

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

ALLEGIANCE TELECOM, INC., *et al.*,

Debtors.

Chapter 11

Case No. 03-B13057 (RDD)

(Jointly Administered)

**SUPPLEMENTAL AFFIDAVIT OF MARK R. SOMERSTEIN IN CONNECTION WITH
RETENTION AND EMPLOYMENT OF KELLEY DRYE & WARREN LLP,
AS SPECIAL COUNSEL TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS**

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

MARK R. SOMERSTEIN, of full age, deposes and says:

1. I am an attorney at law admitted to practice in the State of New York and in the United States District Courts for the Southern and Eastern Districts of New York. I am a member of the firm of Kelley Drye & Warren LLP (“Kelley Drye”), which maintains offices at 101 Park Avenue, New York, New York 10178.

2. I am familiar with the matters set forth herein, and I make this supplemental affidavit pursuant to Federal Rule of Bankruptcy Procedure 2014, and Rule 2014-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”) in connection with the retention and employment of Kelley Drye as special counsel to the Official Committee of Unsecured Creditors of Allegiance Telecom, Inc. (the “Committee”), and certain of its direct and indirect subsidiaries (collectively, the “Debtors”).

KELLEY DRYE'S RETENTION

3. Kelley Drye's retention application was filed by the Committee on December 5, 2003 along with the accompanying Application for an Order Authorizing and Approving the Retention Nunc Pro Tunc of Kelley Drye & Warren LLP, as Special Counsel, sworn on December 3, 2003 (the "Initial Somerstein Affidavit").

4. On December 18, 2003, the Bankruptcy Court authorized the retention of Kelley Drye as special counsel for the Committee in these cases pursuant to the Order Approving Retention of Kelley Drye & Warren, LLP, as Special Counsel to Official Committee of Unsecured Creditors.

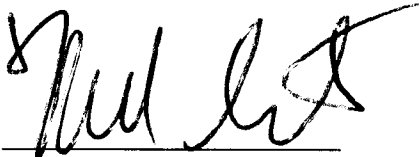
SUPPLEMENTAL DISCLOSURE

5. This supplemental affidavit supplements the disclosures set forth in the Initial Somerstein Affidavit.

6. In addition to the connection that Kelley Drye has with XO Communications, Inc. ("XO"), a current client of Kelley Drye that was disclosed in Exhibit "B" to the Initial Somerstein Affidavit, XO subsequently retained Kelley Drye in connection with certain regulatory matters related to XO's acquisition of substantially all of the assets of the Debtors (the "Sale").

7. I have advised Ira Dizengoff of Akin Gump Strauss Hauer & Feld LLP ("Akin Gump") of Kelley Drye's engagement by XO. I am advised by Mr. Dizengoff that Akin Gump has no conflicts with respect to XO and that Akin Gump can advise the Committee with respect to any issues that the Committee may be required to assess with respect to XO in connection with the Sale.

8. In connection with its retention by the Committee in these cases, Kelley Drye will continue to monitor its connections with the Debtors, their creditors and other parties in interest, as well as their respective attorneys and accountants.



Mark R. Somerstein

Sworn to before me this
17 day of February, 2004



Notary Public

MARIE VICINANZA
Notary Public, State of New York
No. 4739750 - Orange County
Commission Expires 9/30/05