UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

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U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

IN RE:

FURR'S SUPERMARKET, INC.,

Debtor. No. 11-01-10779 SA

OBJECTION TO SECOND AND FINAL FEE APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

COMES NOW the United States Trustee for the District of New Mexico and pursuant to 28 U.S.C. §586(a)(3)(A) hereby objects to the Second and Final Fee Application of Skadden, Arps, Slate Meagher & Flom LLP (Application) and states as follows:

1. The time expended in rendering several services appears to be excessive and/or unnecessary. This is particularly so in the "Asset Dispositions" category in which 14 Skadden attorneys, five legal assistants, and one summer/winter associate submitted billing entries for a total of $104,763.50.

2. Several billing entries in the "Asset Dispositions" category dealt with drafting and revising provisions of the closing documents related to Fleming's sale of certain stores to Raley's, Smith's, and other third party buyers. It is not clear how these services benefitted the estate.

3. There were several intrafirm conferences in which multiple professionals participated for which the hourly billing rate was in excess of $700, which rates exceed the value of the benefit conferred by the services rendered.

4. Certain entries do not give sufficient information in order to determine whether the services were reasonable and necessary. As an example is an entry by Mr.

1373

Rabia on August 21, 2001, in which the entry is, "Calls with client."

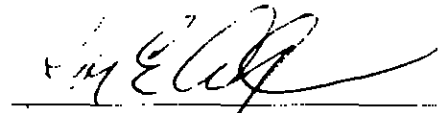
5. Several entries by legal assistants appear to be for clerical services. These include, but are not limited to entries for updating the mailing matrix, distributing notices, pleadings, and other mail.

6. As to the request for approval of all fees submitted by Skadden in this matter, the U.S. Trustee hereby incorporates by reference her objections to the first interim application previously filed herein.

Wherefore, the U.S. Trustee objects to the application for the above stated reasons.

Respectfully submitted.

BRENDA MOODY-WHINERY
United States Trustee



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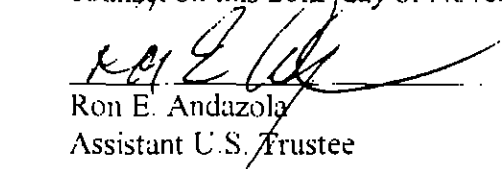
I HEREBY CERTIFY that a true copy of the foregoing has been mailed to the following counsel on this 26th day of November, 2001.



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