

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 02-1190-S**

THIS MATTER came before the Court on the *Motion to Approve Settlement of Adversary Proceeding 02-1190* (the "Motion") filed on December 23, 2002 (doc. #1987) by Yvette J. Gonzales, Chapter 7 Trustee ("Trustee"), by counsel. Having reviewed the Motion, and being otherwise advised in the matter, THE COURT FINDS:

- A. Debtor commenced this bankruptcy case by filing a voluntary petition on February 8, 2001 in this Court under chapter 11 of title 11 of the United States Bankruptcy Code;
- B. On December 19, 2001, the Court entered an order converting the chapter 11 case to a case under chapter 7;
- C. On December 19, 2001, Yvette Gonzales was appointed the chapter 7 trustee for the Debtor's bankruptcy estate, and continues to be the trustee in the case;
- D. On August 13, 2002, the Trustee filed adversary proceeding No. 02-1190 S, captioned *Yvette J. Gonzales, Trustee v. Gorton's, Inc.* (the "Adversary Proceeding");
- E. The Trustee and the Defendant have agreed that the Defendant shall pay the Trustee \$14,688.48 in full satisfaction of any and all claims asserted in the Adversary

Proceeding and that the parties have executed or will execute a settlement and release agreement memorializing the terms of their settlement, subject to Court approval of the Motion. Trustee filed the Motion on December 23, 2002;

F. The Court has jurisdiction over the subject matter herein under 28 U.S.C. §1334, and has jurisdiction over the parties. This matter is a core proceeding under 28 U.S.C. §157(b)(2). Venue is proper in this Court under 28 U.S.C. §1409;

G. On December 23, 2002, notice of the Motion (the "Notice") (doc. #1988) was mailed by first class United States mail, postage prepaid, to all persons on the limited mailing matrix maintained in the bankruptcy case, a copy of which was attached to the original of the Notice filed with the Clerk of the Bankruptcy Court, as shown by the certificate of service on the Notice filed with the Court;

H. The Notice provided for a deadline to object to the Motion of January 15, 2002, which was twenty days after the date of mailing of the Notice, plus three days for mailing, for a total of twenty-three days;

I. The Notice was sufficient and appropriate in the particular circumstances;

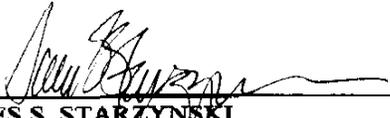
J. The deadline to object to the Motion has expired, and no timely objections to the Motion were filed;

K. The requirements of the Bankruptcy Code and Rules, including Rule 9019, have been satisfied with respect to the relief granted by this Order;

L. The proposed settlement is fair and equitable, and in the best interests of and beneficial to the Debtor's estate and the creditors; and,

M. Entry of this Order, without further notice or hearing, is appropriate.

THE COURT ORDERS that the Motion is granted and the settlement described therein is approved.



JAMES S. STARZYNSKI
United States Bankruptcy Judge

APPROVED:

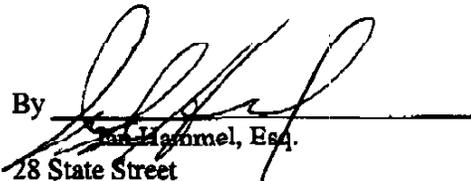
JACOBVITZ, THUMA & WALKER, P.C.

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I hereby certify that I mailed
a true copy of the above to listed
counsel and parties on the above
file-stamped date.
Jill Peterson