

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

U. S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
ENTERED
TAYANA C. MARSHALL, 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)
Debtors.)	Jointly Administered
_____)	

**ORDER GRANTING DEBTORS' MOTION PURSUANT TO FEDERAL RULE OF
BANKRUPTCY PROCEDURE 9019 APPROVING SETTLEMENT AGREEMENT
AND RELEASE BETWEEN MIRANT AMERICAS ENERGY
MARKETING, LP AND EL PASO MERCHANT ENERGY, L.P.**

Upon the motion, dated December 9, 2003 (the "Motion") of Mirant Corporation ("Mirant") and its affiliated debtors, as debtors-in-possession (collectively, the "Debtors"), for an order approving the "Settlement Agreement and Release" (the "Settlement Agreement") between Mirant Americas Energy Marketing, LP ("MAEM") and El Paso Energy Merchant, L.P. ("El Paso"); and it appearing that the Court has jurisdiction over this matter; and it appearing that due notice of the Motion has been provided, and that no other or further notice need be provided; upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

It is hereby:

ORDERED, that the Motion is hereby GRANTED;¹ it is further

¹ Unless otherwise defined herein, capitalized terms have the same meaning ascribed to them in the Motion.

ORDERED, that the Settlement Agreement attached to the Motion is approved and MAEM is authorized to perform as required thereunder; it is further

ORDERED, that not later than one (1) business day after entry of this Order, MAEM shall pay by wire transfer to El Paso all funds in that certain segregated cash collateral account maintained by MAEM as required by this Court's Order entered on September 3, 2003 in Adversary Proceeding No. 03-4348, less \$50,572,594.74; it is further


ORDERED, that not later than one (1) business day after entry of this Order, MAEM shall surrender to El Paso that certain Letter of Credit No. P-229492 originally issued by JPMorganChase Bank on August 29, 2002, as amended; it is further

ORDERED, that upon MAEM's making of the payment to El Paso and MAEM's surrender of the Letter of Credit to El Paso, the Settlement Agreement shall be automatically effective; it is further

ORDERED, that the rights of each of the Debtor's estates, or any of the Committees, to object to or challenge the allocation of the proceeds received by MAEM from the Settlement

Agreement amongst the various Debtors' estates, is hereby expressly preserved; *and it is further*
ORDERED that this order shall be effective upon entry
IT IS SO ORDERED.

Dated: December 23, 2003



D. Michael Lynn,
United States Bankruptcy Judge