

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

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

IN RE:

CASE NO. 11-01-10779-SA

FURR'S SUPERMARKETS, INC.,

DEBTOR.

**GREENLEAF COMPACTION, INC.'S OBJECTION TO
DEBTOR'S PROPOSED CURE AMOUNTS**

COMES NOW, Greenleaf Compaction, Inc. (hereinafter "Greenleaf"), by and through its counsel, James Cross of Osborn Maledon and Louis Puccini, Jr. of Puccini & Meagle, P.A., and does hereby file its objection to the Cure Amount Notice, including deadline to object to proposed cure amounts to that certain lease between Greenleaf and the Debtor, (Master Equipment Lease) as provided in the Order Approving Procedure Relating to §365 (b)(1) Cure and Adequate Assurance Requirements for Assumption of Leases.

1. Greenleaf received a copy of the cure amount notice on August 2, 2001. The Notice provides a deadline to file objections within seven (7) days of the date of the Lessor's receipt of the Notice. The Cure Amount Notice states that it applies to all leases, whether for real property or personal property including store leases and equipment leases. This objection is timely filed.

2. Greenleaf is in communication with Debtor's counsel on the "cure amounts" that are provided for by 11 U.S.C. § 365 (b)(1) including cure amounts and the amounts of actual pecuniary loss resulting to the non-debtor party. Greenleaf does not concur in the "cure amounts" stated in the Debtors Cure Amount Notice. Greenleaf's counsel attempted to contact Carolyn Novi (the person in the Notice) to negotiate cure amounts, but was informed she was out of the office until August 13, 2001.

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3. Greenleaf has a single lease with the Debtor. The Master Agreement between Furr's Supermarket, Inc. and Greenleaf Compaction, Inc. was signed on or about July 15, 1996 (hereinafter referred to as the "Master Lease" or "Master Equipment Lease"). The Master Lease provides for the lease of equipment at all of the Furr's stores. Greenleaf has not waived its rights to require the Debtor and/or the Purchaser (Fleming Companies, Inc.) or third party assignees to require assumption of the Master Lease and Greenleaf does not agree that each store has a separate severable lease which may be assumed, rejected or assigned on a store by store basis. The Master Equipment Lease must be assumed or rejected as a single equipment lease pursuant to applicable bankruptcy law.

4. Greenleaf's Master Lease is a true lease and is not a financing agreement. The Master Lease has no provisions whatsoever for the Lessee (Debtor) to purchase the leased equipment.

5. The 'cure amount' and the amount required to be paid pursuant to 11 U.S.C. §365 (b)(1) is the full amount due on the Master Equipment Lease for all sixty-six (66) stores.

6. Greenleaf also objects to the Debtor's alleged Cure Amounts since it has not had sufficient time to review and reconcile the cure amounts asserted by the Debtor for all sixty-six (66) stores.

7. Greenleaf reserves the right to supplement this objection and to require payment of the legally accurate and correct cure amount and all other amounts provided for in 11 U.S.C. § 365 (b) 1.

WHEREFORE, Greenleaf requests the Court to deny the Debtor's Motion fixing alleged cure amounts pursuant to Greenleaf's Master Equipment Lease; to enter an Order approving Greenleaf's cure amounts, including all amounts due pursuant to 11 U.S.C. §365 (b)(1); in the alternative, to

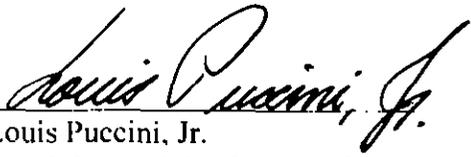
require the Debtor to provide further information and accountings to Greenleaf specifically setting forth the historical accounting of the lease payments due including unpaid rent, (pre-petition and post-petition amounts due, if any), the amounts necessary to cure any defaults, for actual pecuniary losses and to provide adequate assurance of future performance, and for such further relief as the Court deems just herein.

Respectfully submitted,

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and

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I hereby certify that a true and correct copy of the foregoing pleading was faxed on this 8th day of August, 2001 to the following:

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