

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,
Debtor.

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

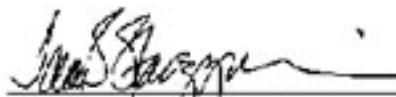
ORDER APPROVING SETTLEMENT OF ADVERSARY PROCEEDING 02-1112-S

THIS MATTER came before the Court on the Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1112-S (Azar Nut Company). The Court, being sufficiently advised, hereby FINDS:

1. The Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1112-S (the "Motion") was filed on August 26, 2004.
2. Notice of the filing of the Motion was mailed by first class United States mail, postage prepaid, on August 26, 2004, to all persons listed on the limited matrix as set forth in the original Notice filed herein, and was sufficient and proper in the circumstances. The deadline to file an objection expired on September 20, 2004, which includes three days for service by mail. No objections to the Motion were filed.
3. The Settlement should be approved.
4. Upon entry of this Order, the Defendant will pay the Trustee upon the terms set out in the Motion and the Settlement Agreement between the parties. Upon payment, the Adversary Proceeding will be dismissed with prejudice. The

parties have further agreed that, upon payment of the \$120,282.36 to the Trustee by the Defendant, this settlement shall resolve all claims, counterclaims and causes of action held by the Trustee against the Defendant, and by the Defendant against the Trustee, and the Trustee and the Defendant shall mutually release each other from any and all such claims, with the exception of the Defendant's pre-petition unsecured claim in this matter. The Defendant specifically reserves its rights with regard to its pre-petition unsecured claim in Case No. 7-01-10779-SA, including without limitation its rights to receive payment on such claim to the extent permitted by applicable bankruptcy law, and to the extent that there is a distribution to holders of allowed pre-petition unsecured claims.

IT IS THEREFORE ORDERED that the Chapter 7 Trustee's Motion to Approve Settlement of Adversary Proceeding 02-1112-S is granted, and the settlement of Adversary Proceeding 02-1112-S is approved as set forth in the Motion.



UNITED STATES BANKRUPTCY JUDGE

Submitted by:
DAVIS & PIERCE, P.C.
/s/ submitted by email 9/24/04
Chris W. Pierce, Esq.
Attorneys for Chapter 7 Trustee
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Albuquerque, NM 87103
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Approved:

Approved by fax 8/07/04

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Additional Parties Entitled to Notice:

Ronald E. Andazola, Esq.

PO Box 608

Albuquerque, NM 87103

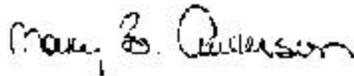
David T. Thuma, Esq.

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Albuquerque, NM 87102

I hereby certify that on September 29, 2004, a true and correct copy of the foregoing was electronically transmitted, faxed, delivered, or mailed to the listed counsel and/or parties.

A handwritten signature in black ink that reads "Mary B. Anderson". The signature is written in a cursive style with a large initial "M".

Mary B. Anderson