

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 7-01-10779-SA

Chapter 7

Debtor.

**ORDER APPROVING SETTLEMENT OF PREFERENCE CLAIM AGAINST
PINKERTON SECURITY**

THIS MATTER came before the Court on the Chapter 7 Trustee's Motion to Approve Settlement of Preference Claim Against Pinkerton Security (the "Motion"). Having reviewed the Motion, and being otherwise advised in the matter, The Court FINDS:

A. On February 8, 2001 (the "Petition Date"), Furr's Supermarkets, Inc. (the "Debtor") filed a voluntary petition in this Court under Chapter 11 of the Bankruptcy Code. On December 19, 2001, this Court entered an order converting the chapter 11 case to a case under chapter 7.

B. On December 19, 2001, the United States Trustee appointed Yvette Gonzales as the Trustee for the Debtor's bankruptcy estate, in which capacity she continues to serve.

C. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. The Trustee asserted a preference claim against Pinkerton Security ("Pinkerton") in the amount of \$63,152.

E. Pinkerton has offered to pay the Trustee \$34,000 in full satisfaction of any and all preference claims asserted (the "Settlement"). The Settlement is fair and equitable, and is in the best interests of and beneficial to the Debtor's estate and the creditors.

F. On January 31, 2003, notice of the Motion (the "Notice") 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;

G. The Notice provided for a deadline to object to the Motion of February 23, 2003, which was 20 days after the date of mailing of the Notice, plus three days for mailing, for a total of 23 days;

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

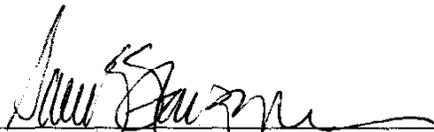
I. The deadline to object to the Motion has expired, and no objections to the Motion were filed;

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

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

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

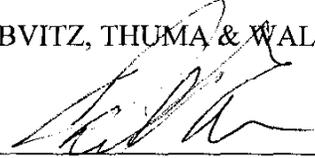
THE COURT THEREFORE ORDERS that the Motion is approved. Pinkerton shall pay the Trustee the Settlement, and the Trustee's preference claims against Pinkerton shall be settled and compromised.



JAMES S. STARZYNSKI
United States Bankruptcy Judge

APPROVED:

JACOBVITZ, THUMA & WALKER, P.C.

By: 

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Attorneys for the Trustee

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:

FEB 25 2003

Mary B. Anderson