

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

2001 JUN 27 11:50 AM
CLERK OF COURT
J

IN RE:
LILLY FOOD SERVICE, INC.

§ CASE NO. 98-61374

§
§
§
§
§
§

CHAPTER 7

DEBTOR(S)

TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION,
AND REPORT OF PROPOSED DISTRIBUTION

JASON R. SEARCY, Trustee of the estate of the above-named Debtor(s), certifies to the Court and United States Trustee, that the trustee has faithfully and properly fulfilled the duties of the office of the trustee, that the trustee has examined all proofs of claim as appropriate under the proposed distribution, and that the proposed distribution, attached hereto, is proper, and consistent with the law and rules of the court. The trustee applies for commissions and expenses set forth herein and states that they are reasonable and proper.

Therefore, the trustee requests that the Final Report, Application for Compensation, and Report of Proposed Distribution be approved.

Date: 6-14-01

J R S
Trustee

REVIEWED BY THE UNITED STATES TRUSTEE

I have reviewed the Trustee's Final Report, Application for Compensation, and Report of Proposed Distribution.

United States Trustee

Date: 7-24-01

By: BUU

72

SCHEDULE A-1

FINAL ACCOUNT AS OF:

A.	RECEIPTS	\$5,343.66
B.	DISBURSEMENTS	
	(1) Secured Creditors	0.00
	(2) Administrative Expenses	2,979.09
	(3) Priority Creditors	0.00
	(4) Other	0.00
	TOTAL DISBURSEMENTS	<u>\$2,979.09</u>
C.	BALANCE ON HAND	\$2,364.57

TRUSTEE'S FINAL REPORT CASE SUMMARY

TRUSTEE:

SEARCY

COMMENTS:

CASE NAME:

LILLY FOOD SERVICE, INC.

CASE NUMBER:

98-61374

DATE UST APPROVED:

07-24-01

ESTATE INCOME:

TOTAL RECEIPTS:

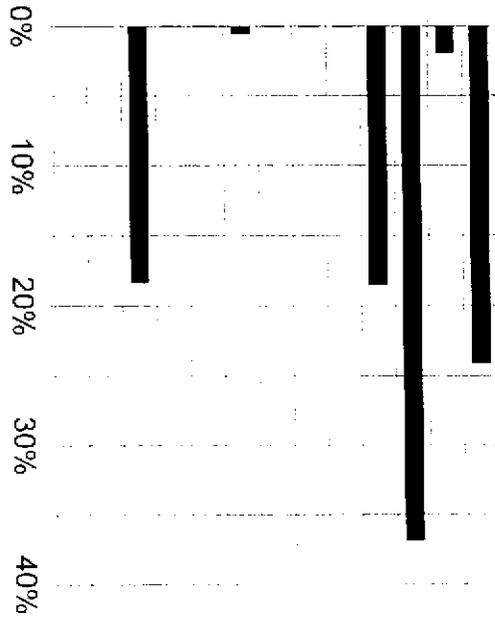
\$5,343.66

100.00%

ESTATE EXPENSES:

TRUSTEE'S COMMISSION 1,284.37
 TRUSTEE'S EXPENSES 101.65
 FIRM'S PROFESSIONAL FEES 1,967.00
 FIRM'S PROFESSIONAL EXPENSES 985.05
 OTHER ATTORNEY FEES 0.00
 OTHER PROFESSIONAL FEES 0.00
 COURT COSTS 0.00
 ESTATE EXPENSES(TAXES, ETC) 27.04
 PRIOR CHAPTER COSTS 0.00
 SECURED CLAIMS PAID 0.00
 PRIORITY CLAIMS PAID 978.55
 UNSECURED CLAIMS PAID 0.00
 OTHER(RETURN TO DEBTOR, ETC) 0.00

24.04%
 1.90%
 36.81%
 18.43%
 0.00%
 0.00%
 0.00%
 0.51%
 0.00%
 0.00%
 18.31%
 0.00%
 0.00%



UNSECURED CLAIMS ALLOWED

187,403.61

UNSECURED CLAIMS PAID

0.00

PERCENT RECOVERED FOR UNSECURED

0.00%

**Individual Estate Property Record and Report
Asset Cases**

Case Number: 98-61374 PARK
Case Name: LILLY FOOD SERVICE, INC.
Period Ending: 06/14/01

Trustee: (631670) JASON R. SEARCY
Filed (f) or Converted (c): 06/24/98 (f)
§341(a) Meeting Date: 07/27/98
Claims Bar Date: 11/03/98

1	2	3	4	5	6	
Ref. #	Asset Description (Scheduled And Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	Property Abandoned OA=\$554(a) abandon. DA=\$554(c) abandon.	Sale/Funds Received by the Estate	Asset Fully Administered (FA) Gross Value of Remaining Assets
1	MINEOLA TOWNSITES, BLK 231-2, LOTS 2E,2G,5B,5C,6 Order of Abandonment dated 4-2-99	400,000.00	0.00	OA	0.00	FA
2	FIRST SERVICE BANK, MINEOLA	0.00	0.00		0.00	FA
3	BANK ONE, TYLER - BANK ACCOUNT	2,000.00	1,942.00		1,942.00	FA
4	ACCOUNTS RECEIVABLE	25,000.00	2,407.61		2,407.61	FA
5	PROBATION PAYMENT FROM HENRY LEE VANCE (u) Payments received from Wood County CSCD Remaining balance, if any, is deemed abandoned. Estimated payout is 15 years	0.00	1,605.77	DA	100.00	FA
6	Form 940 Refund for 12/98 (u)	0.00	696.21		696.21	FA
Int	INTEREST (u)	Unknown	N/A		197.84	Unknown
7	Assets Totals (Excluding unknown values)	\$427,000.00	\$6,651.59		\$5,343.66	\$0.00

Major Activities Affecting Case Closing:

Initial Projected Date Of Final Report (TFR): December 31, 1999

Current Projected Date Of Final Report (TFR): June 30, 2001

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-61374 PARK
 Case Name: LILLY FOOD SERVICE, INC.
 Taxpayer ID #: 75-1172166
 Period Ending: 06/14/01

Trustee: JASON R. SEARCY (631670)
 Bank Name: THE CHASE MANHATTAN BANK
 Account: 312-7548894-65 - Money Market Account
 Blanket Bond: \$300,000.00 (per case limit)
 Separate Bond: N/A

1 Trans. Date	2 {Ref #}/ Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
09/09/98	{4}	VASA Brougher, Inc. as Trustee for Seaboard Life Ins.	Reimbursement check on ins. claims	1,982.27		1,982.27
09/30/98	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.23%	2.42		1,984.69
10/01/98	{4}	Chef America, Inc.	Accounts Receivable	55.68		2,040.37
10/07/98	{3}	Bank One	Close out of Debtor account	1,942.00		3,982.37
10/28/98	{4}	Frito-Lay, Inc.	Accounts Receivable	39.84		4,022.21
10/30/98	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0%	6.28		4,028.49
11/30/98	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0%	6.63		4,035.12
12/31/98	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	6.86		4,041.98
01/29/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	6.87		4,048.85
02/26/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	6.22		4,055.07
03/23/99	101	Internal Revenue Service	Order dated 3-17-99; Form 1120 for 12-31-98; 75-1172166		3.33	4,051.74
03/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	6.89		4,058.63
04/06/99	102	Internal Revenue Service	Penalty & Interest of Form 1120 - Order dated 3-17-99; 75-1172166		3.74	4,054.89
04/29/99	{4}	Tyler I.S.D.	Accounts Receivable	329.82		4,384.71
04/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	6.67		4,391.38
05/28/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	7.43		4,398.81
06/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	7.13		4,405.94
07/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	7.12		4,413.06
08/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	7.13		4,420.19
09/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.9000%	6.91		4,427.10
10/29/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	7.31		4,434.41
11/30/99	{5}	Wood County CSCD	Probation Payment for Henry Lee Vance	100.00		4,534.41
Subtotals :				\$4,541.48	\$7.07	

0 Asset reference(s)

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-61374 PARK
 Case Name: LILLY FOOD SERVICE, INC.
 Taxpayer ID #: 75-1172166
 Period Ending: 06/14/01

Trustee: JASON R. SEARCY (631670)
 Bank Name: THE CHASE MANHATTAN BANK
 Account: 312-7548894-65 - Money Market Account
 Blanket Bond: \$300,000.00 (per case limit)
 Separate Bond: N/A

1 Trans. Date	2 {Ref #}/ Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
11/30/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	7.30		4,541.71
12/31/99	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	7.72		4,549.43
01/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	7.71		4,557.14
02/29/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.1000%	7.23		4,564.37
03/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.1000%	7.74		4,572.11
04/10/00	{6}	U.S. Treasury	Form 940 Refund for 12/98	696.21		5,268.32
04/25/00	103	INTERNAL REVENUE SERVICE	Form 1120 for 12-31-99; EIN #75-1172166; Order dated 4-17-2000		19.97	5,248.35
04/28/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.2000%	8.79		5,257.14
05/26/00	104	JASON R. SEARCY, P.C.	Attorneys fees: Order dated 5-3-2000		1,967.00	3,290.14
05/26/00	105	JASON R. SEARCY, P.C.	Attorneys expenses: Order dated 5-3-2000		985.05	2,305.09
05/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	9.83		2,314.92
06/30/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.37		2,319.29
7/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.52		2,323.81
08/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.53		2,328.34
09/29/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.39		2,332.73
10/31/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.55		2,337.28
11/30/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.3000%	4.41		2,341.69
12/29/00	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.1500%	4.37		2,346.06
01/31/01	Int	THE CHASE MANHATTAN BANK	Interest posting at 2.0000%	4.07		2,350.13
02/28/01	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.8000%	3.31		2,353.44
03/30/01	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.7000%	3.43		2,356.87
04/30/01	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.6000%	3.25		2,360.12
05/31/01	Int	THE CHASE MANHATTAN BANK	Interest posting at 1.6000%	3.21		2,363.33
06/13/01	Int	Interest Posting	Current Interest Rate is 1.5000%	1.24		2,364.57

Subtotals : \$802.18

\$2,972.02

Asset reference(s)

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-61374 PARK Trustee: JASON R. SEARCY (631670)
 Case Name: LILLY FOOD SERVICE, INC. Bank Name: THE CHASE MANHATTAN BANK
 Taxpayer ID #: 75-1172166 Account: 312-7548894-65 - Money Market Account
 Period Ending: 06/14/01 Blanket Bond: \$300,000.00 (per case limit)
 Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Money Market Account Balance
06/13/01		To Account #312754889466	Transfer of estate funds		2,364.57	0.00

ACCOUNT TOTALS 5,343.66 5,343.66 \$0.00
 Less: Bank Transfers 0.00 2,364.57
Subtotal 5,343.66 2,979.09
 Less: Payments to Debtors 0.00
NET Receipts / Disbursements \$5,343.66 \$2,979.09

Form 2

Cash Receipts And Disbursements Record

Case Number: 98-61374 PARK
 Case Name: LILLY FOOD SERVICE, INC.
 Taxpayer ID #: 75-1172166
 Period Ending: 06/14/01

Trustee: JASON R. SEARCY (631670)
 Bank Name: THE CHASE MANHATTAN BANK
 Account: 312-7548894-66 - Checking Account
 Blanket Bond: \$300,000.00 (per case limit)
 Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
06/13/01		From Account #312754889465	Transfer of estate funds	2,364.57		2,364.57
ACCOUNT TOTALS				2,364.57	0.00	\$2,364.57
Less: Bank Transfers				2,364.57	0.00	
Subtotal				0.00	0.00	
Less: Payments to Debtors					0.00	
NET Receipts / Disbursements				\$0.00	\$0.00	

TOTAL - ALL ACCOUNTS

	Net Receipts	Net Disbursements	Account Balances
MMA # 312-7548894-65	5,343.66	2,979.09	0.00
Checking # 312-7548894-66	0.00	0.00	2,364.57
	\$5,343.66	\$2,979.09	\$2,364.57

of-pocket expenses incurred and that the same shall be paid from available estate funds upon the execution hereof.

DATED this the 2nd day of May, 2000.



BILL PARKER
UNITED STATES BANKRUPTCY JUDGE

Prepared in the law offices of:
JASON R. SEARCY, P.C.
P. O. Box 3929
Longview, TX 75606
903/757-3399
903/757-9559 FAX

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

00 APR 17 AM 8:32
FILED
CLERK OF COURT

IN RE: §
LILLY FOOD SERVICE, INC. § CASE NO. TY-98-61374
DEBTOR. § CHAPTER 7

ORDER GRANTING MOTION FOR PAYMENT OF POST-PETITION
TAXES TO INTERNAL REVENUE SERVICE
FILED BY JASON R. SEARCY, TRUSTEE

On March 10, 2000, a Motion for Payment of Post-Petition Taxes to Internal Revenue Service (the "Motion") was filed by Jason R. Searcy, Trustee (the "Movant") in the above-referenced case. The Court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure and that it contained the appropriate twenty (20) day negative notice language, pursuant to Local Rule of Bankruptcy Procedure 9007, which directed any party opposed to the granting of the relief sought by the Motion to file a written response within twenty days or the Motion would be deemed by the Court to be unopposed. The Court finds that no objection or other written response to the Motion has been timely filed by any party. Due to the failure of any party to file a timely written response, the allegations contained in the Motion stand unopposed and, therefore, the Court finds that good cause exists for the entry of the following order.

IT IS THEREFORE ORDERED that the Motion for Payment of Post-Petition Taxes to Internal Revenue Service filed by Jason R. Searcy, Trustee on March 10, 2000 is hereby granted; and;

BE IT FURTHER ORDERED that Jason R. Searcy, Trustee for the estate of Lilly Food Service, Inc. is hereby authorized to pay to the Internal Revenue Service the amount of \$12.71 plus

EOD APR 17 '00

68

future assessment of penalty and interest, for delayed payment of the Debtor's 1999 post-petition corporation tax assessment/obligation.

SIGNED this 17th day of April, 2000.



BILL PARKER
UNITED STATES BANKRUPTCY JUDGE

PREPARED IN THE LAW OFFICE OF:
JASON R. SEARCY, P.C.
P.O. BOX 3929
LONGVIEW, TEXAS 75606
(903) 757-3399
FAX (903) 757-9559

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE: §
LILLY FOOD SERVICE, INC. § CASE NO. TY-98-61374 §
DEBTOR. § CHAPTER 7 §

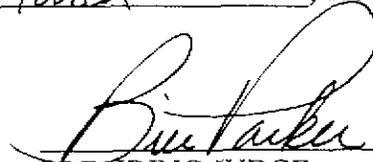
ORDER APPROVING TRUSTEE'S MOTION FOR PAYMENT OF POST-PETITION
TAXES TO INTERNAL REVENUE SERVICE

ON THIS DAY CAME ON TO BE CONSIDERED the Motion for Payment of Post-Petition Taxes to Internal Revenue Service filed by Jason R. Searcy, Trustee herein, and it appearing to the Court that the Motion is well taken and in the best interest of the estate; it is therefor

ORDERED, ADJUDGED AND DECREED that the Trustee's Motion for Payment of Post-Petition Taxes to Internal Revenue Service is hereby granted; and

BE IT FURTHER ORDERED Jason R. Searcy, Trustee for the estate of Lilly Food Service, Inc. is hereby authorized to pay to the Internal Revenue Service the amount of \$3.33 plus future assessment of penalty and interest, for delayed payment of the Debtor's 1998 post-petition corporation tax assessment/obligation.

SIGNED this 17th day of March, 1999.


PRESIDING JUDGE

PREPARED IN THE LAW OFFICE OF:
JASON R. SEARCY, P.C.
P.O. BOX 3929
LONGVIEW, TEXAS 75606
(903) 757-3399

EOD MAR 17 '99

20

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF TX
99 APR -1 PM 4:25
CLERK U.S. BANKRUPTCY
COURT
BY [Signature] DEPUTY

IN RE:

LILLY FOOD SERVICE, INC.

DEBTOR.

§
§
§
§
§

CASE NO. TY-98-61374

CHAPTER 7

EOD APR 2 '99

ORDER OF ABANDONMENT

ON THIS DAY CAME ON TO BE CONSIDERED the Notice of Trustee's Intention to Abandon Property filed by Jason R. Searcy, Trustee for the estate of Lilly Food Service, Inc. in the above styled and numbered cause. And it appearing to the Court that the proposed abandonment, being generally described as:

A portion of the Debtor's estate, consists of that certain real property interest being generally described as: All Debtor's interest in and to a 2.048 acre tract of land, situated within the J.E. White Survey, Abstract 612, Wood County, Texas and being more particularly described on Exhibit "A" attached hereto and incorporated herein for all purposes, is burdensome and of inconsequential value to the estate; and that proper notice of the proposed abandonment was given to all parties in interest as prescribed under 11 U.S.C. §554(a), it is therefor

ORDERED, ADJUDGED AND DECREED that the proposed abandonment as stated hereinabove is hereby granted.

DATED this 31st day of March, 1999

[Signature]
PRESIDING JUDGE



- Surveying
- Mapping
- Planning.

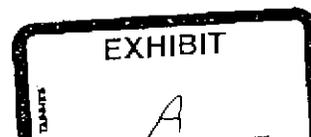
14069 Paluxy Drive • Tyler, Texas 75703 • 903-581-7800 • Fax: 903-581-3756

**FIELD NOTES FOR JOHN SOULES ENTERPRISES
LIMITED LIABILITY COMPANY
J.E. WHITE SURVEY, ABSTRACT No. 612
WOOD COUNTY, TEXAS
OCTOBER 22, 1998
JOB No. 98079**

Field Notes describing a 2.048 acre tract of land, situated within the J.E. White Survey, Abstract No. 612, Wood County, Texas, and being a part of a called 0.862 acre tract of land conveyed by Max E. Hudson to Lilly Sales, Inc. in a deed dated April 12, 1984 and recorded in Volume 915, Page 831 of the Deed Records of Wood County, Texas, and being all of a certain tract of land conveyed by Frank White to Lilly Food Service, Inc. in a Sheriff's Deed dated July 2, 1991 and recorded in Volume 1245, Page 851 of the Deed Records of Wood County, Texas, and being all of a certain tract of land conveyed by Bernice Williams to Lilly Sales, Inc. in a deed dated March 8, 1984 and recorded in Volume 910, Page 863 of the Deed Records of Wood County, Texas, and being all of a certain tract of land conveyed by Coulter Templeton to Adrian E. Hudson in a deed dated September 12, 1975 and recorded in Volume 705, Page 654 of the Deed Records of Wood County, Texas, and being all of certain tracts of land described as First Tract and Second Tract, conveyed by Sara Jim Gresham to Adrian E. Hudson in a deed dated November 23, 1970 and recorded in Volume 628, Page 765 of the Deed Records of Wood County, Texas, and being all of a certain tract of land conveyed by C. C. Molnari and wife, Ruby Ann Molnari to Adrian E. Hudson in a deed, recorded in Volume 649, Page 171 of the Deed Records of Wood County, Texas, and being all of a certain tract of land conveyed by W.Z. English to P.V. Finley and wife, Jannie Lee Finley in a deed dated April 17, 1944 and recorded in Volume 282, Page 540 of the Deed Records of Wood County, Texas, said 2.048 acres of land being more fully described as follows;

BEGINNING at a 1/2" Iron Rod set for the most Westerly corner of said Sara Jim Gresham to Adrian E. Hudson tract, being at the intersection of the North right-of-way line of Freeman Street with the Southeast right-of-way line of a 17 feet wide railroad tract, conveyed by A.S. Underwood and John W. Murchison to International Great Northern Railroad Company in a deed dated January 26, 1927 and recorded in Volume 92, Page 632 of the Deed Records of Wood County Texas;

THENCE North 65 degrees 27 minutes 41 seconds East, a distance of 259.51 feet with the



OCT-20-98 TUE 10:47 AM

RDY AND ATHERTON

FAX NO. 19228

P. 03

Oct-20-98 09:33 Kilgore & Co.

903 581 3756

P. 03

Northwest line of said Sara Jim Gresham to Adrian E. Hudson tract and with the Southeast right-of-way line of said 17 feet wide railroad tract, parallel to and 8.50' perpendicular to the Centerline of said railroad, to a 1/2" Iron Rod set for corner in same, being the beginning of a curve to the right;

THENCE with said curve to the right having a delta angle of 04 degrees 37 minutes 26 seconds, an arc distance of 69.00 feet, a radius of 854.99 feet, a tangent of 34.52 feet, and a chord of North 67 degrees 46 minutes 24 seconds East, a distance of 68.98 feet, continuing with the Northwest line of said Sara Jim Gresham to Adrian E. Hudson tract and with the Southeast right-of-way line of said 17 feet wide railroad tract and with the Northwest line of said C.C. Molnari and wife, Ruby Ann Molnari to Adrian E. Hudson tract, to a 1/2" Iron Rod set at the end of said curve in same, being the most Northerly corner of said C.C. Molnari and wife, Ruby Ann Molnari to Adrian E. Hudson tract;

THENCE South 73 degrees 54 minutes 42 seconds East, a distance of 225.01 feet continuing with the Northeast line of said C.C. Molnari and wife, Ruby Ann Molnari to Adrian E. Hudson tract and with the South right-of-way line of said I. & G. N. R. R., parallel to and 150.00' perpendicular to the centerline of said railroad track, to a 1/2" Iron Rod set for corner in same being the beginning of a curve to the right;

THENCE with said curve to the right having a delta angle of 08 degrees 33 minutes 52 seconds, an arc distance of 165.65 feet, a radius of 1108.17 feet, a tangent of 82.98 feet and a chord of South 69 degrees 37 minutes 46 seconds East, a distance of 165.49 feet to a 1/2" Iron Rod set for corner at the end of said curve in same and being the Northeast corner of said 0.862 acre tract and the Northwest corner of a certain tract of land conveyed by Mrs. G.M. Donohoe, Et Al to Snider Industries, Inc. in a deed dated May 31, 1974 and recorded in Volume 693, Page 757 of the Deed Records of Wood County, Texas, from which a 1/2" Iron Rod found bears North 17 degrees 10 minutes 15 seconds East, a distance of 1.15';

THENCE South 17 degrees 10 minutes 15 seconds West, a distance of 90.42 feet with the East line of said 0.862 acre tract and with the West line of said Mrs. G.M. Donohoe, Et Al to Snider Industries, Inc. tract, to a 1/2" Iron Rod set for the most Easterly Southeast corner of said 0.862 acre tract and the Northeast corner of a certain tract of land conveyed by Mary Ann Parker to Peggy Jean Jones in a deed dated May 4, 1977 and recorded in Volume 762, Page 79 of the Deed Records of Wood County, Texas;

THENCE North 74 degrees 07 minutes 35 seconds West, a distance of 168.66 feet with the North lines of said Mary Ann Parker to Peggy Jean Jones tract and a certain tract of land conveyed by C.C. Molnari and wife Ruby Ann Molnari to W.L. McKissic and wife, Georgia McKissic in a deed dated August 19, 1954 and recorded in Volume 399, Page 43 of the Deed Records of Wood County, Texas, and a certain tract of land conveyed by Sharon Gail Brown Smith to Bessie Mae Brown in a deed dated August 12, 1986 and recorded in Volume 1033, Page 306 of the Deed Records of Wood County, Texas, to a 1/2" Iron Rod set for an Inner corner of

OCT-20-98 TUE 10:48 AM BOY AND ATHERTON

FAX NO. 50 228

P. 04

Oct-20-98 09:34 Kilgore & Co.

903 581 3756

P. 04

said 0.862 acre tract and the North west corner of said Sharon Gail Brown Smith to Bessie Mae Brown tract, also being in the East line of said Frank White to Lilly Food Service, Inc. tract, from which a 1/2" Iron Rod found for the Northeast corner of said Frank White to Lilly Food Service, Inc. tract and an Inner corner of said 0.862 acre tract bears North 14 degrees 01 minutes 05 seconds East, a distance of 24.82';

THENCE South 14 degrees 01 minutes 05 seconds West, a distance of 102.16 feet with the West line of said Sharon Gail Brown Smith to Bessie Mae Brown tract, and the East line of said Frank White to Lilly Food Service, Inc. tract to a 3/4" Iron Pipe found for the Southwest corner of said Sharon Gail Brown Smith to Bessie Mae Brown tract and the Southeast corner of said Frank White to Lilly Food Service, Inc. tract, being in the North right-of-way of said Freeman Street;

THENCE North 74 degrees 51 minutes 18 seconds West, a distance of 222.06 feet with the South lines of said Frank White to Lilly Food Service, Inc. tract and said Bernice Williams to Lilly Sales, Inc. tract and said Coulter Templeton to Adrian E. Hudson tract and said W.Z. English to P.V. Finley and wife, Jannie Lee Finley tract and with the North right-of-way line of said Freeman Street, to a 1" Angle Iron found for the Southwest corner of said W.Z. English to P.V. Finley and wife, Jannie Lee Finley tract, also being the Southeast corner of said Sara Jim Gresham to Adrian E. Hudson First Tract, in said right-of-way,

THENCE North 74 degrees 30 minutes 00 seconds West, a distance of 252.43 feet with the North right-of-way line of said Freeman Street and with the South lines of said Sara Jim Gresham to Adrian E. Hudson tracts, to the PLACE OF BEGINNING and containing 2.048 acres of land.

Bearings are based on the Deed Record call of a line between a 1" Angle Iron found for the Southeast corner of said 1st Tract as recorded in Volume 628, Page 765 of the Deed Records of Wood County, Texas, and a 3/8" Iron Rod found for the Southwest Corner of same.

I hereby certify that this description was prepared from an actual survey made under my direction and supervision on the ground during the month of October, 1998.

See Plat Attached For Additional Reference.

Kevin L. Kilgore
Registered Professional Land Surveyor
Texas Registration No. 4687

99079.SAM

SCHEDULE B

APPLICATION FOR COMPENSATION

COMPUTATION OF COMMISSIONS (cases filed after 10/22/95)

Total Receipts	<u>\$5,343.66</u>	25% of First \$5,000	\$ <u>1,250.00</u>
Less	(5,000.00)		
Balance	<u>343.66</u>	10% of next \$45,000	\$ <u>34.37</u>
Less	(45,000.00)		
Balance	<u>0.00</u>	5% of next \$950,000	\$ <u>0.00</u>
Less	(950,000.00)		
Balance	<u>0.00</u>	3% of Remaining Balance	\$ <u>0.00</u>
TOTAL COMMISSIONS			\$ <u>1,284.37</u>

UNREIMBURSED EXPENSES

Recording Fees	\$ <u>0.00</u>
Premium on Trustee's Bond	\$ <u>0.00</u>
Necessary Travel	\$ <u>0.00</u>
Paraprofessional	\$ <u>0.00</u>
Clerical and Stenographic	\$ <u>0.00</u>
Photocopy	\$ <u>90.00</u>
Supplies/Stationery	\$ <u>0.00</u>
Delivery Costs (actual)	\$ <u>11.65</u>
Distribution Expenses	\$ <u>0.00</u>
Long Distance Telephone Charges	\$ <u>0.00</u>
Parking and Toll	\$ <u>0.00</u>
Other Expenses - Intranet	\$ <u>0.00</u>
TOTAL UNREIMBURSED EXPENSES	\$ <u>101.65</u>

Records:

Trustee did not take possession of business or personal records of the debtor.

Notice given debtor on _____ to pick up business or personal records in hands of Trustee.

X

Expenses Worksheet**Period: 01/01/98 - 06/14/01****Trustee: JASON R. SEARCY (631670)****Case Number:** 98-61374**Case Name:** LILLY FOOD SERVICE, INC.**Case Type:** Assets**Judge:** BILL PARKER**Petition Date:** 06/24/98**341a Meeting:** 07/27/98 10:15**Category: COPIES**

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
10/05/00	Copies to IRS	2.00	\$0.250	\$0.50
03/09/01	Form 1120 & Section 505 letter	16.00	\$0.250	\$4.00
03/15/01	Copies to IRS	1.00	\$0.250	\$0.25
06/14/01	Final Report	141.00	\$0.250	\$35.25
06/14/01	Supplemental Final Report	200.00	\$0.250	\$50.00
Total for category COPIES:		360.00		\$90.00

Category: POSTAGE

<u>Date</u>	<u>Description</u>	<u>Hours/Unit</u>	<u>Rate</u>	<u>Total</u>
10/05/00	Postage to IRS	1.00	\$0.330	\$0.33
03/09/01	Form 1120 and Section 505 letter	2.00	\$0.340	\$0.68
03/15/01	Postage to IRS	1.00	\$0.340	\$0.34
06/14/01	Final Report	1.00	\$5.150	\$5.15
06/14/01	Supplemental Final Report	1.00	\$5.150	\$5.15
Total for category POSTAGE:		6.00		\$11.65
			Total for case 98-61374:	\$101.65

Grand Total:	\$101.65
---------------------	-----------------

SCHEDULE C

EXPENSES OF ADMINISTRATION

	(1) Amount Claimed	(2) Amount Allowed	(3) Previously Paid	(4) Due
1. 11 U.S.C. Sec. 507(a)(1) <u>Court Costs and Fees</u>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
2. 11 U.S.C. Sec. 503(b)(1)(A) <u>Preservation of Estate</u>				
A. Transportation	0.00	0.00	0.00	0.00
B. Storage	0.00	0.00	0.00	0.00
C. Wages	0.00	0.00	0.00	0.00
D. Estates share FICA	0.00	0.00	0.00	0.00
E. Insurance	0.00	0.00	0.00	0.00
F. Upkeep	0.00	0.00	0.00	0.00
G. Other (itemize)	0.00	0.00	0.00	0.00
3. 11 U.S.C. Sec. 503(b)(2) <u>Post-Petition taxes and related penalties</u>	27.04	27.04	27.04	0.00
4. 11 U.S.C. Sec. 503(b)(2) <u>Compensation and Reimbursement</u>				
A. Compensation of Trustee	1,284.37	1,284.37	0.00	1,284.37
B. Expenses of Trustee	101.65	101.65	0.00	101.65
C. Compensation of Attorney to Trustee	1,967.00	1,967.00	1,967.00	0.00
D. Expenses of Attorney to Trustee	985.05	985.05	985.05	0.00
5. Court Special Charges (Excess Notices)	0.00	0.00	0.00	0.00
6. U.S. Trustee fees	0.00	0.00	0.00	0.00
7. Other (itemize)	0.00	0.00	0.00	0.00
Totals:	<u>\$ 4,365.11</u>	<u>\$ 4,365.11</u>	<u>\$ 2,979.09</u>	<u>\$ 1,386.02</u>

SCHEDULE D

SECURED CLAIMS

<u>Claim No.</u>	<u>Amount Claimed</u>	<u>Amount Not Determined</u>	<u>Amount Allowed</u>	<u>Previously Paid</u>	<u>Due</u>
31	40,917.62	40,917.62	0.00	0.00	0.00
51	136,698.33	136,698.33	0.00	0.00	0.00
	<u>177,615.95</u>	<u>177,615.95</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

IDENTIFICATION OF SECURED PARTIES AFFECTED:

<u>Claim No.</u>	<u>Name of Creditor</u>	<u>Claim No.</u>	<u>Name of Creditor</u>
31	First Service Bank		
51	JoAnn Ussery, Ind. Ex. of Est. of LC		

SCHEDULE E

PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES IN THE
FOLLOWING ORDER OF PRIORITY

	(1) Amount Claimed	(2) Amount Allowed	(3) Amount Paid	(4) Due
1. For Credit extended Sec. 364(e) (1)	\$0.00	\$0.00	\$0.00	\$0.00
2. Claims for failure of "adequate protection" Sec. 307(a) (b)	0.00	0.00	0.00	0.00
3. "Gap Claims" Sec. 507(a) (2)	0.00	0.00	0.00	0.00
4. Wages, etc. Sec. 507(a) (3)	0.00	0.00	0.00	0.00
5. Contributions to benefit plans Sec. 507(a) (4)	0.00	0.00	0.00	0.00
6. Consumer deposits Sec. 507(a) (6)	0.00	0.00	0.00	0.00
7. Taxes Sec. 507(a) (7)	1,225.87	1,225.87	0.00	1,225.87
8. Depository Institutions Sec. 507(a) (8)	0.00	0.00	0.00	0.00
9. Other: No Basis	0.00	0.00	0.00	0.00
Totals:	1,225.87	1,225.87	0.00	1,225.87

PARTIES AFFECTED:

Claim No.	Name of Creditor	Claim No.	Name of Creditor
43	TEXAS WORKFORCE COMMISSION		

FILED UNSECURED CLAIMS TOTAL: \$ 249,987.89

SUBORDINATED UNSECURED CLAIMS: \$ 52,028.45

Claims Register

Case: 98-61374 LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
	JASON R. SEARCY 446 FOREST SQUARE P.O. BOX 3929 LONGVIEW, 75605 (FEES-TRUSTEE (CH7), 200)	Admin Ch. 7 06/24/98		\$1,284.37 \$1,284.37	\$0.00	\$1,284.37
	JASON R. SEARCY 446 FOREST SQUARE P.O. BOX 3929 LONGVIEW, 75605 (EXP.-TRUSTEE (CH7), 200)	Admin Ch. 7 06/24/98		\$101.65 \$101.65	\$0.00	\$101.65
1	Southwestern Bell Telephone Company One Bell Plaza, Room 1920 P.O. Box 655521 Dallas, TX 75265 (UNSECURED TIMELY FILED, 610)	Unsecured 07/21/98	903 569-5481,113	\$931.82 \$931.82	\$0.00	\$931.82
2	Fourstates Wholesale Blendex Breadings P.O. Box 2916 Longview, TX 75606 (UNSECURED TIMELY FILED, 610)	Unsecured 08/11/98	LILLY * Disallowed by Order dated 2-22-00	\$1,576.85 \$0.00	\$0.00	\$0.00
3	Pitney Bowes Credit Corporation Recovery Services, 3rd Floor 27 Waterview Dr. Shelton, CT 06484-5151 (UNSECURED TIMELY FILED, 610)	Unsecured 08/10/98	00329416002	\$220.00 \$220.00	\$0.00	\$220.00
4	Bassham's Inst. Foods, Inc. P.O. Box 6296 Fort Worth, TX 76115 (UNSECURED TIMELY FILED, 610)	Unsecured 08/12/98	525950 * Disallowed by Order dated 2-22-00	\$2,113.66 \$0.00	\$0.00	\$0.00
5	Twin State Trucks, Inc. P.O. Box 7408 Longview, TX 75607 (UNSECURED TIMELY FILED, 610)	Unsecured 08/12/98	15190	\$63.92 \$63.92	\$0.00	\$63.92
6	Pittsburg Hot Link Packers, Inc. P.O. Box 142 Pittsburg, TX 75686 (UNSECURED TIMELY FILED, 610)	Unsecured 08/12/98	1207	\$1,456.35 \$1,456.35	\$0.00	\$1,456.35

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374 LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
7	Michael Gazette 1000 First Place Tyler, TX 75702 (UNSECURED TIMELY FILED, 610)	Unsecured 08/12/98	0156-001 & 0156-002	\$7,365.89 \$7,365.89	\$0.00	\$7,365.89
			legal fees from 10-12-97 to 02-11-98			
8	AF Enterprises P.O. Box 5984 Texarkana, TX 75505 (UNSECURED TIMELY FILED, 610)	Unsecured 08/13/98	688500	\$760.85 \$760.85	\$0.00	\$760.85
9	Thermo King P.O. Box 561667 Dallas, TX 75356 (UNSECURED TIMELY FILED, 610)	Unsecured 08/13/98	6135	\$2,909.28 \$2,909.28	\$0.00	\$2,909.28
10	Mineola Monitor P.O. Box 210 Mineola, TX 75773 (UNSECURED TIMELY FILED, 610)	Unsecured 08/13/98	000076	\$132.75 \$132.75	\$0.00	\$132.75
11	Foam Packaging, Inc. P.O. Box 1075 Vicksburg, MS 39181 (UNSECURED TIMELY FILED, 610)	Unsecured 08/13/98	1116	\$2,540.00 \$2,540.00	\$0.00	\$2,540.00
12	Intermex Products, USA, Ltd. 1375 Ave. S., Suite 300 Grand Prairie, TX 75050 (UNSECURED TIMELY FILED, 610)	Unsecured 08/14/98	1376	\$7,694.56 \$7,694.56	\$0.00	\$7,694.56
13	Wins Paper Products P.O. Box 14155 Fort Worth, TX 76117 (UNSECURED TIMELY FILED, 610)	Unsecured 08/14/98	4087 Duplicated in Claim #19	\$415.32 \$415.32	\$0.00	\$415.32
14	Proforma P.O. Box 640814 Cincinnati, OH 45264 (UNSECURED TIMELY FILED, 610)	Unsecured 08/18/98	HD-010040	\$2,848.24 \$2,848.24	\$0.00	\$2,848.24
15	Papetti's P.O. Box 23773 Newark, NJ 07189 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	133456	\$2,240.06 \$2,240.06	\$0.00	\$2,240.06

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374 LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
16	Formcraft of Arkansas P.O. Box 15606 North Little Rock, AR 72231 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	L0081	\$311.54 \$311.54	\$0.00	\$311.54
17	Handgards, Inc. P.O. Box 95139 Chicago, IL 60694 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	621677	\$1,705.00 \$1,705.00	\$0.00	\$1,705.00
18	DOT Foods, Inc. P.O. Box 192 Mt. Sterling, IL 62353 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	100-14875	\$8,520.91 \$8,520.91	\$0.00	\$8,520.91
19	Wins Paper Products (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	* Duplicate of Claim #13; Disallowed by Order dated 2-22-00	\$415.32 \$0.00	\$0.00	\$0.00
20	Fair Oaks Farms, LLC 7600 95th Street Pleasant Prairie, WI 53158 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	247001	\$5,107.08 \$5,107.08	\$0.00	\$5,107.08
21	Congra Poultry Co. P.O. Box 1389 Duluth, GA 30095 (UNSECURED TIMELY FILED, 610)	Unsecured 08/17/98	0301	\$14,119.60 \$14,119.60	\$0.00	\$14,119.60
22	JII/SPA, Inc. P.O. Box 75537 Chicago, IL 60675 (UNSECURED TIMELY FILED, 610)	Unsecured 08/18/98	167895	\$3,381.11 \$3,381.11	\$0.00	\$3,381.11
23	Mineola Supply Company 108 S. Johnson Mineola, TX 75773 (UNSECURED TIMELY FILED, 610)	Unsecured 08/21/98		\$501.33 \$501.33	\$0.00	\$501.33
24	Mark-Lynn Industries, Inc. P.O. Box 278 Bremen, GA 30110 (UNSECURED TIMELY FILED, 610)	Unsecured 08/21/98	1287	\$3,827.40 \$3,827.40	\$0.00	\$3,827.40
25	Lloyd's Lube Center 1211 N. Pacific Mineola, TX 75773 (UNSECURED TIMELY FILED, 610)	Unsecured 08/21/98	3913	\$109.65 \$109.65	\$0.00	\$109.65

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374

LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
26	Dart Container Corp. Legal Dept. 500 Hogsback Road Mason, MI 48854 (UNSECURED TIMELY FILED, 610)	Unsecured 08/21/98	095003	\$12,894.58 \$12,894.58	\$0.00	\$12,894.58
27	Leon's Texas Cuisine P.O. Box 1850 McKinney, TX 75070 (UNSECURED TIMELY FILED, 610)	Unsecured 08/24/98	120910	\$2,900.00 \$2,900.00	\$0.00	\$2,900.00
28	International Home Foods P.O. Box 951248 Dallas, TX 75395 (UNSECURED TIMELY FILED, 610)	Unsecured 08/24/98	353100	\$2,900.00 \$2,900.00	\$0.00	\$2,900.00
29	Update International 5801 S. Boyle Ave. Los Angeles, CA 90058 (UNSECURED TIMELY FILED, 610)	Unsecured 08/24/98	LI1010	\$364.20 \$364.20	\$0.00	\$364.20
30	O.B. Macaroni Company P.O. Box 53 Fort Worth, TX 76101 (UNSECURED TIMELY FILED, 610)	Unsecured 08/24/98	126341	\$647.30 \$647.30	\$0.00	\$647.30
31	First Service Bank c/o Scott Rectenwald P.O. Box 910 Marshall, TX 75671 (SECURED, 100)	Secured 08/31/98	* Stay lifted by Order dated 5-26-99; Order of Abandonment entered 4-2-99; Disallowed by Order dated 2-22-00	\$40,917.62 \$0.00	\$0.00	\$0.00
32	Lone Star Consolidated Foods P.O. Box 225979 Dallas, TX 75222 (UNSECURED TIMELY FILED, 610)	Unsecured 08/28/98	41	\$3,156.75 \$3,156.75	\$0.00	\$3,156.75
33	AT&T Credit Corp. Bankruptcy Dept. 2 Gatehall Drive Parsippany, NJ 07054 (UNSECURED TIMELY FILED, 610)	Unsecured 08/31/98	S114147-00010	\$17,810.55 \$17,810.55	\$0.00	\$17,810.55
33A	AT&T Credit Corp. Bankruptcy Dept. 2 Gatehall Drive Parsippany, NJ 07054	Unsecured 08/31/98	S114147-00010 *	\$788.22 \$788.22	\$0.00	\$788.22

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374

LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
	(UNSECURED TIMELY FILED, 610)					
34	LDS Long Distance Savers P.O. Box 8026 Monroe, LA 71211	Unsecured 09/03/98	26-13611,34676, 43357...	\$463.10 \$463.10	\$0.00	\$463.10
	(UNSECURED TIMELY FILED, 610)					
35	Imperial Sugar Company P.O. Box 9 Sugar Land, TX 77487-0009	Unsecured 09/10/98	1377	\$4,534.95 \$4,534.95	\$0.00	\$4,534.95
	(UNSECURED TIMELY FILED, 610)					
36	Alliant Foodservice, Inc. P.O. Box 843202 Dallas, TX 75284	Unsecured 09/10/98	23442825	\$11,413.94 \$11,413.94	\$0.00	\$11,413.94
	(UNSECURED TIMELY FILED, 610)					
37	Crain & Company, P.C. 614 Edmonds, Suite 103 Lewisville, TX 75067	Unsecured 09/11/98	95481 accounting fees from 8-31-97 to 5-21-98	\$11,257.50 \$11,257.50	\$0.00	\$11,257.50
	(UNSECURED TIMELY FILED, 610)					
38	Waste Management of NE TX P.O. Box 2105 Bedford Park, IL 60499	Unsecured 09/23/98	0107525	\$814.16 \$814.16	\$0.00	\$814.16
	(UNSECURED TIMELY FILED, 610)					
39	Ruiz Food Products, Inc. P.O. Box 37 Dinuba, CA 93618	Unsecured 09/24/98	1666000	\$3,042.22 \$3,042.22	\$0.00	\$3,042.22
	(UNSECURED TIMELY FILED, 610)					
40	M-Prints 125 N. Johnson Mineola, TX 75773	Unsecured 09/28/98		\$519.76 \$519.76	\$0.00	\$519.76
	(UNSECURED TIMELY FILED, 610)					
41	American Express Travel Services c/o Becket & Lee L.L.P. P.O. Box 3001 Malvern, PA 19355-0701	Unsecured 10/02/98	3782643352260 003	\$1,039.35 \$1,039.35	\$0.00	\$1,039.35
	(UNSECURED TIMELY FILED, 610)					

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374 LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
42	General Mills Foodservice P.O. Box 1113-7BT Minneapolis, MN 55440 (UNSECURED TIMELY FILED, 610)	Unsecured 10/02/98	20475800	\$12,977.29 \$12,977.29	\$0.00	\$12,977.29
43	TEXAS WORKFORCE COMMISSION P.O. BOX 149080 TWC BUILDING AUSTIN, TX 78714-9080 (PRIOR. TAX CLAIMS, 560)	Priority 10/13/98	00-223725-3	\$1,225.87 \$1,225.87	\$0.00	\$1,225.87
44	Friday Canning Corp. Drawer 78254 Milwaukee, WI 53278 (UNSECURED TIMELY FILED, 610)	Unsecured 10/28/98	27535	\$5,009.50 \$5,009.50	\$0.00	\$5,009.50
45	McCormick & Company 226 Schilling Circle Hunt Valley, MD 21031 (UNSECURED TIMELY FILED, 610)	Unsecured 11/02/98	152001	\$3,307.17 \$3,307.17	\$0.00	\$3,307.17
46	Nogales Produce, Inc. 1811 S. Harwood Dallas, TX 76202 (UNSECURED TIMELY FILED, 610)	Unsecured 11/02/98	LILLYS	\$3,175.00 \$3,175.00	\$0.00	\$3,175.00
47	Schwan's Food Service P.O. Box 1450 Minneapolis, MN 55485 (UNSEC. TARDILY FILED CLAIMS, 620)	Unsecured 11/23/98	2250	\$47,460.95 \$0.00	\$0.00	\$0.00
						Past bar date; Disallowed by Order dated 2-22-00
48	Digital Financial Services c/o Nick Inman 901 Main St., Suite 2500 Dallas, TX 75202 (UNSECURED TIMELY FILED, 610)	Unsecured 06/14/99		\$17,492.93 \$17,492.93	\$0.00	\$17,492.93
						Stipulation on Relief from Stay entered on 7-2-99; Past bar date; Claim amended to unsecured and objection has been withdrawn
49	Ventura Foods P.O. Box 3636 City of Industry, CA 91744 (UNSEC. TARDILY FILED CLAIMS, 620)	Unsecured 06/14/99	00794	\$4,567.50 \$0.00	\$0.00	\$0.00
						Past Bar date; Disallowed by Order dated 2-22-00

(*) Denotes objection to Amount Filed

Claims Register

Case: 98-61374

LILLY FOOD SERVICE, INC.

Claims Bar Date: 11/03/98

Claim Number	Claimant Name / (Category, Priority)	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
50	Max Hudson c/o Bryan & Mattison P.O. Box 1007 Sulphur Springs, TX 75483 (UNSECURED TIMELY FILED, 610)	Unsecured 07/15/98	* No proof; Disallowed by Order dated 2-22-00	\$6,450.00 \$0.00	\$0.00	\$0.00
51	JoAnn Ussery, Ind. Ex. of Est. of LC c/o Gene Mattison P.O. Box 1007 Sulphur Springs, TX 75483 (SECURED, 100)	Secured 07/23/98	* Abstract of Judgment on real property - Order of Abandonment entered on 4-2-99; Disallowed by Order dated 2-22-00	\$136,698.33 \$0.00	\$0.00	\$0.00
52	Meridian Beverage Co., Inc. P.O. Box 941728 Atlanta, GA 31141 (UNSECURED TIMELY FILED, 610)	Unsecured 08/27/98	LIL003	\$3,732.48 \$3,732.48	\$0.00	\$3,732.48
100	INTERNAL REVENUE SERVICE 1100 COMMERCE ST., RM 9A20 CODE 5027 DAL DALLAS, TX 75242 (FEDERAL INCOME TAX, 200)	Admin Ch. 7 03/08/00	Order dated 4-17-2000	\$19.97 \$19.97	\$19.97	\$0.00
101	JASON R. SEARCY, P.C. P.O. BOX 3929 LONGVIEW, TX 75606 (TRUSTEE'S FIRM LEGAL FEES (CH 7), 200)	Admin Ch. 7 04/03/00	Order dated 5-3-2000	\$1,967.00 \$1,967.00	\$1,967.00	\$0.00
102	JASON R. SEARCY, P.C. P.O. BOX 3929 LONGVIEW, TX 75606 (TRUSTEE'S FIRM LEGAL EXPENSES (CH 7), 200)	Admin Ch. 7 04/03/00	Order dated 5-3-2000	\$985.05 \$985.05	\$985.05	\$0.00
Case Total:					\$2,972.02	\$190,015.50

(*) Denotes objection to Amount Filed

Claims Proposed Distribution
Case: 98-61374 LILLY FOOD SERVICE, INC.

Case Balance: \$2,364.57 Total Proposed Payment: \$2,364.57 Remaining Balance: \$0.00

Claim #	Claimant Name	Type	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Remaining Funds
31	First Service Bank Claim Memo: Stay lifted by Order dated 5-26-99; Order of Abandonment entered 4-2-99; Disallowed by Order dated 2-22-00	Secured	40,917.62	0.00*	0.00	0.00	0.00	2,364.57
51	JoAnn Ussery, Ind. Ex. of Est. of LC Claim Memo: Abstract of Judgment on real property - Order of Abandonment entered on 4-2-99; Disallowed by Order dated 2-22-00	Secured	136,698.33	0.00*	0.00	0.00	0.00	2,364.57
	JASON R. SEARCY EXP.-TRUSTEE (CH7)	Admin Ch. 7	101.65	101.65	0.00	101.65	101.65	2,262.92
	JASON R. SEARCY FEES-TRUSTEE (CH7)	Admin Ch. 7	1,284.37	1,284.37	0.00	1,284.37	1,284.37	978.55
100	INTERNAL REVENUE SERVICE FEDERAL INCOME TAX Claim Memo: Order dated 4-17-2000	Admin Ch. 7	19.97	19.97	19.97	0.00	0.00	978.55
101	JASON R. SEARCY, P.C. TRUSTEE'S FIRM LEGAL FEES (CH 7) Claim Memo: Order dated 5-3-2000	Admin Ch. 7	1,967.00	1,967.00	1,967.00	0.00	0.00	978.55
102	JASON R. SEARCY, P.C. TRUSTEE'S FIRM LEGAL EXPENSES (CH 7) Claim Memo: Order dated 5-3-2000	Admin Ch. 7	985.05	985.05	985.05	0.00	0.00	978.55
43	TEXAS WORKFORCE COMMISSION	Priority	1,225.87	1,225.87	0.00	1,225.87	978.55	0.00
1	Southwestern Bell Telephone Company	Unsecured	931.82	931.82	0.00	931.82	0.00	0.00
2	Fourstates Wholesale Claim Memo: Disallowed by Order dated 2-22-00	Unsecured	1,576.85	0.00*	0.00	0.00	0.00	0.00
3	Pitney Bowes Credit Corporation	Unsecured	220.00	220.00	0.00	220.00	0.00	0.00
4	Bassham's Inst. Foods, Inc. Claim Memo: Disallowed by Order dated 2-22-00	Unsecured	2,113.66	0.00*	0.00	0.00	0.00	0.00
5	Twin State Trucks, Inc.	Unsecured	63.92	63.92	0.00	63.92	0.00	0.00
6	Pittsburg Hot Link Packers, Inc.	Unsecured	1,456.35	1,456.35	0.00	1,456.35	0.00	0.00
7	Michael Gazette Claim Memo: legal fees from 10-12-97 to 02-11-98	Unsecured	7,365.89	7,365.89	0.00	7,365.89	0.00	0.00
8	AF Enterprises	Unsecured	760.85	760.85	0.00	760.85	0.00	0.00
9	Thermo King	Unsecured	2,909.28	2,909.28	0.00	2,909.28	0.00	0.00
10	Mineola Monitor	Unsecured	132.75	132.75	0.00	132.75	0.00	0.00
11	Foam Packaging, Inc.	Unsecured	2,540.00	2,540.00	0.00	2,540.00	0.00	0.00
12	Intermex Products, USA, Ltd.	Unsecured	7,694.56	7,694.56	0.00	7,694.56	0.00	0.00

Claims Proposed Distribution

Case: 98-61374 LILLY FOOD SERVICE, INC.

Case Balance: \$2,364.57 Total Proposed Payment: \$2,364.57 Remaining Balance: \$0.00

Claim #	Claimant Name	Type	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Remaining Funds
13	Wins Paper Products Claim Memo: Duplicated in Claim #19	Unsecured	415.32	415.32	0.00	415.32	0.00	0.00
14	Proforma	Unsecured	2,848.24	2,848.24	0.00	2,848.24	0.00	0.00
15	Papetti's	Unsecured	2,240.06	2,240.06	0.00	2,240.06	0.00	0.00
16	Formcraft of Arkansas	Unsecured	311.54	311.54	0.00	311.54	0.00	0.00
17	Handgards, Inc.	Unsecured	1,705.00	1,705.00	0.00	1,705.00	0.00	0.00
18	DOT Foods, Inc.	Unsecured	8,520.91	8,520.91	0.00	8,520.91	0.00	0.00
19	Wins Paper Products Claim Memo: Duplicate of Claim #13; Disallowed by Order dated 2-22-00	Unsecured	415.32	0.00*	0.00	0.00	0.00	0.00
20	Fair Oaks Farms, LLC	Unsecured	5,107.08	5,107.08	0.00	5,107.08	0.00	0.00
21	Congra Poultry Co.	Unsecured	14,119.60	14,119.60	0.00	14,119.60	0.00	0.00
22	JII/SPA, Inc.	Unsecured	3,381.11	3,381.11	0.00	3,381.11	0.00	0.00
23	Mineola Supply Company	Unsecured	501.33	501.33	0.00	501.33	0.00	0.00
24	Mark-Lynn Industries, Inc.	Unsecured	3,827.40	3,827.40	0.00	3,827.40	0.00	0.00
25	Lloyd's Lube Center	Unsecured	109.65	109.65	0.00	109.65	0.00	0.00
26	Dart Container Corp.	Unsecured	12,894.58	12,894.58	0.00	12,894.58	0.00	0.00
27	Leon's Texas Cuisine	Unsecured	2,900.00	2,900.00	0.00	2,900.00	0.00	0.00
28	International Home Foods	Unsecured	2,900.00	2,900.00	0.00	2,900.00	0.00	0.00
29	Update International	Unsecured	364.20	364.20	0.00	364.20	0.00	0.00
30	O.B. Macaroni Company	Unsecured	647.30	647.30	0.00	647.30	0.00	0.00
32	Lone Star Consolidated Foods	Unsecured	3,156.75	3,156.75	0.00	3,156.75	0.00	0.00
33	AT&T Credit Corp.	Unsecured	17,810.55	17,810.55	0.00	17,810.55	0.00	0.00
33A	AT&T Credit Corp. Claim Memo: No proof of priority - object to allow as unsecured also; Allowed as unsecured by Order dated 2-22-00	Unsecured	788.22	788.22*	0.00	788.22	0.00	0.00
34	LDS Long Distance Savers	Unsecured	463.10	463.10	0.00	463.10	0.00	0.00
35	Imperial Sugar Company	Unsecured	4,534.95	4,534.95	0.00	4,534.95	0.00	0.00
36	Alliant Foodservice, Inc.	Unsecured	11,413.94	11,413.94	0.00	11,413.94	0.00	0.00
37	Crain & Company, P.C. Claim Memo: accounting fees from 8-31-97 to 5-21-98	Unsecured	11,257.50	11,257.50	0.00	11,257.50	0.00	0.00
38	Waste Management of NE TX	Unsecured	814.16	814.16	0.00	814.16	0.00	0.00
39	Ruiz Food Products, Inc.	Unsecured	3,042.22	3,042.22	0.00	3,042.22	0.00	0.00
40	M-Prints	Unsecured	519.76	519.76	0.00	519.76	0.00	0.00
41	American Express Travel Services	Unsecured	1,039.35	1,039.35	0.00	1,039.35	0.00	0.00
42	General Mills Foodservice	Unsecured	12,977.29	12,977.29	0.00	12,977.29	0.00	0.00

(*) Denotes objection to Amount Filed

Claims Proposed Distribution
Case: 98-61374 LILLY FOOD SERVICE, INC.

Case Balance: \$2,364.57 Total Proposed Payment: \$2,364.57 Remaining Balance: \$0.00

Claim #	Claimant Name	Type	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment	Remaining Funds
44	Friday Canning Corp.	Unsecured	5,009.50	5,009.50	0.00	5,009.50	0.00	0.00
45	McCormick & Company	Unsecured	3,307.17	3,307.17	0.00	3,307.17	0.00	0.00
46	Nogales Produce, Inc.	Unsecured	3,175.00	3,175.00	0.00	3,175.00	0.00	0.00
48	Digital Financial Services	Unsecured	17,492.93	17,492.93*	0.00	17,492.93	0.00	0.00
Claim Memo: Stipulation on Relief from Stay entered on 7-2-99; Past bar date; Claim amended to unsecured and objection has been withdrawn								
50	Max Hudson	Unsecured	6,450.00	0.00*	0.00	0.00	0.00	0.00
Claim Memo: No proof; Disallowed by Order dated 2-22-00								
52	Meridian Beverage Co., Inc.	Unsecured	3,732.48	3,732.48	0.00	3,732.48	0.00	0.00
47	Schwan's Food Service	Unsecured	47,460.95	0.00*	0.00	0.00	0.00	0.00
Claim Memo: Past bar date; Disallowed by Order dated 2-22-00								
49	Ventura Foods	Unsecured	4,567.50	0.00*	0.00	0.00	0.00	0.00
Claim Memo: Past Bar date; Disallowed by Order dated 2-22-00								
Total for Case 98-61374 :			\$433,187.75	\$192,987.52	\$2,972.02	\$190,015.50	\$2,364.57	\$0.00

CASE SUMMARY

	Amount Filed	Amount Allowed	Paid to Date	Proposed Payment	% paid
Total Administrative Claims :	\$4,358.04	\$4,358.04	\$2,972.02	\$1,386.02	100.000000%
Total Priority Claims :	\$1,225.87	\$1,225.87	\$0.00	\$978.55	79.824941%
Total Secured Claims :	\$177,615.95	\$0.00	\$0.00	\$0.00	0.000000%
Total Unsecured Claims :	\$249,987.89	\$187,403.61	\$0.00	\$0.00	0.000000%

(*) Denotes objection to Amount Filed

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE: LILLY FOOD SERVICE, INC. / BANKRUPTCY CASE: 98-61374
/
/ CHAPTER 7

**NOTICE OF THE FILING OF FINAL REPORT OF TRUSTEE.
APPLICATION FOR COMPENSATION AND PROPOSED DISTRIBUTIONS**

NOTICE IS GIVEN that the Trustee's Final Report and Account, report of Proposed Final Distribution and Applications for Compensation have been filed. These documents are available for public inspection at the office of the Bankruptcy Clerk, 200 E. Ferguson, Tyler, Texas 75702, or at the trustee's office whose name and address is as follows:

JASON SEARCY P O BOX 3929 LONGVIEW, TX 75606

The following Applications for Compensation have been filed:

<u>Applicants</u>	<u>Fees Requested</u>	<u>Expenses Requested</u>
<u>JASON SEARCY</u> Trustee	<u>1284.37</u>	<u>101.65</u>
<u>JASON SEARCY</u> Attorney for Trustee	<u> </u>	<u> </u>
<u>U. S. Bankruptcy Court</u>	<u>0.00</u>	<u> </u>

The trustee's account shows:

Total Receipts	Total Disbursements	Balance
<u>\$ 5343.66</u>	<u>\$ 2979.09</u>	<u>\$ 2364.57</u>

In addition to the commissions and fees that may be allowed by the Court, liens and priority claims which must be paid in advance of general creditors have been allowed in the total amount of \$ 1225.87; general unsecured claims have been allowed in the amount of \$ 187403.61.
The debtor has/has not been discharged.

Written objections to the Final Report, Application for Compensation and/or proposed Distributions must be filed with the Clerk of the Court and served on the trustee at the above mentioned address within 30 days from the date of this notice. If no objections are filed, the Court may consider the Report and Applications without hearing. If objections are filed, a hearing will be held on _____

at _____

Date: _____

JAMES D. TOKOPH, Clerk of Court

By: _____
Deputy Clerk

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

IN RE: LILLY FOOD SERVICE, INC. / BANKRUPTCY CASE: 98-61374
/
/ CHAPTER 7

**NOTICE OF THE FILING OF FINAL REPORT OF TRUSTEE.
APPLICATION FOR COMPENSATION AND PROPOSED DISTRIBUTIONS**

NOTICE IS GIVEN that the Trustee's Final Report and Account, report of Proposed Final Distribution and Applications for Compensation have been filed. These documents are available for public inspection at the office of the Bankruptcy Clerk, 200 E. Ferguson, Tyler, Texas 75702, or at the trustee's office whose name and address is as follows:

JASON SEARCY P O BOX 3929 LONGVIEW, TX 75606

The following Applications for Compensation have been filed:

<u>Applicants</u>	<u>Fees Requested</u>	<u>Expenses Requested</u>
<u>JASON SEARCY</u> Trustee	<u>1284.37</u>	<u>101.65</u>
<u>JASON SEARCY</u> Attorney for Trustee	<u> </u>	<u> </u>
<u>U. S. Bankruptcy Court</u>	<u>0.00</u>	<u> </u>

The trustee's account shows:

Total Receipts	Total Disbursements	Balance
<u>\$ 5343.66</u>	<u>\$ 2979.09</u>	<u>\$ 2364.57</u>

In addition to the commissions and fees that may be allowed by the Court, liens and priority claims which must be paid in advance of general creditors have been allowed in the total amount of \$ 1225.87; general unsecured claims have been allowed in the amount of \$ 187403.61.
The debtor has/has not been discharged.

Written objections to the Final Report, Application for Compensation and/or proposed Distributions must be filed with the Clerk of the Court and served on the trustee at the above mentioned address within 30 days from the date of this notice. If no objections are filed, the Court may consider the Report and Applications without hearing. If objections are filed, a hearing will be held on _____

at _____

Date: _____

JAMES D. TOKOPH, Clerk of Court

By: _____
Deputy Clerk

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

IN RE:	§	CASE NO. 98-61374
LILLY FOOD SERVICE, INC.	§	
	§	
	§	
	§	CHAPTER 7
DEBTOR(S)	§	

ORDER ALLOWING TRUSTEE'S FINAL APPLICATION FOR
COMPENSATION AND APPROVING TRUSTEE'S FINAL REPORT
AND PROPOSED DISTRIBUTION

ON THIS DAY CAME FOR CONSIDERATION the Trustee's Final Application for Compensation and the Trustee's Final Report filed by JASON R. SEARCY, the duly appointed Chapter 7 Trustee. The Court finds that notice of the hearing has been given as required by the Bankruptcy Rules. The Court further finds that Orders allowing compensation and reimbursement of expenses for all professionals employed by the Trustee have been previously entered and no just cause exists to reconsider such orders at the present time. Upon due consideration, the Court finds that cause exists which justifies the entry of the following Order:

IT IS THEREFORE ORDERED that the Chapter 7 Trustee's Application for Compensation in the amount of \$1,284.37 and reimbursement of expenses in the amount of \$101.65 is hereby granted.

IT IS FURTHER ORDERED that the Trustee's Final Report is appropriate as submitted by the Chapter 7 Trustee, including approval of the payment of the following fees and charges assessed against the Estate under chapter 123 of Title 28 of the United States Code:

FEES / CHARGES

PROPOSED PAYMENT

Clerk Noticing Fees

\$0.00

FEES / CHARGES

PROPOSED PAYMENT

Unpaid Adversary Filing Fees

\$ 0.00

Unpaid chapter 11 Quarterly Fees

\$ 0.00

IT IS FURTHER ORDERED that the Chapter 7 Trustee shall make final distribution of the amounts set forth in the Trustee's Final Report approved by this Court and shall file a Supplemental Final Report and Account together with such bank statements as are necessary to document a zero balance in all Estate Accounts, following compliance with 11 U.S.C. §347 of the Bankruptcy Code and Bankruptcy Rule 3011, if applicable.

SIGNED this _____ day of _____, 2001.

BILL PARKER
U.S. BANKRUPTCY JUDGE

PREPARED IN THE LAW OFFICE OF:
JASON R. SEARCY, P.C.
P.O. BOX 3929
LONGVIEW, TEXAS 75606
(903) 757-3399
FAX (903) 757-9559