

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**ORDER PURSUANT TO SECTION 365(d)(4) OF THE
BANKRUPTCY CODE EXTENDING THE TIME WITHIN
WHICH THE DEBTORS MUST ASSUME OR REJECT
UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY**

Upon the motion (the“Motion”), dated June 19, 2003 of Allegiance Telecom, Inc. and its direct and indirect subsidiaries, as debtors and debtors in possession (collectively the “Debtors”) for an order pursuant to section 365(d)(4) of title 11 of the United States Code (the “Bankruptcy Code”) for an extension of the period within which the Debtors may assume or reject unexpired leases of nonresidential real property, including those listed on Exhibit“A”annexed to the Motion (the“Unexpired Leases”) through and including January 14, 2004, all as more fully set forth in the Motion; and it appearing that this Court has jurisdiction to consider and determine the Motion as 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, their creditors, and other parties in interest; and it appearing that due and proper notice of this Motion has been given; and after due deliberation and sufficient cause appearing therefor; it is hereby

ORDERED that the Motion is granted; and it is

ORDERED that the time within which the Debtors may assume or reject the Unexpired Leases, pursuant to section 365(d)(4) of the Bankruptcy Code, is hereby extended to and including January 14, 2004; and it is further

ORDERED that the relief requested herein is without prejudice to the right of any lessor under the Unexpired Leases to move the Court to fix an earlier date by which the Debtors must assume or reject the Unexpired Leases in accordance with section 365(d)(4) of the Bankruptcy Code; and it is further

ORDERED that if a lessor requests the relief described in the preceding decretal paragraph, the Debtors shall maintain the burden of persuasion as to why the time within which the Debtors may assume or reject such lessors' Unexpired Lease(s) pursuant to section 365(d)(4) of the Bankruptcy Code shall continue through January 14, 2004; and it is further

ORDERED that the extension granted in this Order is without prejudice to the Debtors' right to seek further extension(s) of their time to assume or reject some or all of the Unexpired Leases.

Dated: New York, New York
_____, 2003

UNITED STATES BANKRUPTCY JUDGE