

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

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In re:

FURR'S SUPERMARKETS, INC.,

No. 11-01-10779-SA

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

Debtor.

**OBJECTION OF OFFICIAL COMMITTEE OF
UNSECURED CREDITORS TO THE MOTION FOR ORDER
APPROVING SALE OF SOME OR ALL OF DEBTOR'S OPERATING
ASSETS AND GRANTING RELATED RELIEF**

The Official Committee of Unsecured Creditors of Furr's Supermarkets, Inc. (the "UCC") by and through its counsel Davis & Pierce, P.C. (William F. Davis, Esq.) and Pepper Hamilton, LLP (Stuart Hertzberg, Esq. and I. William Cohen, Esq.), for its Objection, hereby STATES:

1. On February 8, 2001, Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
2. Debtor filed its Motion for Order Approving Sale of Some or all of Debtor's Operating Assets and Granting Related Relief on June 1, 2001.
3. The UCC objects to the Motion because the Motion, as filed by Debtor, does not require that all information concerning bids that are received under the Bidding Procedures, negotiations with regard to such bids and decisions to accept or reject such bids will be provided immediately to the UCC, the attorneys for the UCC, accountant advisors to the UCC, and investment banker advisors to the UCC.
4. The bids received by the Debtor on June 20, 2001 have been requested by the UCC.
5. Said bids have not been provided to the UCC or any of the professionals for the UCC as of 4:00 p.m. MST, on June 21, 2001. The UCC requires the information in advance of the auction to prepare for the auction.

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6. The UCC is advised that parties who did not submit written bids on June 20, 2001 desire to participate in the auction and continue to need access to the data room.

7. The UCC objects to the closure of the data room on June 19, 2001 when the auction is not scheduled until June 27, 2001. Parties interested in bidding should have access to the data room through June 26, 2001, to have the opportunity to become more familiar with the information available which might enable bidders to increase their bids and thereby benefit the estate.

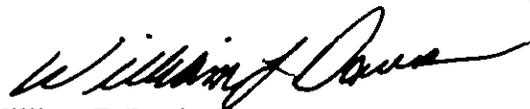
8. The UCC objects to the procedure wherein interested parties are prevented from bidding at the auction, even though interested parties who have not submitted written bids by June 20, 2001 may tender higher bids at the auction. The Debtor should provide procedures for parties who did not submit written bids to bid at the auction.

9. The UCC reserves its right to further object to the Motion and the auction procedures actually used at the auction, to the extent the auction has not yet taken place, and Debtor's conduct at the auction may be contrary to the stated Auction Procedures or the United States Bankruptcy Code and Rules.

WHEREFORE, the Committee objects to the Motion for Order Approving Sale of Some or All of Debtor's Operating Assets and Granting Related Relief, and requests that the Motion be modified to conform with these objections, and for such other relief as the Court deems just.

Respectfully submitted,

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The undersigned hereby certifies
that a true and accurate copy of
the foregoing was mailed this
21st day of June, 2001.

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