

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**ORDER APPROVING EMPLOYMENT OF SAGE ACCOUNTING AS  
ACCOUNTANTS FOR THE DEBTOR**

This matter came before the Court upon the Debtors' Motion to Sage Accounting as Accountants for the Debtor, filed September 21, 2001 (the "Retention Application"). By the Motion the Debtor in Possession, Furr's Supermarkets, Inc. (the "Debtor") seeks Court approval of its employment of Sage Accounting, Small/Kefauver CPA's, P.C. ("Sage"), pursuant to Bankruptcy Code §327(a), as accountants for the Debtor in this case.

The Court FINDS:

- A. On September 21, 2001, Sage filed its disclosure pursuant to Bankruptcy Rules 2014 and 2016;
- D. On September 21, 2001, Jacobvitz, Thuma & Walker, P.C. gave notice of the Motion to all persons on the limited mailing matrix, as shown by the certificate of service on the notice (the "Notice");
- C. The Notice was sufficient and appropriate in the particular circumstances;
- D. The Notice specified a deadline of twenty days, plus three days based on service of the Notice by mail, for a total of twenty-three days, in which to file objections to the Motions;

F. The objection deadline expired on October 15 2001, with no objections to the Motion having been filed other than the objection filed by the United State Trustee's office;

F. Sage has agreed to waive any pre-petition unsecured claim it may have against the Debtor.

G. No further notice of the Motion or of this order is necessary in the particular circumstances, prior to entry of this order:

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H. Sage's employment as accountants for the Debtor, as set forth below, should be approved; and

I. Entry of this order is appropriate.

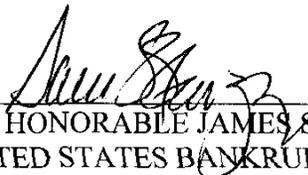
IT IS, THEREFORE, ORDERED:

1. The Debtor's employment of Sage as its accountants, pursuant to Bankruptcy Code §327(a), is hereby approved effective as of September 21, 2001.

2. The Debtor is authorized to pay Sage, upon receipt of Sage's billing statements and prior to the Court's determination of the allowability of Sage's compensation, up to and including 75% of fees, 100% of reimbursable costs, and 100% applicable gross receipts tax on fees and costs that are paid. All fees, costs, and gross receipts tax paid shall be subject to ultimate approval of the Bankruptcy Court under Bankruptcy Code §§328, 330 and 331.

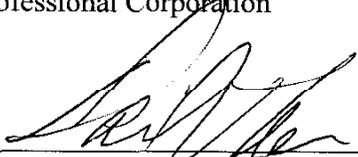
3. Sage shall file fee applications every 120-180 days, approximately.

4. Any pre-petition unsecured claim Sage may have had against the Debtor is hereby deemed waived in its entirety.

  
THE HONORABLE JAMES S. STARZYNSKI  
UNITED STATES BANKRUPTCY JUDGE

Submitted by:

JACOBVITZ, THUMA & WALKER,  
a Professional Corporation

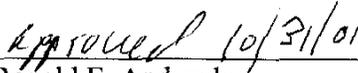
By: 

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Attorneys for the Debtor in Possession

APPROVED:

BRENDA MOODY WHINERY  
United States Trustee

By: 

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(505) 248-6544

I hereby certify that a true and correct copy  
of the foregoing was either electronically  
transmitted, faxed, delivered or mailed to  
the listed counsel and parties on:

NOV 05 2001

Mary B. Anderson