IN THE UNITED STATES DISTRICT COURT FOR THE

DISTRICT OF NEBRASKA

IN RE:	)	
KENNETH H. DILLON and ROBERTA M. DILLON,	)	CV. 86-0-220
Debtors.	)	BK. 85-2668
KENNETH H. DILLON and ROBERTA M. DILLON,	)	
Appellants,	)	
v.	)	
LEROY ANDERSON, Trustee,	)	
Appellee.	)	

FILED
DISTRICT OF NEBRASKA
AT ____ M
JUN 18 1986
William L. Olson, Clerk
By ____ Deputy

ORDER

This matter is before the Court on appellee's motion to dismiss (Filing No. 4) and appellants' motion to retain appeal (Filing No. 6). Upon review of each motion, the Court finds appellants have converted their Chapter 7 case to a case under Chapter 11 of the Untied States Bankruptcy Code, 11 U.S.C. § 101, et seq.

The debtors' appeal was prompted by United States Bankruptcy Judge Timothy J. Mahoney's March 14, 1986, bench order and journal entry denying debtors' objection to Trustee's sale and motion to abandon. In their appeal, the Dillons request that this Court block any Trustee's sale of an "unfunded trust" and require the Trustee to abandon the unfunded trust.

Section 348(e) of the Bankruptcy Code provides a conversion of a case from one chapter to another "terminates the service of any trustee or examiner that is serving in the case

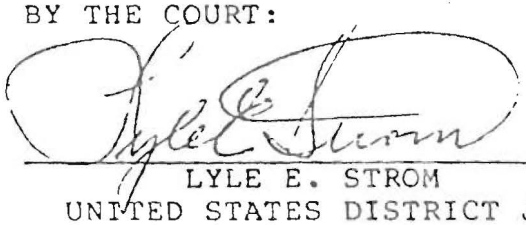
before such conversion." 11 U.S.C. § 348(e). As such, the Trustee presiding over the Dillon estate was stripped of any power or authority under which to sell or abandon property of that estate when the Bankruptcy Court allowed conversion of this matter from a Chapter 7 to a Chapter 11 bankruptcy on June 6, 1986. Thus, the Trustee lacks any ability to carry out the relief requested by the debtors in this appeal. Furthermore, this Court fails to find any issue raised on appeal to be a matter of such public importance or public concern that would require the Court to preside over a mooted appeal. Accordingly,

IT IS HEREBY ORDERED that appellee's motion to dismiss (Filing No. 4) is granted and this matter is dismissed.

IT IS FURTHER ORDERED that appellants' motion to retain the appeal (Filing No. 6) is denied.

DATED this 18th day of June, 1986.

BY THE COURT:



LYLE E. STROM
UNITED STATES DISTRICT JUDGE