

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

FILED
OFFICE
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ALBUQUERQUE, N.M.

In re

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**Second Interim and Final Fee Application of
Skadden, Arps, Slate, Meagher & Flom LLP**

(July 31, 2001 through September 30, 2001)

Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps") applies for compensation for the services that it performed as general bankruptcy counsel to Furr's Supermarkets, Inc., debtor and debtor in possession in this case ("Furrs" or the "Debtor"), from August 1, 2001 through September 30, 2001 (the "Application Period"), and for reimbursement of its charges and disbursements during that period, under 11 U.S.C. § 330 and Fed. R. Bankr. P. 2016. Skadden, Arps also seeks final approval of all its fees for services during the case, in the amount of \$1,384,139.75, and its charges and disbursements incurred during the case, in the amount of \$138,788.84, for a total of \$1,522,928.59. Skadden, Arps has received no post-petition payments from the Debtor.

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Introduction

A. Summary of Services

1. Skadden, Arps, together with its New Mexico co-counsel, filed Furr's chapter 11 petition on February 8, 2001 (the "Petition Date"). Approximately six months later, the Debtor closed the sale of substantially all of its assets to Fleming Companies. The swift and successful closing of this transaction – in the face of the Debtor's myriad financial problems – is largely the result of the services described in this Application, combined with the efforts of the Debtor's other professionals, officers, and employees.

B. Compensation Requested

2. Skadden, Arps seeks final approval of two categories of compensation. First, the firm seeks final approval of all of its fees and expenses incurred during the Application Period.¹ Second, Skadden, Arps seeks final approval of the fees and expenses set forth in the firm's First Interim Application,² which covered the period from the Petition Date through July 31.

¹ This Second Interim Application also includes some fees and expenses that were incurred during the period covered by the First Interim Application, but posted to the firm's accounting system after that application had been filed.

² Docket No. 1042.

3. The following table summarizes these fees and expenses:

	<i>Fees</i>	<i>Expenses</i>	<i>Total</i>
<i>First Interim Application</i>	\$1,233,971.75	\$114,445.41	\$1,348,417.16*
<i>Second Interim Application</i>	\$150,168.00	\$24,343.43	\$174,511.43
<i>Total</i>	\$1,384,139.75	\$138,788.84	\$1,522,928.59

* This figure was incorrectly reported as \$1,378,417.16 in the text of the First Interim Application.

4. Skadden, Arps has or will reduce its total fees and expenses in this case in several ways. First, Skadden, Arps' has voluntarily billed non-working travel time at 50% of the applicable rate. Second, as discussed in Part IV below, Skadden, Arps will voluntarily reduce the amount of attorney time requested in the First Interim Application in connection with the "first-day" hearing by \$10,467.00. Finally, if approved, the amount requested in the First Interim Application will be offset by a credit of \$42,885.69, as required by this Court's Retention Order, authorizing Furrs to retain Skadden, Arps.

5. Skadden, Arps has received no promise of payment for professional services rendered or to be rendered in this case other than in accordance with the provisions of the Bankruptcy Code.

6. Shortly after the closing of the Fleming transaction, the Debtor advised Skadden, Arps that it intended to use Jacobvitz Thuma & Walker, New Mexico co-counsel, as its primary bankruptcy counsel. For that reason, Skadden,

Arps has styled this Application as its Final Fee Application. Skadden, Arps is willing to provide future services to the Debtor, if requested to do so. In that event, Skadden, Arps will supplement this Application or file additional applications, as necessary.

7. The remainder of this Application consists of four parts. Part I outlines certain technical information relating to this Application and Skadden, Arps' billing methods. Part II contains summaries of Skadden, Arps' services during the Application Period in each of the separate project categories that the firm uses in billing this engagement. Part III summarizes the firm's expenses. Part IV discusses Skadden, Arps' overall contribution to this case and directly addresses the United States Trustee's objections to the firm's First Interim Application.

I. Time Records, Billing Matters, Qualifications of Principal Attorneys

8. Skadden, Arps maintains records of the time it spends rendering professional services. Those records are generally made concurrently with the rendition of professional services and are available for inspection, subject to any applicable privileges.

9. Skadden, Arps attorneys and legal assistants billed their services in this case to 34 project categories that cover discrete activities within the case. A list of these categories was set forth in the First Interim Application.

10. Part II below summarizes the services performed in each project category. The project category for services related to the sale of assets to the Fleming Companies -- asset dispositions -- accounted for almost 70% of the firm's total time charges during the Application Period.

11. Skadden, Arps has attached several Exhibits to this Application. The amount of fees Skadden, Arps charged the Debtor during the Application Period is summarized, by project category, on Exhibit A hereto. The billing rates, number of hours charged, and amount of fees that Skadden, Arps billed the Debtor for each attorney and legal assistant during the Application Period is summarized on Exhibit B hereto. Exhibit C is a summary of the expenses incurred by Skadden, Arps in connection with the services performed for the Debtor. Exhibit D consists of Skadden, Arps' chronological time records, organized according to the 34 categories. Under each category, professional services are arranged by date, with a description of each individual professional's services on that date, and the time devoted to those services.

12. An index to all the Exhibits to this Application appears immediately before Exhibit A.

13. *Almost half of all Skadden, Arps fees for services rendered during the Application Period are attributable to services rendered by two associates. Indeed, during the Application Period, the fees for all partners and counsel combined*

total less than the fees of any one of these two associates. This reflects Skadden, Arps' diligent efforts to minimize the effect of legal expenses on the Debtor's estate, especially after it became apparent that the Debtor's financial condition was graver than previously believed.

14. The qualifications and responsibilities of the foregoing associates are as follows:

(a) Sandra E. Maxfield. Ms. Maxfield is a corporate associate in the firm's New York office. During the Application Period, Ms. Maxfield was principally responsible for negotiating and drafting changes to the sale agreement and all ancillary documents, and representing the Debtor at the closing. Ms. Maxfield also supervised the efforts of several other junior corporate associates and legal assistants who assisted her in these tasks. Ms. Maxfield is a member of the New York and Victoria, Australia bars and holds both undergraduate and law degrees from Monash University in Australia.

(b) Stephen J. Lubben. Based in the firm's Los Angeles office, Mr. Lubben is the principal corporate restructuring associate on this matter. During the Application Period, Mr. Lubben advised the Debtor with respect to the treatment of *equipment leases and liquor licenses under the sale agreement*. Mr. Lubben also worked with New Mexico co-counsel on a variety of general bankruptcy matters relating to the Fleming transaction. Mr. Lubben is a member of the New York and

California bars and holds degrees from the University of California, Irvine (B.A.), Boston University School of Law (J.D.), and Harvard Law School (LL.M.).

15. The qualifications and duties of the other attorneys who played key roles in the earlier days of the Debtor's case are set forth in the First Interim Application.

II. Description of Services Rendered

16. Because of the critical nature of the Fleming transaction, the principal Skadden, Arps attorneys working on this case devoted a substantial amount of their time to this matter, often to the exclusion of other clients. The following description of the firm's services is only a summary of the matters that occupied the most substantial amounts of attorney time during the Application Period.

17. The overwhelming majority of the firm's time charges during this Application Period relate to the negotiation, documentation, and closing of the Fleming Transaction. During this period, Skadden, Arps billed little or no time to many project categories. Only those substantive categories for which the firm billed more than a modest amount of time are discussed in the text of this Application. All matters are fully discussed in the Exhibits.

18. Asset Dispositions (Matter No. 3). Skadden, Arps attorneys devoted the vast majority of the time billed during the Application Period to closing the Fleming sale and responding to the various objections to the sale. Skadden, Arps

attorneys conferred with Furr's management and Flemings' counsel, finalized the agreement with Fleming, drafted several ancillary documents, while also addressing the many other environmental, real estate, antitrust, tax and general business issues that are attendant to the sale of a large corporation. At the same time, other Skadden, Arps attorneys worked with New Mexico co-counsel to address the many bankruptcy issues that required resolution before the closing, such as the Constitutional issues surrounding the transfer of the Debtor's liquor licenses.

19. The closing of the Fleming transaction was the most important event in the Debtor's case. Without the sale to Fleming, the Debtor's assets likely would have been sold at liquidation value, with less recovery to the estate and more disruption to the local economies already harmed by Furr's failure. Skadden, Arps attorneys played a key role in ensuring that the Fleming transaction was consummated as planned.

20. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 425.3 hours

Fees: \$104,906.00

Expenses: \$15,370.96

21. **Case Administration (Matter No. 6)**. This category includes miscellaneous services that do not readily fit into any of the other categories,

including responding to frequent calls and correspondence from creditors and other interested parties.

22. This category also includes meetings and other activities of short duration, involving matters fitting multiple categories of issues, for which it is difficult to apportion the time spent on each discrete matter. Expenses and disbursements not specifically allocable to any other category are included with this category's expenses.

23. **Totals.** Total time, fees, and expenses for this category are as follows:

Time: 24.70 hours.

Fees: \$8,000.00

Expenses: \$700.67

24. **Employee Matters (Matter No. 11).** During the Application Period, Skadden, Arps attorneys advised Debtor's management with regard to the effect of the sale, and the subsequent termination of operations at certain locations, on its employees. This work played a key part in allowing management to bring the Debtor's operations to a halt in an informed manner.

25. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 9.00 hours.

Fees: \$2,355.00

Expenses: \$147.77

26. **Executory Contracts/Personalty (Matter No. 13)**. Skadden, Arps provided extensive advise to the Debtor regarding the Fleming sale and its effect on the Debtor's equipment leases and other executory contracts. Skadden, Arps' attorneys reviewed each equipment lease and devised strategies for transferring or terminating the leases in a way that would minimize the costs to the estate. In some instances, Skadden, Arps advised that the Debtor could properly seek to recharacterize the leases as secured financings. In other cases, Skadden, Arps determined that the schedules attached to these leases were themselves independent contracts, which the Debtor could seek to assume or reject separately. Skadden, Arps' efforts ultimately contributed to the consensual resolution of the bulk of the Debtor's equipment lease issues.

27. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 30.80 hours.

Fees: \$10,208.00

Expenses: \$1,531.82

28. **Financing/Property Development (Matter No. 14)**. As part of the closing of the sale transaction and the anticipated distribution of the proceeds received from the sale, the Debtor asked Skadden, Arps to research and analyze the rights of its various creditors to the sale proceeds. Skadden, Arps' work in this area allowed Debtor's management to respond to various demands for payment from the proceeds – received from taxing authorities, liquor vendors, landlords, and putative secured creditors, among others – with an understanding of each party's legal rights.

29. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 31.00 hours.

Fees: \$7,117.50

Expenses: \$3,254.12

30. **Leases (Real Property) (Matter No. 17)**. During the Application Period, Skadden, Arps attorneys addressed several real estate issues related to the closing of the sale. In particular, Skadden, Arps successfully negotiated various

issues with Wells Fargo Bank, who operated ATM machines in subleased space in many of the Debtor's stores, with respect to Wells Fargo's rights at various stores whose leases were assigned or rejected.

31. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 15.20 hours.

Fees: \$5,133.00

Expenses: \$188.60

32. **Retention/Fee Matters (SASM&F) (Matter No. 27)**. This matter reflects the time spent drafting the First Interim Application, as well as time spent otherwise attending to the firm's retention in this case.

33. **Totals**. Total time, fees, and expenses for this category are as follows:

Time: 14.70 hours.

Fees: \$4,895.00

Expenses: \$663.61

III. Expenses

34. Attached to this Application as Exhibit C is a summary of the expenses incurred by Skadden, Arps, during the Application Period, in connection with the services described above. The firm bills its clients telephone and postage

charges incurred on their behalf at cost. Skadden, Arps' copying, facsimile, and telephone systems automatically allocate charges to the specific clients for whom they are incurred. Skadden, Arps has adjusted its customary expense-reimbursement policy to conform to the terms of this Court's Retention Order.

IV. Reasonableness of Fees, Charges and Disbursements

35. Skadden, Arps performed two critical tasks in the Furrs chapter 11 case. First, as this Court has previously recognized, Skadden, Arps' experience with large bankruptcy cases allowed Furrs to enter chapter 11 with little disruption to its ongoing operations. Second, Skadden, Arps used its considerable resources to negotiate the Fleming transaction, draft and file papers to approve the sale agreement, implement auction procedures, negotiate with other potential bidders, and, ultimately, assist the Debtor in closing the Fleming transaction, all within three months.

36. Without Skadden, Arps' unique skills and resources, it is likely that neither task would have been completed as successfully or as quickly. Thus, while many parties may understandably wish that the Debtor's case had come to a more favorable end, without Skadden, Arps' involvement it seems likely that Furrs would have *ceased operations upon filing or shortly thereafter, with little notice to employees and little chance to obtain the value realized in the Fleming transaction.*

37. Throughout the case, Skadden, Arps worked to minimize the effect of legal expenses on the estate by employing a streamlined case management structure. Instead of assigning numerous attorneys to the myriad tasks that arose during the case, Skadden managed Furr's case using a core team of bankruptcy attorneys, incorporating non-bankruptcy attorneys as needed.

38. In late May and June, Skadden, Arps expended a considerable amount of time and effort designing and implementing the sale process. But when it became apparent that the proceeds from the sale would not meet previous expectations, Skadden, Arps, in consultation with the Debtor and at its request, quickly adjusted its staffing of the case to reflect this new information, reducing the role of senior attorneys in the case, while maintaining sufficient experience and oversight to assure the successful closing of the Fleming sale in late August. The following table, which shows Skadden, Arps fees on a month-by-month basis, illustrates the rapid and dramatic effect of these staffing changes:

<i>February</i>	<i>March</i>	<i>April</i>	<i>May</i>	<i>June</i>	<i>July</i>	<i>August</i>	<i>September</i>
\$216,621.30	\$224,439.50	\$226,328.50	\$219,746.40	\$285,813.76	\$70,232.90	\$123,863.00	\$17,094.50

39. The total fees that Skadden, Arps requests in this case are \$1,384,139.75. Its charges and disbursements incurred during the case are \$138,788.84, for a total of \$1,522,928.59. Skadden, Arps believes that, based on the criteria established for determining reasonableness of fees in bankruptcy cases and

upon the fees in comparable bankruptcy cases, the requested fees and expenses are reasonable and appropriate and should be approved in full.

A. Criteria to Determine Reasonableness.

40. Section 330 of the Bankruptcy Code governs compensation to professionals in a bankruptcy case. It provides that, when determining the amount of reasonable compensation to award a professional, the Court should consider the nature, extent and value of the services to the bankrupt estate considering all relevant factors, including (1) time spent on the case, (2) rates charged by the professional, (3) whether the services were necessary and beneficial, (4) timeliness of services based on the complexity and nature of the issue, and (5) whether compensation is reasonable based on that charged by other comparably skilled professionals in non-bankruptcy cases.³

41. In reviewing the reasonableness of an attorney's fee request, the Tenth Circuit has adopted the Fifth Circuit's *Johnson* ("lodestar") approach.⁴

42. The *Johnson* lodestar approach examines several factors, including: (a) the novelty or difficulty of the questions presented; (b) the experience, reputation and skill of the professional; (c) time limitations imposed by the circum-

³ 11 U.S.C. § 330(a)(3).

⁴ See *Rubner & Kutner, P.C. v. United States Trustee (In re Lederman Enters.)*, 997 F.2d 1321, 1323 (10th Cir. 1993) (stating that Circuit has "adopted the lodestar analysis set forth in *Johnson v. Georgia Highway Express*, 488 F.2d 714 (5th Cir. 1974)").

stances; (d) whether the fee is fixed or contingent; (e) the preclusion of the professional's employment in other cases due to acceptance of the case and complexity of the case; (f) the amount involved; and (g) the results obtained or the quality of the services.

43. In its *Lederman* decision, the Tenth Circuit explained that the *Johnson* factors are used to consider the reasonableness of the fee, and that section 330's reference to "actual, necessary services" determines the attorney's eligibility to receive that fee.⁵

44. "Courts which have interpreted [section 330] have noted that courts are to consider the necessity of the services at the time they were rendered, not at the time the court reviews the application."⁶ In short, a professional should not be penalized simply because fees are reviewed with the benefit of hindsight.⁷ As one court has noted, to hold otherwise "would unreasonably restrict legitimate professional efforts toward effective estate administration, and could well cause attorneys to shy away from work that might benefit the estate."⁸

⁵ 997 F.2d at 1323-24.

⁶ *In re Polishuk*, 258 B.R. 238, 248 (Bankr. N.D. Okla. 2001); see also *In re Ames Dep't Stores, Inc.*, 76 F.3d 66 (2nd Cir.1996).

⁷ *In re Berg*, 2001 WL 1160791 (Bankr. D. Mont. Sep 25, 2001).

⁸ *Roberts, Sheridan & Kotel, P.C. v. Bergen Brunswig Drug Company, (In re Mednet)*, 251 B.R. 103, 108 (B.A.P. 9th Cir. 2000).

45. The Court's primary focus should be on the overall reasonableness of the services rendered to the estate and the total cost.

[I]t is important for a court to maintain a sense of overall proportion and not become enmeshed in meticulous analysis of every detailed facet of the professional representation. It is easy to speculate that the work could have been done in less time or with fewer attorneys or with an associate rather than a partner. On the other hand, it is also possible that [the debtor] would not have enjoyed the success it did had its counsel managed matters differently.⁹

46. In light of the factors in section 330 and applicable case law, Skadden, Arps submits that the amount of its request is fair and reasonable, based on: (a) the nature of the Furrs case; (b) the novelty and complexity of the case; (c) the time and labor required to represent Furrs effectively; (d) the time limitations imposed by the case; (e) the nature and extent of the services rendered; (f) Skadden's experience, reputation and ability; (g) the value of Skadden's services; and (h) the cost of comparable services other than in a case under Bankruptcy Code.

B. Nature, Complexity and Duration of the Case.

47. Because of Skadden's efforts, the Debtor's chapter 11 case was commenced with little disruption to ongoing operations and substantially all of its assets were sold within approximately six months of the Petition Date. This aggressive timetable required Skadden, Arps and the other professionals involved in this case to use every effort to work quickly and efficiently in assisting Furrs to meet its

⁹ *In re Boston & Maine Corp.*, 776 F.2d 2 (1st Cir. 1985) (citations omitted).

goals of proposing and consummating its sale as promptly as possible and preserving its assets' value to maximize distributions to creditors.

48. The case presented Debtor's counsel with the challenge of calming the Debtor's often contentious relationship with other parties, avoiding the expense of unneeded litigation, while also orchestrating a case that, of necessity, proceeded on an extremely accelerated time-table. For example, at one point in the case Skadden, Arps attorneys were simultaneously defending against the Committee's motion to appoint a trustee and negotiating the terms of the Fleming transaction. Thus, the case was substantially more challenging than even a typical large chapter 11 case.

C. Experience of Skadden, Arps.

49. The experience of Skadden's attorneys benefitted Furr's estate. Skadden, Arps assisted Furr in addressing a wide range of non-bankruptcy issues, including corporate, antitrust, employee benefits, tax, general litigation, and real estate issues. As described more fully in Skadden's retention application, Skadden's restructuring attorneys and attorneys in other practice areas have extensive knowledge and experience in dealing with the complex and time-sensitive issues that arise in similar chapter 11 proceedings. Skadden's experience in complex chapter 11 cases insured that a number of pressing issues could be addressed promptly.

D. Comparable Services.

50. Based on the firm's customary billing practices, Furrs would ordinarily be billed and would pay for the firm's professional services on a monthly basis. During Skadden's prepetition representation of Furrs, Skadden, Arps charged, and Furrs paid, Skadden's customary rates. In the chapter 11 case, the Court's Retention Order instructed Skadden, Arps to bill at its "unbundled" rates, while also disallowing certain charges that Furrs would have paid outside of bankruptcy. Skadden, Arps has not received any payments for its services during the nine months that this case has been pending. Accordingly, Skadden, Arps' rates during this case are less than its non-bankruptcy rates. That fact as well as the value of the services performed by Skadden, Arps more than warrant the allowance of the requested compensation in full.

E. United States Trustee's Objections.

51. In response to the First Interim Application, the United States Trustee advanced seven grounds for reducing Skadden, Arps' requested compensation.

52. In an effort to compromise one of the Trustee's objections, Skadden, Arps will voluntarily reduce the amount of attorneys time requested in connection with the first-day hearing by \$10,467.00. This represents more than a

33% reduction in fees, reflecting the time of four attorneys, and addresses the Trustee's contention that too many attorneys attended the hearing.

53. Skadden, Arps, however, disputes many of the Trustee's objections as improper attempts to second-guess strategic decisions with the benefit of hindsight or penalize Skadden, Arps for providing its bankruptcy clients with the same high-quality work that all of its clients have come to expect.

54. For example, the U.S. Trustee asserts that the firm "billed \$25,277 in connection with a reorganization plan and \$11,913 [] for the preparation of a disclosure statement, neither of which was filed and most of which services were rendered in May 2001." Of course, the Debtor did not decide to pursue an immediate sale of its assets until the end of May. Until that decision was made, Skadden, Arps was proceeding on the reasonable assumption that a plan and disclosure statement would have to be drafted, filed and approved by the Court and the creditors before the expiration of the Debtor's exclusivity period and its post-petition financing in early August.

55. Similarly, the U.S. Trustee complains that Skadden, Arps spent too much time drafting the asset purchase agreement before the auction sale. The Trustee contends that "[s]ince it is highly likely that Skadden has forms of asset purchase agreement from prior cases in which it was involved, the expenditure of

this time to draft an agreement without specifics is excessive at best and unnecessary at worst."

56. The United States Trustee does not properly characterize Skadden, Arps' efforts. Before the auction, Skadden, Arps drafted two distinct asset purchase agreements: first, a purchase agreement for use by all potential bidders at the auction, filed with the Court on June 13.¹⁰ While this agreement was generic in some sense, Skadden, Arps nevertheless spent time conforming the agreement to requirements of the supermarket industry and of Furrs in particular.

57. Second, the firm also drafted a specific asset purchase agreement with Fleming, reflecting the fact that Fleming submitted the highest bid before the auction. The agreement with Fleming was the subject of numerous drafts over weeks of telephonic negotiations that culminated in a weekend-long negotiation session at Fleming's Dallas headquarters, resulting in a final agreement.

58. No asset purchase agreement is an "off the shelf" document. The Fleming deal required input from corporate, bankruptcy, tax, employment, environmental, and real estate lawyers, each addressing complex issues.

59. The United States Trustee's general complaint – both with respect to the agreement and with respect to other motions and pleadings – that "numerous reviews and revisions by multiple attorneys were excessive and unneces-

¹⁰ Docket No. 584.

sary" essentially demands that Skadden, Arps lower its standards for bankruptcy clients. Plainly Skadden, Arps has experience with many of the transactions that routinely arise in large chapter 11 cases. But clients do not retain Skadden, Arps because of its large collection of precedential documents. Skadden, Arps' reputation as "a nationally known and highly regarded law firm"¹¹ depends upon the production of high quality documents, tailored to each client's express needs.

60. For example, realizing the need for swift approval of the sale, Skadden, Arps attorneys devised a means to seek approval of the sale transaction at a single hearing, without the need for the customary additional hearing to pre-approve the sale procedures. The drafting of unique motion papers such as this mandates work beyond mere forms. The facts of this case – such as the Creditors' Committee's frequent assertion of various conspiracy theories, the presence of liquor vendors asserting special state-law rights, and a unionized workforce – demanded special attention in many documents.

61. Finally, the United States Trustee has asserted two objections related to Skadden, Arps' use of legal assistants. First, the Trustee asserts that Skadden, Arps should not be compensated for legal assistant time associated with "distributing notices, pleadings, and other mail."

¹¹ *In re Ames Dep't Stores, Inc.*, 76 F.3d at 68.

62. Skadden, Arps legal assistants served most of the motions and other pleadings filed by the Debtor in this case. Because of the size of the service list in this case, Skadden, Arps frequently served documents that were drafted by New Mexico co-counsel, who indicated that serving these documents would present an undue burden on their practice. Only through the use of these legal assistants was the Debtor able to serve its various sale papers upon hundreds of parties in interest in time to allow the Court to consider the Fleming transaction on the accelerated schedule required in this case.

63. The costs associated with service of pleadings is inherently client-specific: Skadden's corporate clients will rarely have need for this service, while litigation clients will often need to serve numerous parties and bankruptcy clients regularly need to serve even more. Terming the task "clerical" or non-billable "overhead" would unfairly force some clients to subsidize services provided to other clients. Accordingly, Skadden, Arps charges specific clients for the costs of serving pleadings, and both its bankruptcy and non-bankruptcy clients routinely pay these

charges. The blanket characterization of this type of work as "clerical," and thus presumptively uncompensable, has been rejected by other courts, and should be rejected now.¹²

64. The Trustee also asserts that Skadden, Arps' legal assistants should not have staffed the Debtor's data room. According to the Trustee, "[s]ince Skadden had vigorously pursued and obtained approval of the employment of Peter J. Solomon Co., Ltd. to perform marketing and other services for the Debtor, the provision of these services is duplicative as well as beyond the scope of its employment."

65. The U.S. Trustee's argument confuses Skadden, Arps with its client – Skadden, Arps pursued the retention of Peter J. Solomon Co. at the instruction of its client, the Debtor. But this argument also assumes, without any support, that staffing the data room is part of the marketing process. To the contrary, attor-

¹² As the Eleventh Circuit has explained:

Congress has recently indicated a desire to promote the same billing practices in bankruptcy cases as in other branches of legal practice. While "user billing" is certainly not the only billing practice employed today, its use is widespread. A good many reputable firms bill as expenses many of the items rejected in advance by the bankruptcy judge here. Moreover, as all or most of the prohibited items can be readily calculated in reference to work done in a specific case, it is far from obvious that they are, by their nature, non-billable overhead.

Stroock & Stroock & Lavan v. Hillsborough Holdings Corp. (In re Hillsborough Holdings Corp.), 127 F.3d 1398, 1403 (11th Cir. 1997).

neys and legal assistants are routinely charged with the custody of confidential documents, while investment bankers likely receive little training in the attorney-client privilege, and other rules of confidentiality. Furthermore, investment banking firms do not employ legal assistants or other similar personnel that could staff a data room in a cost efficient manner. In short, the staffing of a data room – even one connected to the sale of a company – is a project that is frequently handled by attorneys and not investment bankers.

66. In light of the foregoing, Skadden, Arps submits that the United States Trustee's objections are without merit, and should be overruled in the entirety.

Conclusion

67. Skadden, Arps submits that the legal services and advice that it rendered to the Debtor in connection with this chapter 11 case were necessary and beneficial to the Debtor, its creditors, and the estate. Those services and advice enabled the Debtor, once it was evident that reorganization was not possible, to commence the winding-down process and sell virtually all of its operating assets in less than seven months from the Petition Date and just over three months after the Debtor had determined to proceed with a sale. Skadden, Arps's services were instrumental in realizing the value of the Fleming transaction for the estate. For these reasons and the reasons set forth herein, the Court should approve this Application in full.

Dated: Los Angeles, California
November 2, 2001

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

By: /s/ Richard Levin
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Attorneys for the Debtor in Possession

Declaration of Richard Levin

I, Richard Levin, hereby declare:

1. I am a Corporate Restructuring partner in the Los Angeles office of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Furr's Supermarkets, Inc., debtor and debtor in possession in this case ("Furrs" or the "Debtor"). I am the partner at Skadden, Arps with overall responsibility for the firm's representation of Furrs in its Chapter 11 case. I submit this Declaration in support of the foregoing second interim and final fee application, dated November 2, 2001. I have personal knowledge of the facts set forth below and if called as a witness could and would testify competently with respect thereto.

2. The Application has been prepared at my direction and I am familiar with its contents. Instead of restating in this Declaration each fact and representation in the Application, I confirm that, to the best of my knowledge and belief, they are all true and correct.

3. Submitted simultaneously with this Application are Exhibits A-D, which consist of copies of the firm's time records and summaries of the time and expenses for which Skadden, Arps seeks compensation and reimbursement. They are based on contemporaneously maintained diaries and records. The services and expenses described therein were actually performed and incurred, and I believe that they were necessary in connection with the duties that Furrs asked the firm to perform.

4. Furrs has previously received invoices for the period covered by this Application, but has advised Skadden, Arps that it has not yet reviewed those invoices.

I declare under penalty of perjury under the law of the United States of America that the foregoing is true and correct.

Executed on November 2, 2001, in Denver, Colorado.

/s/ Richard Levin
Richard Levin

Index of Exhibits to First Interim Fee Application
of Skadden, Arps, Slate, Meagher & Flom LLP

<u>Exhibit</u>	<u>Description</u>
A	Summary of Skadden, Arps' Time Charges During Application Period (by category and month)
B-1	Professional Activity Summary (summary of time billed by each professional in each category)
B-2	Hourly Rate Summary (each individual's hourly rate, total hours, and total fees)
C	Expense and Disbursement Summary (summary of expenses in each category by month)
D	Chronological Time Records, by category

Furrs Supermarkets, Inc. (DIP) Fee Application Summary
by Matter and Month

Matter Name	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
3 Asset Dispositions	0.00	0.00	39.00	546.00	5,109.50	0.00	88,902.50	10,166.50	104,763.50
4 Automatic Stay (Relief Actions)	0.00	0.00	0.00	0.00	0.00	0.00	495.00	0.00	495.00
6 Case Administration	43.00	0.00	1,159.00	0.00	295.00	0.00	3,203.00	2,790.00	7,490.00
8 Consignment/Reclamation/Trust	0.00	0.00	0.00	0.00	0.00	0.00	132.00	0.00	132.00
11 Employee Matters	0.00	0.00	0.00	0.00	145.00	0.00	2,210.00	0.00	2,355.00
13 Executory Contracts/Personality	0.00	0.00	0.00	0.00	0.00	0.00	10,208.00	0.00	10,208.00
14 Financing	0.00	0.00	341.00	178.50	0.00	1,354.50	3,679.00	1,320.00	6,873.00
17 Leases (Real Property)	0.00	0.00	0.00	0.00	0.00	0.00	5,133.00	0.00	5,133.00
21 Non-working Travel Time	0.00	0.00	0.00	0.00	0.00	0.00	2,852.50	2,345.00	5,197.50
23 Real Estate (Owned)	0.00	0.00	0.00	0.00	0.00	0.00	1,968.00	0.00	1,968.00
27 Retention/Fee Matters (SASM&F)	0.00	0.00	0.00	0.00	0.00	0.00	4,664.00	231.00	4,895.00
28 Retention/Fee Matters/Objections	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110.00	110.00
31 Tax Matters	0.00	0.00	0.00	0.00	0.00	0.00	416.00	0.00	416.00
34 Vendor Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	132.00	132.00
Total	43.00	0.00	1,539.00	724.50	5,549.50	1,354.50	123,863.00	17,094.50	150,168.00

A

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #3 Asset Dispositions

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
HOWARD L. ELLIN	550.00	2.75	\$1,512.50
JOHN P. FURFARO	520.00	0.80	416.00
DAVID M. RIEVMAN	550.00	<u>5.00</u>	<u>2,750.00</u>
TOTAL PARTNERS		8.55	\$4,678.50
<u>COUNSEL</u>			
HENRY C. EISENBERG	390.00	7.55	\$2,944.50
JOSEPH P. NISA	390.00	0.25	97.50
DANIEL SILVERMAN	440.00	<u>1.45</u>	<u>638.00</u>
TOTAL COUNSEL		9.25	\$3,680.00
<u>ASSOCIATES</u>			
BRIAN S. KAPLAN	350.00	9.00	\$3,150.00
JEAN KIM	235.00	5.50	1,292.50
STEPHEN J. LUBBEN	330.00	19.10	6,303.00
SANDRA E. MAXFIELD	350.00	108.05	37,817.50
JAMES A. MESCHERSKI	290.00	28.70	8,323.00
VERED RABIA	320.00	0.75	240.00
STEVEN M. ROSENTHAL	290.00	4.80	1,392.00
LOUIS D. WILSON	260.00	<u>35.40</u>	<u>9,204.00</u>
TOTAL ASSOCIATES		211.30	\$67,722.00
<u>SUMMER/WINTER ASSOCIATE</u>			
JOHN G. DERDERIAN	160.00	<u>71.40</u>	<u>\$ 11,424.00</u>
TOTAL SUMMER/WINTER ASSOCIATE		71.40	\$11,424.00
<u>LEGAL ASSISTANTS</u>			
DAVID GONZALEZ	140.00	88.00	\$12,320.00
LAWRENCE R. HARRIS	140.00	26.60	3,724.00
MICHAEL C. MCGUIRE	150.00	4.20	630.00
OBINNA OGBUNAMIRI	75.00	3.00	225.00
CHRISTINA TACKETT	120.00	<u>3.00</u>	<u>360.00</u>
TOTAL LEGAL ASSISTANTS		124.80	\$17,259.00
MATTER TOTAL		<u>425.30</u>	<u>\$104,763.50</u>

B

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #4 Automatic Stay (Relief Actions)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
STEPHEN J. LUBBEN	330.00	<u>1.50</u>	<u>\$495.00</u>
TOTAL ASSOCIATE		1.50	\$495.00
MATTER TOTAL		<u>1.50</u>	<u>\$495.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #6 Case Administration

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
JAY M. GOFFMAN	590.00	2.20	\$1,298.00
RICHARD B. LEVIN	550.00	<u>3.20</u>	<u>1,760.00</u>
TOTAL PARTNERS		5.40	\$3,058.00
<u>COUNSEL</u>			
PETER W. CLAPP	390.00	<u>0.40</u>	\$ <u>156.00</u>
TOTAL COUNSEL		0.40	\$156.00
<u>ASSOCIATES</u>			
JAMIE EDMONSON	290.00	2.90	\$841.00
STEPHEN J. LUBBEN	330.00	7.00	2,310.00
KURT RAMLO	340.00	0.30	102.00
BENNETT S. SILVERBERG	215.00	<u>0.20</u>	<u>43.00</u>
TOTAL ASSOCIATES		10.40	\$3,296.00
<u>LEGAL ASSISTANTS</u>			
LAWRENCE R. HARRIS	140.00	<u>7.00</u>	\$ <u>980.00</u>
TOTAL LEGAL ASSISTANTS		7.00	\$980.00
MATTER TOTAL		<u>23.20</u>	<u>\$7,490.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #8 Consignment/Reclamation/Trust Fund Claim

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
STEPHEN J. LUBBEN	330.00	<u>0.40</u>	<u>\$132.00</u>
TOTAL ASSOCIATE		<u>0.40</u>	<u>\$132.00</u>
MATTER TOTAL		<u>0.40</u>	<u>\$132.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #11 Employee Matters

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATES</u>			
TIMOTHY F. NELSON	330.00	5.00	\$1,650.00
RANDI B. SELTZER	290.00	<u>0.50</u>	<u>145.00</u>
TOTAL ASSOCIATES		5.50	\$1,795.00
<u>SUMMER/WINTER ASSOCIATE</u>			
SETH GOLDMAN	160.00	<u>3.50</u>	<u>\$ 560.00</u>
TOTAL SUMMER/WINTER ASSOCIATE		3.50	\$560.00
MATTER TOTAL		<u>9.00</u>	<u>\$2,355.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #13 Executory Contracts/Personalty

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNER</u>			
RICHARD B. LEVIN	550.00	<u>0.20</u>	\$ <u>110.00</u>
TOTAL PARTNER		0.20	\$110.00
<u>ASSOCIATE</u>			
STEPHEN J. LUBBEN	330.00	<u>30.60</u>	\$ <u>10,098.00</u>
TOTAL ASSOCIATE		30.60	\$10,098.00
MATTER TOTAL		<u>30.80</u>	<u>\$10,208.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #14 Financing

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNERS</u>			
JAMES M. DOUGLAS	590.00	0.40	\$236.00
RICHARD B. LEVIN	550.00	<u>3.70</u>	<u>2,035.00</u>
TOTAL PARTNERS		4.10	\$2,271.00
<u>ASSOCIATE</u>			
STEPHEN J. LUBBEN	330.00	<u>7.90</u>	<u>\$2,607.00</u>
TOTAL ASSOCIATE		7.90	\$2,607.00
<u>LEGAL ASSISTANTS</u>			
NAKIA P. THOMAS	105.00	<u>19.00</u>	<u>\$1,995.00</u>
TOTAL LEGAL ASSISTANTS		19.00	\$1,995.00
MATTER TOTAL		<u>31.00</u>	<u>\$6,873.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #17 Leases (Real Property)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>COUNSEL</u>			
PETER W. CLAPP	390.00	<u>1.00</u>	\$ <u>390.00</u>
TOTAL COUNSEL		1.00	\$390.00
<u>ASSOCIATES</u>			
STEPHEN J. LUBBEN	330.00	3.50	\$1,155.00
VERED RABIA	320.00	2.50	800.00
KURT RAMLO	340.00	<u>8.20</u>	<u>2,788.00</u>
TOTAL ASSOCIATES		14.20	\$4,743.00
MATTER TOTAL		<u>15.20</u>	<u>\$5,133.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #21 Nonworking Travel Time

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
SANDRA E. MAXFIELD	175.00	<u>22.50</u>	<u>\$3,937.50</u>
TOTAL ASSOCIATE		22.50	\$3,937.50
<u>LEGAL ASSISTANTS</u>			
DAVID GONZALEZ	70.00	<u>18.00</u>	<u>\$1,260.00</u>
TOTAL LEGAL ASSISTANTS		18.00	\$1,260.00
MATTER TOTAL		<u>40.50</u>	<u>\$5,197.50</u>

* 50% Discounted Non-working Travel Time Rates

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #23 Real Estate (Owned)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
VERED RABIA	320.00	<u>6.15</u>	<u>\$1,968.00</u>
TOTAL ASSOCIATE		<u>6.15</u>	<u>\$1,968.00</u>
MATTER TOTAL		<u>6.15</u>	<u>\$1,968.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #27 Retention/Fee Matters (SASM&F)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNER</u>			
RICHARD B. LEVIN	550.00	<u>2.10</u>	<u>\$1,155.00</u>
TOTAL PARTNER		2.10	\$1,155.00
<u>ASSOCIATE</u>			
STEPHEN C. LUBBEN	330.00	<u>10.40</u>	<u>\$3,432.00</u>
TOTAL ASSOCIATE		10.40	\$3,432.00
<u>LEGAL ASSISTANTS</u>			
LAWRENCE R. HARRIS	140.00	<u>2.20</u>	<u>\$ 308.00</u>
TOTAL LEGAL ASSISTANTS		2.20	\$308.00
MATTER TOTAL		<u>14.70</u>	<u>\$4,895.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #28 Retention/Fee Matters/Objections (Others)

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNER</u>			
RICHARD B. LEVIN	550.00	<u>0.20</u>	<u>\$110.00</u>
TOTAL PARTNER		<u>0.20</u>	<u>\$110.00</u>
MATTER TOTAL		<u>0.20</u>	<u>\$110.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #31 Tax Matters

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>PARTNER</u>			
DAVID M. RIEVMAN	550.00	<u>0.50</u>	<u>\$275.00</u>
TOTAL PARTNER		0.50	\$275.00
<u>ASSOCIATE</u>			
JENNIFER D. AVITABILE	235.00	<u>0.60</u>	<u>\$141.00</u>
TOTAL ASSOCIATE		0.60	\$141.00
MATTER TOTAL		<u>1.10</u>	<u>\$416.00</u>

TIME SUMMARY - - ALL MATTERS
FURRS SUPERMARKETS, INC. (DIP): Through September 30, 2001

MATTER #34 Vendor Matters

<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>TOTAL</u>
<u>ASSOCIATE</u>			
STEPHEN J. LUBBEN	330.00	<u>0.40</u>	<u>\$132.00</u>
TOTAL ASSOCIATE		<u>0.40</u>	<u>\$132.00</u>
MATTER TOTAL		<u>0.40</u>	<u>\$132.00</u>
CLIENT TOTAL		<u>599.45</u>	<u>\$150,168.00</u>

**TIME SUMMARY TO SECOND INTERIM FEE APPLICATION OF
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
(THROUGH SEPTEMBER 30, 2001)**

<u>NAME</u>	<u>DEGREE DATE</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
James M. Douglas	1981	\$590.00	0.40	\$236.00
Howard L. Ellin	1988	550.00	2.75	1,512.50
John P. Furfaro	1980	520.00	0.80	416.00
Jay M. Goffman	1983	590.00	2.20	1,298.00
Richard B. Levin	1975	550.00	9.40	5,170.00
David M. Rievman	1987	550.00	5.50	3,025.00
TOTAL PARTNERS			21.05	\$11,657.50
<u>COUNSEL</u>				
Peter W. Clapp	1982	390.00	1.40	546.00
Henry C. Eisenberg	1985	390.00	7.55	2,944.50
Joseph P. Nisa	1987	390.00	0.25	97.50
Daniel Silverman	1966	440.00	1.45	638.00
TOTAL COUNSEL			10.65	\$4,226.00
<u>ASSOCIATES</u>				
Jennifer D. Avitabile	2000	235.00	0.60	141.00
Jamie Edmonson	1996	290.00	2.90	841.00
Brian S. Kaplan	1994	350.00	9.00	3,150.00
Jean Kim	1999	235.00	5.50	1,292.50
Stephen J. Lubben	1996	330.00	80.80	26,664.00
Sandra E. Maxfield	1986	175.00*	22.50	3,937.50
	-	350.00	108.05	37,817.50
James A. Meschewski	1998	290.00	28.70	8,323.00
Timothy F. Nelson	1996	330.00	5.00	1,650.00
Vered Rabia	1998	320.00	9.40	3,008.00

* 50% discounted Non-working Travel Time Rate

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Kurt Ramlo	1993	340.00	8.50	2,890.00
Steven M. Rosenthal	1995	290.00	4.80	1,392.00
Randi B. Seltzer	1998	290.00	0.50	145.00
Bennett S. Silverberg	2000	215.00	0.20	43.00
Louis D. Wilson	1999	260.00	35.40	9,204.00
		TOTAL ASSOCIATES	321.85	\$100,498.50
SUMMER/WINTER ASSOCIATES				
John G. Derderian		160.00	71.40	11,424.00
Seth Goldman		160.00	3.50	560.00
		TOTAL SUM/WIN ASSOCIATES	74.90	\$11,984.00
PARAPROFESSIONALS				
David Gonzalez		70.00*	18.00	1,260.00
		140.00	88.00	12,320.00
Lawrence R. Harris		140.00	35.80	5,012.00
Michael C. McGuire		150.00	4.20	630.00
Obinna Ogbunamiri		75.00	3.00	225.00
Christina Tackett		120.00	3.00	360.00
Nakia P. Thomas		105.00	19.00	1,995.00
		TOTAL PARAPROFESSIONALS	171.00	\$21,802.00
		TOTAL	599.45	\$150,168.00
BLENDED HOURLY RATE				\$250.51

* 50% discounted Non-working Travel Time Rate

Furrs Supermarkets, Inc. (DIP)
Fee Application Summary of Charges and Disbursements by Matter and Month

3 - Asset Disposition	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Air Travel	0.00	0.00	0.00	0.00	351.50	0.00	1,883.12	2,028.00	4,262.62
Business Meals	0.00	0.00	0.00	0.00	0.00	0.00	241.73	0.00	241.73
Car Service Vendor Feeds	0.00	0.00	0.00	0.00	0.00	0.00	699.93	196.35	896.28
In-house Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	742.50	0.90	743.40
Lexis/Nexis	0.00	0.00	0.00	0.00	0.00	0.00	855.28	43.40	898.68
Local Travel	0.00	0.00	0.00	0.00	0.00	0.00	30.00	0.00	30.00
Messengers/ Courier	0.00	0.00	0.00	0.00	214.55	431.85	3,395.91	0.00	4,042.31
Out of Town Meals	0.00	0.00	0.00	0.00	0.00	0.00	65.50	0.00	65.50
Out-of-Town Travel	0.00	0.00	0.00	0.00	0.00	0.00	799.90	0.00	799.90
Postage	0.00	0.00	0.00	0.00	0.00	0.00	1,920.85	0.00	1,920.85
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	320.67	53.41	374.08
Telephone Expense - all other	0.00	0.00	0.00	0.00	0.00	0.00	11.00	15.92	26.92
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	967.13	101.56	1,068.69
Total	0.00	0.00	0.00	0.00	566.05	431.85	11,933.52	2,439.54	15,370.96

4 - Automatic Stay (Relief Actions)	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	363.74	0.00	363.74

6 - Case Administration	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Air Travel	(905.05)	0.00	0.00	703.00	0.00	0.00	0.00	0.00	(202.05)
Business Meals	0.00	0.00	0.00	0.00	0.00	0.00	12.40	0.00	12.40
In-house Reproduction	0.00	0.00	0.00	0.00	21.90	57.60	151.40	1.00	231.90
Messengers/ Courier	0.00	20.25	18.51	0.00	0.00	35.67	158.43	0.00	232.86
Outside Research/Internet Services	0.00	32.78	11.06	0.00	0.00	11.48	0.00	0.00	55.32
Postage	0.00	0.00	0.00	0.00	0.00	0.00	55.44	0.00	55.44
Telephone Expense	0.00	0.00	1.96	0.00	0.59	0.00	139.06	3.56	145.17
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	169.63	0.00	169.63
Total	(905.05)	53.03	31.53	703.00	22.49	104.75	686.36	4.56	700.67

11 - Employee Matters	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Outside Research/Internet Services	0.00	0.00	0.00	0.00	0.00	66.99	0.00	0.00	66.99
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	9.82	0.00	9.82
Westlaw	0.00	0.00	0.00	0.00	70.96	0.00	0.00	0.00	70.96
Total	0.00	0.00	0.00	0.00	70.96	66.99	9.82	0.00	147.77

13 - Executory Contracts/Personalty	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Lexis/Nexis	0.00	0.00	0.00	0.00	0.00	0.00	147.87	0.00	147.87
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	40.79	0.00	40.79
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	1,343.16	0.00	1,343.16
Total	0.00	0.00	0.00	0.00	0.00	0.00	1,531.82	0.00	1,531.82

14 - Financing	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
In-house Reproduction	0.00	0.00	20.20	0.00	117.10	6.60	239.00	0.00	382.90
Lexis/Nexis	0.00	0.00	0.00	0.00	0.00	0.00	800.09	24.18	824.27
Messengers/ Courier	0.00	0.00	7.52	0.00	35.41	11.75	20.25	0.00	74.93
Non-standard/Outside Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	3.00
Telephone Expense	0.00	0.00	11.74	0.00	0.00	0.00	44.18	0.43	56.35
UCC Flat Fee Search	0.00	0.00	0.00	0.00	0.00	0.00	1,330.00	0.00	1,330.00
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	582.67	0.00	582.67
Total	0.00	0.00	39.46	0.00	152.51	18.35	3,019.19	24.61	3,254.12

C

17 - Leases (Real Property)	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Lexis/Nexis	0.00	0.00	0.00	0.00	0.00	0.00	158.87	0.00	158.87
Messengers/ Courier	0.00	0.00	0.00	0.00	0.00	8.53	0.00	0.00	8.53
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	4.45	0.00	4.45
Westlaw	0.00	0.00	0.00	0.00	0.00	0.00	16.75	0.00	16.75
Total	0.00	0.00	0.00	0.00	0.00	8.53	180.07	0.00	188.60

21 - Nonworking Travel Time	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Air Travel	0.00	0.00	351.50	703.00	0.00	0.00	1,016.11	0.00	2,070.61
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.09	5.09
Total	0.00	0.00	351.50	703.00	0.00	0.00	1,016.11	5.09	2,075.70

23 - Real Estate (Owned)	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
In-house Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	9.30	0.00	9.30
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	1.47	0.00	1.47
Total	0.00	0.00	0.00	0.00	0.00	0.00	10.77	0.00	10.77

27 - Retention Fee Matters (SASM&F)	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
In-house Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	551.60	0.00	551.60
Messengers/ Courier	0.00	0.00	0.00	0.00	0.00	0.00	20.15	0.00	20.15
Outside Research/Internet Services	0.00	0.00	0.00	0.00	0.00	0.21	0.00	0.00	0.21
Postage	0.00	0.00	0.00	0.00	0.00	0.00	72.31	0.00	72.31
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	19.10	0.24	19.34
Total	0.00	0.00	0.00	0.00	0.00	0.21	663.16	0.24	663.61

28 - Retention / Fee Matters / Objections	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
In-house Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.60
Outside Research/Internet Services	0.00	0.00	0.00	0.00	0.00	30.17	0.00	0.00	30.17
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	4.57	0.09	4.66
Total	0.00	0.00	0.00	0.00	0.00	30.17	5.17	0.09	35.43

31 - Tax Matters	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.24	0.24

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Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
EISENBERG HC	COUNSEL	390	04/04/01	0.10	39.00	TELEPHONE CONFERENCE WITH D. DUSEK REGARDING ENVIRONMENTAL ISSUES IN ASSET SALES AGREEMENT.
EISENBERG HC	COUNSEL	390	05/31/01	1.40	546.00	TELEPHONE CONFERENCE WITH J. LEE; REVIEW OF AGREEMENT; TELEPHONE CONFERENCE WITH J. LEE AND S. MAXFIELD REGARDING ENVIRONMENTAL DUE DILIGENCE AND CONTRACT ISSUES.
RIEVMAN DM	PARTNER	550	06/01/01	0.50	275.00	REVIEW APA, STRUCTURE
EISENBERG HC	COUNSEL	390	06/01/01	1.50	585.00	CONFERENCE CALL ON DUE DILIGENCE ISSUE; TELEPHONE CONFERENCE WITH D. FROST REGARDING PHASE II DUE DILIGENCE ISSUE; DRAFT LANGUAGE FOR ENVIRONMENTAL SECTION OF CONTRACT.
RIEVMAN DM	PARTNER	550	06/04/01	0.20	110.00	WORK REGARDING AGREEMENT
RIEVMAN DM	PARTNER	550	06/12/01	0.50	275.00	REVIEW STRUCTURE, ANALYSIS
RIEVMAN DM	PARTNER	550	06/13/01	0.30	165.00	DD. INFO
EISENBERG HC	COUNSEL	390	06/13/01	0.90	351.00	REVIEW OF CORRESPONDENCE REGARDING ENVIRONMENTAL HOLDBACK; REVIEW OF REVISED AGREEMENT; TELEPHONE CONFERENCE WITH S. MAXFIELD REGARDING HOLDBACK ISSUE; E-MAIL TO S. MAXFIELD REGARDING HOLDBACK ISSUE.
RIEVMAN DM	PARTNER	550	06/14/01	0.50	275.00	ANALYSIS OF APA AGREEMENT.
EISENBERG HC	COUNSEL	390	06/14/01	0.20	78.00	REVIEW OF REVISED AGREEMENT.



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RJEVMAN DM	PARTNER	550	06/18/01	0.50	275.00	WORK REGARDING AGREEMENT
EISENBERG IIC	COUNSEL	390	06/20/01	0.60	234.00	TELEPHONE CONFERENCE WITH S. MAXFIELD REGARDING REVISED AGREEMENT; REVIEW OF REVISED AGREEMENT.
EISENBERG HC	COUNSEL	390	06/21/01	1.30	507.00	REVIEW AND COMMENT ON ISSUES LIST; CONFERENCE CALL ON ENVIRONMENTAL ISSUES IN AGREEMENT.
RJEVMAN DM	PARTNER	550	06/22/01	1.50	825.00	AGREEMENT, JA, ANALYSIS OF SAME.
EISENBERG HC	COUNSEL	390	06/22/01	0.50	195.00	REVIEW OF REVISED AGREEMENT; TELEPHONE CONFERENCE WITH S. MAXFIELD REGARDING SAME.
EISENBERG IIC	COUNSEL	390	06/23/01	0.25	97.50	TELEPHONE CONFERENCE WITH J. MERSHEWSKI REGARDING AGREEMENT.
RJEVMAN DM	PARTNER	550	06/25/01	1.00	550.00	WORK REGARDING AGREEMENT, ANALYSIS OF SAME.
EISENBERG HC	COUNSEL	390	06/25/01	0.80	312.00	REVIEW OF REVISED AGREEMENT; TELEPHONE CONFERENCE WITH J. MERSHEWSKI REGARDING SAME.
KIM J	ASSOCIATE	235	08/01/01	0.60	141.00	(XNM) PREPARE LIST OF INFORMATION AND DOCS. REQUIRED FOR HSR AND FORWARD TO H. ELLIN; RESPOND TO SUBSEQUENT QUESTIONS; CONTACT WINDWARD FOR FINANCIALS.

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MAXFIELD SE	ASSOCIATE	350	08/01/01	1.30	455.00	(XNM) TA J. MESCHOWSKI RE STATUS OF REAL ESTATE ISSUES (.25); TA T. WALLOCK RE STATUS OF TRANSACTION AND CLOSING (.25); READ FAX FROM MCAFEE AND TAFT (.2); READ EMAIL FROM J. MESCHOWSKI RE HSR INFORMATION AND REAL ESTATE TITLE OBJECTIONS (.1); READ EMAILS RE VARIOUS SUBJECTS FROM PRIOR WEEK (.5)
MESCHOWSKI JA	ASSOCIATE	290	08/01/01	1.00	290.00	(XNM) CORRESPONDENCE AND CALLS W/ T. WALLOCK, S. MAXFIELD, J KM. V. RABIA, H. ELLIN RE: HSR FILINGS AND TITLE OBJECTIONS (1.00)
RABIA V	ASSOCIATE	320	08/01/01	0.75	240.00	(XNM) CALL WITH TERRY WALLOCK (0.50)/ REVIEW OF TITLE OBJECTION LETTERS (0.25)
HARRIS LR	LEGAL ASSISTANT	140	08/01/01	6.20	868.00	(XNM) PREPARED FOR CURE NOTICE DISTRIBUTION.
KIM J	ASSOCIATE	235	08/02/01	0.60	141.00	(XNM) CONTACT T. ALMY RE INFORMATION NEEDED FROM WINDWARD FOR HSR.

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Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
MAXFIELD SE	ASSOCIATE	350	08/02/01	1.75	612.50	(XNM) REVIEW 1ST AMENDMENT TO ASSET PURCHASE AGREEMENT AND MARK UP SAME (.75); TA J. MESCHEWSKI RE 1ST AMENDMENT TO ASSET PURCHASE AGREEMENT AND STATUS OF REAL ESTATE TITLE OBJECTIONS AND HSR (.3); TA T. WALLOCK RE COMMENTS ON 1ST AMENDMENT TO ASSET PURCHASE AGREEMENT (.2); TA B. JACOBVITZ RE COMMENTS ON 1ST AMENDMENT TO ASSET PURCHASE AGREEMENT, LIQUOR LICENSE LEASE ISSUES AND VARIOUS COURT FILINGS (-5)
MESCHEWSKI JA	ASSOCIATE	290	08/02/01	0.60	174.00	(XNM) REVIEW PROPOSED AMENDMENTS TO APA; CALLS W/ S. MAXFIELD AND T. WALLOCK
HARRIS LR	LEGAL ASSISTANT	140	08/02/01	5.80	812.00	(XNM) PREPARED FOR CURE NOTICE DISTRIBUTION.
LUBBEN SJ	ASSOCIATE	330	08/03/01	0.50	165.00	(XNM) TWO TELEPHONE CALLS WITH R. JACOBVITZ REGARDING CLOSING ISSUES.
MAXFIELD SE	ASSOCIATE	350	08/03/01	0.90	315.00	(XNM) TA J. MESCHEWSKI RE TITLE OBJECTIONS (.2); CONFER H. ELLIN RE STATUS (.2); READ REJECTED PROPERTIES NOTICE (.1); EMAILS FROM AND TO L. PRICE RE CLOSING LOGISTICS (.4)
MESCHEWSKI JA	ASSOCIATE	290	08/03/01	0.20	58.00	(XNM) CALLS W/ V. RABIA AND S. MAXFIELD RE: REAL ESTATE TITLE OBJECTIONS AND APA AMENDMENTS

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HARRIS LR	LEGAL ASSISTANT	140	08/03/01	5.20	728.00	(XNM) SERVICE OF CURE NOTICE.
LUBBEN SJ	ASSOCIATE	330	08/06/01	0.40	132.00	(XNM) FOLLOW UP WORK REGARDING FRIDAY'S SERVICE.
MAXFIELD SE	ASSOCIATE	350	08/06/01	0.30	105.00	(XNM) TA S. MORTENSEN RE ESCROW AMOUNT (1); CHECK ASSET PURCHASE AGREEMENT RE ESCROW (2)
HARRIS LR	LEGAL ASSISTANT	140	08/06/01	3.80	532.00	(XNM) DISTRIBUTION OF CURE NOTICE MATERIALS TO ADDITIONAL PARTIES.
ELLIN HL	PARTNER	550	08/07/01	0.30	165.00	(XNM) MEETING ON CLOSING ISSUES
ELLIN HL	PARTNER	550	08/07/01	0.40	220.00	(XNM) REVIEW CLOSING CHECKLIST AND DOCUMENTS
KIM J	ASSOCIATE	235	08/07/01	1.80	423.00	(XNM) MARK-UP HSR FORM; CREATE DEAL DESCRIPTION.
LUBBEN SJ	ASSOCIATE	330	08/07/01	2.90	957.00	(XNM) WORK REGARDING BRIEF ON 11TH AND 21ST AMENDMENTS.
MAXFIELD SE	ASSOCIATE	350	08/07/01	0.10	35.00	(XNM) EMAIL S. MORTENSEN RE VALUATION OF INVENTORY
MESCHEWSKI JA	ASSOCIATE	290	08/07/01	0.50	145.00	(XNM) REVIEW INVENTORY PROCEDURES UNDER APA
LUBBEN SJ	ASSOCIATE	330	08/08/01	3.10	1,023.00	(XNM) RESEARCH REGARDING 21ST AND 11TH AMENDMENTS.

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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
MAXFIELD SE	ASSOCIATE	350	08/08/01	0.75	262.50	(XNM) TA T. WALLOCK RE LIQUOR LICENSES (.1); MEETING WITH MESCHESKI RE CLOSING MATTERS (.25); CONFERENCE CALL T. WALLOCK, S. MORTENSEN AND J. MESCHESKI RE TIMING OF CLOSING, TIMING FOR VALUATION OF INVENTORY, 3RD PARTY PURCHASERS AND CLOSING LOGISTICS (.3); TA II. ELLIN RE CLOSING (.1)
MESCHESKI JA	ASSOCIATE	290	08/08/01	0.90	261.00	(XNM) PRE-CALL MEETING W/S. MAXFIELD AND CALL W/S. MAXFIELD, S. MORTENSEN AND T. WALLOCK (0.60); REVIEW APA (0.30)
LUBBEN SJ	ASSOCIATE	330	08/09/01	5.70	1,881.00	(XNM) RESEARCH 21ST AND 11TH AMENDMENT ISSUES.
LUBBEN SJ	ASSOCIATE	330	08/10/01	5.60	1,848.00	(XNM) DRAFT REPLY TO OBJECTIONS REGARDING LIQ. LICENSES.
ELLIN HL	PARTNER	550	08/13/01	0.20	110.00	(XNM) CLOSING DOCUMENTS
ELLIN HL	PARTNER	550	08/13/01	0.45	247.50	(XNM) CONF. CALL ON HSR ISSUES AND CLOSING
ELLIN HL	PARTNER	550	08/14/01	0.30	165.00	(XNM) REVIEW CLOSING ISSUES
ELLIN HL	PARTNER	550	08/14/01	0.20	110.00	(XNM) CONF. CALL W/S. MAXFIELD ON CLOSING ISSUES
NISA JP	COUNSEL	390	08/14/01	0.25	97.50	(XNM) REVIEW OF E-MAIL FROM S. MAXFIELD AND J. KIM

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MAXFIELD SE	ASSOCIATE	350	08/14/01	0.90	315.00	(XNM) EMAIL J. KIM RE STATUS OF HSR (.1); TA J. KIM RE NECESSITY TO FILE HSR (.2); TA J. KIM AND MCAFFEE AND TAFT RE HSR (.1); TA J. KIM AND S. MORTENSEN RE HSR AND 3RD PARTY PURCHASERS (.2); TA J. MESSCHEWSKI RE CLOSING AND HSR (.1); TA L. PRICE RE HSR (.2)
MESSCHEWSKI JA	ASSOCIATE	290	08/14/01	2.00	580.00	(XNM) MEETING W/ S. MAXFIELD AND J. DERDERIAN (1.00); REVIEW CLOSING CHECKLIST, HSR REQUIREMENTS AND REAL ESTATE REQUIREMENTS (1.00)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/14/01	3.20	512.00	(XNM) MEET WITH J. MESSCHEWSKI AND S. MAXFIELD TO DISCUSS CLOSING LIST (1.1); WORK ON REVISING CLOSING LIST AS PER COMMENTS FROM MEETING (2.1).
KIM J	ASSOCIATE	235	08/15/01	2.50	587.50	(XNM) CONFERENCE CALL WITH MCAFFEE AND TAFT AND S. MAXFIELD; ADVISE ON HSR ISSUES; FORWARD E-MAIL/MEMO TO CLIENT RE HSR ISSUES.
MAXFIELD SE	ASSOCIATE	350	08/15/01	0.95	332.50	(XNM) CONF CALL J. KIM, L. PRICE AND L. HOFFMAN RE HSR FILING AND 3RD PARTY PURCHASERS (.5); TA J. KIM RE HSR (.45)

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MESCHEWSKI JA	ASSOCIATE	290	08/15/01	3.30	957.00	(XNM) CALLS W/ J. AVITABILE, T. WALLOCK, J. KIM AND S. MAXFIELD RE: CLOSING REQUIREMENTS (0.50); REVIEW BENEFITS MEMO FROM T. NELSON (0.40); REVIEW CLOSING DOCS AND PROVIDE COMMENTS (1.00); CORRESPONDENCE W/ T. WALLOCK AND B. JACOBVITZ RE: FLEMING'S TWO-TIERED CLOSING STRUCTURE (0.20); CORRESPONDENCE W/ INTERNAL GROUP RE: EFFECT OF 2-TIER CLOSING ON APA (0.50); PROVIDE UPDATED PROPERTY SCHEDULE (0.30); REVIEW APA CLOSING CONDITIONS AND DELIVERIES (0.40)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/15/01	1.90	304.00	(XNM) UPDATE CLOSING LIST
MESCHEWSKI JA	ASSOCIATE	290	08/16/01	11.00	3,190.00	(XNM) CALLS W/ T. WALLOCK, G. MAYS AND B. JACOBVITZ RE: AMENDMENT TO APA (1.20); REVIEW APA AND FIRST AMENDMENT AND DRAFT SECOND AMENDMENT (7.80); REVIEW AND MARK-UP DRAFT BILLS OF SALE AND ASSIGNMENTS FOR THIRD PARTY PURCHASERS (1.00); PROVIDE PRECEDENTS FOR OFFICER'S CERTIFICATE; REVIEW AND CALL W/ J. DERDERIAN (0.40); REVIEW AND DISTRIBUTE FIRPTA CERTIFICATE (0.20); REVIEW CLOSING CHECKLIST (0.40)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/16/01	3.50	560.00	(XNM) WORK ON CLOSING LIST (1.4); DRAFT OFFICER'S CERTIFICATE (2.1).
ELLIN HI.	PARTNER	550	08/17/01	0.30	165.00	(XNM) REVIEW CLOSING MEMOS

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ELLIN HL	PARTNER	550	08/17/01	0.40	220.00	(XNM) REVIEW THIRD PARTY DOCUMENTS
ELLIN HL	PARTNER	550	08/17/01	0.20	110.00	(XNM) CONF. CALL W/S. MAXFIELD
MAXFIELD SE	ASSOCIATE	350	08/17/01	0.50	175.00	(XNM) TA J. MESCHIEWSKI RE SECOND AMENDMENT
MESCHIEWSKI JA	ASSOCIATE	290	08/17/01	7.60	2,204.00	(XNM) REVIEW, REVISE, INCORPORATE COMMENTS TO AND DISTRIBUTE THE SECOND AMENDMENT TO THE APA (4.60); CALLS AND CORRESPONDENCE W/ T. WALLOCK, B. JACOBVITZ, S. MORTENSEN, AND G. MAYS RE: AMENDMENTS TO APA AND CLOSING PROCEDURES (1.80); CALLS AND CORRESPONDENCE WITH L. PRICE, V. RABIA, D. ROSENTHAL, C. ADKINS, D. THUMA AND S. MAXFIELD RE: CLOSING PROCEDURES (1.20)
ROSENTHAL SM	ASSOCIATE	290	08/17/01	0.20	58.00	(XNM) CONFER WITH J. MESCHIEWSKI REGARDING PREPARING TRADEMARK ASSIGNMENT AND SCHEDULES, CONDUCTING SEARCHES OF INTELLECTUAL PROPERTY DATABASES, AND REQUESTING FROM CLIENT LIST OF COMMON LAW TRADEMARKS.
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/17/01	4.20	672.00	(XNM) DRAFT BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENTS FOR THIRD PARTY PURCHASERS

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HARRIS LR	LEGAL ASSISTANT	140	08/17/01	5.60	784.00	(XNM) DISTRIBUTION OF THREE NOTICES VIA FEDEX AND US EXPRESS MAIL FOR JACOBVITZ, THUMA & WALKER.
MCGUIRE MC	LEGAL ASSISTANT	150	08/17/01	0.40	60.00	(XNM) REVIEW PRIOR DUE DILIGENCE FILES AND DISCUSS FURTHER IP DUE DILIGENCE WITH S. ROSENTHAL.
MAXFIELD SE	ASSOCIATE	350	08/20/01	1.00	350.00	(XNM) ATTEND TO SECOND AMENDMENT (.75); EMAILS TO H. ELLIN TO UPDATE (.25)
MESCHEWSKI JA	ASSOCIATE	290	08/20/01	1.10	319.00	(XNM) MEETING W/ S. MAXFIELD AND J. DERDERIAN RE: CLOSINGS (0.40); REVIEW AND COMMENTS ON OFFICER'S CERTIFICATES, BILLS OF SALE AND ASSIGNMENTS (0.50); REVIEW RECORDS PRIOR TO MEETING (0.20)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/20/01	5.90	944.00	(XNM) MEETING TO GO OVER CLOSING LIST WITH MESCHEWSKI AND MAXFIELD (.70); EDIT AND REVISE OFFICER'S CERTIFICATE AND PREPARE THE SEPARATE BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT DOCUMENTS (5.2).
MCGUIRE MC	LEGAL ASSISTANT	150	08/20/01	1.20	180.00	(XNM) PATENT, TRADEMARK, COPYRIGHT, DOMAIN NAME AND LITALERT SEARCHES; COMPARE RESULTS TO PRIOR IP SCHEDULE AND MEMO TO S. ROSENTHAL RE: SAME.
LUBBEN SJ	ASSOCIATE	330	08/21/01	0.90	297.00	(XNM) RESEARCH REGARDING LRQ VENDORS.

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MAXFIELD SE	ASSOCIATE	350	08/21/01	1.45	507.50	(XNM) ATTEND TO OWNED REAL ESTATE ISSUES (.5); REVISE CLOSING LIST (.75); TA H. ELLIN (.2)
MAXFIELD SE	ASSOCIATE	350	08/21/01	3.70	1,295.00	(XNM) CONF CALL D. THUMA, J. BEDRAZ AND J. DERDERIAN RE PHARMACY LICENSE PROCESS (.5); CONF CALL L. PRICE, M. NORDIN, H. BICKLE, J. DERDERIAN, C. ADKINS RE ALL CLOSING ISSUES (1.9); CONF CALL T. WALLOCK AND J. DERDERIAN RE ALL CLOSING ISSUES (.8); EMAILS FROM AND TO L. PRICE RE PRORATIONS, ESCROW AGREEMENT, INVENTORY EXHIBIT AND OTHER DOCUMENTS TO SEND TO RALEY'S AND DRAFTING ISSUES WITH BILLS OF SALE AND ASSIGNMENT AGREEMENTS (.7)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/21/01	6.70	1,072.00	(XNM) CONFERENCE CALL WITH S. MAXFIELD AND D. THUMA DISCUSSING CLOSING ISSUES (.5); CONFERENCE CALL WITH S. MAXFIELD AND L. PRICE DISCUSSING CLOSING ISSUES (1.9); CONFERENCE CALL WITH S. MAXFIELD AND T. WALLOCK DISCUSSING CLOSING ISSUES (.80); EDITING CLOSING LIST (1.8); EDITING BILLS OF SALE (1.7).

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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
MAXFIELD SE	ASSOCIATE	350	08/22/01	1.00	350.00	(XNM) TA V. RABIA AND T. WALLOCK RE WARRANTY DEED AND OWNED PARKING LOTS (3); EMAILS TO AND FROM J. DERDERIAN RE LIQUOR LICENSE LEASES (2); EMAIL LIST TO RABIA AND TA RABIA (1); TA T. WALLOCK RE INVENTORY (1); READ LETTER FROM MCAFFEE RE INVENTORY AND CHECK ASSET PURCHASE RE SAME (.3)
MAXFIELD SE	ASSOCIATE	350	08/22/01	3.55	1,242.50	(XNM) CONF CALL T. WALLOCK, G. MAYS AND J. DERDERIAN RE INVENTORY LETTER FROM MCAFFEE & TAFT (4); DRAFT REPLY RE INVENTORY TO MCAFFEE & TAFT (2); REVIEW ASSET PURCHASE AGREEMENT RE INVENTORY (5); REDRAFT BIG 8 BILL OF SALE (3); ATTEND TO VARIOUS CLOSING ISSUES (.25)
MAXFIELD SE	ASSOCIATE	350	08/22/01	1.00	350.00	(XNM) REVISE BILLS OF SALE FOR BIG 8 AND RALEY'S (1)
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/22/01	6.50	1,040.00	(XNM) MEETING WITH S. MAXFIELD TO DISCUSS CLOSING LIST (.70); CALL W/V. RABIA TO DISCUSS REAL ESTATE (.30); DRAFT ADDITIONAL BILLS OF SALE (2.1); DRAFT TRANSFER AUTHORIZATION FOR H. ELLIN (.50); WORK ON DRAFT OF ASSIGNMENT AGREEMENT (2.9).
MAXFIELD SE	ASSOCIATE	350	08/23/01	0.20	70.00	(XNM) TA T. WALLOCK RE 2ND AMENDMENT (1); EMAIL L. PRICE RE SAME (.1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
ROSENTHAL SM	ASSOCIATE	290	08/23/01	0.50	145.00	(XNM) READ AMENDMENTS TO ASSET PURCHASE AGREEMENT FOR INTELLECTUAL PROPERTY ISSUES (0.1); REVIEW NEW TRADEMARK DUE DILIGENCE COMPUTER PRINTOUTS ON TRADEMARKS AND DOMAIN NAMES IN THE NAME OF FURR'S SUPERMARKETS; REVIEW DRAFT TRADEMARK SCHEDULE PREPARED BY LEGAL ASSISTANT M. MCGUIRE; LEAVE MESSAGE FOR M. MCGUIRE WITH INSTRUCTIONS TO REVISE TRADEMARK SCHEDULE TO ADD CERTAIN TRADEMARK REGISTRATIONS (0.4).
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/23/01	5.10	816.00	(XNM) CONVERSATION ON INTELLECTUAL PROPERTY W/S. ROSENTHAL (.20); CONFERENCE CALL W/T. WALLOCK AND S. MAXFIELD RE: INVENTORY (.30); MEETING WITH S. MAXFIELD TO GO OVER CLOSING LIST. ETC.(.50).; DRAFTING LETTER RE: INTERFERENCE OF THIRD PARTY PURCHASERS (2.8); EDITING BILLS OF SALE (1.3).
MAXFIELD SE	ASSOCIATE	350	08/24/01	6.00	2,100.00	(XNM) TA T. WALLOCK RE NEW ISSUES FOR 3RD AMENDMENT (.2); DRAFT THIRD AMENDMENT (3); TA'S L. PRICE RE COMMENTS ON 3RD AMENDMENT (1); TA JACOBVITZ RE 3RD AMENDMENT (.5); TA S. MORTENSEN RE 3RD AMENDMENT (.3); SEVERAL FAXES RE 3RD AMENDMENT (1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

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3 Asset Dispositions**

**Bill Date: October 24, 2001
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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
ROSENTHAL SM	ASSOCIATE	290	08/24/01	0.10	29.00	(XNM) CONFER WITH J. DERDERIAN REGARDING TRADEMARK ASSIGNMENT DOCUMENTS.
DERDERIAN JG	SUMMER/WINTER ASSOC	160	08/24/01	11.90	1,904.00	(XNM) REDRAFTING CLOSING CHECKLIST (3.4); MEETING W/S. MAXFIELD TO DISCUSS THIRD AMENDMENT TO APA (1.3); DRAFTING THIRD AMENDMENT TO APA (1.8); EDITING ASSIGNMENT AGREEMENT (2.1); EDITING BILLS OF SALE (2.2); PREPARING BILL OF SALE AND ASSIGNMENT AGREEMENTS FOR K. MCKAY @ SMITH'S (1.1).
MCGUIRE MC	LEGAL ASSISTANT	150	08/24/01	0.20	30.00	(XNM) DISCUSS UPDATING OF IP SCHEDULE WITH S. ROSENTHAL.
MAXFIELD SE	ASSOCIATE	350	08/25/01	6.05	2,117.50	(XNM) TA S. MORTENSEN RE 3RD AMENDMENT (2); TA L. PRICE RE 3RD AMENDMENT (1); TA S. MORTENSEN RE UNION AGREEMENTS (3); TA T. WALLOCK RE SETTLEMENT WITH UNION (3); TA J. DERDERIAN RE BILLS OF SALE AND OTHER DOCUMENTS (2); CONFERENCE CALL L. PRICE AND M. NORDIN RE STATUS (25); TA B. KAPLAN (3); REVIEW AND MARK UP ALL BILLS OF SALE RE UNION SETTLEMENT AND COLLECTIVE BARGAINING AGREEMENTS (3); CONF CALL KAPLAN AND JACOBVITZ; ATTEND TO UNION SETTLEMENT (2.5); REVISE CLOSING CHECKLIST (5); TA G. MAYS RE UNION SETTLEMENT (1); EMAIL H. ELLIN RE ALL ISSUES (2); EMAIL V. RABIA RE PARKING LOTS (1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

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**Furrs Supermarkets, Inc. (DIP)
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**Bill Date: October 24, 2001
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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
DERDERIAN JG	SUMMER/WINT ER ASSOC	160	08/25/01	8.10	1,296.00	(XNM) PREPARING BILLS OF SALE (3.2); PREPARING MANAGEMENT AGREEMENTS (2.8); EDITING CLOSING LIST (1.4); CONFERENCE CALL W/B JACOBVITZ, S. MAXFIELD, B. KAPLAN (.70).
DERDERIAN JG	SUMMER/WINT ER ASSOC	160	08/26/01	3.80	608.00	(XNM) PREPARE AND DELIVER ALL CLOSING DOCUMENTS TO THIRD PARTY PURCHASERS (3.8).
KAPLAN BS	ASSOCIATE	350	08/27/01	6.80	2,380.00	(XNM) CONFERENCES; REVIEW OF APPLICABLE SECTIONS OF COLLECTIVE BARGAINING AGREEMENTS; DRAFTING AND EDITING SETTLEMENT AGREEMENT WITH UNION; RELATED CONFS. W/ S. MAXFIELD, L. WILSON, D. SILVERMAN; CLIENT
MAXFIELD SE	ASSOCIATE	350	08/27/01	14.50	5,075.00	(XNM) REVISE CLOSING CHECKLIST (1); CONFERENCE CALL L. PRICE AND J. DERDERIAN RE PRE-CLOSING LOGISTICS (.5); REVIEW AND REDRAFT ALL SMITH ASSIGNMENT AGREEMENTS (2); REVIEW AND REDRAFT ALL FLEMING ASSIGNMENT AGREEMENTS (2); REDRAFT 8 BILLS OF SALE (4); MEETING WITH J. DERDERIAN AND D. GONZALEZ RE LOGISTICS FOR CLOSING IN NEW MEXICO (1); ATTEND TO SEVERAL PRE-CLOSING ISSUES (1); REDRAFT MEMO FOR RELEASE OF DEPOSIT TO FURRS (.5); REVIEW POWERS OF ATTORNEY AND MANAGEMENT AGREEMENTS (.5)

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

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**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
WILSON LD	ASSOCIATE	260	08/27/01	7.20	1,872.00	(XNM) CONFER W/ KAPLAN ON ISSUES RELATING TO LABOR AGREEMENTS; REVIEW CBAS FOR SEVERANCE PROVISIONS AND VARIATIONS; CONFER M&A ON AGREEMENT NEEDED; CONF W/ SILVERMAN; CONF W/ SILVERMAN AND CLIENT; DRAFT MOA RE: SEVERANCE RELEASE; REVIEW AND REVISE W/ KAPLAN AND SILVERMAN; ARRANGE FOR COPY TO CLIENT.
DERDERIAN JG	SUMMER/WINT ER ASSOC	160	08/27/01	10.60	1,696.00	(XNM) PREPARING BILLS OF SALE FOR CLOSING (2.8); PREPARING PHARMACY DOCUMENTS FOR CLOSING (3.3); PREPARING CLOSING LIST (1.9); EDITING A&A AGREEMENTS (3.6).
MCGUIRE MC	LEGAL ASSISTANT	150	08/27/01	1.20	180.00	(XNM) REVISE TRADEMARK SCHEDULE AND ADD FURTHER MARKS; SCHEDULE DOMAIN NAMES.
OGBUNAMIRI O	LEGAL ASSISTANT	75	08/27/01	3.00	225.00	(XNM) CHECKING CONTRACT CLAUSES.
TACKETT C	LEGAL ASSISTANT	120	08/27/01	2.50	300.00	(XNM) READ THROUGH COLLECTIVE BARGAINING AGREEMENTS. LOOK FOR DIFFERENCES BETWEEN SECTIONS REGARDING STORE CLOSINGS, TECHNOLOGICAL CHANGES, AND SUCCESSORS AND ASSIGNS.
TACKETT C	LEGAL ASSISTANT	120	08/27/01	0.50	60.00	(XNM) ORGANIZE COLLECTIVE BARGAINING AGREEMENT FOR ATTORNEY REVIEW.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	08/27/01	16.00	2,240.00	(XNM) MEET WITH ATTORNEY TO DISCUSS THE DETAILS OF THE TRANSACTION. REVISE CLOSING DOCUMENTS AND PREPARE CLOSING LABELS AND FOLDERS.
FURFARO JP	PARTNER	520	08/28/01	0.80	416.00	(XNM) REVIEW OF CBA AGREEMENT AND CONF W/ B. KAPLAN
KAPLAN BS	ASSOCIATE	350	08/28/01	1.80	630.00	(XNM) REVISED/EDITED UNION AGREEMENT; CONFS. T. WALLOCK, D. SILVERMAN, L. WILSON RE: SAME
MAXFIELD SE	ASSOCIATE	350	08/28/01	4.50	1,575.00	(NM) ORGANIZE PRE-CLOSING (3); MEETING WITH T. WALLOCK AND J. DERDERIAN RE UNION SETTLEMENT (5); CONFER L. PRICE, M. NORDIN, J. DERDERIAN AND OTHER MCAFFEE & TAFT ATTORNEYS RE VARIOUS THIRD PARTY PURCHASER ISSUES (1)
ROSENTHAL SM	ASSOCIATE	290	08/28/01	0.80	232.00	(XNM) CONTINUE PREPARING TRADEMARK ASSIGNMENT AND REVISING TRADEMARK SCHEDULE OF ASSIGNED MARKS; CONFER WITH T. SHIELLS REGARDING TRADEMARK SCHEDULE; DRAFT COVER LETTER TO T. SHIELLS REGARDING REVIEWING DRAFT TRADEMARK SCHEDULE.
ROSENTHAL SM	ASSOCIATE	290	08/28/01	0.10	29.00	(XNM) CONFER WITH S. MAXFIELD REGARDING TRADEMARK ASSIGNMENT; TAKE NOTES FROM J. DERDERIAN'S MESSAGE REGARDING FORM OF TRADEMARK ASSIGNMENT.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

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PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
WILSON LD	ASSOCIATE	260	08/28/01	6.00	1,560.00	(XNM) REVIEW FINAL DRAFT AND WORK W/ KAPLAN TO REVISE SAME; REVIEW ISSUES W/ SILVERMAN AND FURFARO; CONTACT CLIENT ON SAME; CONFER W/ CLIENT ON STATUS OF MATTERS; REVISE AGREEMENT PER MEETING; REVIEW NOTES FROM COMPARISON OF CBAS; DRAFT SCHEDULE OF CBA.
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	08/28/01	4.75	665.00	(XNM) PREPARATION FOR TRAVEL TO NEW MEXICO; SEND OUT VARIOUS EMAILS OF ALL DOCUMENTS TO THE OPPOSING SIDE.
KAPLAN BS	ASSOCIATE	350	08/29/01	0.40	140.00	(XNM) EMAILS/CONFS RE: LABOR ISSUES W/ D. SILVERMAN, J. FURFARO AND L. WILSON
MAXFIELD SE	ASSOCIATE	350	08/29/01	17.00	5,950.00	(NM) MEETING WITH H. SINGMASTER, J. DERDERIAN AND D. GONZALEZ RE REVISIONS TO RALEY'S BILL & SALE, POWER OF ATTORNEY, MANAGEMENT AGREEMENT AND ASSIGNMENT AND ASSUMPTION AGREEMENTS (2); REDRAFT ALL RALEY AGREEMENTS (2); MEETINGS WITH MCAFFEE & TAFT RE LEASE SUMMARIES (1); REDRAFT ALL ASSIGNMENT AND ASSUMPTION AGREEMENT LEASE SCHEDULES (8); REDRAFT ALL BILLS OF SALE (2); REDRAFT ALL POWERS OF ATTORNEY (1); REDRAFT ALL MANAGEMENT AGREEMENTS (1)

SKADDEN, ARPS, SLATE, MEAGHER & FLOW LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
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Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
ROSENTHAL SM	ASSOCIATE	290	08/29/01	2.50	725.00	(XNM) CONTINUE DRAFTING TRADEMARK ASSIGNMENT AND REVISING TRADEMARK SCHEDULE; READ T. SHIELL'S EMAIL WITH NEW COMMENTS REGARDING TRADEMARK SCHEDULE; WRITE EMAILS TO S. MAXFIELD REGARDING TRADEMARK SCHEDULES AND POSSIBLE TRANSFER OF DOMAIN NAMES FURRS.COM AND FURRSONLINESHOPPING.COM; DRAFT AND REVISE DOMAIN NAME ASSIGNMENT AGREEMENT; WRITE EMAIL TO S. MAXFIELD AND CONFER WITH M. MCGUIRE REGARDING THE DOMAIN NAME ASSIGNMENT AGREEMENT AND EFFECTING THE TRANSFERS TO THE BUYER.
WILSON LD	ASSOCIATE	260	08/29/01	3.80	988.00	(XNM) CONFER KAPLAN AND SILVERMAN RE: ISSUES RELATING TO SETTLEMENT WITH UNION; RESEARCH ESCROW ACCOUNT AGREEMENTS; REVIEW MODELS FOR SAME.
MCGUIRE MC	LEGAL ASSISTANT	150	08/29/01	0.40	60.00	(XNM) FURTHER ASSIST S. ROSENTHAL WITH TRADEMARK AND DOMAIN NAME DUE DILIGENCE FOR FURRS AND REVIEW TACKIEST DOMAIN TRANSFER POLICY.
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	08/29/01	15.00	2,100.00	(NM) ASSISTING ATTORNEY WITH REVISIONS TO DOCUMENTS AND RETURNING THEM TO RESPECTIVE PARTY'S COUNSEL.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions

Bill Date: October 24, 2001
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MAXFIELD SE	ASSOCIATE	350	08/30/01	20.00	7,000.00	(NM) MEETING WITH H. RINGMASTER RE FURTHER CHANGES TO SALE AGREEMENTS (1); MEETINGS WITH SMITH RE CHANGES TO SMITH AGREEMENTS (1); MEETINGS WITH SMITH, DERDERIAN AND GONZALEZ RE PRE-CLOSING (2); PRE-CLOSE ALL OTHER THIRD PARTY BUYERS (16)
MAXFIELD SE	ASSOCIATE	350	08/30/01	2.00	700.00	(NM) MEETINGS WITH MCAFFEE & TAFT TEAM, DERDERIAN AND GONZALEZ RE WIRING ISSUES (-5); MEETING WITH STEVE MORTENSEN, DERDERIAN, GONZALEZ FOR SIGNING OF ALL DOCUMENTS (1); REVIEW SIGNED DOCUMENTS FOR SIGNATORY CHECKLIST (-5)
ROSENTHAL SM	ASSOCIATE	290	08/30/01	0.50	145.00	(XNM) LISTEN TO VOICE MAIL. MESSAGE FROM S. MAXFIELD AND LEAVE REPLY MESSAGE REGARDING SECURITY INTERESTS IN TRADEMARKS. READ M. MCGUIRE'S EMAIL REGARDING TRANSFERRING DOMAIN NAME FURRS.COM WITHOUT THE ASSISTANCE OF THE ADMINISTRATIVE CONTACT OF RECORD; CONFER WITH M. MCGUIRE REGARDING REGISTRANT NAME CHANGE AGREEMENT OF NETWORK SOLUTIONS AND ASSIGNING DOMAIN NAMES FURRS.COM AND FURRONLINESHOPPING.COM.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
WILSON LD	ASSOCIATE	260	08/30/01	2.30	598.00	(XNM) CONFER SILVERMAN AND KAPLAN ON STATUS OF SAME; RESEARCH AUTHORITY OF UNION TO BIND MEMBERS.
MCGUIRE MC	LEGAL ASSISTANT	150	08/30/01	0.80	120.00	(XNM) PREPARE REGISTRANT NAME CHANGE AGREEMENT FOR FURRSONLINESHOPPING.COM; COMPLETE RESEARCH RE: TACKIEST TRANSFER PROCEDURE AND MEMO TO S. ROSENTHAL RE: SAME.
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	08/30/01	22.00	3,080.00	(NM) PRECLOSING ASSISTANCE. ASSIST ATTORNEY WITH DOCUMENT REVISIONS AND SEND OUT FAXES TO WORD PROCESSING WITH DOCUMENT REVISIONS. PROOFREAD REVISIONS AGAINST MARKUPS. GET DOCUMENTS EXECUTED BY THEIR RESPECTIVE PARTY.
MAXFIELD SE	ASSOCIATE	350	08/31/01	9.50	3,325.00	(NM) CONDUCT CLOSINGS WITH FLEMING AND ALL THIRD PARTY BUYERS
ROSENTHAL SM	ASSOCIATE	290	08/31/01	0.10	29.00	(XNM) LISTEN TO S. MAXFIELD'S NEW VOICE MAIL MESSAGE REGARDING REQUIREMENTS FOR TRADEMARK ASSIGNMENT; LEAVE MESSAGES FOR S. MAXFIELD AND J. DERDERIAN REGARDING USE OF NOTARIZATION PAGE FOR TRADEMARK ASSIGNMENTS.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
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Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions

Bill Date: October 24, 2001
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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	08/31/01	16.00	2,240.00	(NM) ATTEND CLOSING PREPARE FINAL CHANGES OF DOCUMENTS. CHECK DOCUMENTS AGAINST SIGNATORY CHECKLIST TO ENSURE THAT ALL DOCUMENTS ARE EXECUTED BY ALL PARTIES. PACK UP OUR DOCUMENTS AND CLOSING MATERIALS.
MAXFIELD SE	ASSOCIATE	350	09/04/01	2.40	840.00	(XNM) TA T. WALLOCK AND S. MORTENSEN RE ISSUE WITH EQUIPMENT AT REJECTED PROPERTIES (3); TA L. PRICE RE REJECTED PROPERTIES (1); FILING OF CLOSING DOCUMENTS (2)
MAXFIELD SE	ASSOCIATE	350	09/05/01	1.05	367.50	(XNM) TA H. ELLIN RE CLOSING (2); TA L. PRICE RE EQUIPMENT PURCHASE AT CERTAIN REJECTED STORE PROPERTIES (.25); ATTEND TO FILING (-5); EMAIL TEAM RE CLOSING (.1)
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	09/05/01	7.00	980.00	(XNM) ATTEND CONFERENCE CALL WITH FURRS, MCAFFEE AND MY ATTORNEY REGARDING ANY OUTSTANDING ISSUES. SEARCH FOR SOME BILLS OF SALE MY ATTORNEY REQUESTED. CALL MCAFFEE & TAFT TO GET COPIES OF THE REST OF THE CLOSING DOCUMENTS SENT TO US VIA FAX.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions**

**Bill Date: October 24, 2001
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Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
MAXFIELD SE	ASSOCIATE	350	09/06/01	1.20	420.00	(XNM) CONFERENCE CALI. L. PRICE AND R. SALAMY RE ISSUE OF EQUIPMENT AND WHETHER FLEMING WISHES TO PURCHASE AND RE AMENDMENTS TO SAFEWAY SCHEDULES (.5); CONVERT SMITH AGREEMENT AND FLEMING BILL OF SALE AND DISTRIBUTE TO MCAFFEE AND FURR'S FOR SIGNATURE (.3); TA S. MORTENSEN RE OWNERSHIP OF EQUIPMENT AT REJECTED STORE PROPERTIES (.4)
MAXFIELD SE	ASSOCIATE	350	09/06/01	0.60	210.00	(XNM) EMAIL S. MORTENSEN RE BILL OF SALE FOR FLEMING (.1); FILING OF EMAILS (.5)
MESCHEWSKI JA	ASSOCIATE	290	09/06/01	0.30	87.00	(XNM) STATUS CALL RE: CLOSING W/ S. MAXFIELD
MAXFIELD SE	ASSOCIATE	350	09/10/01	1.00	350.00	(XNM) ATTEND TO POST-CLOSING MATTERS
MAXFIELD SE	ASSOCIATE	350	09/12/01	0.25	87.50	(XNM) TA L. PRICE RE TIMING OF INVENTORY ADJUSTMENT (.25)
MAXFIELD SE	ASSOCIATE	350	09/13/01	0.70	245.00	(XNM) TA L. PRICE RE INVENTORY RECONCILIATION (.5); TA T. WALLOCK RE ISSUES WITH INVENTORY RECONCILIATION (.2)
MAXFIELD SE	ASSOCIATE	350	09/17/01	0.35	122.50	(XNM) READ LETTER FROM RALE'S RE INVENTORY RECONCILIATION (.25); EMAIL RALE'S LETTER TO T. WALLOCK AND S. MORTENSEN (.1)
MESCHEWSKI JA	ASSOCIATE	290	09/18/01	0.20	58.00	(XNM) REVIEW INVENTORY DISPUTE LETTERS

SKADDEN, ARPS, SLATE, MEAGHER & FLOW LLP AND AFFILIATES
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Furrs Supermarkets, Inc. (DIP)
3 Asset Dispositions

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
SILVERMAN D	COUNSEL	440	09/19/01	0.20	88.00	(XNM) REVIEW CHANGES, DISCUSS WITH COUNSEL HOW TO RESPOND
WILSON LD	ASSOCIATE	260	09/19/01	2.10	546.00	(XNM) CONFER W/ CLIENT ON NLRB ISSUES (.3); CONFER SILVERMAN ON NLRB CHARGE AND POSSIBLE RESPONSES TO SAME (.4); RESEARCH ISSUES RELATING TO SAME (.1.2); VERIFY ENGAGEMENT OK (.2)
WILSON LD	ASSOCIATE	260	09/24/01	1.40	364.00	(XNM) CONTACT CLIENT ON NLRB CHARGE (.2); REVIEW NLRB LETTER IN RESPONSE TO REQUEST FOR TIME (.3); CONFER SILVERMAN ON SAME AND REVIEW MEMO/RESPONSE FROM SAME (.4); REVIEW BANKRUPTCY/LABOR LAW SUMMARIES (.5).
MAXFIELD SE	ASSOCIATE	350	09/25/01	0.35	122.50	(XNM) TA L. WILSON RE UNION DISPUTE (.25); TA D. GONZALEZ RE CLOSING DOCUMENTS (.1)
WILSON LD	ASSOCIATE	260	09/25/01	2.50	650.00	(XNM) CONTACT CLIENT ON PENDING BOARD CHARGES (.3); CONFER MAXFIELD ON SAME (.3); CONTACT SILVERMAN AND DISCUSS OPTIONS (.2); CONTACT NLRB (.2); RESEARCH LABOR BANKRUPTCY LAW (1.5).
SILVERMAN D	COUNSEL	440	09/26/01	1.00	440.00	(XNM) REVIEW ULP CHARGE; DISCUSS RESPONSE WITH CLIENT; DRAFT LETTER TO NLRB

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Bill Date: October 24, 2001
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MAXFIELD SE	ASSOCIATE	350	09/26/01	1.05	367.50	(XNM) TA T. WALLOCK RE INVENTORY DISPUTE (.1); TA D. GONZALEZ RE CLOSING DOCUMENTS (.1); REVIEW CLOSING DOCUMENTS SENT BY MCAFFEE & TAFT (.3); TA L. PRICE RE DISPUTE ON INVENTORY VALUATION (.3); TA L. PRICE RE FLEMING POSITION ON INVENTORY DISPUTE (.25)
WILSON LD	ASSOCIATE	260	09/26/01	2.00	520.00	(XNM) CONFER W/ CLIENT AND SILVERMAN ON ISSUES (.6); DISCUSS AND REVIEW DRAFT W/ SILVERMAN (.4); REVISE SAME (1).
MAXFIELD SE	ASSOCIATE	350	09/27/01	0.20	70.00	(XNM) TA T. WALLOCK RE FURR'S CLUB INFORMATION AND RE INVENTORY DISPUTE (.2)
WILSON LD	ASSOCIATE	260	09/27/01	6.50	1,690.00	(XNM) DRAFT RESPONSE TO NLRB (4.5); RESEARCH BANKRUPTCY LAW PROCEDURES AND EFFECT ON LABOR LAWS (2).
SILVERMAN D	COUNSEL	440	09/28/01	0.25	110.00	(XNM) REVIEW NLRB LETTER
WILSON LD	ASSOCIATE	260	09/28/01	1.60	416.00	(XNM) CONSULT SILVERMAN ON DRAFT LETTER TO NLRB (.2); FINALIZE SAME AND ARRANGE TO SEND OUT (1.2); CONTACT CLIENT ON SAME (.2).
GONZALEZ D	LEGAL ASSISTANT SUPPORT	140	09/28/01	7.25	1,015.00	(XNM) CREATE CLOSING SET FROM ORIGINAL DOCUMENTS RECEIVED FROM MCAFFEE & TAFT (OUTSIDE COUNSEL).
TOTAL				425.30	104,763.50	

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**Furrs Supermarkets, Inc. (DIP)
4 Automatic Stay (Relief Actions)**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/13/01	1.50	495.00	(XNM) RESEARCH REGARDING WORKERS COMPENSATION AND AUTOMATIC STAY ISSUES.
TOTAL				1.50	495.00	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
6 Case Administration

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
SILVERBERG BS	ASSOCIATE	215	02/15/01	0.20	43.00	TELEPHONE CALL WITH A. CARR REGARDING CASE ADMINISTRATIVE ISSUES
GOFFMAN JM	PARTNER	590	04/09/01	1.20	708.00	CONFERENCE CALL WITH PWC AND COMPANY REGARDING COMMITTEE ISSUES AND CASE STRATEGY(1.2)
GOFFMAN JM	PARTNER	590	04/12/01	0.50	295.00	TELEPHONE CALLS WITH R. LEVIN & H. ELLIN REGARDING STRATEGY ISSUES.
CLAPP PW	COUNSEL	390	04/30/01	0.40	156.00	(XNM) REVIEW STATUS OF PENDING MATTERS, INCLUDING RETENTION AND LEASE ISSUES.
GOFFMAN JM	PARTNER	590	06/04/01	0.50	295.00	TELEPHONE CONVERSATION WITH H. ELLIN REGARDING STRATEGY ISSUES (0.5)
LEVIN RB	PARTNER	550	08/02/01	0.20	110.00	(XNM) REVIEW WIND DOWN MOTION.
LUBBEN SJ	ASSOCIATE	330	08/02/01	1.80	594.00	(XNM) CALLS WITH MORTENSEN REGARDING CLOSING ISSUES (-50); SEVERAL TELEPHONE CALLS WITH R. JACOBVITZ REGARDING VARIOUS OPEN ISSUES (1.30).
LUBBEN SJ	ASSOCIATE	330	08/07/01	0.30	99.00	(XNM) TELEPHONE CALLS WITH D. THUMA AND WALKER REGARDING OPEN ISSUES.
HARRIS LR	LEGAL ASSISTANT	140	08/08/01	1.20	168.00	(XNM) WORK INCLUDED PLACING CALLS IN ATTEMPT TO RESEND RETURNED FEDEX PACKAGES.

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
6 Case Administration

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
EDMONSON J	ASSOCIATE	290	08/10/01	0.50	145.00	(XNM) TELEPHONE CALL WITH R. LEVIN REGARDING INFORMATION FOR COMMITTEE IN CONNECTION WITH JUNE 2000 NOTE PURCHASE (.1); PREPARE E-MAIL TO T. WALLOCK REGARDING SAME (.2); TELEPHONE CALLS TO AND FROM E. LIVINGSTON REGARDING SAME (.2).
HARRIS LR	LEGAL ASSISTANT	140	08/10/01	1.60	224.00	(XNM) WORK INCLUDED ORGANIZING FILES AND PREPARING INDEX OF FEDEX RECORDS.
HARRIS LR	LEGAL ASSISTANT	140	08/13/01	0.80	112.00	(XNM) UPDATED SERVICE MATRIX.
EDMONSON J	ASSOCIATE	290	08/14/01	1.90	551.00	(XNM) TELEPHONE CALL FROM L. LIVINGSTON REGARDING INFORMATION REQUESTED (.1); TELEPHONE CALLS WITH L. LIVINGSTON REGARDING INFORMATION IN CONNECTION WITH JUNE 2000 NOTE PURCHASE AGREEMENT (.5); PREPARE E-MAIL TO T. WALLOCK AND S. MORTENSEN REGARDING SAME (.3); TELEPHONE CALLS TO AND FROM S. MORTENSEN REGARDING SAME (.2); COMMUNICATIONS WITH R. LEVIN REGARDING SAME (.1); PREPARE E-MAIL TO R. JACOBVITZ REGARDING SAME AND REQUESTING FOLLOW-UP (.3); PREPARE E-MAILS TO S. MORTENSEN REGARDING DOCUMENTS (.3); PREPARE E-MAIL TO L. LIVINGSTON REGARDING SAME (.1).

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
6 Case Administration**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
EDMONSON J	ASSOCIATE	290	08/15/01	0.50	145.00	(XNM) REVIEW DOCUMENTS FROM S. MORTENSEN IN CONNECTION WITH JUNE 23, 2000 NOTE PURCHASE AGREEMENT.
HARRIS LR	LEGAL ASSISTANT	140	08/15/01	0.60	84.00	(XNM) UPDATED THE SERVICE MATRIX.
HARRIS LR	LEGAL ASSISTANT	140	08/20/01	0.80	112.00	(XNM) WORK INCLUDED PREPARING PROOF OF SERVICE FOR JTW.
LUBBEN SJ	ASSOCIATE	330	08/21/01	1.00	330.00	(XNM) SEVERAL CALLS WITH R. JACOBVITZ REGARDING VARIOUS PENDING MATTERS.
HARRIS LR	LEGAL ASSISTANT	140	08/21/01	0.20	28.00	(XNM) SEARCH FOR REQUESTED ORDER.
LUBBEN SJ	ASSOCIATE	330	08/22/01	0.70	231.00	(XNM) REVIEW NEW PLEADINGS (.40); CALL WITH R. JACOBVITZ REGARDING OPEN ISSUES (.30).
HARRIS LR	LEGAL ASSISTANT	140	08/22/01	0.60	84.00	(XNM) PREPARED FAX TO D. THUMA.
RAMLO K	ASSOCIATE	340	08/28/01	0.30	102.00	(XNM) REVIEW MDFC RESPONSE TO CLAIM OF HELLER AND MET LIFE UNDER AMENDED WIND-DOWN BUDGET (0.1); REVIEW AMENDED OBJECTION TO WIND-DOWN BUDGET BY CITY OF ANDREWS AND RELATED ENTITIES (0.1); DRAFT E-MAIL TO D. THUMA RE SAME (0.1).
HARRIS LR	LEGAL ASSISTANT	140	08/31/01	0.60	84.00	(XNM) UPDATED SERVICE MATRIX.

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
6 Case Administration

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LEVIN RB	PARTNER	550	09/04/01	1.80	990.00	(XNM) CONFERENCE CALL WITH R. JACOBVITZ, D. THUMA REGARDING WIND DOWN MOTION, STRATEGY.
LUBBEN SJ	ASSOCIATE	330	09/04/01	2.40	792.00	(XNM) CALL WITH JTW REGARDING CASE STATUS (2.10); REVIEW NEW PLEADINGS (.30).
HARRIS LR	LEGAL ASSISTANT	140	09/05/01	0.60	84.00	(XNM) WORK INCLUDED TELEPHONE CALL WITH CREDITOR AND UPDATES TO SERVICE MATRIX.
LEVIN RB	PARTNER	550	09/06/01	0.30	165.00	(XNM) TELEPHONE CALL WITH D. THUMA REGARDING WIND-DOWN MOTION; SETTLEMENT.
LEVIN RB	PARTNER	550	09/07/01	0.20	110.00	(XNM) REVIEW CASH COLLATERAL MOTION.
LEVIN RB	PARTNER	550	09/10/01	0.70	385.00	(XNM) REVIEW DRAFT BORROWING ORDER; TELEPHONE CALL WITH R. JACOBVITZ REGARDING SAME.
LUBBEN SJ	ASSOCIATE	330	09/13/01	0.40	132.00	(XNM) REVIEW PLEADINGS.
LUBBEN SJ	ASSOCIATE	330	09/26/01	0.40	132.00	(XNM) REVIEW NEW PLEADINGS.
TOTAL				23.20	7,490.00	

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**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
8 Consignment/Reclamation/Trust Fund Claim**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/06/01	0.40	132.00	(XNM) TELEPHONE CALL WITH USDA EMPLOYEE REGARDING PACA ISSUES (-30); E-MAIL TO CLIENT REGARDING CALL (-10).
TOTAL				0.40	132.00	

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
11 Employee Matters

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
SELTZER RB	ASSOCIATE	290	06/21/01	0.50	145.00	RESEARCH REGARDING PERSONNEL RECORD AND PLANT CLOSING LAWS IN TX AND NM
NELSON TF	ASSOCIATE	330	08/01/01	5.00	1,650.00	(XNM) DRAFT AND REVISE HIPPA MEMORANDUM
GOLDMAN S	SUMMER/WINT ER ASSOC	160	08/01/01	3.50	560.00	(XNM) DRAFT MEMORANDUM FOR T. WALLOCK OUTLINING EMPLOYER OBLIGATIONS AND EMPLOYEE RIGHTS UNDER HIPAA.
TOTAL				9.00	2,355.00	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
13 Executory Contracts/Personalty**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/01/01	9.50	3,135.00	(XNM) DRAFT CURE AMOUNT NOTICE (.70); CALLS WITH R. JACOBVITZ REGARDING EQUIPMENT LEASE ASSIGNMENT ISSUES (.50); CALLS WITH VARIOUS FURRS EMPLOYEES REGARDING SAME (.50); WORK REGARDING PREPARATION FOR SERVICE OF CURE NOTICE (1.0); RESEARCH REGARDING EQUIPMENT LEASE VS. SECURITY INTEREST ISSUES (1.50); RESEARCH REGARDING LEASE SEVERABILITY (3.40); DRAFT MEMORANDUM OF LAW (1.90).
LUBBEN SJ	ASSOCIATE	330	08/02/01	5.20	1,716.00	(XNM) RESEARCH AND DRAFTING OF MEMORANDUM OF LAW (3.70); EDITS TO SCHEDULE OF CURE AMOUNTS (.80); REVISIONS TO TWO CURE NOTICES (.70).
LUBBEN SJ	ASSOCIATE	330	08/03/01	3.00	990.00	(XNM) FINAL EDITS TO MEMORANDUM OF LAW (1.90); FINALIZE CURE NOTICE AND OTHER DOCUMENTS FOR SERVICE (1.10).
LEVIN RB	PARTNER	550	08/05/01	0.20	110.00	(XNM) REVIEW AND REVISE MEMO OF LAW REGARDING SEPARATE TREATMENT OF LEASES.
LUBBEN SJ	ASSOCIATE	330	08/06/01	1.90	627.00	(XNM) TELEPHONE CALL WITH MORTENSEN AND WALLOCK REGARDING EQUIPMENT LEASE ISSUES (.40); TELEPHONE CALL WITH T. WALKER REGARDING SAME (.10); RESEARCH REGARDING SAME (1.40).

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furr's Supermarkets, Inc. (DIP)
13 Executory Contracts/Personalty

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/08/01	0.40	132.00	(XNM) TELEPHONE CALL WITH MORTENSEN AND MOSS REGARDING EQUIPMENT LEASES (.30); TELEPHONE CALL WITH D. THUMA REGARDING SAME (.10).
LUBBEN SJ	ASSOCIATE	330	08/20/01	0.60	198.00	(XNM) WORK REGARDING VARIOUS EQUIPMENT LEASE ISSUES.
LUBBEN SJ	ASSOCIATE	330	08/21/01	0.60	198.00	(XNM) REVIEW EQUIPMENT LEASE BRIEFS.
LUBBEN SJ	ASSOCIATE	330	08/22/01	5.90	1,947.00	(XNM) RESEARCH REGARDING SEVERABILITY ISSUES (2.50); BEGIN DRAFT REPLY (3.40).
LUBBEN SJ	ASSOCIATE	330	08/23/01	1.50	495.00	(XNM) WORK REGARDING SEVERABILITY RESPONSE.
LUBBEN SJ	ASSOCIATE	330	08/24/01	2.00	660.00	(XNM) REVISE SEVERABILITY RESPONSE (1.60); FINALIZE AND SERVE SAME (.40).
TOTAL				30.80	10,208.00	

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**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
14 Financing**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
THOMAS NP	LEGAL ASSISTANT	105	04/03/01	1.00	105.00	PULL DOCUMENTS FROM FILES REGARDING CLEANUP. FILE AWAY ALL DOCUMENTS PERTAINING TO FURRS.
DOUGLAS JM	PARTNER	590	04/30/01	0.40	236.00	TELEPHONE CALLS WITH H. ELLIN AND J. GOFFMAN REGARDING DIP.
THOMAS NP	LEGAL ASSISTANT	105	05/03/01	1.70	178.50	OBTAIN INFORMATION REGARDING FURRS MEMO REGARDING MORTGAGES.
THOMAS NP	LEGAL ASSISTANT	105	07/19/01	1.50	157.50	PREPARE DISTRIBUTION OF FURRS SUPERMARKET, INC. AMENDMENT AND RESTATEMENT OF NOTE PURCHASE AGREEMENTS. AND INTERCREDITOR AGREEMENT.
THOMAS NP	LEGAL ASSISTANT	105	07/20/01	0.70	73.50	OBTAIN INFORMATION REGARDING FURRS DOCUMENTS.
THOMAS NP	LEGAL ASSISTANT	105	07/23/01	1.00	105.00	OBTAIN INFORMATION REGARDING FURRS (WINDWARD) BOUND VOLUMES AS OF 1995.
THOMAS NP	LEGAL ASSISTANT	105	07/24/01	0.70	73.50	ORGANIZE/ INDEX MISCELLANEOUS DOCUMENTS.
THOMAS NP	LEGAL ASSISTANT	105	07/25/01	3.00	315.00	PREPARE DISTRIBUTION OF VARIOUS FURRS DOCUMENTS.
THOMAS NP	LEGAL ASSISTANT	105	07/26/01	2.50	262.50	PREPARE DISTRIBUTION OF JOINDER AND AMENDMENT NO. 3 AND COLLATERAL AND SHARING AGREEMENT.
THOMAS NP	LEGAL ASSISTANT	105	07/27/01	3.50	367.50	COORDINATE UCC RESEARCH.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
14 Financing**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LEVIN RB	PARTNER	550	08/01/01	0.50	275.00	(XNM) TELEPHONE CALL WITH R. JACOBVITZ REGARDING WIND DOWN MOTION (.3); TELEPHONE CALL WITH R. SILVERMAN REGARDING SAME (.2).
THOMAS NP	LEGAL ASSISTANT	105	08/01/01	3.40	357.00	OBTAIN INFORMATION RE: UCC DUAL FILING STATES. PHOTOCOPY AND DISTRIBUTE MARKUPS OF UCC MATERIALS.
LEVIN RB	PARTNER	550	08/10/01	0.10	55.00	(XNM) TELEPHONE CALL WITH R. SILVERMAN REGARDING WIND DOWN MOTION.
LEVIN RB	PARTNER	550	08/10/01	0.40	220.00	(XNM) TELEPHONE CALL WITH B. COHEN REGARDING WATERFALL MOTION.
LEVIN RB	PARTNER	550	08/22/01	0.30	165.00	(XNM) TELEPHONE CALL WITH R. JACOBVITZ REGARDING LIQUOR VENDORS ADVERSARY PROCEEDING ISSUES.
LUBBEN SJ	ASSOCIATE	330	08/23/01	2.20	726.00	(XNM) RESEARCH REGARDING SEVERAL DIP ORDER ISSUES.
LUBBEN SJ	ASSOCIATE	330	08/24/01	2.10	693.00	(XNM) RESEARCH REGARDING DIP ORDER ISSUES AND WIND-DOWN MOTION.
LUBBEN SJ	ASSOCIATE	330	08/25/01	1.10	363.00	(XNM) RESEARCH RE WIND DOWN MOTION AND DIP ORDER ISSUES.
LUBBEN SJ	ASSOCIATE	330	08/26/01	2.20	726.00	(XNM) RESEARCH REGARDING WIND DOWN MOTION AND DIP ORDER ISSUES.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
14 Financing**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/28/01	0.30	99.00	(XNM) TELEPHONE CALL WITH K. RAMLO REGARDING WIND DOWN ISSUES.
LEVIN RB	PARTNER	550	09/19/01	0.30	165.00	(XNM) TELEPHONE CALL WITH R. JACOBVITZ REGARDING PROFESSIONALS CARVE-OUT.
LEVIN RB	PARTNER	550	09/20/01	0.30	165.00	(XNM) TELEPHONE CALL WITH A. CARR, J. GOFFMAN REGARDING DIP ORDER, CARVE-OUT.
LEVIN RB	PARTNER	550	09/28/01	1.80	990.00	(XNM) TELEPHONE CALLS WITH R. JACOBVITZ (.5); W. COHEN (.5), CONFERENCE CALL WITH BOTH (.8) REGARDING WIND DOWN BUDGET, CARVE OUT, SETTLEMENTS.
TOTAL				31.00	6,873.00	

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**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
17 Leases (Real Property)**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LUBBEN SJ	ASSOCIATE	330	08/03/01	3.30	1,089.00	(XNM) RESEARCH REGARDING ASSIGNMENT OF SHOPPING CENTER LEASES.
RABIA V	ASSOCIATE	320	08/07/01	2.00	640.00	(XNM) CALL WITH T. WALLOCK (0.5)/ DRAFT OF RESPONSE LETTER RE: TITLE OBJECTIONS (1.5)
LUBBEN SJ	ASSOCIATE	330	08/09/01	0.20	66.00	(XNM) CALL WITH LESSOR REGARDING CURE ISSUE.
RABIA V	ASSOCIATE	320	08/21/01	0.50	160.00	(XNM) CALLS WITH CLIENT
RAMLO K	ASSOCIATE	340	08/24/01	1.60	544.00	(XNM) MEETING WITH S. LUBBEN REGARDING WELLS FARGO INQUIRY INTO MOTION TO REJECT STORE LEASES (0.2); REVIEW MOTION TO REJECT STORE LEASES, THE LEASE AGREEMENTS BETWEEN DEBTOR AND WELLS FARGO, AND WELLS FARGO'S PREVIOUS PROPOSAL TO CLOSE IN-STORE BRANCHES (0.6); TELECONFERENCE WITH W. ARLAND REGARDING WELLS FARGO AND MOTION TO REJECT SUBLEASES WITH WELLS FARGO (0.2); TELECONFERENCE WITH D. THUMA REGARDING SAME (0.2); REVIEW CORRESPONDENCE FROM D. THUMA (0.1); COMMUNICATION TO W. ARLAND REGARDING SUBLEASES TO WELLS FARGO IN STORES SOLD TO FLEMING (0.2); TELECONFERENCE WITH D. THUMA REGARDING CURRENT LIST OF STORES TO BE ACCEPTED OR REJECTED BY FLEMING (0.1).

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
17 Lcases (Real Property)**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
RAMLO K	ASSOCIATE	340	08/25/01	0.40	136.00	(XNM) REVIEW E-MAIL FROM D. THUMA REGARDING ASSIGNMENT OF SUBLEASES (0.1); TELECONFERENCE WITH D. THUMA REGARDING SAME (0.2); DRAFT CORRESPONDENCE TO W. ARLAND REGARDING SALE OF STORES CONTAINING WELLS FARGO BRANCHES OR ATMs (0.1).
CLAPP PW	COUNSEL	390	08/28/01	0.50	195.00	(XNM) CALL WITH K. RAMLO AND OTHERS REGARDING 8/29 HEARING, WELLS FARGO AND RELATED MATTERS.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
17 Leases (Real Property)

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
RAMLO K	ASSOCIATE	340	08/28/01	4.30	1,462.00	(XNM) REVIEW COMMUNICATION FROM W. ARLAND RE WELLS FARGO POTENTIAL OBJECTION TO PROCEDURE FOR ASSUMPTION AND ASSIGNMENT OF STORE LEASES VIS-A-VIS ITS EFFECT ON WELLS FARGO SUBLEASES (0.1); REVIEW STORE LEASE ASSUMPTION AND ASSIGNMENT MOTIONS, ORDERS AND NOTICES (0.5); TELECONFERENCES WITH S. LUBBEN AND WITH D. THUMA RE SAME (0.2); DRAFT E-MAIL TO W. ARLAND RE SAME AND RE EFFECT OF ASSUMPTION AND ASSIGNMENT PROCEDURES ON WELLS FARGO SUBLEASES (0.5); DRAFT E-MAIL TO D. THUMA RE TELEPHONIC APPEARANCE AT HEARING (0.1); TELECONFERENCE WITH COURT CLERK AND D. THUMA RE TELEPHONIC APPEARANCE (0.1); TELECONFERENCE WITH D. THUMA RE GENERAL PROCEDURAL ISSUES ON STORE LEASE ASSUMPTION AND ASSIGNMENT PROCESS (0.2); TELECONFERENCE WITH W. ARLAND RE ISSUES FOR HEARING ON ASSUMPTION AND ASSIGNMENT OF STORE LEASES (0.2); REVIEW AND ANALYZE SUBLEASES WITH WELLS FARGO (0.7); TELECONFERENCE WITH D. THUMA RE MODIFYING PROPOSED ORDER TO CLARIFY GLOBALLY ANY SUBLEASE ISSUES (0.1); TELECONFERENCE WITH D. THUMA AND P. CLAPP RE HEARING ON ASSUMPTION AND ASSIGNMENT OF STORE LEASES (0.2); DRAFT FAX TO CHAMBERS RE TELEPHONIC

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
17 Leases (Real Property)

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
CLAPP PW	COUNSEL	390	08/29/01	0.30	117.00	(XNM) MEET WITH K. RAMLO REGARDING HEARING AND RELATED ISSUES.
RAMLO K	ASSOCIATE	340	08/29/01	1.90	646.00	(XNM) RESEARCH RE EFFECT OF ASSUMPTION AND ASSIGNMENT OF LEASE ON SUBLEASES (0.2); PREPARATION FOR FINAL HEARING ON PRESENTATION OF ORDER TO ASSUME AND ASSIGN STORE LEASES, INCLUDING SUBLEASES (0.1); TELEPHONICALLY APPEAR AT FINAL HEARING ON SAME (1.1); TELECONFERENCE WITH W. ARLAND RE WHEN STORE NO. 913 WILL CLOSE (0.1); COMMUNICATION TO T. WOLLOCK RE SAME (0.1); TELECONFERENCE WITH T. WOLLOCK AND S. MORTENSEN RE SAME (0.2); CONFERENCE WITH P. CLAPP RE SAME AND COURT HEARING, DRAFT E-MAIL TO T. WOLLOCK RE WELLS FARGO INQUIRY (0.1).
CLAPP PW	COUNSEL	390	08/30/01	0.20	78.00	(XNM) CALL WITH P. MIRITEN.
TOTAL				15.20	5,133.00	

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Furrs Supermarkets, Inc. (DIP)
21 Nonworking Travel Time

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
MAXFIELD SE	ASSOCIATE	175	08/28/01	9.50	1,662.50	(TNM) TRAVELING FROM NEW YORK TO ALBUQUERQUE FOR PRE-CLOSINGS AND CLOSINGS
GONZALEZ D	LEGAL ASSISTANT SUPPORT	70	08/29/01	9.00	630.00	(TNM) TRAVEL TO ALBUQUERQUE.
GONZALEZ D	LEGAL ASSISTANT SUPPORT	70	08/31/01	8.00	560.00	(TNM) RETURN TRAVEL TO NEW YORK.
GONZALEZ D	LEGAL ASSISTANT SUPPORT	70	09/01/01	1.00	70.00	(TNM) TRAVEL TO NEW YORK.
MAXFIELD SE	ASSOCIATE	175	09/03/01	13.00	2,275.00	(TNM) TRAVELING BACK FROM ALBUQUERQUE, NM TO NEW YORK
TOTAL				40.50	5,197.50	

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ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
23 Real Estate (Owned)

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
RABIA V	ASSOCIATE	320	08/22/01	1.00	320.00	(XNM) DRAFT OF FORM DEED (.5)/ CALLS WITH CLIENT RE: OWNED PARCELS (PARKING LOTS)(.5)
RABIA V	ASSOCIATE	320	08/23/01	0.65	208.00	(XNM) CALLS WITH MICHAEL NORDIN RE: STATUS OF REAL ESTATE ISSUES (0.5) CALL WITH DAVID THUMA RE: NEW MEXICO REAL ESTATE ISSUES (.15)
RABIA V	ASSOCIATE	320	08/27/01	1.50	480.00	(XNM) DRAFT OF PARKING LOT PARCEL DEEDS (1.0) CALLS WITH PURCHASER'S COUNSEL RE: DEEDS (0.25) DISTRIBUTION OF DEEDS (0.25)
RABIA V	ASSOCIATE	320	08/29/01	1.75	560.00	(XNM) CALLS WITH PURCHASERS COUNSEL AND TITLE COMPANY RE: STORE 885 DEED (0.5) CALLS RE: PARKING LOT PARCEL DEEDS/ REVISIONS TO DEEDS (1.25)
RABIA V	ASSOCIATE	320	08/30/01	0.50	160.00	(XNM) CALLS RE: DEEDS
RABIA V	ASSOCIATE	320	08/31/01	0.75	240.00	(XNM) CALLS WITH S. MAXFIELD RE: FOLLOW-UP ON DEEDS
TOTAL				6.15	1,968.00	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
27 Retention/Fee Matters (SASM&F)**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LEVIN RB	PARTNER	550	08/05/01	0.50	275.00	(XNM) REVIEW AND REVISE FIRST FEE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	08/07/01	0.70	231.00	(XNM) EDIT AND REVISE FEE APPLICATION (.70).
LUBBEN SJ	ASSOCIATE	330	08/14/01	0.40	132.00	(XNM) REQUEST UPDATE CONFLICTS CHECK (.10); GATHER INFORMATION FOR SAME (.30).
LUBBEN SJ	ASSOCIATE	330	08/16/01	3.10	1,023.00	(XNM) REVISE AND DRAFT FEE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	08/17/01	1.20	396.00	(XNM) WORK REGARDING EXHIBITS TO FEE APPLICATION.
LEVIN RB	PARTNER	550	08/20/01	0.60	330.00	(XNM) MEMO TO T. WALLOCK REGARDING FEE APPLICATION; REVIEW AND REVISE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	08/20/01	0.30	99.00	(XNM) EDITS TO FEE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	08/21/01	1.40	462.00	(XNM) DRAFT AND REVISE FEE APPLICATION.
LEVIN RB	PARTNER	550	08/22/01	0.30	165.00	(XNM) FINAL REVIEW OF FEE APPLICATION.
LEVIN RB	PARTNER	550	08/23/01	0.40	220.00	(XNM) FINAL REVIEW OF FEE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	08/23/01	3.10	1,023.00	(XNM) DRAFT FEE APPLICATION NOTICE (.30); FINALIZE FEE APPLICATION (1.30); FINALIZE EXHIBITS (1.50).
HARRIS LR	LEGAL ASSISTANT	140	08/24/01	2.20	308.00	(XNM) PREPARED AND ORGANIZED SERVICE OF FEE PAPERS.

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES
ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL

Furrs Supermarkets, Inc. (DIP)
27 Retention/Fee Matters (SASM&F)

Bill Date: October 24, 2001
Bill Number: 884831

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LEVIN RB	PARTNER	550	09/10/01	0.30	165.00	(XNM) TELEPHONE CALL WITH R. SILVERMAN REGARDING SKADDEN FEE APPLICATION.
LUBBEN SJ	ASSOCIATE	330	09/10/01	0.20	66.00	(XNM) CALL WITH CLERK'S OFFICE REGARDING FEE APPLICATIONS.
TOTAL				14.70	4,895.00	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

**ATTORNEY WORK PRODUCT
PRIVILEGED AND CONFIDENTIAL**

**Furrs Supermarkets, Inc. (DIP)
28 Retention/Fee Matters/Objections (Others)**

**Bill Date: October 24, 2001
Bill Number: 884831**

Name	Personnel Type	Rate	Tran Date	Hours	Amount	Description
LEVIN RB	PARTNER	550	09/20/01	0.20	110.00	(XNM) TELEPHONE CALL WITH B. DIETZ REGARDING PJ SOLOMON FEE APPLICATION.
TOTAL				0.20	110.00	