

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	
	:	Chapter 11 Case No.
Allegiance Telecom, Inc., <u>et al.</u> ,	:	03-13057 (RDD)
	:	
Debtors.	:	Jointly Administered

**ORDER PURSUANT TO SECTION 554 OF THE BANKRUPTCY CODE
AND BANKRUPTCY RULE 6007 AUTHORIZING THE ABANDONMENT
OF PERSONAL PROPERTY LOCATED AT A COLLOCATION SITE**

Upon the motion (the “Motion”), dated October 31, 2003, of Allegiance Telecom, Inc. and its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the “Debtors”), seeking entry of an order (the “Order”) authorizing the abandonment of certain Personal Property¹ located at the Collocation Site, pursuant to section 554 of the Bankruptcy Code, as more fully set forth in the Motion; and it appearing that this Court has jurisdiction to consider and determine the Motion as a core proceeding pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that the relief requested in the Motion is in the best interests of the Debtors’ estates and creditors; and, at the hearing on the Motion, it was represented that (a) the Debtors do not believe that any party, other than the Prepetition Lenders, has any liens on or claims against the Personal Property, (b) the Prepetition Lenders do not object to the relief requested in the Motion, (c) the Prepetition Lenders will not be asserting any interest in the Personal Property and (d) no customers remain at the Collocation Site; and due and proper notice of the Motion having been given; and good and sufficient cause appearing therefor; it is

ORDERED that the Motion is granted; and it is further

¹ Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Motion.

ORDERED that, pursuant to section 554 of the Bankruptcy Code, the Personal Property shall be deemed abandoned and all of the Debtor's obligations and requirements related to or connected with the Personal Property shall terminate effective as of the date of the Order; and it is further

ORDERED that SBC Communications is authorized to remove and dispose of the Personal Property from the Collocation Site without the need of any further order of this Court; and it is further

ORDERED that any proof of claim for damages arising from the abandonment of the Personal Property must be filed on or before forty-five (45) days after the date of this Order, and any claims resulting from the abandonment of the Personal Property not so filed shall be forever barred from participating in the Debtors' chapter 11 cases and receiving any dividend or distribution thereon; and it is further

ORDERED that nothing herein shall constitute a waive or release by the Debtors of any rights, claims, causes of actions or defenses that they may have against the owner of the Collocation Site, whether or not directly related to the Collocation Site; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: New York, New York
November 19, 2003

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE