

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

FILED  
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In re:

FURR'S SUPERMARKETS, INC.,

Debtor.

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

**MOTION TO APPROVE SETTLEMENT  
OF ADVERSARY PROCEEDING 02-1121-S**

Yvette Gonzales, the Chapter 7 Trustee (the "Trustee"), by counsel, moves the Court for an Order approving the settlement of all claims the estate has against Mead Johnson & Co., as set forth in the Adversary Proceeding No. 02-1121-S, captioned *Yvette J. Gonzales, Trustee v. Mead Johnson & Co.* (the "Adversary Proceeding"), pursuant to F.R.Bankr.P.9019, and 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.

**The Adversary Proceeding.** In the Adversary Proceeding, the Trustee sought to recover Four Hundred Fifty-Six Thousand Seven Hundred Fifteen Dollars and 02/100 (\$456,715.02)

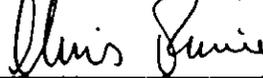
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from Mead Johnson & Co., plus all other amounts, if any, recoverable pursuant to U.S.C. §547.

4. **The Settlement.** Mead Johnson & Co. has offered to pay the Trustee Three Hundred Eighty-Eight Thousand and no/100 (\$388,000.00) in full satisfaction of any and all claims the Trustee has or may have against Mead Johnson & Co., both pre-petition and post-petition, including without limitations any claims asserted in the Adversary Proceeding. The parties will also execute a Mutual Release of Claims as part of the settlement (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.

**DAVIS & PIERCE, P.C.**



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Chris W. Pierce, Esq.  
Post Office Box 6  
Albuquerque, New Mexico 87103  
(505) 243-6129

I hereby certify that a true and correct copy of the foregoing was served on counsel and parties as indicated below this 28th day of July, 2003.

Ronald F. Andazola  
Post Office Box 608  
Albuquerque, New Mexico 87103

David T. Thuma, Esq.  
Jacobvitz, Thuma & Walker  
500 Marquette NW, Suite 650  
Albuquerque, New Mexico 87102

Valerie L. Bailey-Rihn, Esq.  
QUARLES & BRADY, LLP  
PO Box 2113  
Madison, VI 53701



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Chris W. Pierce, Esq.