

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**SECOND INTERIM FEE APPLICATION OF WALTER R. DOYLE, EXPERT
WITNESS FOR THE CHAPTER 7 TRUSTEE**

Walter R. Doyle ("Doyle"), an expert witness for Yvette J. Gonzales, Chapter 7 Trustee, (the "Trustee"), submits this application for allowance and payment of compensation pursuant to Bankruptcy Code §§330, 331 and 503(b)(2) for work done from March 1, 2003 through January 31, 2004 (the "Second Application Period"). In support of this fee application Doyle states:

1. Second Fee Application. The Debtor Furr's Supermarkets, Inc. (the "Debtor") filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code on February 8, 2001 (the "Petition Date"). On December 19, 2001 (the "Conversion Date"), the Debtor converted the case to a Chapter 7 case, and the Trustee was appointed. The Trustee retained Doyle as of September 11, 2002. This is the second fee application filed by Doyle in this case in Doyle's capacity as the Trustee's expert witness. Doyle seeks allowance of compensation for the Second Application Period.

2. Amount of Fees, Costs, and Applicable Gross Receipts Tax. For the Second Application Period, Doyle seeks allowance of compensation for services rendered by Doyle for Trustee, plus costs and applicable gross receipts tax on fees and costs, of \$11,570.50 consisting of \$10,850 for professional fees, \$710.50 for gross receipts tax and

\$10.00 for expenses. As of January 31, 2004, Doyle had received payment from Trustee of \$3,688.46, leaving an unpaid balance of \$7,822.04 for the Second Application Period.

3. Billing Statements; Itemization and Description of Services Rendered.

The monthly billing statements Doyle rendered to the Trustee for services rendered during the Second Application Period are attached hereto as Exhibit A (together, the “Billing Statements”). The Billing Statements summarize all charges for professional services, reimbursable costs, and expenses. The accounting of services, costs, and expenses as set out in the Billing Statements is true and correct to the best of Doyle’s knowledge, information, and belief. The Billing Statements are summarized in Exhibit B hereto.

4. Customary Billing Rates and Other Charges.

During the Second Application Period, the billing rates Doyle charged for consultants was charged at the consultants’ normal and customary billing rates in effect when Doyle commenced its consulting for the Trustee.

5. Trustee’s Employment of Doyle.

The Trustee retained Doyle at an hourly rate of \$175, plus gross receipts tax. The Trustee retained Doyle as an expert witness in the pending adversary proceedings to recover preferential transfers under 11 U.S.C. §547. Pursuant to the Doyle Employment Order, the Trustee was authorized to pay Doyle’s billing statements, prior to the Court’s determination of the allowability of Doyle’s compensation, up to and including 75% of fees, and up to and including 100% of reimbursable costs and applicable gross receipts tax, subject to ultimate approval of the paid compensation.

6. Services Rendered During the Second Application Period were Actual and

Necessary; Fees Charged are Reasonable. During the Second Application Period Doyle

performed ongoing consulting for the Trustee as requested by the Trustee and her attorneys. The amount charged for fees is reasonable based on the nature, extent, and value of the services and the amount of time spent providing the services. The services rendered were actual and necessary.

7. General Description of Services Rendered. In general, the services Doyle rendered to the Trustee during the Second Application Period were to consult with the Trustee's attorneys, prepare a number of expert reports, prepare for and give a number of depositions, testify at two trials, and prepare affidavits used in connection with the Trustee's motions for summary judgment in the pending preference actions.

8. Other Factors. Doyle also supports this Second Application with a discussion of various other factors, as follows:

(a) Expertise and experience in the area of Furr's background and software systems of the accountants rendering services to the Trustee. Doyle was the President of Furr's between 1994 and 1999. His knowledge of how Furr's did business during that time, as well as how business was and is typically done in the retail grocery industry, is very helpful to the Trustee in the pending preference cases.

(b) Method used to compute time charges. Doyle billed for his time in 15-minute increments.

(c) Method used for determining hours to be actually billed for services and for making billing adjustments. Doyle kept daily records in the ordinary course of business, from which he prepared the Billing Statements.

9. Services Rendered Solely for the Trustee; No Fee Sharing Arrangement. Doyle performed all professional services for which he seeks allowance and payment of compensation for the Trustee, and not on behalf of any creditor or any committee or other

person. Doyle has not shared or agreed to share any compensation received or to be received by it for services rendered in or in connection with this case with any person.

10. Certification of Review by the Trustee. Doyle hereby certifies that the Trustee has received, reviewed, and approved this Second Fee Application.

WHEREFORE, Doyle respectfully requests that the Court allow compensation to Doyle for the Second Application Period, as a priority, administrative expense, of \$11,570.50 consisting of \$10,850 for professional fees, \$710.50 for gross receipts tax and \$10.00 for expenses, and authorize the Trustee to pay to Doyle the unpaid balance of the allowed compensation.

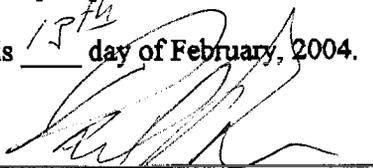


WALTER R. DOYLE

I hereby certify that a copy of
the foregoing was mailed to:

United States Trustee
P.O. Box 608
Albuquerque, New Mexico 87103

this 15th day of February, 2004.



David T. Thuma