

ENTERED

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

THE DATE OF ENTRY IS
ON THE COURTS DOCKET
TAWANA C. MARSHALL, CLERK

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

**ORDER EXTENDING THE PERIOD TO ASSUME
OR REJECT MIRMA LEASES PURSUANT TO 11 U.S.C. § 365(d)(4)**

Upon consideration on March 24, 2004 of the second motion (the "Motion") of the debtors and debtors-in-possession in the above-styled Chapter 11 cases (collectively, the "Debtors") dated February 9, 2004, for the entry of an Order, pursuant to section 365(d)(4) of the Bankruptcy Code,¹ extending the time within which the Debtors may assume or reject all unexpired leases of nonresidential real property, as it pertains to any leases and subleases of real property that relate to two power plants located in Maryland known as (the "MIRMA Dickerson Lease") and Morgantown (the "MIRMA Morgantown Lease") (the MIRMA Dickerson Lease and the MIRMA Morgantown Lease are collectively referred to as the "MIRMA Leases") and operated or controlled by Mirant Mid-Atlantic, LLC, formerly known as Southern Energy Mid-Atlantic, LLC, ("MIRMA"); and after due consideration of the objections filed by the MIRMA Landlords and U.S. Bank National Association, the successor by purchase to State Street Bank and Trust Company of Connecticut, acting as both the lease indenture trustee (the "Lease Indenture Trustee") and the pass through trustee (the "Pass Through Trustee"; and collectively

¹ Capitalized terms not otherwise defined herein have those meanings ascribed to such terms in the Motion.

with the Lease Indenture Trustee, the "Trustee"), and sufficient cause appearing therefor, it is hereby:

ORDERED that the Motion is granted to the extent set forth herein; it is further

ORDERED that the time period specified by section 365(d)(4) of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code") within which the Debtors must

Will assume or reject the MIRMA Leases is extended until September 1, 2004 and thereafter ^{*absent objection*} shall be automatically extended without further order of the Court until the date of confirmation of a plan of reorganization of the Debtors; and it is further

ORDERED that this Order does not preclude the MIRMA Landlords and the Trustee from seeking to reduce, for good cause shown, the September 1, 2004 deadline, or any other deadlines that this Court may establish with respect to the Debtors' moving to assume or reject the MIRMA Leases; and it is further

ORDERED that if the MIRMA Landlords and/or the Trustee seek modification or reconsideration of this Order, and the Court denies modification or reconsideration, the Court reserves the right to require the party or parties seeking reconsideration to pay all reasonable professional fees and costs incurred by the Debtors and the statutory committees of creditors and equity interest holders in connection with the prosecution of the Debtors' objection to such motion; and it is further

ORDERED that any adversary proceeding seeking recharacterization of the MIRMA Leases must be commenced by September 1, 2004, without prejudice to the Court's granting an extension of this deadline for good cause shown; and it is further

ORDERED that before the Debtors finally commit to implement any significant pollution control arrangement with the applicable environmental authorities involving any

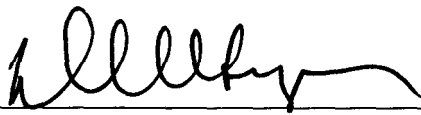
combination of one or more of the Dickerson Base-Load Units 1, 2, and 3 and one or more of the Morgantown Base-Load Units 1 and 2 , they must give reasonable notice and opportunity to be heard to the MIRMA Landlords and the Trustee; and it is further

ORDERED that no later than December 1, 2004 the Debtors shall notify the MIRMA Landlords and the Trustee whether the Debtors intend to treat the Dickerson Base-Load Units 1, 2, and 3 and the Morgantown Base-Load Units 1 and 2 in the same manner regarding assumption, rejection, recharacterization, refinancing or similar action, without prejudice to the Court's granting an extension of this deadline for good cause shown; and it is further

ORDERED that the Debtors provide the MIRMA Landlords and the Trustee with information reasonably requested regarding the condition, use, operation financial condition and maintenance of Dickerson Base-Load Units 1, 2, and 3 and the Morgantown Base-Load Units 1 and 2; and it is further

ORDERED that nothing contained herein will prejudice the rights of the MIRMA Landlords and the Trustee from seeking relief under Section 365(d)(3) of the Bankruptcy Code.

SIGNED THIS 29 DAY OF JULY 2004 AS OF THIS COURT'S RULING ON March 24, 2004.



D. Michael Lynn
United States Bankruptcy Judge

Agreed as to form:

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