

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO**

In re:

FURR'S SUPERMARKETS, INC.,
Debtor.

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

**NOTICE OF DEADLINE TO OBJECT TO TRUSTEE'S MOTION
TO APPROVE SETTLEMENT OF ADVERSARY PROCEEDING 03-1096-S
(Royal/Juarez Distributing)**

Yvette J. Gonzales, Chapter 7 Trustee (the "Trustee") hereby gives notice pursuant to Bankruptcy Rule 9019 that on August 26, 2004, she filed a Motion to Approve Settlement of Adversary Proceeding 03-1096-S (the "Motion"), asking Court approval of a settlement of the adversary proceeding captioned *Yvette J. Gonzales, Trustee v. Royal/Juarez Distributing*. (the "Adversary Proceeding"). In the Adversary Proceeding, the Trustee sought under 11 U.S.C. §547 to recover all avoidable preferential transfers made by Furr's Supermarkets, Inc. to Royal/Juarez Distributing ("Royal Juarez"). The Complaint filed in the Adversary Proceeding stated an amount sought of Thirty two Thousand Nine Hundred Sixty Five Dollars and 57/100 (\$32,965.57) plus any other avoidable amounts. After investigation and analysis of Royal Juarez' new value defense, which includes an analysis of goods and/or services delivered to the Debtor within the preference period, the Trustee now believes that the total claim against Royal Juarez is \$26,735.19. The parties have agreed to settle the Adversary Proceeding by Royal Juarez paying Eighteen Thousand Dollars and 00/100 (\$18,000.00) to the Trustee, subject to approval of the Court. If the Motion is approved, upon payment by Royal Juarez of the \$18,000.00 to the Trustee, the Adversary Proceeding will be dismissed with prejudice. The full terms of the Settlement are set forth in the Settlement Agreement attached to the Motion.

Any party who objects to the Motion must file its objection with the Clerk of the Bankruptcy Court, Dennis Chavez Federal Building and United States Courthouse, 500 Gold Avenue S.W., Tenth Floor, Albuquerque, New Mexico 87102 (or Post Office Box 546, Albuquerque, New Mexico 87103) **within twenty (20) days after the date of mailing of this Notice, plus three (3) days for service of this Notice by mail, for a total of twenty-three (23) days (or on or before September 20, 2004)**, and serve a copy of the Objection on Chris W. Pierce, Esq. (address given below). If any objections are timely filed, a hearing will be held on notice to Mr. Pierce and objecting parties. If no objections are timely filed, an Order granting the Motion will be presented for entry without a hearing or further notice.

Date of Mailing: **August 26, 2004**

DAVIS & PIERCE, P.C.

/s/ Electronically filed 08/26/04

Chris W. Pierce, Esq.

Post Office Box 6

Albuquerque, New Mexico 87103

(505) 243-6129

I hereby certify that on **August 26, 2004**, a copy of the foregoing Notice was mailed by First Class United States mail, postage prepaid, to all persons listed on the limited matrix, a copy of which is attached to the original of this Notice that will be filed with the Clerk of the Bankruptcy Court.

/s/ 08/26/04

Chris W. Pierce, Esq.