

Harter, Secrest & Emery, LLP
1600 Bausch & Lomb Place
Rochester, New York 14604

Hearing Date: September 25, 2003 at 10:00 a.m.
Objection Due Date: September 22, 2003

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:)	Chapter 11
)	
ALLEGIANCE TELECOM, INC.,)	
<u>et al.</u> ,)	Case No. 03-13057 (RDD)
)	Jointly Administered
Debtor.)	

NOTICE OF MOTION TO ALLOW SETOFF

PLEASE TAKE NOTICE, that on August 28, 2003, the City and County of Denver Colorado (“Denver”), filed a motion to allow setoff pursuant to section 553 of the Bankruptcy Code (the “Motion”).

PLEASE TAKE FURTHER NOTICE, that a hearing (the “Hearing”) to consider the Motion shall be held before the Honorable Robert D. Drain, United States Bankruptcy Judge at the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004 on September 25, 2003 at 10:00 a.m. (prevailing New York time), or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE, that responses or objections to the Motion, if any, must be filed and served in accordance with the procedures set forth below so as to be received no later than September 22, 2003. Any and all response and/or objections to the Motion must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and Local Rules of the Bankruptcy Court, and shall be filed with the Bankruptcy Court electronically in accordance with

General Order M-242 (General Order M-242 and the User's Manual for Electronic Case Filing System can e found at 222.nysb.uscourts.gov), by registered users of the Bankruptcy Court's case filing system and, by all other parties in interest, on a 2.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format (with a hard-copy delivered directly to Chambers), and shall be served in accordance with the Bankruptcy Court's Order Under 11 U.S.C. §§ 102 and 105 and Fed. R. Bankr. P. 2002, 9006 and 9007 Establishing Certain Notice, Case Management and Administrative Procedures, dated December 2, 2002, upon (i) Harter, Secrest & Emery, LLP, attention Ingrid S. Palermo, Esq., local counsel for Denver, 1600 Bausch & Lomb Place, Rochester, New York 14604; (ii) counsel for the debtors, Kirkland & Ellis, LLP, 153 East 53rd Street, 39th Floor, New York, New York 10022-4675, attention Matthew Allen Cantor, Esq.; (iii) counsel for Official Committee of Unsecured Creditors, Akin, Gump, Strauss, Hauer & Feld, LLP, 590 Madison Avenue, New York, New York 10022, attention Ira S. Dizengoff, Esq.; (iv) the Office of the United States Trustee, attention Pamela Jean Lustrin, Esq., 33 Whitehall Street, 21st Floor, New York, New York 10004; and (iv) all parties having filed a notice of appearance and request for notices under Rule 2002 of the Federal Rules of Bankruptcy Procedure.

Dated: August 29, 2003

HARTER, SECREST & EMERY, LLP
Local Counsel for City and County of Denver

s/ Ingrid S. Palermo
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