

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
GULFPORT DIVISION**

IN RE:)
)
MISSISSIPPI PHOSPHATES CORP.) **Case No. 14-51667**
) **Chapter11**
Debtor.)
)
_____)

**LIMITED OBJECTION TO THE DEBTORS' MOTION FOR ENTRY OF
ORDER APPROVING SALE OF ASSETS AND COLLATERAL**

COMES NOW, creditor and party-in-interest, McCain Engineering Co., Inc. ("McCain"), and hereby files this limited objection to the Debtors' motion for entry of order approving sale of assets and collateral (Doc. #155), stating as follows:

1. During September and October 2014, McCain provided work, materials and labor to Mississippi Phosphates Corporation ("MPC") relating to the installation of a boiler unit at the property described as 601 Industrial Road, Pascagoula, Mississippi 39567. This was commonly known between the parties as the 2014 Rental Boiler Project ("the Project"). The work was provided under a written modification to the parties' standing master services agreement. McCain's work and 5 day payment terms were approved by the MPC Executive Vice President and Chief Financial Officer, Robert Kerley.

2. McCain provided **\$153,968.31** in work, materials and labor to the Project. This amount does not include recoverable interest under Mississippi Code §§ 85-7-3 or attorneys fees under §§ 85-7-151.

3. On October 31, 2014, McCain filed a Notice of Construction Lien in the official records of the Jackson County, Mississippi Chancery Court. This lien extends to the property located at 601 Industrial Road, Pascagoula, Mississippi 39567. The name of the owner or proprietor of said property is MPC. However, one parcel of the area where McCain provided work, materials and labor is owned by a subsidiary company of MPC. That company is, Sulphuric Acid Tanks Subsidiary, Inc., a Debtor in the present Chapter 11 bankruptcy action.

4. On December 9, 2014, McCain filed a notice to continue perfection of mechanic's lien pursuant to section 546(b) (Doc.# 303), wherein McCain provided notice of its intent to pursue the perfection of its lien rights without violating the creditor's stay order. Subsequently, on December 17, 2014, McCain filed its proof of claim in this action (Claim #64-1).

5. Another lien holder, Brock Services, LLC has filed a limited objection to the Debtors' proposed sale of assets and collateral (Doc. 353). In that objection, Brock Services, LLC articulates concern that its recorded lien may not be honored in part, or in whole, by the proposed asset sale. Similarly, without knowing the full

details of the proposed sale, McCain joins Brock Services, LLC in its limited objection and adopts and incorporates herein the objections filed by Brock Services, LLC on January 2, 2015.

WHEREFORE, PREMISES CONSIDERED, McCain respectfully requests that its recorded lien be duly considered and honored in the proposed sale of the Debtors' assets and collateral.

Respectfully considered this 2nd day of January 2015.

/s/ Thomas A. McKnight, Jr.

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CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of January, 2015, a copy of the foregoing was (1) filed electronically on the Court's ECF system and thereby served on all parties who are ECF participants in this case, and (2) sent by first-class mail, postage prepaid, to those parties at the addresses listed below, pursuant to the Debtors' December 12, 2014 notice (Doc. # 312):

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/s/ Thomas A. McKnight, Jr.
OF COUNSEL