

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW MEXICO

**FILED**  
12:00 MIDNIGHT

OCT 26 2001

DROP BOX  
United States Bankruptcy Court  
Albuquerque, New Mexico

In re:

FURR'S SUPERMARKETS, INC.,  
Tax I.D. No. 22-3137244,

Debtor.

Case No. 11-01-10779-SA

**U.S. TRUSTEE'S OBJECTION TO  
SECOND INTERIM APPLICATION BY PEPPER HAMILTON LLP  
COUNSEL FOR THE UNSECURED CREDITORS' COMMITTEE**

The United States Trustee hereby objects to the Second Interim Application by Pepper Hamilton LLP, Counsel for the Unsecured Creditors' Committee for Allowance and Payment of Compensation for Services Rendered for the Period July 1, 2001 through September 26, 2001 (Fee Application), and as her reasons therefor states:

1. Numerous billing entries appear to be for services which are duplicative in nature. Examples include, but are not limited to: (1) the participation of as many as three partners, an associate, and paralegal in conference calls with the Unsecured Creditors Committee (UCC); (2) the participation of multiple attorneys in the drafting of pleadings including, but not limited to, the objection to the Debtor's wind down motion; (3) the participation of multiple attorneys in various conference calls, including, but not limited to discussions regarding a possible liquidating plan and the wind down motion; (4) multiple reviews of proposed orders prepared by other parties; and (5) the review of financial information which was also reviewed by other UCC professionals.

2. The time expended in rendering certain services appears to be excessive and/or unnecessary. Examples include, but are not limited to those areas set forth in paragraph 1 above. Also included are services rendered in connection with (1) the preparation of agendas and

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minutes for UCC meetings and (2) the review of routine pleadings such as pro hac vice motions, orders denying stay relief, and orders shortening time.

3. The Fee Application contains several intra-firm conferences in most project categories, primarily between senior partners, for which only one participant should be allowed to bill.

4. Numerous billing entries by paralegals appear to be for clerical services. Examples include, but are not limited to, services rendered in connection with: (1) printing and distributing updates from the court docket, (2) mailing and/or faxing documents, and (3) filing and/or retrieving pleadings from the case file.

5. Certain expenses appear to be excessive and do not provide sufficient detail (e.g. type of travel, type of fare, hotel rates, and other items included under "travel expenses") to make a determination as to the reasonableness of the amounts incurred. Examples include, but are not limited to, travel expenses for a partner to attend the auction in excess of \$1,800 and the travel expenses of another partner exceeding \$1,800 to attend a UCC meeting.

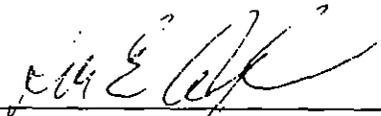
Respectfully submitted,

BRENDA MOODY WHINERY  
United States Trustee



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The undersigned certifies that a true and accurate copy of the foregoing was mailed to the below listed counsel this 27th day of October, 2001

  
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