

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

EN RFT

TAWANA C. SHALL CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

In re)	Chapter 11 Case
)	
MIRANT CORPORATION, <u>et al.</u> ,)	Case No. 03-46590 (DML)
)	Jointly Administered
Debtors.)	
)	

**AGREED ORDER FOR MEDIATION AND ABATEMENT OF CONTESTED
MATTERS INVOLVING PERRYVILLE ENERGY PARTNERS, LLC
PENDING MEDIATION**

On this day, the Court was presented with this Agreed Order for Mediation and Abatement of Contested Matters Involving Perryville Energy Partners, LLC Pending Mediation (the "Mediation and Abatement Order") regarding the determination of the Debtors' Objections to the Proofs of Claim Asserted by Perryville Energy Partners, LLC Against Mirant Americas Energy Marketing, LP (Proof of Claim No. 6261), Mirant Americas, Inc. (Proof of Claim Nos. 6262 and 6263) and Mirant Corporation (Proof of Claim No. 6263) and the Motion of Perryville Energy Partners LLC for Allowance and Immediate Payment of Administrative Expenses and the Debtors' response and objection thereto (collectively, the "Perryville Contested Matters"). On July 14, 2004, Perryville Energy Partners, LLC filed its Motion of Perryville Energy Partners LLC for Relief from the Automatic Stay to Initiate Arbitration and Brief in Support Thereof, which is set to be heard on August 11, 2004. Having considered the Mediation and Abatement Order and the representations of counsel regarding the estimated time to prepare for and try the Perryville Contested Matters and having found that the terms and conditions set forth herein are reasonable and appropriate and should be entered, it is hereby:

ORDERED that the parties shall conduct a mediation for all the Perryville Contested Matters in this case, to be completed no later than August 13, 2004 before the Honorable Harlin D. Hale, who is hereby designated as the mediator for such matters. ^{Settlement Judge to act as} If Judge Hale is unavailable to serve as mediator, the parties shall use their best efforts to select another mutually-agreeable mediator. Any cost of the mediator shall be borne half by the Debtors and half by Perryville Energy Partners LLC. *Wlee*

IT IS FURTHER ORDERED that pending completion of the mediation, each of the Perryville Contested Matters be and the same is hereby abated, without prejudice to the rights of any party thereto, provided however, during such abatement Perryville Energy Partners, LLC may file motions for arbitration of any of the Perryville Contested Matters and the Debtors shall file responses to such motions within the time required by the local rules of this Court, unless the parties otherwise agree. In the event mediation is unsuccessful, or if mediation has not been concluded by August 13, 2004, the Court, at the request of Perryville Energy Partners, LLC, shall schedule a hearing to promptly consider (a) any motion for arbitration filed by Perryville Energy Partners, LLC, and (b) a proposed scheduling order establishing, among other things, response dates, discovery deadlines and trial dates for the Perryville Contested Matters to the extent not resolved through arbitration or otherwise. In no event shall any delay occasioned by the parties' participation in mediation be grounds for denial of any motion for arbitration.

IT IS FURTHER ORDERED that the terms of this Mediation and Abatement Order may be modified by the parties with approval of the Court, or by separate Order of this Court.

Signed: July 28, 2004



Honorable D. M. Lynn
United States Bankruptcy Judge

AGREED AS TO FORM AND SUBSTANCE:

HAYNES & BOONE, L.L.P.

By 

Stephen M. Pezanosky
Ian T. Peck

ATTORNEYS FOR MIRANT CORPORATION, ET AL.,
DEBTORS AND DEBTORS-IN-POSSESSION

KING & SPALDING LLP

Barry N. Seidel
Edward G. Kehoe

-and-

FULBRIGHT & JAWORSKI L.L.P.

By 

Toby L. Gerber
William R. Greendyke
John N. Schwartz

ATTORNEYS FOR PERRYVILLE ENERGY PARTNERS, LLC