

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
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In re

Chapter 11

ALLEGIANCE TELECOM, INC., et al.,

**Case No. 03-13057 (RDD)
(Jointly Administered)**

Debtors
-----X

**ORDER UNDER 11 U.S.C. § 107(b) AND FED. R. BANKR. P. 9018 PERMITTING
THE FILING UNDER SEAL OF XO COMMUNICATIONS, INC.'S MEMORANDUM
OF LAW REGARDING THE DISPUTES THAT HAVE ARISEN
UNDER THE ASSET PURCHASE AGREEMENT AND ACCOMPANYING EXHIBITS**

Upon the request of XO Communications, Inc. ("XO"), Allegiance Telecom, Inc. and its direct and indirect subsidiaries (collectively, the "Debtors"), and the Official Committee of Unsecured Creditors (the "Committee") for an immediate order under 11 U.S.C. § 107(b) and Fed. R. Bankr. P. 9018 permitting each of the parties to file under seal its Memorandum of Law ("Memorandum of Law") Regarding the Disputes Arising from the Asset Purchase Agreement dated February 18, 2004, by and among certain of the Debtors and XO and approved by order of this Court entered on February 20, 2004 and accompanying exhibits; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to Section 107(b) of the Bankruptcy Code and Fed R. Bankr. P. 9018, and given the facts that XO, the Debtors, and the Committee expect to enter into a confidentiality agreement prior to the June 7, 2004 hearing and have exchanged drafts of a confidentiality agreement that provides that any document marked by one of the parties as "confidential" or "highly confidential" or any papers containing or making reference to such a document shall be filed under seal, and that commercially sensitive information covered by such confidentiality

agreement appears in XO's Memorandum of Law and accompanying exhibits, the Court hereby authorizes XO's Memorandum of Law and the exhibits thereto to be filed under seal. XO's Memorandum of Law and exhibits thereto shall remain under seal and confidential until further order of the Court.

2. XO's Memorandum of Law and exhibits thereto shall not be made available to the general public or any parties in interest in the Debtors' Chapter 11 cases, and, until further order of the Court, shall only be made available to the following parties: (i) the Court; (ii) the Debtors or their counsel; (iii) the Committee or its counsel; (iv) XO or its counsel; (v) the prepetition secured lenders to the Debtors or their counsel; and (vi) the Office of the United States Trustee.

Dated: New York, New York
June 4, 2004

/s/ ROBERT D. DRAIN
Honorable Robert D. Drain
United States Bankruptcy Court Judge

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