

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,  
a Delaware corporation,

Case No. 7-01-10779 SA  
Chapter 7

Debtor.

**ORDER RESULTING FROM PRELIMINARY  
HEARINGS ON FEE APPLICATIONS**

On Friday, December 6, 2001, at 10:00 a.m., a preliminary hearing was held on (i) fee applications filed by Akin, Gump, Strauss, Hauer & Feld, L.L.P. ("Akin"); Chanin Capital Partners LLC ("Chanin"); Deloitte & Touche LLP and Deloitte Consulting L.P. (together "Deloitte"); Davis & Pierce P.C. ("Davis & Pierce"); Pepper Hamilton, LLP ("Pepper Hamilton"); Peter J. Solomon Company Lined ("PJSC"); and Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), PriceWaterhouseCoopers ("PwC") and objections thereto; and (ii) a motion for reimbursement of expenses incurred by members of the Unsecured Creditors Committee (the "Committee"), and objections thereto. Akin, Chanin, Deloitte, Davis & Pierce, Pepper Hamilton, PJSC, PriceWaterhouseCoopers ("PwC"), and Skadden together are called the "Professionals." Parties appeared at the hearing as noted on the record.

The Court, having reviewed the record and heard and considered argument of counsel, and being sufficiently advised, hereby

ORDERS:

1. Final Hearings. Final hearings on each of the fee applications of the Professionals and of the expense reimbursement claim of the Committee, filed on or before

November 6, 2001, are set as follows:

- (a) Skadden and PJSC, January 29, 2002 at 9:00 a.m.
- (b) Akin, January 29, 2002 at 1:30 p.m.
- (c) Chanin, the Committee, Davis & Pierce, Deloitte, and Pepper Hamilton, January 30, 2002 at 9:00 a.m.
- (d) PwC, January 31, 2002 at 1:30 p.m.

2. Identification of Witness.

(a) On or before December 31, 2001, (i) each Professional and each party objecting to the Professional's fee application(s) shall file and serve a list of the names and addresses of each witness such party will call, or may call, in support of the fee application(s) and objections, respectively, other than rebuttal witnesses who cannot reasonably be identified; and (ii) the Committee and each party objecting to the Committee's expense reimbursement request shall file and serve a list of the names and addresses of each witness such party will call, or may call, in support of the expense reimbursement request and objections, respectively, other than rebuttal witness who cannot reasonably be identified; provided, however, such deadline may be extended by written agreement between a Professional and the parties objecting to such Professional's fee application.

3. Production of Documents.

(a) On or before January 14, 2002, Deloitte shall serve (i) copies of the flash reports Deloitte prepared for the Committee; (ii) Deloitte's work product for which it is claiming \$412,909.25 in the category entitled "Valuation;" and (iii) the financial models developed or used by Deloitte for cash flow analysis, valuation of assets, and compensation of professionals.

(b) On or before December 31, 2001, PwC and Skadden provided their respective fee applications to the UST in an electronic format specified by the UST. On or before January 16, 2002, Deloitte and Pepper Hamilton will provide their respective fee applications to the UST in an electronic format specified by the UST.

4. Exhibits.

(a) Except as provided below in this paragraph, on or before January 14, 2002, each Professional and the Committee, and each party objecting to the Professional's fee application(s) or Committee's expense reimbursement request, intending to offer exhibits at any of the final hearings on the Professional fee applications or Committee's expense reimbursement request, shall serve copies of such exhibits, other than rebuttal exhibits that cannot reasonably be anticipated; provided, however, such deadline may be extended by written agreement between a Professional and the parties objecting to such Professional's fee application. Any exhibits based on documents to be produced by Deloitte, as set forth in paragraph 3(a), shall be served on or before January 24, 2002, instead of by January 14, 2002. Exhibits the UST intends to offer in connection with fee applications filed by Pepper Hamilton and/or Deloitte shall be served on or before January 24, 2002.

(b) Each Professional and the Committee, and each party objecting to the Professional's fee application(s) or Committee's expense reimbursement request, intending to offer exhibits at any of the final hearings on the Professional fee applications or expense or reimbursement request, shall deliver to the chambers of the Judge presiding over the case three sets of such party's exhibits, by January 28, 2002 at 12:00 p.m. for the hearings commencing on January 29, 2002; and by January 29, 2002 for the hearings commencing on January 30, 2002 or January 31, 2002.

6. Service of Papers. Service shall be made on counsel of record for any party who appeared at the preliminary hearing through counsel, except (i) papers need be served by or on Akin, ~~Andersen~~<sup>345</sup>, Chanin, PwC and PJSC only if such papers relate to fee applications filed by such party or objections thereto, and (ii) papers relating only to the Committee's expense reimbursement request may be served only on counsel for the movant and counsel for the parties objecting to the expense reimbursement request.

7. Discovery. If any discovery disputes arise, the parties are directed to confer in good faith to attempt to work out the dispute. If the Court's intervention should be necessary to resolve a discovery dispute, the Court will hold a hearing by telephone on short notice to resolve the dispute.

8. Carve-out issues. The issues to be heard at the final hearings on January 29, 30, and 31, 2002 will be limited to whether and to what extent the Court will approve the compensation sought by the Professionals. No issues will be considered relating to professional compensation carve-outs under debtor in possession financing orders, including but not limited to the amount of the carve-outs, or what compensation is covered by the carve-outs.

  
\_\_\_\_\_  
THE HONORABLE JAMES S. STARZYNSKI  
UNITED STATES BANKRUPTCY JUDGE

Submitted by:

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a Professional Corporation

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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:

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copy to Chapter 7 Trustee