

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

OCT 29 2004

In re:

MISSISSIPPI CHEMICAL
CORPORATION, *et al.*¹

Debtors.

CHARLENE J. KENNEDY, CLERK
BY _____ DEPUTY

CASE NO. 03-02984 WEE
Chapter 11
Jointly Administered

**DEBTORS' FIRST OMNIBUS OBJECTION TO
REDUCE AND ALLOW SCHEDULE RECORD CLAIMS**

COME NOW the above-captioned debtors and debtors-in-possession, Mississippi Chemical Corporation, *et al.* (collectively, the "Debtors"), and hereby file this First Omnibus Objection to the Reduce and Allow Claims (the "Objection") and respectfully request that the Court enter an Order allowing Claims at a reduced amount as set forth herein, and in support thereof, the Debtors respectfully state as follows:

I. JURISDICTION

1. This Court has jurisdiction to hear this Objection pursuant to 28 U.S.C. §§ 157 and 1334. This Objection presents a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A) & (B). The relief requested by this Objection may be granted in accordance with the provisions of 11 U.S.C. §§ 102(1), 105(a), and 502(b) and FED. R. BANKR. P. 3007.

II. BACKGROUND

2. On May 15, 2003, the Debtors filed their voluntary petitions under Chapter 11 of the Bankruptcy Code (the "Petition Date").

¹ The Debtors are the following entities: Mississippi Chemical Corporation; Mississippi Nitrogen, Inc.; MissChem Nitrogen, L.L.C.; Mississippi Chemical Company, L.P.; Mississippi Chemical Management Company; Mississippi Phosphates Corporation; Mississippi Potash, Inc.; Eddy Potash, Inc.; Triad Nitrogen, L.L.C.; and Melamine Chemicals, Inc.

3. The Court entered an Order directing joint administration of the affiliated cases for procedural purposes and in the interest of convenience and judicial economy pursuant to Rule 1015(b), on May 15, 2003.

4. The Debtors have continued in possession and in operation of their businesses as debtors-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108.

5. The last day for creditors and parties-in-interest, with the exception of the government, to file claims or proofs of interest against the Debtors was September 26, 2003 (the "Bar Date"). The Bar Date for governmental units was November 11, 2003.

III. RELIEF REQUESTED

6. The Debtors are seeking entry of an Order, pursuant to Bankruptcy Code Sections 102(1), 105(a), and 502(b) and FED. R. BANKR. P. 3007, directing allowance of the proofs of claim as identified on Exhibit A as detailed below.

7. The Reduce and Allow Schedule Records: The Debtors object to the "Reduce and Allow Schedule Records" listed on **Exhibit A**. Various creditors were scheduled on the Debtors Schedule of Liabilities previously filed with the Court. After a careful review of their books and records, the Debtors determined the schedule records identified on **Exhibit A** attached hereto as claims in excess of the correct amount due and owing ("Excess Schedule Records"). The Debtors object to the Excess Schedule Records and request that each of the Excess Schedule Records be reduced and allowed in the *Modified Claim Amount* as set forth on **Exhibit A**.

8. The Debtors expressly reserve the right to amend, modify or supplement this Objection, and to file additional objections to the proofs of claim or any other claims (filed or not) that have been or may be asserted against the Debtors. Should any of the grounds of

objection stated in this Objection be dismissed, the Debtors reserve their rights to object on other grounds.

9. Nothing contained in this Objection is intended to or shall be construed to constitute a waiver of any additional defenses, claims or other issues Debtors may have with the allowance or propriety of the claims identified in **Exhibit A**. Furthermore, nothing contained in this Objection is intended to or shall be construed as a representation that **Exhibit A** is a complete and final list of all objectionable claims filed in these Chapter 11 proceedings.

WHEREFORE, the Debtors respectfully request that this Court enter an order allowing as requested, each claim described in this Objection and shown on the Exhibit attached hereto and for such further relief as is just and proper.

THIS the 29th day of October, 2004.

Respectfully submitted,

MISSISSIPPI CHEMICAL CORPORATION, et al.

By: 

James W. O'Mara, MS Bar No. 3929
Douglas C. Noble, MS Bar No. 10526
Christopher R. Maddux, MS Bar No. 100501

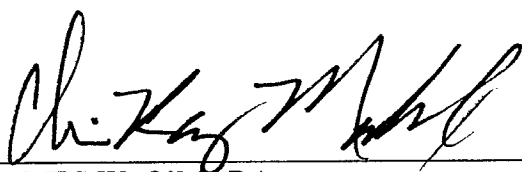
PHELPS DUNBAR LLP
111 East Capitol, Suite 600
Post Office Box 23066
Jackson, Mississippi 39225-3066
Telephone: (601) 352-2300
Facsimile: (601) 360-9777

CERTIFICATE OF SERVICE

I do hereby certify that I have this date caused to be served via electronic mail and/or U.S. Mail, postage prepaid, a true and correct copy of the above and foregoing pleading to all parties listed below.

Thomas L. Kent Orrick, Herrington & Sutcliffe LLP 666 Fifth Avenue New York, New York 10103	Craig M. Geno Harris Geno, P.A. P.O. Box 3919 Jackson, MS 39207-3919
Ronald H. McAlpin Assistant U.S. Trustee 100 W. Capitol Street, Suite 706 Jackson, Mississippi 39269	Bankruptcy Management Corporation Attn: Tinamarie Feil 1330 E. Franklin Ave. El Segundo, CA 90245
John C. Tishler Waller, Lansden, Dortch & Davis 511 Union Street, Suite 2100 Nashville, TN 37219	J. Walter Newman, IV Newman & Newman 539 Trustmark Building Jackson, MS 39201
Mark J. Thompson David J. Mack Simpson, Thacher & Bartlett LLP 425 Lexington Avenue New York, NY 10017	Luther M. Dove, Jr. Dove & Chill 4266 I-55 North, Suite 108 Jackson, MS 3921
James W. Kapp, III Kirkland & Ellis LLP 200 E. Randolph Drive Chicago, IL 60601-6636	

SO CERTIFIED, this the 29th day of October, 2004.



JAMES W. O'MARA
DOUGLAS C. NOBLE
CHRISTOPHER R. MADDUX

In re: Mississippi Chemical Corporation
OMNIBUS 1: EXHIBIT A - REDUCE AND ALLOW SCHEDULE RECORD CLAIMS

	Creditor Name / Address	Claim Number	Total Claim Dollars*	Claim Class**	Modified Claim Amount*	Claim Class**	Reason For Modification
1	ACBL 23078 NETWORK PL CHICAGO IL 60673-1230	s54271	\$59,914.64	(U)	\$12,811.66	(U)	REDUCE AND ALLOW
2	AGRILIANCE ATTN: BONNIE HOTCHKISS MS-345 PO BOX 64089 SAINT PAUL MN 55164-0089	s53575	\$218,483.09	(U)	\$125,958.47	(U)	REDUCE AND ALLOW
3	AGRILIANCE LLC ATTN STEVE MARKEY PO BOX 64089 SAINT PAUL MN 55164-0089	s53617	\$136,261.88	(U)	\$90,841.07	(U)	REDUCE AND ALLOW
4	AL FARMERS COOP INC PO BOX 2227 DECATUR AL 35609-2227	s54504	\$6,767.16	(U)	\$3,441.68	(U)	REDUCE AND ALLOW
5	ALLOY CARBIDE COMPANY PO BOX 5368 HOUSTON TX 77262-5368	s53072	\$3,467.68	(U)	\$2,132.98	(U)	REDUCE AND ALLOW
6	BRINING JOHN M COMPANY INC PO BOX 403 MOBILE AL 36601-0403	s53696	\$2,558.28	(U)	\$146.50	(U)	REDUCE AND ALLOW
7	DIVERSIFIED AG SERVICES INC PO BOX 12 ALBANY GA 31702-0012	s54121	\$20,585.50	(U)	\$2,055.50	(U)	REDUCE AND ALLOW
8	FIDELITY LEASING 1255 WRIGHTS LN WEST CHESTER PA 19380-4227	s52730	\$1,650.51	(U)	\$533.19	(U)	REDUCE AND ALLOW
9	MFA INCORPORATED ATTN: PLANT FOOD OPERATIONS 201 RAY YOUNG DR COLUMBIA MO 65201-3568	s52772	\$221,080.34	(U)	\$193,576.89	(U)	REDUCE AND ALLOW
10	MILLER PO BOX 1123 JACKSON MS 39215-1123	s52967	\$1,934.00	(U)	\$1,368.25	(U)	REDUCE AND ALLOW
11	SAFETY KLEEN CORP PO BOX 60756 MIDLAND TX 79711-0756	s54234	\$8,813.90	(U)	\$2,494.00	(U)	REDUCE AND ALLOW
12	STEWART AND STEVENSON SERVICES PO BOX 2848 ODESSA TX 79760-2848	s53239	\$9,304.50	(U)	\$1,850.00	(U)	REDUCE AND ALLOW
13	UP PO BOX 502453 SAINT LOUIS MO 63150-2453	s52688	\$7,692.72	(U)	\$4,609.45	(U)	REDUCE AND ALLOW
14	UP PO BOX 502453 SAINT LOUIS MO 63150-2453	s52699	\$31,510.84	(U)	\$18,371.59	(U)	REDUCE AND ALLOW

*Plus, in certain instances, additional contingencies, unliquidated amounts, interest, penalties and/or fees.

**** (A) - Administrative (S) - Secured**
(P) - Priority (U) - Unsecured

In re: Mississippi Chemical Corporation
OMNIBUS 1: EXHIBIT A - REDUCE AND ALLOW SCHEDULE RECORD CLAIMS

	Creditor Name / Address	Claim Number	Total Claim Dollars*	Claim Class**	Modified Claim Amount*	Claim Class**	Reason For Modification
15	WEIR SLURRY GROUP 2701 S STOUGHTON RD MADISON WI 53716-3315	s52879	\$11,258.94	(U)	\$5,516.94	(U)	REDUCE AND ALLOW
			<hr/>				
			totals:	\$741,283.98	(U)	\$465,708.17	(U)

*Plus, in certain instances, additional contingencies, unliquidated amounts, interest, penalties and/or fees.

**** (A) - Administrative (S) - Secured**
(P) - Priority (U) - Unsecured