

T-578 P 02/04 F-139
FILED
12:00 MIDNIGHT
MAR 21 2002
DROP BOX
United States Bankruptcy Court
Albuquerque New Mexico

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO**

In re:)
)
FURR'S SUPERMARKETS, INC.,) Case No. 7-01-10779-SA
) Chapter 7
Debtor.)

**DESERT EAGLE'S SUPPLEMENTAL LIMITED OBJECTION TO
TRUSTEE'S MOTION TO APPROVE SETTLEMENT WITH SECURED LENDERS**

TO THE HONORABLE JAMES S. STARZYNSKI, CHIEF UNITED STATES BANKRUPTCY JUDGE:

Desert Eagle Distributing Company of New Mexico, L.L.P. ("Desert Eagle") hereby supplements its Limited Objection to the Motion to Approve Settlement with Secured Lenders filed by the Trustee on or about February 8, 2002.

1. This supplement addresses certain provisions of the proposed stipulation and consent order prepared by the Trustee and the Lenders for approval of the Trustee's motion, which was delivered to Desert Eagle after the preliminary hearing held on March 7, 2002, and any related provisions of the Trustee's motion.

2. Paragraph 5 of the proposed stipulation and consent order purports to grant to the Lenders "first, prior and perfected liens on all assets of the Estate . . . to secure the DIP Indebtedness . . ." To the extent that the Trustee and the Lenders intend that the order grant them a priming lien on all assets of the Estate, Desert Eagle objects and would show the Trustee's motion does not give sufficient notice that the parties to the settlement are asking for an order granting a priming lien on any assets of the Estate and would also show that the requirements of 11 U.S.C. § 364(d) have not been satisfied.

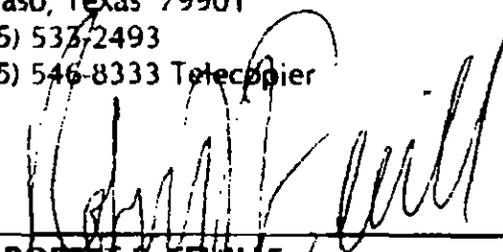
3. Similarly, Paragraph 21 of the proposed stipulation and consent order purports to grant to the Lenders a "security interest in all assets of the Estate . . . , if this Settlement is not approved" To the extent that the Trustee and the Lenders intend that the order grant them a priming lien on all assets of the Estate, Desert Eagle objects and would show the Trustee's motion does not give sufficient notice that the parties to the settlement are asking for an order granting a priming lien on any assets of the Estate and would also show that the requirements of 11 U.S.C. § 364(d) have not been satisfied.

FOR THESE REASONS, Desert Eagle respectfully prays that the proposed stipulation and consent order and any order entered by the Court upon the Trustee's Motion to Approve Settlement with Secured Lenders which grants liens to the Lenders on any assets of the Estate specify or clearly reflect that any liens granted to the Lenders are not priming liens, particularly in regard to the Debtor's liquor licenses. Desert Eagle respectfully prays for such other and further relief to which it may show itself justly entitled.

Respectfully submitted,

**SCOTT, HULSE, MARSHALL, FEUILLE,
FINGER & THURMOND, P.C.**

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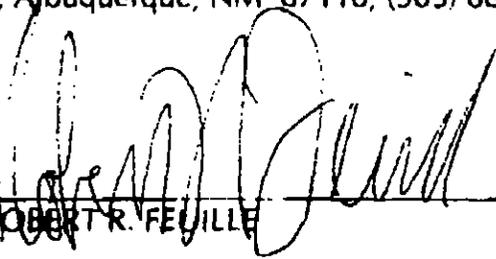
ROBERT R. FEUILLE

State Bar No. 06919100

Attorney for Desert Eagle Distributing
Company of New Mexico, L.L.P.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was mailed and send via facsimile transmission to Mr. Robert H. Jacobvitz, Jacobvitz, Thuma & Walker, P.C., 500 Marquette Avenue, NW, #650, Albuquerque, NM 87102; (505) 766-9287, Paul M. Fish, Modrall, Sperling, Roehl, Harris & Sisk, P.O. Box 2168, Albuquerque, NM 87103; (505) 848-1882 Jennie D. Behles, P.O. Box 849 Albuquerque, NM 87103; (505) 243-7262 and to Gail Gottlieb, 6565 Americas Parkway Northeast, Albuquerque, NM 87110; (505) 888-6565, on this the 21 day of March, 2002.


ROBERT R. FEUILLE