

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

Chapter 11

In re:

Allegiance Telecom, Inc., et al.
Debtor(s)

03-13057 (RDD)
Case No.

**AMENDMENT TO
MONTHLY OPERATING STATEMENT FOR THE PERIOD
FROM MARCH 1, 2004 TO MARCH 31, 2004**

DEBTORS' ADDRESS: Allegiance Telecom, Inc.
Attn: Christine Kornegay
9201 North Central Expressway
Dallas, TX 75231

DEBTORS' ATTORNEY: Kirkland & Ellis
Attn: Jonathan Henes
Citigroup Center
153 East 53rd Street
New York, NY 10022-4675

(\$ in thousands)

CONSOLIDATED MONTHLY DISBURSEMENTS: \$ 63,106

The purpose of this amendment is to correct the disclosure of total consolidated monthly disbursements and to file a corrected detail of disbursements by debtor entity for the period from March 1, 2004 through March 31, 2004. This information included in the Monthly Operating Statement previously filed on April 30, 2004 contained unintentional errors. All of the other information contained in the Monthly Operating Statement previously filed on April 30, 2004 remains as filed.

The undersigned, having reviewed the attached report and being familiar with the Debtors' financial affairs, verifies under penalty of perjury, that the information contained therein is complete, accurate and truthful to the best of my knowledge.

/s/ G. Clay Myers
G. Clay Myers
Senior Vice President of Finance and Accounting

May 10, 2004
Date

ALLEGIANCE TELECOM, INC. AND SUBSIDIARIES
(DEBTORS-IN-POSSESSION)
DETAIL OF DISBURSEMENTS BY DEBTOR ENTITY
(in thousands)

| Debtor Name | Case Number | March 1 to March 31, 2004 |
|--|-------------|------------------------------|
| Allegiance Telecom, Inc. | 03-13057 | \$ 129 |
| Adgrafix Corporation | 03-13060 | 64 |
| ALGX Business Internet, Inc. | 03-13061 | 153 |
| Allegiance Internet, Inc. | 03-13062 | 3,396 |
| Allegiance Telecom Company Worldwide | 03-13064 | 4,139 |
| Allegiance Telecom International, Inc. | 03-13066 | - |
| Allegiance Telecom of Arizona, Inc. | 03-13067 | 313 |
| Allegiance Telecom of California, Inc. | 03-13069 | 3,874 |
| Allegiance Telecom of Colorado, Inc. | 03-13070 | 445 |
| Allegiance Telecom of Florida, Inc. | 03-13073 | 1,403 |
| Allegiance Telecom of Georgia, Inc. | 03-13074 | 670 |
| Allegiance Telecom of Illinois, Inc. | 03-13075 | 850 |
| Allegiance Telecom of Indiana, Inc. | 03-13076 | - |
| Allegiance Telecom of Maryland, Inc. | 03-13077 | 327 |
| Allegiance Telecom of Massachusetts, Inc. | 03-13078 | 387 |
| Allegiance Telecom of Michigan, Inc. | 03-13079 | 502 |
| Allegiance Telecom of Minnesota, Inc. | 03-13080 | 330 |
| Allegiance Telecom of Missouri, Inc. | 03-13081 | 538 |
| Allegiance Telecom of Nevada, Inc. | 03-13082 | - |
| Allegiance Telecom of New Jersey, Inc. | 03-13084 | 471 |
| Allegiance Telecom of New York, Inc. | 03-13055 | 2,297 |
| Allegiance Telecom of North Carolina, Inc. | 03-13085 | - |
| Allegiance Telecom of Ohio, Inc. | 03-13088 | 228 |
| Allegiance Telecom of Oklahoma, Inc. | 03-13090 | - |
| Allegiance Telecom of Oregon, Inc. | 03-13092 | 215 |
| Allegiance Telecom of Pennsylvania, Inc. | 03-13093 | 1,908 |
| Allegiance Telecom of Texas, Inc. | 03-13095 | 4,707 |
| Allegiance Telecom of the District of Columbia, Inc. | 03-13097 | 327 |
| Allegiance Telecom of Virginia, Inc. | 03-13098 | 131 |
| Allegiance Telecom of Washington, Inc. | 03-13099 | 578 |
| Allegiance Telecom of Wisconsin, Inc. | 03-13100 | - |
| Allegiance Telecom Purchasing Company | 03-13101 | 578 |
| Allegiance Telecom Service Corporation | 03-13103 | 28,523 |
| Coast to Coast Telecommunications, Inc. | 03-13104 | 99 |
| Hosting.com, Inc. | 03-13105 | 142 |
| InterAccess Telecommunications Co. | 03-13106 | - |
| Jump.Net, Inc. | 03-13107 | - |
| Shared Technologies Allegiance, Inc. | 03-13108 | 5,382 |
| Virtualis Systems, Inc. | 03-13109 | - |
| TOTAL | | <u>\$ 63,106</u> |