

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

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

In re:

FURR'S SUPERMARKETS, INC.,

Debtor.

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

**MOTION TO APPROVE SETTLEMENT OF
ADVERSARY PROCEEDING 02-1255-S**

Yvette Gonzales, the Chapter 7 Trustee (the "Trustee"), by counsel, moves the Court for an order approving the settlement of all preferential transfer claims the estate has against Gerber Products Company, as set forth in the adversary proceeding No. 02-1255-S, captioned *Yvette J. Gonzales, Trustee v. Shamrock Farms Company* (the "Adversary Proceeding"), pursuant to F.R.Bankr.P.9019, and in support hereof states:

1. **Commencement and Conversion of Case.** On February 8, 2001, (the "Petition Date"), 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.
2. **Appointment of Chapter 7 Trustee.** 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.
3. **Jurisdiction and Venue.** The Court has jurisdiction over this 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.
4. **The Adversary Proceeding.** In the Adversary Proceeding, the Trustee sought to recover Twenty-Nine Thousand Eight-Hundred Fifty-Nine Dollars and 67/100 (\$29,859.67) from

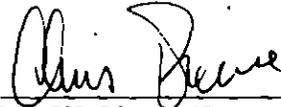
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Shamrock Farms Company, plus all other amounts, if any, recoverable pursuant to 11 U.S.C. §547.

5. **The Settlement.** The parties recalculated the Trustee's claim based on, in part, proof of payments and deliveries provided by the Defendant. Shamrock Farms Company has offered to pay the Trustee Five Thousand Two Hundred Forty Three Dollars and 95/100 (\$5,243.95) in full satisfaction of any and all claims asserted in the Adversary Proceeding (the "Settlement"). The Settlement is fair and equitable, and in the best interests of and beneficial to the Debtor's estate and the creditors.

WHEREFORE, the Trustee requests that the Court enter an Order approving the Settlement and for such other relief as may be just.

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I hereby certify that a true and correct copy of the foregoing was served on counsel and parties as indicated below this 14th day of June, 2003.

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