

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

IN RE:

CASE NO. 11-01-10779-SA

FURR'S SUPERMARKETS, INC.,

DEBTOR.

**STIPULATED ORDER RESOLVING DISPUTE AS TO SEVERABILITY OF
GREENLEAF COMPACTION, INC. MASTER LEASE, PROVIDING FOR BUY-OUT OF
MASTER EQUIPMENT LEASE AND SALE OF EQUIPMENT TO DEBTOR, LIFTING
THE AUTOMATIC STAY, RESOLVING ISSUES OF ASSUMPTION AND
ASSIGNMENT OF CERTAIN EQUIPMENT UNDER MASTER EQUIPMENT LEASE**

WHEREAS Greenleaf Compaction, Inc. (hereinafter referred to as "Greenleaf") has a Master Lease agreement with Furr's Supermarkets, Inc. (hereinafter referred to as "Furr's") concerning equipment in approximately sixty-six (66) Furr's stores; and the Debtor has filed a motion to assume and assign equipment in some, but not all of the stores to the Purchaser and/or Third Party Purchasers and the Lease; and the Master Lease Agreement between Furr's and Greenleaf not having any provision for Furr's to purchase any of the equipment; and Furr's having entered into a contract with the Fleming Companies (hereinafter "Fleming") to purchase and transfer to Fleming and/or Third Party Purchasers Greenleaf equipment in the stores to be transferred; and Furr's having closed or intending to close approximately thirty-two (32) stores and intends to release the equipment included in the closed stores; and there are a significant number of unresolved issues, including but not limited to the assumption and assignment and/or severability of the Lease and equipment leased in each store, the cure amounts, and that Greenleaf is not obligated to sell any equipment pursuant to the Master Lease Agreement to Furr's, Fleming or the Third Party Assignees, and that there are further issues concerning the lifting of the automatic stay and the repossession of the equipment in the closed and/or other stores. The parties, including their respective counsel have negotiated a complete settlement of all issues

STIPULATED ORDER/GREENLEAF COMPACTION, INC. & FURR'S SUPERMARKETS, INC.

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involving Furr's and Greenleaf and the assumption assignment and sale of certain equipment, the repossession of other equipment in the closed stores, and the prepetition cure amounts and the purchase price for certain equipment to be sold to Furr's, modification of the automatic stay and all other issues without exception. Time being of the essence in order to complete agreements and comply with previous Orders of the Court, the parties by and through their respective counsel have submitted this Stipulated Order, to resolve all issues and to avoid further Court hearings, delays, possible appeals; and the Court being otherwise fully advised enters the following:

IT IS HEREBY ORDERED, ADJUDGED and DECREED as follows:

1. The automatic stay (11 U.S.C. § 362) is lifted to permit Greenleaf Compaction to repossess and dispose of all of its leased equipment in the ^{rejected} following stores without further notice or hearing.

- A. Store #871 - 8100 Ventura NE, Albuquerque, NM
- B. Store #903 - 810 East 21st St., Clovis, NM
- C. Store #944 - 115 Americas Ave., El Paso, TX
- D. Store # 946 - 6910 N. Mesa Dr., El Paso, TX
- E. Store #951 - 10765 Kenworthy, El Paso, TX
- F. Store #927 - 9348 Dyer, El Paso, TX
- G. Store #868 - 201 San Pedro SE, Albuquerque, NM
- H. Store #989 - 1210 Main St., Andrews, TX
- I. Store #883 - 4201 Central, Albuquerque, NM
- J. Store #905 - 205 Highway 70 West, Ruidoso, NM
- K. Store #949 - 809 West Pierce, Carlsbad, NM
- L. Store #866 - 1720 Bridge SW, Albuquerque, NM
- M. Store #911 - 1300 S. Main, Roswell, NM
- N. Store #967 - 2208 Big Springs, Midland, TX
- O. Store #811 - 1700 East 20th St., Farmington, NM
- P. Store #880 - 108 Juan Tabo, Albuquerque, NM
- Q. Store #932 - 3100 Lee Trevino, El Paso, TX
- R. Store #953 - 8115 North Loop, El Paso, TX
- S. Store #898 - 102 Caldwell, Belen, NM
- T. Store #894 - 206 Mills Ave., Las Vegas, NM
- U. Store #908 - 900 West 2nd St., Roswell, NM
- V. Store #954 - 317 S. Main St., Anthony, TX

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- W. Store #860 - 4001 East Main St., Farmington, NM
- X. Store #909 - 2513 North Main, Roswell, NM
- Y. Store #966 - 4340 West Illinois, Midland, TX
- Z. Store #938 - 1590 George Dieter, El Paso, TX
- AA. Store #801 - 700 N. Main St., Las Cruces, NM
- BB. Store #812 - 7800 Enchanted hills Blvd., Rio Rancho, NM
- CC. Store #862 - 701 E. Main St. SE, Los Lunas, NM
- DD. Store #877 - 2910 Juan Tabo, Albuquerque, NM
- EE. Store #926 - 5111 Fairbanks, El Paso, TX
- FF. Store #952 - 951 N. Resler Dr., El Paso, TX
- GG. Store #907 - 1602 West Main, Artesia, NM

Furr's will provide Greenleaf, ~~on or before September 11, 2001~~, with the name(s) and telephone number(s) of the person(s) whom Greenleaf can contact in order to gain access to each of the above listed stores in order to repossess its leased equipment. Furr's shall ^{EXERT ITS BEST EFFORTS TO} cause each baler and compactor owned by Greenleaf, which is located in each of the above listed stores, to be emptied ^{TO} ~~on or prior to September 11, 2001.~~ ~~Furr's shall maintain control and access to each closed store (listed in Paragraph Numbered One (1)) until Greenleaf has repossessed its equipment from each store.~~

2. If Furr's enters into negotiations with any party other than Fleming for the transfer or assignment of any of the ^{rejected} ~~stores listed above in Paragraph Numbered One (1) (sections AA to GG inclusive) herein~~, then Furr's shall provide to Greenleaf and its counsel, notice as soon as possible of such negotiations and shall provide the name, address and telephone number of such party not later than one (1) week after commencement of such negotiations, unless Greenleaf, at such time, has already repossessed its equipment from the store(s) which is/are the subject of such negotiation.

3. Greenleaf has accepted a purchase offer from Furr's to sell and transfer all of Greenleaf's equipment listed in ^{Exhibit B to the Stipulated Order} ~~Schedule "A"~~ attached hereto, in the stores to be transferred to Fleming ^{Conditionally Approving Debtor's Settlement of certain Equipment Lease Claim} for the total purchase price of \$595,562.00 cash. Sales tax, if any, shall be paid by Greenleaf.

4. Furr's shall pay to Greenleaf the amount of \$595,562.00 at closing of the sale of the

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stores to be sold to Fleming, on August 31, 2001, from the proceeds of such sale.

5. Greenleaf shall execute a Bill of Sale in a mutually acceptable form for all equipment listed in ~~Schedule "A"~~ ^{Exhibit to the stipulated order conditionally approving Debtor's Settlement of Certain Equipment Lease Claims}, and same shall be delivered to the Escrow Agent for the closing of the sale to Fleming at or before commencement of said closing. A letter of instruction shall be sent instructing the Escrow Agent not to deliver the Bill of Sale to Furr's or any other party (with the exception of Greenleaf) until Furr's tenders payment of the \$595,562.00, in good funds, payable to Greenleaf and such payment is delivered to Greenleaf in care of its counsel, Puccini & Meagle, P.A., at which time the Escrow Agent shall release the Bill of Sale to Furr's. Such payment shall be delivered to Puccini & Meagle, P.A., 8015 Mountain Road Place NE, Suite 200, Albuquerque, New Mexico 87110, on the date of closing, or may be paid as provided by further agreement between the parties.

6. In the event that Furr's fails to tender the full payment of \$595,562.00 to Greenleaf at closing, the Bill of Sale shall not be delivered to Furr's, and no equipment shall be transferred to Furr's by Greenleaf.

7. In consideration for the Lease buy-out and equipment purchase by Furr's, and upon full payment of the \$595,562.00, Greenleaf will withdraw its objection to the Debtor's Motion to sever the parties' Master Lease.

8. Payment of the \$595,562.00 shall further resolve the remaining issues between the parties, to include the dispute as to severability of the parties' Master Lease, the issue of assumption and/or assignment of said Master Lease, and the cure amounts.

9. Upon payment of the \$595,562.00, the Master Lease between the parties shall terminate. This Order does not affect Greenleaf's prepetition claims for unpaid rent and arrears on the five (5) stores closed in May, 2001 nor the ^{unsecured, non-priority} claim for prepetition rent and arrears on the other ~~closed~~ ^{unsecured, non-priority} ~~closed~~ stores.

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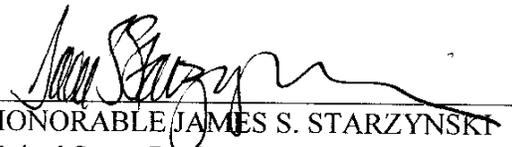
10. Notwithstanding the buy-out of the Master Lease and sale of the equipment listed in ~~Schedule "A"~~ ^{Exhibit to the Stipulated Order}, Greenleaf shall have an ~~allowed~~ ^{unsecured} claim against the Debtor's estate for the full amount of prepetition arrears, the total amount of unpaid rents due under the Lease as to the stores, ~~listed above in Paragraph Numbered One (1) herein~~, and the total unpaid balance of the Master Lease as to such stores in accordance with the terms of the parties' Master Lease and applicable bankruptcy law.

may file *non-priority* *rejected Equipment Lease Claims*

11. The United States Bankruptcy Court for the District of New Mexico shall maintain jurisdiction over the parties to enforce and/or clarify this Order. The Court retains jurisdiction to resolve any and all disputes as to the form of the documents needed to complete the transaction provided in this Order.

12. Any further notice, including any notices required by Rules ~~4001~~ (d) and 9019 Fed.R.Bankr.P. are hereby waived.

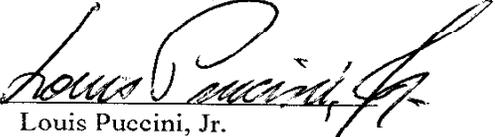
13. The parties hereto waive any rights to appeal this Order and it shall be a final, non-appealable Order upon entry *PURSUANT TO RULE 6004(D)*.


 HONORABLE JAMES S. STARZYNSKI
 United States Bankruptcy Judge

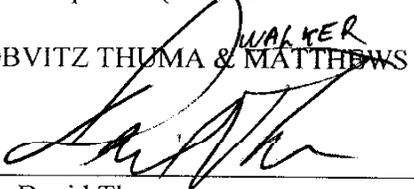
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Submitted by:

PUCCINI & MEAGLE, P.A.

By: 
Louis Puccini, Jr.
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JACOBVITZ THUMA & MATTHEWS PC ^{WALKER}

By: 
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Counsel for Debtor
500 Marquette NW #650
Albuquerque, NM 87102
(505) 766-9287

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

AUG 31 2001

Mary B. Anderson

SCHEDULE "A"

LOCATION OF EQUIPMENT		EQUIPMENT
FURR'S STORE NO.	ADDRESS	
875	5850 Eubank NE Albuquerque	30 CY S/C Comp Door Sonozaire 60" Baler
876	4016 Louisiana NE Albuquerque	30 CY S/C Compactor Sonozaire 60" Baler
878	2280 B Wyoming Albuquerque	30 CY S/C Comp Door 60" Baler Sonozaire
879	3701 Constitution Albuquerque	60" Baler Sonozaire 30 CY SC DMU
881	3301 Southern Blvd Rio Rancho	60" Baler 60" Baler 35 CY S/C Compactor Sonozaire
882	3301 Coors Rd Albuquerque	30 CY S/C Compactor 60" Baler Sonozaire
884	111 Coors Rd Albuquerque	60" Baler 60" Baler 30 CY S/C Compactor Sonozaire
885	4701 Montano Rd Albuquerque	60" Baler
886	5815 Wyoming Albuquerque	60" Baler
888	530 W Cordova Santa Fe	60" Baler
889	1700 St. Michaels Santa Fe	60" Baler 35 CY S/C Compactor Sonozaire
891	2100 Pacheco Santa Fe	35 CY S/C Compactor 60" Baler Sonozaire 60" Baler
893	Big Rock Shopping Ctr Española	Sonozaire 35 CY S/C Compactor 60" Baler
896	1100 Pasco Del Pueblo Taos	60" Baler 60" Baler 35 CY S/C Compactor Sonozaire

LOCATION OF EQUIPMENT		EQUIPMENT
FURR'S STORE NO.	ADDRESS	
897	535 Central Ave Los Alamos	60" Baler
899	901 California Socorro	60" Baler
901	105 W Tucumcari Tucumcari	60" Baler
904	721 Mechern #14 Ruidoso	60" Baler
912	1220 N. Hudson Silver City	60" Baler
913	1701 University Las Cruces	60" Baler
914	414 E. Pine Deming	60" Baler
916	1900 N. Date Truth or Consequences (printout says Hot Springs)	60" Baler
917	401 South Main Lovington	60" Baler
918	N Turner & Sanger Hobbs	Sonozaire 35 CY S/C Compactor 60" Baler
928	8201 Dyer El Paso	60" Baler
933	1117 Geronimo Dr El Paso	60" Baler
934	3518 Montana El Paso	60" Baler
935	1840 Le Trevino El Paso	60" Baler
936	5514 Alameda El Paso	60" Baler
937	9480 Viscount El Paso	35 CY S/C Compactor Baler Sonozaire
945	8050 N Mesa Dr El Paso	60" Baler 35 CY S/C Compactor Sonozaire
947	6021 N Mesa Dr El Paso	60" Baler
948	201 E Kerbey El Paso	60" Baler

LOCATION OF EQUIPMENT		EQUIPMENT
FURR'S STORE NO.	ADDRESS	
977	104 No. 2 nd St Alpine, TX	60" Baler
987	1300 W Dickinson Fort Stockton, TX	60" Baler
993	1201 S Stockton Monahans, TX	60" Baler

I:\FILES\K\Greenleaf\Docs\Bill of Sale - Furrs - Schedule A.wpd