	Atkins Nutritionals Holdings - Common Stock (o)
690	Atkins Nutritionals Holdings - Rights (o)
	TOTAL COMMON STOCKS AND RIGHTS (Cost \$36,260)
CLOSED-END FUNDS - 0.1%	
	ASSET MANAGEMENT & CUSTODY BANKS - 0.1%
81,700	ING Prime Rate Trust
	TOTAL CLOSED-END FUNDS (Cost \$508,540)
SHORT-TERM INVESTMENTS - 5.1%	
	ASSET MANAGEMENT & CUSTODY BANKS - 2.8%
11,313,792	JPMorgan Federal Money Market Fund - 1.89%
	REPURCHASE AGREEMENT - 2.3%
9,000,000	Agreement with Deutsche Bank Securities, Inc., 2.00%, dated 8/29/08 to be rep at \$9,002,000 on 9/2/08, collateralized by \$9,220,000, Federal Home Loan M Corp. Discount Note, due 10/28/08 (Value \$9,180,000)
	TOTAL SHORT-TERM INVESTMENTS (Cost \$20,313,792)
	TOTAL INVESTMENTS - 171.1% (Cost \$751,960,407) (p)
	NET OTHER ASSETS AND LIABILITIES - (4.4)%
	LOAN OUTSTANDING - (46.7)%
	Auction Market Preferred Shares, at Liquidation Value (including accrued distributions) - (20.0)%
	NET ASSETS (APPLICABLE TO COMMON SHAREHOLDERS) - 100.0%

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)  
AUGUST 31, 2008 (UNAUDITED)

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CREDIT DEFAULT SWAP CONTRACTS OUTSTANDING

The Fund maintains \$6,250,000 in cash or liquid assets for the following credit default swap contracts outstanding as of August 31, 2008 (See Note 1B in the Notes to Quarterly Portfolio of Investments):

REFERENCE ENTITY	BUY/SELL PROTECTION	COUNTER-PARTY	NOTIONAL AMOUNT	(PAY)/RECEIVE FIXED RATE
B&G Foods, Inc.	Sell	Lehman Brothers Special Financing, Inc. *	\$ 2,250,000	1.27%
Dresser, Inc.	Sell	Lehman Brothers Special Financing, Inc. *	4,000,000	1.65%
			-----	
			\$ 6,250,000	
			=====	

\* This counter-party has filed for protection in federal bankruptcy court subsequent to the date of this report. Subsequent to the date of this report and prior to the date the counter-party filed for bankruptcy protection, the Fund exercised its contractual right and terminated both of these credit default swap contracts prior to their expiration dates.

SECURITY VALUATION INPUTS

A summary of the inputs used to value the Fund's net assets as of August 31, 2008 is as follows (See Note 1A in the Notes to Quarterly Portfolio of Investments):

	INVESTMENTS IN SECURITIES
Level 1 - Quoted Prices	\$ ---
Level 2 - Other Significant Observable Inputs	684,052,537
Level 3 - Significant Unobservable Inputs	886,591
	-----
Total	\$ 684,939,128
	=====

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)  
 AUGUST 31, 2008 (UNAUDITED)

The following table presents the Fund's assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at May 31, 2008 and at August 31, 2008.

ASSETS AT FAIR VALUE USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

	PORTFOLIO INVESTMENTS
Balance as of May 31, 2008	\$ 64,000
Transfers in (out) of Level 3	857,500
Net unrealized gains (losses)	(34,909)
Balance as of August 31, 2008	\$ 886,591

See Notes to Quarterly Portfolio of Investments

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NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II  
AUGUST 31, 2008 (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 and dividends), 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 in accordance with 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, First Trust Advisors L.P. ("First Trust") may use a fair value method to value the Fund's securities and other investments. Additionally, if events occur after the close of the principal markets 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 Term 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 an independent 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 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 described below:

- 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)

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 net assets as of August 31, 2008 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.

**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.

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 August 31, 2008, the Fund had no when-issued or delayed-delivery purchase commitments.

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NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS - (CONTINUED)

FIRST TRUST/FOUR CORNERS SENIOR FLOATING RATE INCOME FUND II  
AUGUST 31, 2008 (UNAUDITED)

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 delayed draw loan commitments of approximately \$1,720,796 as of August 31, 2008. The Fund is obligated to fund these loan commitments at the borrower's discretion.

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 August 31, 2008 as shown in the following table. The Fund does not have the right to demand that such securities be registered. These securities are valued using market quotations 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	AQUISITION DATE	PRINCIPAL VALUES/SHARES	VALUE PER SHARE	CURRENT CARRYING COST	VALUE
HRP Myrtle Beach	3/23/06	\$1,225,000	\$ 70.00	\$ 1,225,000	\$ 857,
TOUSA, Inc.-Notes	7/31/07(1)	\$ 727,273	4.00	436,364	29,
TOUSA, Inc.-Preferred Stocks	7/31/07(1)	4,273	0.00	2,563,636	
				-----	-----
				\$ 4,225,000	\$ 886,
				=====	=====

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

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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.

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(Registrant) First Trust/Four Corners Senior Floating Rate Income Fund II  
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By (Signature and Title)\* /s/ James A. Bowen  
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James A. Bowen, Chairman of the Board, President  
and Chief Executive Officer  
(principal executive officer)

Date October 20, 2008  
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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  
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James A. Bowen, Chairman of the Board, President  
and Chief Executive Officer  
(principal executive officer)

Date October 20, 2008  
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By (Signature and Title)\* /s/ Mark R. Bradley  
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Mark R. Bradley, Treasurer, Controller, Chief  
Financial Officer and Chief Accounting Officer  
(principal financial officer)

Date October 20, 2008  
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\* Print the name and title of each signing officer under his or her signature.