UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:
FURR'S SUPERMARKETS, INC.,
Debtor.

Case No. 7-01-10779-SA
Chapter 7

ORDER APPROVING SETTLEMENT OF ADVERSARY PROCEEDING 02-1108-S

THIS MATTER came before the Court on the Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1108-S (Peyton Meats, Inc.). The Court, being sufficiently advised, hereby FINDS:

1. The Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1108-S (the "Motion") was filed on August 23, 2002.

2. Notice of the filing of the Motion was mailed by first class United States mail, postage prepaid, on August 23, 2002, to all persons listed on the limited matrix as set forth in the original Notice filed herein, and was sufficient and proper in the circumstances. The deadline to file an objection expired on September 16, 2002, which includes three days for service by mail. No objections to the Motion were filed.

3. The Settlement should be approved.

4. The Trustee and the Defendant have stipulated that Peyton Meats, Inc. is a division/trade name under which John Morrell & Co. operates, and that the settlement shall apply with equal effect to John Morrell & Co.

5. Upon entry of this Order, John Morrell & Co./Peyton Meats, Inc. will pay the sum of $65,000.00 to the Chapter 7 Trustee

and the Adversary Proceeding will be dismissed with prejudice.

IT IS THEREFORE ORDERED that the Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1108-S is granted, and the settlement of Adversary Proceeding 02-1108-S is approved as set forth in the Motion.

THE HONORABLE JAMES S. STARZYNSKI
UNITED STATES BANKRUPTCY JUDGE

Submitted by:

DAVIS & PIERCE, P.C.

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Approved:

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I hereby certify that a true and correct copy of the foregoing was either electronically transmitted, faxed, delivered or mailed to the listed counsel and parties on:

OCT 2 2 2002

Mary B. Anderson

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