UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI
WESTERN DIVISION

In re:
MISSISSIPPI CHEMICAL CORPORATION, *et al.*,
Debtors

JOINTLY ADMINISTERED
CASE NO. 03-02984-WEE
CHAPTER 11

RESPONSE AND LIMITED OBJECTION OF ENGLISH BOILER & TUBE, INC. TO DEBTORS' AMENDED MOTION PURSUANT TO SECTION 365 FOR APPROVAL OF ASSUMPTION OF EXECUTORY CONTRACTS

COMES NOW English Boiler & Tube, Inc. ("EB&T"), through counsel, and files this Response and Limited Objection to Amended Motion Pursuant to Section 365 for Approval of Assumption of Executory Contracts ("Motion") filed by the Debtors on or about June 3, 2003, as follows:

1. Mississippi Phosphates Corporation ("MPC") and its related entities ("Debtors") commenced this case under Chapter 11 of the United States Bankruptcy Code on May 15, 2003, by filing their Voluntary Petitions for relief herein.

2. Prior to the commencement of this case, MPC and EB&T entered into a Purchase Order #3005359 on February 5, 2003, to design, engineer and fabricate a Shop Assembled Packaged Industrial Watertube Boiler Model No. 82.5-Sh-425 ("Package Boiler") in the amount of $448,530.00 ("Purchase Order"). The Purchase Order and related documents are attached as Composite Exhibit "A".

3. Prior to construction of the Package Boiler, EB&T agreed to loan to MPC a package boiler and feedwater pump ("Loaner Boiler") until the Package Boiler is constructed.

4. On June 3, 2003, Debtors filed their Motion, which seeks, among other things, the immediate assumption of the Purchase Order between MPC and EB&T.

5. MPC and EB&T have agreed to enter into a change order which will make certain changes to the Purchase Order. An unexecuted copy of Change Order Number 1, which is substantially similar to the parties' agreement, is attached as Exhibit "B".

6. EB&T does not object to the assumption of the Purchase Order so long as:

a. Change Order Number 1 is assumed with the Purchase Order; and

b. Debtors either cure all defaults or provide adequate assurance that cure will occur promptly.

7. In order to cure all defaults, Debtors must pay the sum of $85,838.25, which is comprised of the following:

a. $67,279.50 pursuant to the terms of section 5 of the Purchase Order;

b. $8,308.75 for the Loaner Boiler freight expense as required under Change Order Number 1 (A copy of the invoice is attached as Exhibit "C".); and

c. $10,250.00 for the Loaner Boiler installation charges (A copy of the invoice is attached as Exhibit "D".).

8. Upon payment of the above listed sums, the remaining amount due EB&T under the Purchase Order will be the sum of $336,398.00 excluding the Loaner Boiler rental payments required under Change Order Number 1.

9. Subject to the above conditions being fulfilled, EB&T has no objection to MPC's assumption of the Purchase Order and Change Order.

10. EB&T reserves its right to raise any and all objections at any hearing on the Motion.

WHEREFORE, English Boiler & Tube, Inc. submits its Response and Limited Objection to Amended Motion Pursuant to Section 365 for Approval of Assumption of Executory Contracts and respectfully requests that the Debtors either cure all defaults or provide

adequate assurance that cure will occur promptly prior to assumption of the Purchase Order as amended by Change Order Number 1. EB&T asks for any further relief this Court may deem necessary.

DATED this the 27th day of June, 2003.

Respectfully submitted,

ENGLISH BOILER & TUBE, INC.

By its attorneys
BENNETT LOTTERHOS SULSER & WILSON, P.A.

By: _____
Marcus M. Wilson

Richard T. Bennett
Mississippi Bar Number 2374
Marcus M. Wilson
Mississippi Bar Number 7308
Charles F. F. Barbour
Mississippi Bar Number 99520
BENNETT LOTTERHOS SULSER & WILSON, P.A.
One Jackson Place, Suite 1400
188 East Capitol Street (39201)
Post Office Box 98
Jackson, Mississippi 39205-0098
Telephone: (601) 944-0466
Facsimile: (601) 944-0467
mwilson@blswlaw.com
cbarbour@blswlaw.com

CERTIFICATE OF SERVICE

I, Marcus M. Wilson, do hereby certify that I have this day mailed, postage prepaid, a true and correct copy of the above and foregoing to the following:

James W. O'Mara, Esquire
Douglas C. Noble, Esquire
Phelps Dunbar, LLP
200 South Lamar Street, Suite 500
Jackson, Mississippi 39201
Counsel for Debtors
VIA HAND DELIVERY

James E. Spiotto, Esquire
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603
Co-Counsel for Harris Bank
VIA FACSIMILE (312) 516-1900

Stephen W. Rosenblatt, Esquire
Butler, Snow, O'Mara, Stevens & Cannada, PLLC
AmSouth Plaza, 17th Floor
210 East Capitol Street
Jackson, Mississippi 39201
Co-Counsel for Harris Bank
VIA HAND DELIVERY

Anthony Princi, Esquire
Thomas L. Kent, Esquire
Orrick, Herrington & Sutcliffe
666 Fifth Avenue
New York, New York 10103
Co-Counsel for Official Unsecured Creditors' Committee
VIA FACSIMILE (212) 506-5151

Craig M. Geno, Esquire
Harris Geno & Dunbar, P.A.
111 East Capitol Street, Suite 290
Jackson, Mississippi 39201
Co-Counsel for Official Unsecured Creditors' Committee
VIA HAND DELIVERY

Ronald H. McAlpin, Esquire
Assistant U.S. Trustee
Dr. A. H. McCoy Federal Building
100 West Capitol Street, Suite 706
Jackson, Mississippi 39269
VIA HAND DELIVERY

This the 27th day of June, 2003.

Marcus M. Wilson

COMPOSITE EXHIBIT

"A"

ORIGINAL

PURCHASE ORDER

Brn/Plt - 10PA
00008

PURCHASE ORDER NO.
3005359

IMPORTANT
THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS AND CORRESPONDENCE. INCLUDE PACKING SLIP IN EACH PACKAGE, LISTING CONTENTS.

Mississippi Phosphates Corporation®

SEE REVERSE. By acknowledging receipt of this order or by shipping the goods or performing the services ordered, you express your assent to and acceptance of the terms set forth below and on the reverse hereof. If this order is construed as an offer, acceptance is strictly limited to the terms of this offer and MPC hereby notifies you of its objection to any different or additional terms in your acceptance or other correspondence. If this order is construed as an acceptance of your offer, this acceptance is expressly conditioned on your assent to and acceptance of the terms set forth below and on the reverse of this acceptance even if any such term is in addition to or different from the terms in your offer, proposal or other correspondence.

DIRECT INQUIRIES TO:
PURCHASING DEPARTMENT
(228) 712-3330
PHONE:

VENDOR

243563
ENGLISH BOILER AND TUBE INC.
P O BOX 50218
RICHMOND VA 23250-0218

Attn: David Lukehart

SHIP TO :

MISSISSIPPI PHOSPHATES CORP
601 INDUSTRIAL ROAD
P O BOX 848
PASCAGOULA MS 39567

DATE	DELIVER ON OR BEFORE	F.O.B.	VIA	TERMS
02/05/03	03/05/03	Destination		Net 1 Days

QUANTITY	UM	STOCK NO.	DESCRIPTION	UNIT PRICE	EXTENSION AMOUNT

CONFIRMATION OF PHONE ORDER

THE PURCHASE ORDER THAT IS THE SUBJECT OF THIS PURCHASE ORDER IS TAX EXEMPT TO THE SELLER DUE TO THE ISSUANCE TO MPC BY THE MS STATE TAX COMMISSION OF A DIRECT PAY PERMIT WHICH TRANSFERS THE LIABILITY FOR ANY SALES AND USE TAX DIRECTLY TO MPC. MPC'S DIRECT PAY PERMIT NUMBER ("DPPN 3267") MUST BE INCLUDED BY THE SELLER ON EACH INVOICE FOR PAYMENT UNDER THIS PURCHASE ORDER. (TAX STATUS 5)
****
* CONFIRMING ORDER *
DUPLICATE SHIPMENTS WILL NOT BE ACCEPTED
PLEASE CONFIRM PRICE AND DELIVERY TO TRACY SMITH AT FAX 228-762-6037 PURCHASE ORDER WILL BE CONSIDERED FIRM IF NO RESPONSE IS RECEIVED. ROUTINE DELIVERIES ARE ACCEPTED MONDAY THRU THURSDAY 7:00 AM - 12 NOON AND 12:30 - 4:00 PM.
FRIDAY 7:00 AM - 12:30 AND 12:30 - 3:00 PM.
THANK YOU FOR YOUR TIMELY ATTENTION IN PROCESSING THIS ORDE
****

Line 001 00048976 OR

1.000	EA	81454.20029.	44,853.0000	44,853.00

1, EACH, ENGLISH WATERTUBE BOILER, M/D #82.5-SH-425
RATED AT 82,5000 LB/HR, FOR 300 PSIG SATURATED STEAM PRODUCTION. UNIT TO BE FIRED WITH NATURAL GAS W/ BURNER HEAT INPUT OF 99.5 MM BTU/HR
- THE BOILER, ITS ASSOCIATED EQUIPMENT , FIELD SUPPORT, AND USE OF A TEMPROARY BOILER (W/ FEED WATER PUMP) SHALL BE AS SPECIFIED IN ENGLISH BOILER AND TUBE, INC. PROPOSAL DATED 2/5//03, AND SIGNED BY DAVID L. LUKEHART, ASST SALES MGR.
- COST SHALL BE ESTABLISHED AS FOLLOWS:
&AS DEFINED ON PAGE 2 OF 2-5-03 PROPOSAL:
- BASE: $441,000.00
OPTION 1:$ 4,500.00
OPTION 2:$ 1,500.00
OPTION 3:$ NO CHARGE
OPTION 4:$ NO CHARGE
OPTION 7:$ **

INVOICE IN DUPLICATE TO:

RECEIVED
FEB 6 2003

BY Tom Mason
PURCHASING AGENT

ACKNOWLEDGEMENT

M2CPOFRONT

ORIGINAL

PURCHASE ORDER

Brn/Plt - 10PA
00008

PURCHASE ORDER NO.
3005359

IMPORTANT
THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS AND CORRESPONDENCE. INCLUDE PACKING SLIP IN EACH PACKAGE, LISTING CONTENTS.

Mississippi Phosphates Corporation®

SEE REVERSE. By acknowledging receipt of this order or by shipping the goods or performing the services ordered, you express your assent to and acceptance of the terms set forth below and on the reverse hereof. If this order is construed as an offer, acceptance is strictly limited to the terms of this offer and MPC hereby notifies you of its objection to any different or additional terms in your acceptance or other correspondence. If this order is construed as an acceptance of your offer, this acceptance is expressly conditioned on your assent to and acceptance of the terms set forth below and on the reverse of this acceptance even if any such term is in addition to or different from the terms in your offer, proposal or other correspondence.

DIRECT INQUIRIES TO:
PURCHASING DEPARTMENT
(228) 712-3330
PHONE

VENDOR
243563
ENGLISH BOILER AND TUBE INC.
P O BOX 50218
RICHMOND VA 23250-0218

SHIP TO :
MISSISSIPPI PHOSPHATES CORP
601 INDUSTRIAL ROAD
P O BOX 848
PASCAGOULA MS 39567

DATE	DELIVER ON OR BEFORE	F.O.B.	VIA	TERMS
02/05/03	03/05/03	Destination		Net 1 Days

QUANTITY	UM	STOCK NO.	DESCRIPTION	UNIT PRICE	EXTENSION AMOUNT
			OPTION 8:$ **		
			OPTION 9:$ 1,530.00		
			** NOT INCLUDING IN $448530.000 TOTAL. DECISION		
			TO PURCHASE WILL BE MADE AT FUTURE DATE.		
			- PAYMENT TERMS ARE SCHEDULED ON ADDITIONAL LINES		
			** JOB #23-010 **		
			*** 1ST PAYMENT IS AT 10% OF TOTAL ORDER		
Line 002					
1.000	EA	81454.20029.		67,279.5000	67,279.50
			15% ON RECEIPT OF APPROVAL DWGS		
Line 003					
1.000	EA	81454.20029.		224,265.0000	224,265.00
			50% AT HYDROTEST PASS		
Line 004					
1.000	EA	81454.20029.		89,706.0000	89,706.00
			20% AT NOTICE TO SHIP		
Line 005					
1.000	EA	81454.20029.		22,426.5000	22,426.50
			5% AT UNIT ACCEPTANCE		
			REQ. C.BUDINICH		
			Total Order		448,530.00

INVOICE IN DUPLICATE TO:

Mississippi Phosphates Corp.
Attn: Accounts Payable (00243563)
P.O. Box 848
Pascagoula, MS 39567

380023

BY _____ PURCHASING AGENT

ACKNOWLEDGEMENT MPCPOFRONT

Pricing Summary – Mississippi Phosphates

Option	Qty	Description	Price
Base	1	Base Bid As Detailed In This Proposal: English Boiler Watertube Boiler Model **82.5-Sh-425** Natural gas fired and including the services of a start-up technician for a period of five (5) days less travel and expenses and use of temporary boiler as described in this proposal.	$ 441,000.00
1	1	Price Adder to include a mud drum heating coil to maintain the boiler in a hot standby condition	$ 4,500.00
2	1	Price Adder to include for automatic start-up	$ 1,500.00
3	1	Price Adder to upgrade all boiler tubes to 0.120 & .135 wall tubing	No Charge
4	1	Price Adder for the use of an English Boiler 50,000 pph rental boiler to arrive at the jobsite 12 weeks ARO and to be returned to English Boiler upon the start-up of the new boiler or 60 days after receipt of the new boiler at the jobsite. Freight to the jobsite and return to Richmond VA not included and is the responsibility of the buyer. Start-up of the rental boiler is not included in the supply of the boiler and is available at our standard rate.	No Charge
5	1	Monthly charge for rental boiler should it be desired prior to week +12 (ARO) or required after the start-up of the new boiler.	$ 12,000.00 per month
6	1	Steam sparging system in lieu of a mud drum heating coil to maintain boiler in a hot standby condition consisting of a steam temperature control valve, automatic steam drum blowdown valve to drain unit, and control logic. *English recommends against the use of a steam sparging system for preheat – see proposal*	$ 5,500.00
7	1	Steam non-return valve	$ 7,500.00
8	1	Convection bank clean out and inspection doors (five total) Optional access openings can be provided along the entire convection outside wall to provide a means of inspection, cleaning, and preventative maintenance.	$ 3,750.00
9	1	Supply of a Honeywell S7800 Expansion first-out annunciator with Honeywell 7800 based BMS	$ 1,530.00
10	1	It is assumed the "boiler master" controller will receive a 4-20 ma input signal from a "plant master" controller or steam drum pressure transmitter supplied by others. The optional price adder to supply a steam drum pressure transmitter (Rosemount or equivalent)	$ 1,650.00

All prices are quoted F.O.B. our plant located in Richmond, Virginia, with freight allowed to a rail siding nearby the job site via rail transport with all other ancillaries to be delivered freight allowed via motor transit to job site.

Proposal Table Of Contents

Scope Of Supply:

Items included by English Boiler in this proposal are described in the **EBT** column. Items identified in the **Other** column are not included by English Boiler.

EBT	Other	Description
X		One (1) Shop Assembled Packaged Industrial Watertube Boiler model **82.5-Sh-425** as detailed in this proposal
X		Standard boiler trim (see trim list for detailed scope)
	X	Main steam stop valve
	X	Stop / non-return spool piece
	X	Main steam line non-return valve (Optional price provided)
X		Boiler feedwater control valve
X		Feedwater control valve three valve bypass
X		Factory mounted natural gas fired burner (see burner description for scope list)
X		Burner Management System (E110 based)
X		Combustion Controls (Moore 353 based) including programming
	X	Plant master signal to combustion controller (optional price provide)
X		100 HP factory mounted Forced Draft (FD) combustion air fan
	X	FD fan motor starters
	X	Natural gas pressure regulating valve (if required – reference burner information in proposal for maximum allowable natural gas pressure to gas train)
	X	FD fan silencer (optional)
	X	Boiler economizer including three valve bypass and safety relief valve

	X	Economizer support steel
	X	Sootblowers
X		Mud drum heating coil
X		Standard access platform and walkways
X		Delivery of boiler: - to nearby rail siding if rail shipped - to jobsite if motor truck shipped
X		Delivery of all components to jobsite via motor freight
X		Field start-up services (as detailed in proposal). Additional start-up assistance is available at a cost of $ 1,100.00 per day plus expenses.
X		Three (3) Operating and Maintenance (O&M) Manuals (additional copies available at a cost of $ 150.00 each)
Project Specific Options		
X		Use of temporary rental boiler (reference proposal for time frame)
	X	Freight to jobsite and return to Richmond VA for the rental boiler and pump
X		Boiler feedwater pump for temporary use
	X	Steam sparging system (available at an optional price)

Design Specifications: (Shop Assembled Package Boiler)

Boiler Design	Specification	Description
Boiler Model Number	**82.5-Sh-425**	
Boiler outlet steam flow, lb/hr	82,500	Lb/hr
Fuels:	Natural Gas	
BTU Input	99.5	MMBTU/Hr
Max. Allowable Working Pressure (MAWP)	425	Psig
Pressure at boiler outlet	300	Psig
Saturated Steam Temp. at boiler outlet, □F	435	Degrees (°F)
Moisture in steam, %	0.5	Percent (%)
Feed Water Temp @ Boiler Inlet	227	Degrees (°F)
Gas Temp @ Boiler Outlet	570	Degrees (°F)
Ambient air temp. to FD fan inlet	80	Degrees (°F)
Continuous Blow Down Rate	5	Percent (%)
Elevation	< 100	FASL
Convection Heating Surface	6079	Square Feet
Radiant Heating Surface	646	Square Feet
Total Heating Surface	6725	Square Feet
Furnace Volume	1253	Cubic Feet
Furnace Heat Release Design	79,925	MBtu / Hr. / Cu. Ft.
Radiant Heat Release Design	151,230	MBtu / Hr. / Sq. Ft.
Steam Drum Inside Diameter	42	Inches.
Steam Drum Thickness	1.50	Inches.
Lower Drum(s) Outside Diameter	30	Inches.
Lower Drum(s) Thickness	1.125	Inches.
Thickness of Convection Tubes	0.120	Inches.
Thickness of Membrane Tubes	0..135	Inches.

Boiler Efficiency (@ Max. Cont. Rating) Without Economizer	**Primary Fuel**
	Natural gas
• Dry Gas Loss (%)	09.02
• Fuel Moisture Loss (%)	07.13
• Air Moisture Loss (%)	00.76
• Radiation Loss (%)	00.58
• Unburned Loss (%)	00.00
• Manufacturer's Margin (%)	01.00
• Total Heat Loss (%)	19.59
• Predicted Efficiency (%)	80.41

Dimensions		
• Overall Height	15.5	Feet
• Overall Width	12.0	Feet
• Approx Overall Length Over Casing	20.61	Feet
• Overall Length Over Burner (Est.)	26.92	Feet
• Estimated Weight of Boiler Dry	98,000	Lbs.
• Estimated Weight of Boiler Flooded	123,000	Lbs.

Boiler Trim		
• Steam Drum Safety Valves	Per ASME (2)	Kunkle or equal
• Bottom Blowdown Valves	1.5" (1)	Everlasting quick/slo opening #A5061
• Continuous Blowdown Stop Valve	1" (1)	RPC or Equal
• Continuous Blowdown Metering Valve	1" (1)	Vogt #12243
• Vent Valve	1" (1)	RPC or Equal
• Chemical Feed Stop Valve	1" (1)	RPC or Equal
• Chemical Feed Check Valve	1" (1)	RPC or Equal
• Steam Gage Stop Valve	1" (1)	RPC or Equal
• Feed Water Stop Valve	3" (1)	RPC or Equal
• Feed Water Check Valve	3" (1)	RPC or Equal
• Feed Water Control Valve	2.5" (1)	Fisher
• Feed Water Bypass Valve (Globe Type)	3" (1)	RPC or Equal
• Feed Water Block Valve (Gate Type)	3" (2)	RPC or Equal
• Steam Non Return Valve	8" (1)	Edwards (optional)
• Main Steam Stop Valve		"Not Included"
• Water Column	English	#wo450EA4
• Gauge Glass	Clark Reliance	Flat Glass
• Gauge Glass Valves	1/2" (1)	RPC or Equal
• Water Column Trim Valves	1/2" (3)	RPC or Equal
• Water Column Drain Valve	1/2" (1)	RPC or Equal
• Auxiliary Low Water Cut-Off Valve	Clark Reliance	EA100
• Soot Blower Stop Valve		"Not Included"
• Soot Blower Check Valve		"Not Included"
• Economizer Water Bypass Vlv		RPC or equal
• Economizer Water Block Valve		RPC or equal
• Convection Bank Soot Blower		"Not Included"
• Economizer Soot Blower		"Not Included"
• Economizer Vent Valve		"Not Included"
• Economizer Drain Valve		"Not Included"

Component manufacturer subject to possible change during project execution phase.

Boiler Base:

The boiler base shall be constructed of welded beams and channels such that the boiler weight is uniformly distributed over the entire base. The base shall be designed to be installed on a level concrete pad or supported on concrete piers. The base is designed so as to permit the boiler to freely expand and contract without placing any undue stress on any part of the boiler or setting.

The lower drum shall be placed in the saddles of the base module and shall be load bearing on the saddles in the base. The lower drum shall then be anchored at the burner end of the base and shall be free to expand within the base. The floor plate is seal welded to the lower drum, independent of the base, free to expand with the lower drum so as to prevent any stresses that would be created had the floor plate been attached to the base. The floor plate expansion is controlled by specially designed expansion guide lugs. The controlled expansion of the floor plate with the lower drum eliminates failure of the air seal at the lower drum.

Lower Drum:

The lower drum shall be complete with all the necessary drum connections. The drum shall be designed and fabricated in accordance with the latest revision of Section I of the ASME Code and stamped accordingly with the appropriate code symbol stamp. The drum shall be of material specification SA-516 Gr. 70, carbon steel plate, welded, x-rayed and stress relieved. A 12" x 16" man way opening shall be installed in each head. The man way openings shall be hinged and shall be complete with yokes, nuts, bolts, washers, and gaskets. A bottom blow down connections shall be placed in the rear head so that the boiler can be completely drained. All tube holes shall be drilled true and radial so as to afford full parallel bearing of the tube through the drum plate. All tube holes shall be grooved regardless of the design pressure and temperature.

Steam Drum:

The upper steam drum shall be complete with all the necessary drum connections. The drum shall be designed and fabricated in accordance with the latest revision of Section I of the ASME Code and stamped accordingly with the appropriate code symbol stamp. The drum shall be of material specification SA-516 Gr. 70 steel plate, welded, x-rayed and stress relieved. A 12" x 16" man way opening shall be installed in each head. The man way openings shall be hinged and shall be complete with yokes, nuts, bolts, washers, and gaskets.

The steam drum shall be equipped with connections for the following accessories:

1. ASME Safety Valves
2. Water Column
3. Dual Low Water Cut-Off
4. Continuous / Intermittent Blow Down
5. Chemical Feed
6. Steam Gauge
7. Vent Valve
8. Main Steam Outlet
9. Feed Water Stop and Check Valve.

The upper drum shall be provided with internal piping for feed water, chemical feed, and continuous blow down. All internal fittings and pipe shall be adequately supported and removal for maintenance purposes.

All tube holes shall be drilled true and radial so as to afford full parallel bearing of the tube through the drum plate. All tube holes shall be grooved regardless of the design pressure and temperature.

The steam drum shall be completely supported by the boiler tubes and require no additional support.

Steam Drum Internals:

The steam drum shall include adequate steam separating equipment to assure the specified steam quality and to maintain a stable water level under a fluctuating load. The boiler internals "Steam / Water Separators" are designed so that the steam which enters the upper drum is directed to the top of the separators and through the primary separating screens. As the steam passes through the perforated screens, there is a reduction in velocity of the steam which allows the water droplets to separate from the steam and return to the boiler water. The steam then travels through the secondary steam separators, which again separate the steam from the remaining water droplets prior to leaving the boiler. The primary and secondary separators as well as the internal side baffle plates are removable. These baffle plates are bolted into angle supports and frames and can be readily removed through the 12" x 16" man way opening provided at each end of the steam drum. Once the internals are removed, all ends of the boiler tubes are accessible and can be readily cleaned with conventional tube cleaning tools.

The moisture content of the steam leaving the boiler outlet shall not exceed 0.50% when the boiler is operating under continuous load design, with normal water level and with boiler drum water having a total dissolved solid concentration, total alkalinity, and total suspended solids not in excess of the guidelines as established by the ABMA. (American Boiler Manufactures Association)

Rear Wall Construction:

The rear wall, which is commonly called the "target wall", shall be fabricated of 3/8" thick steel plate that is structurally reinforced with 4" steel channels. The rear wall module construction shall consist of ***six inches (6) of 2600°F castable refractory*** that is backed up by four (4) inches of 1900°F mineral wool insulation. The castable refractory is anchored to the rear wall by the use of stainless steel anchors uniformly placed. The shape of the rear wall is controlled by a unique expansion joint that was designed by English Boiler that is seal welded to the rear wall prior to installing the insulation and castable. The inside surface of the expansion joint is covered with high temperature thermal ceramic insulation so as to allow the refractory lining, contained by the expansion joint, to expand uniformly in all directions.

The outside face of the 3/8" thick steel plate is covered with two (2) inches of 1900°F mineral wool insulation. A two (2) inch air space is then provided and the entire rear wall exterior is covered with 10ga. carbon steel plate so as to provide a smooth uniform surface.

Front Wall Construction:

The front wall assembly is fabricated of 3/8" thick steel plate that is structurally reinforced with 4" steel channels. The front wall module consist of ***six inches (6) of 2600°F castable refractory*** and is backed up by four (4) of 1900°F mineral wool insulation. The refractory tile is anchored to the front wall by the use of stainless steel anchors uniformly placed. The shape of the front wall is controlled by a unique expansion joint that was designed by English Boiler that is seal welded to the rear wall prior to installing the insulation and refractory tile. The inside surface of the expansion joint is covered with high temperature thermal ceramic insulation so as to allow the refractory lining, contained by the expansion joint, to expand uniformly in all directions.

Like the rear wall of the boiler, the outside face of the 3/8" thick steel plate is covered with two (2) inches of 1900°F mineral wool insulation. A two (2) inch air space is then provided and the entire exterior wall is covered with 10ga. carbon steel plate.

Steam Generating Tubes:

The convection bank boiler tubes shall not be less than 2" minimum outside diameter, electric resistance welded, material specification SA-178 Gr. A, and of such thickness as determined by the design calculations as per Section I of the ASME Code. All tubes are designed and arranged for natural circulation in the proper direction at all loads. The radius of all bends shall be such that a standard turbine type tube cleaner can be easily passed through the tube for cleaning of the full length.

All tubes in the furnace shall be finned tube, membrane wall design, except those in the area where the gases leave the furnace and enter the convection zone. The inboard row of tubes between the furnace and the convection zone shall be finned forming a membrane wall to prevent short circuiting of the flue gas from the furnace to the boiler flue gas outlet. Water

cooling shall be provided on the sides, roof, floor, Front and rear walls without the use of headers.

Upon completion of the installation of the boiler tubes, prior to applying any refractories, insulation, or casing materials, the boiler shall be hydrostatically tested at a pressure of one and one-half the maximum allowable working pressure. The test shall be conducted in the presence of the Authorized Inspector of Hartford Steam Boiler Inspection & Insurance Company and any other inspector as required by the contract specifications.

Casing / Access Doors / Observation Ports:

The inner casing shall be formed by a finned "S" wall and a finned membrane wall forming the outside row of the convection bank, and shall be welded to the expansion joint in both the front and rear wall modules forming a gas tight inner seal. This design provides for controlled expansion and contraction on the membrane walls and inner casing. The membrane furnace walls and inner casing are designed to withstand an internal pressure of 20" water column.

Before applying insulation to the inner casing, the boiler shall be pressure tested for air tightness. This test shall be conducted by temporally sealing off all normal openings to the inner casing and applying a minimum air pressure of 10" water column. The drop in air pressure shall not exceed 5" water column after a period of 10 minutes.

Convection access openings provided in the front and rear walls of the boiler. In addition, optional, access openings can be provided along the entire convection outside wall to provide a means of inspection, cleaning, and preventative maintenance.

The external casing shall be box ribbed, carbon steel, galvanized. The casing shall completely enclose the unit with the exception of the drum ends. The drum ends shall be insulated in the shop and covered with stainless steel lagging.

The side walls, roof, and floor of the boiler are to be completely covered with a minimum thickness of four (4) inches of 1200°F insulating blanket of the mineral wool type. Insulation over the top of the steam drum is to be a minimum of four (4) inches thick 1200°F insulation blanket.

The surface of the external casing shall not exceed 130°F. in an ambient air temperature of 70°F. and a surface velocity of 2 fps (feet per second) while the boiler is operating at full capacity.

An access opening, 18" x 15", shall be provided to the furnace area. The opening shall be located in the front wall.

Two (2) air cooled and heat resistant furnace observation ports Will be provided. Located in the rear wall.

Soot Blowers:

The boiler shall be furnished complete with bearings and wall boxes for the future installation of soot blower. The tubes shall be arranged to provide maximum cleaning capability.

Painting:

The exterior of each unit shall be completely cleaned by solvent cleaning, scraping, or grinding. One coat of high heat resistant primer having a minimum service temperature of 400°F and one coat of finish paint at a minimum thickness of one (1) mil shall be applied to the finished unit.

Lower Drum Heating Coil:

Dual lower drum heating coils shall be installed in the lower drum to maintain the boiler in hot standby condition. The coils shall be designed to be removed and replaced through either the front or rear man way access opening. The coil shall be fabricated using 1 1/4" sch. 40, A106 Gr. B, seamless steel pipe and forged steel fittings.

Steam Sparging System:

English Boiler can supply a live steam sparging system to maintain the boiler in a hot standby condition. English Boiler recommends against the use of a steam sparging system if a standard mud drum heating coil can be utilized.

Live steam sparging does have some negative drawbacks that may impact the longevity of the boiler. The infusion of live steam will require the boiler to be in a constant state of blowdown as not to overfill with water. This blowdown will dramatically lower the water chemistry of the boiler. In applications where the requirement of almost instantaneous steam is of more value than potential long term impact to boiler then sparging provides the fastest possible ramp time. For this application we strongly recommend staying with a mud drum heating coil which is included in the base proposal. The supply of 250 to 350 psig steam to a mud drum coil means the start-up should be no worse than 30 minutes and realistically will be less than 15 minutes.

Platforms and Ladders:

Access platforms and ladders shall be provided for access to the safety valves and non-return valve located on top of the boiler. In addition, a maintenance platform shall be provided for entrance into the upper drum and is to be located at the rear of the boiler.

Economizer

An economizer is not included in this proposal. It is understood that the customer will reuse an existing economizer. The FD fan includes an additional one (1) inch static pressure for the inclusion of this economizer.

Burner / Burner Management / Forced Draft Fan:

1. INTRODUCTION

One (1) 82,500 pounds per hour "S" type package boiler is to be supplied with a low NOx packaged burner which will fire natural gas.

Based upon the burner design specification presented in Section 2, TODD Combustion Product Group of the John Zink Company LLC is pleased to offer English Boiler Company, our pre-engineered, **TODD** gas only low NOx Variflame burner with windbox, windbox mounted F. D. fan, valve trains, miscellaneous field switches, flame scanner, Honeywell 7800 BMS panel and single point positioning combustion controls.

Each packaged burner is factory pre-assembled to the maximum extent to minimize field installation and easily mounts onto the boiler frontplate.

NOx requirements will be met using the TODD low NOx burner, without flue gas recirculation.

2. BURNER DESIGN BASIS & SPECIFICATIONS

A. Burner Design Basis

Boiler Data

Manufacturer	EBC
Type	S
Design Steam Flow	82,500 lb/hr
Steam Pressure	300 psig (saturated)
Furnace Dimensions:	
Depth	23 ft
Width	8 ft
Height	8 ft
Furnace Operating Pressure at MCR	7 in wg
Combustion Air Temperature	80 deg F

Fuel Data

Fuel Gas	
Type	Natural
High Heat Value	1,000 Btu/scf
Pressure Available	20 psig (assumed)
Pressure Required at TODD interface	15 psig (regulated by others)

Burner Management System Design

Insurance Guidelines	NFPA85 for single burner
Type of Operation	Automatic, recycling
Miscellaneous Data	
Burner Location	Outdoors
Plant Elevation	20 ft asl
Power Supply Available	120V/1Ph/60Hz
	480V/3Ph/60Hz
Valve Train Construction	NFPA54 (gas)
Surface Preparation and Painting	Manufacturer standard
Quality Control	Manufacturer standard

B. Burner Specifications

Number of Burners per Boiler	One (1)
Gas Firing per Burner - Natural Gas	
Heat Input	99.5 mmbtu/hr
Turndown	10 to 1
Pressure at Burner	10 psig
Excess Air at MCR	15%
Recycle Flue Gas Rate at MCR	n/a
Draft Loss at MCR	6.5 in wg
Type	Variflame
Model	V665XGX

C. Gas Electric Ignitor Specifications

Number of Ignitors per Boiler	One (1)
Gas Firing	
Fuel Type	Natural Gas
Heat Input	1 mmbtu/hr
Pressure at Burner	1 psig (approx)
Type	Class 3
Model	TODD Stabelite
Operation	Intermittent

3. TODD'S SCOPE OF SUPPLY

A. Engineering Services

TODD will provide complete engineering and design for all TODD furnished equipment and materials specified in Section 3.D., including a comprehensive Instruction Manual complete with data sheets, TODD drawings, vendor drawings, parts list and operating instructions.

B. Project Services

TODD will provide a submittal consisting of full size blue prints of packaged burner general arrangement drawing, valve train schematics, electrical schematics, and bill of materials, to be sent to English Boiler Company for approval and six (6) copies of TODD's Instruction Manual.

C. Jobsite Services

TODD can provide field advisory services during installation, and technical assistance services during initial start-up including operator training, at the per diem rate in effect at time of request, in accordance with our Service Terms. **No jobsite services are included in our base bid.**

D. Equipment and Materials

The following is an itemization of all components of supplied by TODD Combustion.

1. One (1) windbox, non-insulated, will be fabricated of ASTM A-36 carbon steel plate, and complete with required structural framing, support legs, access door, lifting lugs, and baffles for balancing air flow distribution to the burner. The windbox will be provided with a top inlet opening for connection to the forced draft fan discharge. The windbox will be painted with manufacturer standard. The windbox will be seal welded (by others) to the boiler front plate.

2. One (1) TODD burner, fabricated using TODD standard stainless and mild steel components, complete with the following sub-assemblies, mounted in the windbox:

   - One (1) air register assembly
   - One (1) burner front hub assembly, complete with two observation ports, and flame scanner swivel mount
   - One swirling diffuser assembly
   - One (1) gas burner (standard multi-poker design) assembly
   - One (1) ignition assembly complete with gas-electric ignitor, high tension cable and connector and high voltage transformer
   - One (1) burner guide ring to be welded on the boiler front plate to align the burner to the burner opening (shipped loose)
   - One (1) throat former for installation of boiler front wall refractory at the burner opening (shipped loose)

3. One (1) forced draft fan, centrifugal type, arrangement 4, downblast discharge, complete with inlet vane damper, inlet screen, and 460V/3Ph/60Hz TEFC high efficiency, 100 HP (preliminary) motor. The fan assembly will be mounted on the windbox; the fan assembly will be shipped loose to avoid damage during transit.

4. The following valve trains will be shop mounted on the windbox to the maximum extent feasible, and will include valves, piping specialties and instrumentation as specified below. All electrical components will be wired to the windbox mounted control panel. Unless otherwise noted, the interface points with English Boiler Company are at the inlet of the supply manual shut-off valves and the discharge of vent, and drain valves.

   Gas trains will be fabricated using Schedule 40 ASTM A-106 Grade B seamless steel pipe, with standard butt-weld fittings and 150 lb. flanges for nominal 3 inch diameter and greater lines, and Schedule 80 ASTM A-106 Grade B seamless steel pipe and 3,000 lb. threaded fittings for nominal 2-1/2 inch diameter and smaller lines. Gas trains will be painted with manufacturer standard.

   Manufacturers of valve train components typically supplied are provided in parenthesis. TODD may substitute other manufacturers of equal quality as required to meet code and shipment requirements.

- One (1) ignitor gas pilot train, consisting of:

  1- Supply manual shut-off valve
  1- Gas strainer with basket "Y" type
  1- Gas pressure regulating valve (Equimeter)
  2- Automatic safety shut-off valves (Asco)
  1- Automatic safety vent valve (Asco)
  1- Ignitor manual shut-off valve
  1- Ignitor pressure gauge, 3 in dial (Ashcroft), with isolation valve
  1- Ignitor flexible hose

- One (1) main fuel gas train, consisting of:

  1- Supply pressure gauge, 4 in dial (Ashcroft), with isolation valve
  1- Low gas pressure switch (Ashcroft)
  1- Automatic safety shut-off valve with proof of closure switch (Maxon)
  1- Automatic safety vent valve (Asco)
  1- Manual vent valve, locked in the open position
  1- Automatic safety shut-off valve with proof of closure switch (Maxon)
  1- High gas pressure switch (Ashcroft)
  1- Provision for gas flow control valve (see item 3.D.7)
  2- Leak test connections with isolation valves
  1- Burner manual shut-off valve
  1- Burner pressure gauge, 4 in dial (Ashcroft), with isolation valve

5. The following miscellaneous field switches will be mounted on the windbox:

   - One (1) combustion low air flow switch (Dwyer)
   - One (1) purge low air flow switch (Dwyer)
   - One (1) boiler drum steam high pressure switch (Ashcroft)
   - One (1) boiler drum steam recycle pressure switch (Ashcroft)
   - One (1) low instrument air pressure switch (Ashcroft)
   - One (1) furnace high pressure switch (Dwyer)

6. One (1) TODD burner management system, designed to safely fire natural gas.

   - One (1) windbox-mounted NEMA 4 enclosure, will house:

     1- Circuit breaker
     1- Honeywell Flame Monitor 7800 Series, microprocessor-based burner management system consisting of the flame amplifier module, programmer module and display module
     1- Alarm horn
     3- Drum level relays (Warrick)
     1- Lot of contacts for interfacing with combustion control system: go to purge, go to low fire, released to modulate
     1- Contact for remote annunciation - "Burner Trip"

   - One (1) control panel display, limited to:

     1- "Limits Satisfied" lamp
     1- "Purging" lamp
     1- "Ignition On" lamp
     1- "Main Flame On" lamp
     1- "Flame Failure" lamp
     1- "High Water Level Alarm" lamp
     1- "Low Water Level Alarm" lamp
     1- "Burner On-Off" selector switch
     1- "FD Fan Hand-Off-Auto" selector switch
     1- "Alarm Acknowledge" pushbutton
     1- "System Reset" pushbutton
     1- "Emergency Stop" pushbutton

   - One (1) flame scanner (Honeywell)

7. One (1) lot of combustion control components as part of a single point positioning system, to adjust the air and fuel rates to the packaged burner. The combustion control components supplied by TODD will be limited to:

   - One (1) fuel gas control valve with low fire limit switch and mechanical linkage (Maxon)

   - One (1) inlet vane damper with mechanical linkage mounted on the forced draft fan

   - One (1) jackshaft with pillow blocks and linkage to the inlet vane damper, mounted on the windbox

   - One (1) pneumatic actuator with I/P positioner, to drive the jackshaft, requires 4-20 ma input signal (Bailey)

   - One (1) "boiler master" loop controller, mounted in the burner control panel for controlling boiler load (Moore 353)

4. PERFORMANCE GUARANTEES

A. The following performance guarantees will be extended from twenty-five (25) to one hundred (100) percent of boiler load, provided that the system is operated in accordance with the Burner Design Basis and Specifications in Section 2:

   - Maximum emission levels on natural gas, with all concentrations corrected to 3% oxygen, on a dry basis:

NOx	15 lb/hr, equivalent to 103 ppm at 100% load (0.124 lb/mmbtu)
CO	100 ppm (0.075 lb/mmbtu)
VOC	10 ppm (0.004 lb/mmbtu)
PM/PM10	0.005 lb/mmbtu

   - The burners will maintain a stable flame with no deleterious impingement over the entire boiler load range

B. All performance specifications stated throughout this proposal are intended to show probable operating results only which cannot be guaranteed except as expressly stated in the guarantee clause 4.A). Packaged boilers shall be designed and operate with the inboard row of furnace tubes forming a gas tight wall baffle to prevent the short circuiting of furnace gases to the boiler gas outlet, for performance guarantees to be in effect.

C. Testing for performance guarantees shall be run within thirty (30) days after the equipment has been installed and operated. English Boiler Company shall furnish all operating personnel and equipment for such tests. A TODD trained service engineer shall fine tune the burner as required and observe the operation of auxiliary equipment to assure that performance guarantees will be met, prior to testing. TODD's representative will have access to the records at all times and the tests will be conducted in a manner to ensure that the specified performance conditions are being maintained. TODD will be supplied a complete copy of all test results and data.

D. The equipment shall be considered accepted if tests show that the guarantees have been fulfilled, or if English Boiler Company fails to have the equipment tested within the specified period. In case of the failure to meet the guarantees, TODD reserves the right to change or replace, on a straight time basis, the equipment furnished so that the guaranteed performance will be obtained.

5. ENGLISH BOILER COMPANY'S SCOPE OF SUPPLY

English Boiler Company and/or the enduser shall be responsible for the receipt, unloading, and installation of the packaged burner furnished by TODD plus the supply and installation of any additional components or materials required for a complete operable installation. Items to be supplied by English Boiler Company and/or the enduser shall include but not necessarily be limited to the following:

- Boiler drum level probes
- Boiler auxiliary drum level cut-out switch
- Boiler drum level bypass pushbutton station
- Fan motor starter
- Main gas supply pressure regulating valve with strainer and manual supply shut-off valve
- Plant master signal to the boiler master in the TODD panel
- Boiler front wall refractory at the burner opening
- Technical information required to proceed:
    - confirmation of the burner design basis specified in Section 2
    - boiler drawings required for burner installation
    -

Field Engineering Services:

EBCO can furnish the purchaser the services for a startup engineer to supervise and assist in installation, boiler boil-out, boiler startup, adjustments, testing and instruction of operating personnel. English Boiler has provided for the supply of a start-up technician for five (5) days not including travel and expenses. Additional service is available at the daily rate of $ 1,100.00 per 8 hour day plus travel and subsistence.

Submittals:

Submittal drawings on the boiler, burner, and boiler accessories shall be submitted within 4 - 6 weeks after receipt of order.

Delivery:

Shipment shall be no later than twenty-four (24) weeks after receipt of order and based on an immediate release for fabrication. We understand that Mississippi Phosphates was hoping for a sixteen (16) week delivery ARO however a recent influx of new projects prohibits us from such an aggressive delivery schedule. To provide the customer with a steam source should the existing boiler fail during the fabrication of the new boiler English Boiler extends an offer to use a rental boiler during a time period as defined below.

The new boiler will be transported by either rail or motor freight. All loose ancillary components will be shipped via motor freight. Rail transit is to nearby rail siding subject to local clearance issues.

Temporary Rental Boiler:

English Boiler offers the use of one of its 50,000 pph rental boilers and one feedpump for use by Mississippi Phosphates at no charge other than the freight expense to and returning from the jobsite. The boiler shall ship from Richmond during week +12 (ARO) to provide time for the boiler to allow for installation by week +16 (ARO). The boiler shall be made available until the new boiler has been delivered and installed or Sixty (60) days after receipt of the new boiler at the jobsite.

Payment Terms:

10%	@ receipt of order
15%	@ your receipt of submittal drawings (net 30)
50%	@ hydrostatic test (net 30)
20%	@ notice to ship
5%	With unit acceptance of forty-five (45) days after shipment of unit, whichever comes first.

EXHIBIT

"B"

CHANGE ORDER NUMBER 1
BETWEEN
ENGLISH BOILER & TUBE, INC.
AND
MISSISSIPPI PHOSPHATES CORPORATION

Date: June 26, 2003

This is a Change Order to Purchase Order #3005359 dated February 5, 2003, issued by Mississippi Phosphates Corporation ("MPC") to English Boiler & Tube, Inc. ("EB&T") to design, engineer and fabricate a package boiler.

MPC and its related entities ("Debtors") filed for reorganization under Chapter 11 of the Bankruptcy Code on May 15, 2003, in the United States Bankruptcy Court for the Southern District of Mississippi, under jointly administered case no.03-02984 WEE. On June 3, 2003, Debtors filed an Amended Motion Pursuant to § 365 for Approval of Assumption of Executory Contracts ("Amended Motion"). The Amended Motion seeks, among other things, the immediate assumption of the Purchase Order between MPC and EB&T.

MPC and EB&T agree to make the following changes to the subject Purchase Order:

1. The delivery date of the package boiler is extended to the week of November 17, 2003.

2. MPC shall pay to EB&T as monthly rent the sum of $12,000.00 for the use of the loaner boiler, payable in advance, for a period of two months beginning on the first day of September, 2003, and on the first day of October, 2003.

This Change Order is incorporated by reference into Purchase Order #3005359 and is subject to approval of the Bankruptcy Court.

We have read and understood this Change Order, and we agree to all of its terms.

Joe Gallagher
Director of Project Management
English Boiler & Tube, Inc.

Wilson Harvey
Director of Purchasing
Mississippi Phosphates Corporation

EXHIBIT

"C"

Invoice

English Boiler and Tube Inc.
2890 Seven Hills Blvd.
Richmond, VA 23231

Telephone 804-226-8227
Fax: 804-226-9321

Invoice Number:
6701

Invoice Date:
May 15, 2003

Sold To:
Mississippi Phosphates Corp
Attn: Accounts Payable
P.O. Box 848
Pascagoula, MS 39567

Customer ID	Customer PO	Payment Terms	
23-10	3005359	Net 30 Days	
			Due Date
			6/14/03

Description	Amount
To invoice for: Freight for rental boiler # 20-040-2	8,308.75

Subtotal	8,308.7
Sales Tax	
Total Invoice Amount	8,308.7
Payment Received	
TOTAL	8,308.7

EXHIBIT

"D"

English Boiler and Tube Inc.
2890 Seven Hills Blvd.
Richmond, VA 23231

Telephone 804-226-8227
Fax: 804-226-9321

Invoice

Invoice Number:
6729

Invoice Date:
Jun 27, 2003

Sold To:
Mississippi Phosphates Corp
Attn: Accounts Payable
P.O. Box 848
Pascaqoula, MS 39567

Customer ID	Customer PO	Payment Terms	
23-10	3006027	Net 10 Days	
			Due Date
			5/4/03

Description	Amount
To invoice for:	
Start-up of rental/ loaner boiler	
60 hrs @ $137.50 / hr	8,250.00
Travel & subsistence	2,000.00

Subtotal	10,250.00
Sales Tax	
Total Invoice Amount	10,250.00
Payment Received	
TOTAL	10,250.00