

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI**

In Re:)	In Proceedings Under Chapter 11
)	
FARMLAND INDUSTRIES, INC., et al.,)	Case No. 02-50557-JWV
)	Joint Administration
Debtors.)	

**STIPULATED ORDER ON DEBTORS' OBJECTION
TO CLAIM FILED BY BP CANADA ENERGY MARKETING CORP.**

This Stipulated Order on the Debtors' objection to the claim filed by BP Canada Energy Marketing Corp. ("BP Canada") is entered into by the Debtors and BP Canada.

RECITALS

1. On May 31, 2002, the Debtors filed with this Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession in accordance with Sections 1107 and 1108 of the Bankruptcy Code.
2. BP Canada filed proof of claim number 7819 asserting a general unsecured claim in the amount of \$734,070.00 against Farmland Industries, Inc.
3. On September 5, 2003, the Debtors filed an objection to BP Canada's claim, which was included in their First Omnibus Objection to Claims With Right of Setoff Under Section 553 of the Bankruptcy Code (docket #5280) (the "Omnibus Objection").
4. Debtors and BP Canada have agreed to resolve the objection under the terms set forth below.

STIPULATED ORDER

5. BP Canada shall be allowed a general unsecured claim in the amount of \$734,070.00 (the "Allowed Claim") against Farmland Industries, Inc.

6. The Allowed Claim is the net amount due BP Canada from Debtors after reducing the claim for a prepetition setoff to which BP Canada was entitled under 11 U.S.C. § 553.

7. Each person entering into this Stipulated Order represents that he or she has full authority and capacity to make the commitment contained in this Stipulated Order.

SO ORDERED

Dated: December 16, 2003

/s/ Jerry W. Venters
Honorable Jerry W. Venters
United States Bankruptcy Judge

AGREED TO AND ACCEPTED:

BRYAN CAVE LLP

By: /s/ Tammee E. McVey
Cynthia Dillard Parres MO #37826
Tammee E. McVey MO #42947
1200 Main Street, Suite 3500
Kansas City, Missouri 64105
Telephone: (816) 374-3200
Telecopy: (816) 374-3300

ATTORNEYS FOR DEBTORS AND DEBTORS IN POSSESSION TO SERVE

and

KELLEY DRYE & WARREN LLP

By: /s/ Jay N. Heinrich
Jay N. Heinrich
101 Park Avenue
New York, New York 10178-0002
Telephone: (212) 808-5073
Telecopy: (212) 808-7897

ATTORNEYS FOR BP CANADA ENERGY MARKETING CORP.