

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

In re:
FURRS SUPERMARKETS, INC.
Debtor.

No. 11-01-10779 SA

**ORDER GRANTING MOTION TO EMPLOY
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND
AFFILIATED PRACTICE ENTITIES AS GENERAL BANKRUPTCY COUNSEL**

This matter came before the Court on the Motion to Employ Skadden, Arps, Slate, Meagher & Flom LLP and Affiliated Practice Entities ["Skadden"] as General Bankruptcy Counsel (doc. 17). For the reasons set forth in the Findings of Fact, Conclusions of Law, and Memorandum Opinion entered herewith, and noting that Skadden is currently charging less than the maximum permitted by this order (see attached Appendix 4), the Court finds that the motion is well taken and should be granted as set out below.

IT IS ORDERED that Skadden, Arps, Slate, Meagher & Flom LLP and the affiliated practice entities are appointed as counsel for the estate.

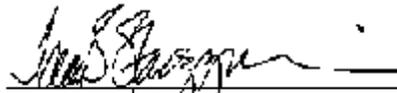
IT IS ORDERED that Skadden may charge no more than its "unbundled" rates for attorneys and paralegals, plus reasonable charges for outgoing faxes and \$.15 per page for photocopying, plus New Mexico gross receipts taxes as may be applicable. The "unbundled" rates are 93% of the rates set out on the attached Exhibit A. (For purposes of calculating

the rates for the associates for the Class of 2000, the "bundled" rate shall be \$250.00 per hour, as noted on Exhibit A's footnote.) Skadden may not charge for secretarial work, word processing, record and file clerks, proofreaders, overtime meals and late work transportation. Skadden may charge \$.15 per page for photocopying and a reasonable charge for outgoing faxes, and may also include a charge for reimbursement of New Mexico gross receipts taxes as necessary.

IT IS ORDERED that there shall be no rate increases allowed except upon further Court order.

IT IS ORDERED that the Debtor is authorized to pay monthly to Skadden 75% of the fees billed each month and 100% of the costs, with 25% of the fees to be held back until further order of the Court.

IT IS ORDERED that Skadden shall perform follow up conflicts checks no less often than quarterly, although it need file nothing concerning those checks unless required to do so by the Bankruptcy Code or the Federal Rules of Bankruptcy Procedure.



Honorable James S. Starzynski
United States Bankruptcy Judge

I hereby certify that on June 27, 2001, a true and correct copy of the foregoing was either electronically transmitted, faxed, delivered, or mailed to the listed counsel and parties.

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Mary B. Johnson

Exhibit "A"

CONFIDENTIAL

SASM&F LLP & AFFILIATES

INTERNAL TIME CHARGE SCHEDULE*

September 1, 2000

	<u>Standard Bundled Rate</u>
<u>PARTNERS & OF COUNSEL:</u>	\$445 - \$670
<u>COUNSEL AND ASSOCIATES:</u>	
	<u>Rate</u>
Counsel & Special Counsel	\$415
Associate Class 1991 & Prior	405
Associate Class 1992	405
Associate Class 1993	390
Associate Class 1994	375
Associate Class 1995	365
Associate Class 1996	355
Associate Class 1997	340
Associate Class 1998	310
Associate Class 1999	280
Associate Class 2000	230**
<u>LEGAL ASSISTANTS:</u>	\$80 - \$160

* These are the standard hourly fee rates for most attorneys and legal assistants and do not include amounts for charges and disbursements. In a limited number of cases or for specific types of work (e.g., M&A transactions, certain types of tax matters, etc.), individual rates may be higher or lower than those stated. In addition, the Firm has a standard "bundled rate" for clients who are not billed separately for word processing, proofreading, facsimile or overtime meals, and in-house reproduction is charged at \$0.10 per page.

** First year associate standard will move to the rate of \$250/hr. on April 1, 2001.

Appendix 4

Skadden, Arps Attorneys

<i>Attorney</i>	<i>Position</i>	<i>Department</i>	<i>Law School</i>	<i>Degree Date</i>	<i>Hourly Rate</i>
Jay M. Goffman	Partner	Corporate Restructuring	University of North Carolina	1983	\$630
Richard B. Levin	Partner	Corporate Restructuring	Yale Law School	1975	\$590
Peter W. Clapp	Counsel	Corporate Restructuring	University of California, Hastings College of the Law	1982	\$415
Donna McGraw Weiss	Associate	Corporate	Harvard Law School	1994	\$375
Alan J. Carr	Associate	Corporate Restructuring	Tulane University Law School	1995	\$365
Barbara R. Mirza	Associate	Employee Benefits	University of Toronto	1995	\$365
Stephen J. Lubben	Associate	Corporate Restructuring	Harvard Law School; Boston University School of Law	2000; 1996	\$355
Amy S. Park	Associate	Corporate Restructuring	Seton Hall University School of Law	1996	\$340
Jena Q. Bridges	Associate	Corporate	University of Virginia School of Law	1997	\$340
Jamie Edmonson	Associate	Corporate Restructuring	Loyola Law School, Loyola Marymount University	1996	\$310
Q. Scott Kaye	Associate	Corporate Restructuring	University of Florida School of Law	1999	\$280
Vanessa P. Rubinstein	Associate	Corporate	Northwestern University School of Law	2000	\$230

N.B. Includes all attorneys who have billed more than 10 post-petition hours in the Debtor's case as of April 1, 2001.