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U.S. BANKRUPTCY COURT
ALBUQUERQUE, N.M.

ATTORNEY FOR ANDREWS COUNTY
ANDREWS COUNTY APPRAISAL DISTRICT
LUBBOCK CENTRAL APPRAISAL DISTRICT
MIDLAND COUNTY TAX OFFICE
WICHITA COUNTY TAX OFFICE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO
ALBUQUERQUE DIVISION

IN RE: §
FURR'S SUPERMARKETS, INC. § CASE NO. 01-10779
DEBTOR § CHAPTER 11
§

OBJECTION TO THE INTERIM ORDER (1) AUTHORIZING DEBTORS
TO OBTAIN SECURED FINANCING, (2) GRANTING ADEQUATE
PROTECTION AND (3) GRANTING OTHER RELIEF

NOW COME Midland County Tax Office, Andrews County, Andrews County Appraisal District, Lubbock Central Appraisal District, and Wichita County Tax Office (hereinafter "Claimants") and file this their Objection to the Interim Order (1) Authorizing Debtor to Obtain Secured Financing, (2) Granting Other Relief (hereinafter "Interim Order") to be filed in the above captioned case, and for cause of such would show the court the following:

1. These Claimants have claims against this debtor for pre-petition taxes for the years 1999 through 2001. (10)
2. The Texas Property Tax Code creates a lien on all taxable property as of January 1 of each year to secure the taxes eventually imposed in that

139

ORIGINAL

year on that property, whether real estate or business personal property. TEX. PROP. TAX CODE ANN. §32.01. That lien is superior to virtually all other liens pursuant to TEX PROP. TAX CODE ANN. §32.05, even to those liens created prior in time to the tax liens in question. Thus, the tax liens in favor of the Claimants arising for the tax years 1999 through 2001 are clearly superior to any commercial lien now existing or sought to be created by the Interim Order.

3. Claimants object to the Interim Order in that paragraph 6(a) grants priming liens to the DIP Indebtedness both as to pre-petition and post-petition taxes when that is neither acceptable to these Claimants nor appropriate under the Bankruptcy Code. The debtors personal property located within these Claimant tax jurisdictions is Claimants' collateral as to their senior liens, and they are entitled to be included in the Carve-Out both as to real property and business personal property, including inventory, furniture, fixtures, and equipment. Claimants are further entitled to adequate protection of their lien rights in the subject property.

4. Claimants would further show the Court that despite their being competing lien creditors herein, they were not served with either the "Motion for an Order...Authorizing Creditor to Obtain Secured Credit", the Interim Order, nor any notice of either an objection deadline nor of the hearing on this matter.

Therefore, the Claimants pray this Court deny the Interim Order or require such modification that the rights of these Claimants are unimpaired thereby. Claimants further request other and such relief as is just and proper.

Dated February 28, 2001

Respectfully submitted,

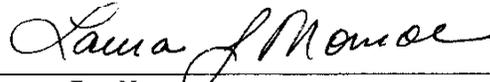
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By *Laura J. Monroe*
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CERTIFICATE OF SERVICE

I hereby certify that I have placed a copy of the above Objection to the Interim Order (1) Authorizing Debtor to Obtain Secured financing, (2) Granting Adequate Protection and (3) Granting Other Relief has been sent to the following by First Class U.S. Mail and VIA Fax on this 28th day of February, 2001:

Furr's Supermarket, Inc., 4411 The 25 Way N.E. Ste 100, Albuquerque, NM 87109; Alan Carr, Jay M. Goffman, SKADDEN, ARPS, SLATE, MEAGHER, Four Times Square, New York, New York 10036 facsimile (212) 735-2000; Robert H. Jacobvitz, Jacobvitz, Thuma & Walker, 500 Marquette N.W., Ste 650, Albuquerque, New Mexico 87102 facsimile (505) 766-9287; Counsel for Debtors David S. Heller and Josef S. Athanas, Lathem & Watkins, 233 South Wacker Drive, 58th Floor, Chicago, Illinois 60606, facsimile (312) 993-9767; Paul Fish, Modrall, Sperling, Roehl, Harris & Sisk, P.A., 500 Fourth Street, NW, Bank of America Centre, Ste. 1000, Albuquerque, New Mexico 87103-2168, facsimile (505) 848-1882; Counsel for Heller, agent for Lenders, and Michael J. Reilly and Ronald J. Silverman, Bingham Dana L.L.P., 399 Park Avenue, New York, New York 10022, facsimile (212) 752-5378; and Counsel for MetLife, Jennie Deden Behles (Walley), J.D. Behles & Associates, a Commercial Law Firm, P.C., 400 Gold Avenue, SW, Ste. 400, Albuquerque, New Mexico 87103-0849, facsimile (505) 243-7262.



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