

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 11-01-10779-SA
Chapter 11

Debtor.

FILED
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MAR 25 2002
United States Bankruptcy Court
Albuquerque, New Mexico

**FIRST INTERIM FEE APPLICATION
OF MOUNCE, GREEN, MYERS, SAFI & GALATZAN, P.C.
ATTORNEYS FOR THE DEBTOR IN POSSESSION**

Mounce, Green, Myers, Safi & Galatzan, ("Mounce"), attorneys for Furr's Supermarkets, Inc., (the "Debtor"), submits this application for allowance and payment of compensation pursuant to Bankruptcy Code §§330, 331 and 503(b)(2) for work done from September 21, 2001, through January 8, 2002. (the "First Application Period"). In support of this fee application Mounce states:

1. First Fee Application. The Debtor filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code on February 8, 2001, (the "Petition Date"). This is the first fee application filed by Mounce in this bankruptcy case. Mounce seeks compensation for the First Application Period.

2. Amount of Fees, Costs and Expenses. For the First Application Period, Mounce seeks allowance of compensation for services rendered by Mounce for Debtor, plus costs of \$6,032.23, consisting of \$5,848.50 for professional fees and \$183.73 for reimbursable costs and expenses, for the defense of Debtor in *Manuel Perez and Patricia Perez, Individually and as Parents and Next Friends and Administrators of the Estate of Victor Perez, Deceased, and as Legal Guardians of Destiny Perez, a Minor, Rosa Maria Soto, Individually and as Parent and Next Friend and Administratrix of the Estate of Cynthia Soto, Deceased and as Legal Guardians of Destiny Perez, a Minor v. Rafael Segura and Lilia Segura, Individually and as Parents and Next Friends of*

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Rafael Segura, a Minor, Isabel Hinojosa, Emmanuel Sierra, Marlene Jimenez, Inocencio Rosales, Raymundo Renteria, and Furr's Supermarkets, Inc. d/b/a La Feria. Cause No. 2001-2810, in the 34th Judicial District Court, El Paso County, Texas. As of March 1, 2002, Mounce had received payment from Debtor of \$0.00 for services and costs, leaving an unpaid balance of \$6,032.23. Total fees, costs and expenses Mounce charged the Debtor each month during the First Application Period are summarized on Exhibit "A" hereto. The billing rates, number of hours charged, and amount of fees that Mounce billed the Debtor for each attorney during the First Application Period are summarized on Exhibit "B" hereto.

3. Billing Statements, Itemization and Description of Services Rendered. The monthly billing statements Mounce rendered to the Debtor for services rendered during the First Application Period are available for inspection upon request (together, the "Billing Statements"). The Billing Statements summarize all charges for professional services, reimbursable costs and expenses, and set forth the hourly rates for each attorney employed by Mounce who rendered services to Debtor for work during the First Application Period. The accounting of services, costs, and expenses as set out in the Billing Statements is true and correct to the best of Mounce's knowledge, information, and belief.

4. Customary Billing Rates and Other Charges. During the First Application Period, the billing rates Mounce charged for attorneys were charged at the attorneys' normal and customary billing rates in effect when Mounce commenced its representation of the Debtor. Mounce, in accordance with its customary billing practices, also charged for costs and expenses, and actual out-of-pocket expenses for other expenses such as postage and long distance telephone. Mounce did not charge for hand deliveries, secretarial overtime, or filing documents with the Clerk of the Court.

5. Debtor's Employment of Mounce. On November 8, 2001, the Debtor filed its application to employ Mounce as its attorneys in this case.

6. Services Rendered During the First Application Period were Actual and Necessary; Fees Charged are Reasonable. During the First Application Period Mounce performed legal services in the defense of this case for the Debtor as requested by the Debtor. 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 Mounce rendered for the Debtor during the First Application Period have included basic defense of Debtor in this wrongful death lawsuit filed in El Paso.

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

(a) Expertise and experience in the defense of Furr's. Mark C. Walker played a substantial role in defense of Debtor in many prior cases.

(b) Method used to compute time charges. Mounce attorneys billed their time in one-tenth hour increments.

(c) Method used for determining hours to be actually billed for services and for making billing adjustments. Mounce attorneys and legal staff kept daily time records in the ordinary course of business, from which Mounce prepared the Billing Statements. Draft bills were adjusted downward from time to time before being rendered, based on perceived inefficiencies or for other reasons.

(d) Results Achieved and Benefit to the Estate. During the First Application Period, Mounce defended Debtor in the wrongful death suit.

9. Services Rendered Solely for the Debtor; No Fee Sharing Arrangement. Mounce performed all professional services for which Mounce seeks allowance and payment of compensation for the Debtor, and not on behalf of any creditor or any committee or other person. Mounce 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 except with employees of Mounce in the ordinary course of business.

10. Certification of Review by the Debtor. Mounce hereby certifies that the Debtor have received, reviewed and approved this First Fee Application.

WHEREFORE, Mounce respectfully requests that the Court allow compensation to Mounce for the First Application Period, as a priority, administrative expense, of \$6,032.23 consisting of \$5,848.50 for professional fees and \$183.73 for reimbursable costs and expenses, and authorize the Debtor to pay to Mounce the unpaid balance of the allowed compensation.

**MOUNCE, GREEN, MYERS,
SAFI & GALATZAN**

A Professional Corporation
P. O. Box 1977
El Paso, Texas 79950-1977
Telephone: (915) 532-2000

By:



Mark C. Walker
Attorney for Defendant Debtor

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

Ms. Yvette Gonzalez
P.O. Box 1037
Placitas, NM 87043

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

EXHIBIT "A"

The following summarizes the amount of fees and expenses billed by attorneys and legal assistants for Furr's Supermarkets, Inc., for the First Application Period (September 21, 2001 through March 1, 2002).

Billing Period	Fees	Costs and Expenses	Total
10/8/01	\$3,048.50	\$80.95	\$3,129.45
11/8/01	\$1,736.00	\$66.74	\$1,802.74
12/6/01	\$ 749.00	\$14.22	\$ 763.22
1/8/02	\$ 262.50	\$15.96	\$ 278.46
2/7/02	\$ 52.50	\$ 5.86	\$ 58.36

EXHIBIT "B"

The following summarizes the billing rates, number of hours billed, and amount billed by each attorney and legal assistant employed by Furr's Supermarkets, Inc., for the First Application Period (September 21, 2001 through March 1, 2002).

Attorney/Legal Assistant	Billing Rate	Hours Billed	Amount Billed
Mark C. Walker	\$175.00	18.7	\$3,272.50
Clyde A. Pine	\$175.00	5.4	\$ 945.00
Olga Burkett (legal assistant)	\$ 70.00	23.3	\$1,631.00