

Allegiance Telecom, Inc.  
Legal Services Period Ending July 31, 2003  
August 25, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------|--------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7/25/03     | 4.20         | Marguerite M Melvin | Prepare for and electronically file the First Amended Complaint with exhibits in the Adversary Proceeding (.7); draft an Affidavit of Service re the 9019 motion and electronically file same (.9); review the docket and pleadings and revise and update the critical dates calendar (1.1); locate and download Sprint pleadings for M. Frishberg's review (.6); review recently received correspondence and integrate into the file (.4); integrate electronically filed pleadings into the file (.2); expand files to incorporate additional documents (Proofs of Claim Notice of Appearance, etc) (.3). |
| 7/25/03     | 12.00        | Peggy Chan          | Prepare and assemble binders for all Schedules and Statements of Financial Affairs (3.1); organize electronic files of same in internal computer system (1.2); review docket for new pleadings (.7); update Master Service List with BMC (.2); prepare and assemble hearing binder and summary for motion approving the settlement agreement (1.5); prepare and assemble hearing binder for the Impala retention motion (1.5); prepare and assemble hearing binder for the Greenhill retention motion (2.0); prepare and assemble hearing binder for the Sprint rejection motion (1.8).                     |
| 7/26/03     | 6.50         | Marguerite M Melvin | Draft Debtors' response to the objection of Sprint (under seal) (.2); prepare to electronically file and serve the Debtors response to objections of the Statutory Committee and GE Capital Corporation (6.3).                                                                                                                                                                                                                                                                                                                                                                                              |
| 7/28/03     | 7.40         | Marguerite M Melvin | Electronically file BMC's Affidavit of Service re motion for approval of services agreement with Impala Partners (.3); package boxes of SOFAs and Schedules and distribute to the client (.6); review incoming correspondence and integrate into the main file (.3); integrate Proofs of                                                                                                                                                                                                                                                                                                                    |

Allegiance Telecom, Inc.  
 Legal Services Period Ending July 31, 2003  
 August 25, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | Claim into the main file (.2); duplicate and forward Proofs of Claim to the Court (.4); prepare courtesy copies of Sprint pleadings filed under seal and Affidavits of Service and forward to Judge Drain's chambers (.5); download Impala Interim Order to disk and prepare hard copies for court (.4); search for specific for final orders approving the retention of financial advisors in various bankruptcy cases (1.5); search for precedent re retention of technical advisors and investment bankers (1.5); update hearing binders for 7/29/03 hearing (1.7). |
| 7/28/03     | 12.70        | Peggy Chan           | Update hearing binders for July 29 hearing (5.6); review and update agenda for same (2.0); prepare and assemble affidavits of service binder for same (2.5); prepare diskettes of motions for same (.8); assemble case law re Sprint Communications objections (.8); review docket for new pleadings (.3); distribute same (.2); file affidavit of service electronically with the Court (.3); prepare courtesy copy for the Judge (.2).                                                                                                                               |
| 7/29/03     | 8.00         | Michael A Slago      | Conduct conflicts searching of the forty largest unsecured creditor's subsidiaries.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 7/29/03     | .70          | Ludmila A Chuplygina | Telephone conference with A. Terry re results of the hearing and re task list (.3); attend to miscellaneous case administration issues (.4).                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 7/29/03     | 4.00         | Marguerite M Melvin  | Electronically file BMC Affidavits of Service re obsolete inventory (.5); locate and download precedent re key employee retention motions and orders from various large bankruptcy cases (1.0); locate and download precedent re bar date notices and removal extension motions (2.0); review incoming correspondence and file (.3); update pleadings file (.2).                                                                                                                                                                                                       |
| 7/29/03     | 2.00         | Peggy Chan           | Assist L. Chuplygina with assembling July 29 hearing documents (1.5); review docket                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

Allegiance Telecom, Inc.  
 Legal Services Period Ending July 31, 2003  
 August 25, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------|--------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | for new pleadings (.3); distribute same (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 7/29/03     | 1.50         | Jacqueline Jacques   | Research dockets re key employee retention and program plan (.6); research dockets re removal actions and bar date motions (.9).                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 7/30/03     | 8.00         | Michael A Slago      | Conduct conflicts searching of forty largest unsecured creditor's subsidiaries.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 7/30/03     | 2.50         | Ludmila A Chuplygina | Telephone conference with A. Terry and C. Luna re checklist and status of various motions (1.5); arrange for filing of MORs and telephone conferences with client re same (.8); exchange e-mails with Togut re utility issues and motion re adequate assurance (.2).                                                                                                                                                                                                                                                                                                                          |
| 7/30/03     | 6.50         | Marguerite M Melvin  | Forward a copy of the Master Service List to Kieselstein & Lee upon request (.2); review incoming mail and incorporate into file (.3); update the calendar of critical dates (1.0); locate, download and review pleadings and integrate updated information re crises managers into an exhibit (1.5); locate and download removal action precedent from various large bankruptcy cases (1.5); prepare for and electronically file Debtors' Monthly Operating Reports for May '03 and June '03, forward courtesy copies to the Judge and forward a copy to BMC to post on their website (2.0). |
| 7/30/03     | .50          | Peggy Chan           | Review docket for new pleadings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 7/31/03     | 8.00         | Michael A Slago      | Conduct conflicts analysis of forty largest unsecured creditor's subsidiaries.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 7/31/03     | 1.20         | Ludmila A Chuplygina | Telephone conferences with S. Kohn and M. Frishberg re task list and status of various motions (.4); attend to rescheduling 341 meeting (.6); attend to rescheduling Greenhill's retention hearing (.2).                                                                                                                                                                                                                                                                                                                                                                                      |
| 7/31/03     | 4.80         | Marguerite M Melvin  | Review recently received correspondence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

Allegiance Telecom, Inc.  
Legal Services Period Ending July 31, 2003  
August 25, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                           |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | and pleadings and update files with same (.5); review dockets of other bankruptcy cases for specific restructuring officers' fee structures (3.5); distribute same (.5); duplicate and forward Proofs of Claim to the Bankruptcy Court (.3). |
| 7/31/03     | 1.50         | Samuel S Kohn       | Office conference with L. Chuplygina and M. Frishberg re case status (.5); review task responsibility list (.5); attend to case files (.8).                                                                                                  |
| 7/31/03     | 2.90         | Peggy Chan          | Review dockets of other bankruptcy cases re restructuring officers' fee structures (1.8); update database re same (.6); research docket for new pleadings (.5).                                                                              |
| 7/31/03     | 3.50         | Jacqueline Jacques  | Assist M. Melvin and P. Chan in search re employee crisis managers fee structure precedent (1.3); assist P. Chan re update office records re same (2.2).                                                                                     |
| 7/31/03     | .80          | Michael J Frishberg | Edit and revise task list (.4); telephone conferences with L. Chuplygina and S. Kohn re same (.4).                                                                                                                                           |
|             | 288.40       |                     | TOTAL HOURS                                                                                                                                                                                                                                  |

September 22, 2003

Allegiance Telecom, Inc.  
1349 Empire Central Woodview  
Dallas, TX 75247

ATTN: Mark Tresnowski

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

Citicorp Center, 153 East 53rd Street  
New York, New York 10022-4675  
FEIN 36-1326630

Inv.# 2699761

---

IN THE MATTER OF                      **Case Administration**

|                                                                                                                |              |
|----------------------------------------------------------------------------------------------------------------|--------------|
| For legal services rendered through August 31, 2003<br>(see attached Description of Legal Services for detail) | \$ 39,799.00 |
| For disbursements incurred through August 31, 2003<br>(see attached Description of Expenses for detail)        | \$ 12,258.97 |
| Total for legal services rendered and expenses incurred                                                        | \$ 52,057.97 |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

Summary of Hours Billed

| <u>Timekeeper</u>    | <u>Position</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|----------------------|-----------------|--------------|-------------|---------------|
| Matthew A Cantor     | Partner         | .50          | 655.00      | 327.50        |
| Ludmila A Chuplygina | Associate       | 25.20        | 385.00      | 9,702.00      |
| Jonathan S Henes     | Partner         | 3.50         | 460.00      | 1,610.00      |
| Samuel S Kohn        | Associate       | 12.20        | 420.00      | 5,124.00      |
| Peggy Chan           | Case Assistant  | 63.90        | 95.00       | 6,070.50      |
| Michael J Frishberg  | Associate       | 6.30         | 345.00      | 2,173.50      |
| Jacqueline Jacques   | Case Assistant  | 2.50         | 95.00       | 237.50        |
| Marguerite M Melvin  | Legal Assistant | 71.60        | 190.00      | 13,604.00     |
| Nathanael F Meyers   | Legal Assistant | 2.00         | 190.00      | 380.00        |
| Jon Timpe            | Other           | 3.00         | 190.00      | 570.00        |
|                      |                 | 190.70       |             | \$ 39,799.00  |

**Description of Legal Services**

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                           |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/01/03     | .90          | Ludmila A Chuplygina | Telephone conference with U.S. Trustee's office re adjourning 341 meeting and scheduling telephone conference re monthly operating reports (.3); telephone conferences with A. Terry and C. Kornegay re same (.3); exchange e-mails with M. Frishberg and N. Meyers re case administration issues (.3).                                                                      |
| 8/01/03     | .50          | Samuel S Kohn        | Review recent pleadings filed.                                                                                                                                                                                                                                                                                                                                               |
| 8/01/03     | 2.30         | Peggy Chan           | Research and prepare for materials relating to the appropriateness of professional success fees (1.0); research docket for new pleadings (.5); research dockets of other bankruptcy cases for references re Key Employee Retention Plan (.8).                                                                                                                                |
| 8/01/03     | .40          | Michael J Frishberg  | Draft and revise notice of adjournment for the Greenhill hearing.                                                                                                                                                                                                                                                                                                            |
| 8/01/03     | 1.00         | Nathanael F Meyers   | Prepare and send model Notice of Adjournment to M. Melvin (.2); retrieve model Key Employee Retention Pleadings off PACER and send same to L. Chuplygina (.8).                                                                                                                                                                                                               |
| 8/04/03     | 1.40         | Ludmila A Chuplygina | Arrange a telephone conference re monthly operating reports between client and U.S. Trustee's office (.9); office conferences and telephone conferences with M. Cantor re various motions (.5).                                                                                                                                                                              |
| 8/04/03     | 3.90         | Marguerite M Melvin  | Prepare for and electronically file Motion to reject leases (.5); coordinate service of same with BMC (.2); review and sort incoming mail (.3); incorporate recent correspondence into the main file (.2); incorporate pleadings into the main file (.3); duplicate and forward courtesy copies of recently filed pleadings to the Judge (.4); locate and download precedent |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------|--------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | re KERP motion from the Genuity case (.5); locate and download the post-trial brief and exhibits from the XO Communications case and the pre-hearing memo of Houlihan Lokey for attorney review (1.5).                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 8/04/03     | .50          | Matthew A Cantor     | Office conferences and telephone conferences with L. Chuplygina re various motions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 8/04/03     | 5.40         | Peggy Chan           | Prepare electronic copies of Schedules and Statements of Financial Affairs and e-mail them to A. Terry of Allegiance (.7); research dockets of other large bankruptcy cases for references re Key Employee Retention Plans (.8); research docket hearing transcript re same (.5). research docket for new pleadings (.5); file two affidavits of service electronically with the SDNY Bankruptcy Court (.5); prepare courtesy copies for Judge (.4); prepare agenda and hearing binder for August 11 hearing (2.0).                                                                                                                                      |
| 8/05/03     | .80          | Ludmila A Chuplygina | Exchange e-mails with C. Adams re Commerce Square Partners (.1); exchange voicemails with N. Berger re 6/23 transcript and distribute same to him (.2); exchange e-mails with J. Henes re various motions and KERP issues (.5).                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 8/05/03     | 4.80         | Marguerite M Melvin  | Prepare for and electronically file second supplemental Affidavit of M. Cantor re Kirkland & Ellis' retention (.5); coordinate service of same with BMC (.2); prepare for and electronically file motion to extend Debtors' time to file notices of removal (.5); coordinate service of same with BMC (.2); locate and download precedent re exclusivity from various large chapter 11 cases in the Southern District of New York (1.3); access the XO Communications docket to locate and download the retention application of Houlihan Lokey and Houlihan Lokey's fee applications with exhibits (1.5); review and sort mail (.2); incorporate recent |



Allegiance Telecom, Inc.  
 Legal Services Period Ending August 31, 2003  
 September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | correspondence into main file (.1);<br>integrate recently filed pleadings into<br>the main file (.3).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/05/03     | 4.50         | Peggy Chan           | Research dockets of various large chapter<br>11 other cases re extensions of<br>exclusivity (1.0); prepare materials re<br>the appropriateness of professional<br>success fees (2.0); research docket for<br>new pleadings (.5); continue preparation<br>of agenda and hearing binder for August 19<br>hearing (1.0).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/05/03     | .50          | Michael J Frishberg  | Update task chart and e-mail same to J.<br>Henes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 8/06/03     | .70          | Ludmila A Chuplygina | Conferences and telephone conferences with<br>K&E team re various motions (.5); arrange<br>for service of stipulation with BP<br>Commerce (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 8/06/03     | 10.80        | Marguerite M Melvin  | Review docket and pleadings and update<br>critical dates calendar (2.5); locate date<br>of filing of District Court case,<br>Allegiance Telecom, Inc. v. AT&T Corp.<br>(.4); prepare for and electronically file<br>the motion to reject master carrier<br>agreement with AT&T Corp. motion for order<br>authorizing the Debtors to reject the<br>settlement agreement and switched access<br>service agreement, motion for order for<br>approval of rejection of certain<br>individual service orders, motion for<br>order to reject certain unexpired leases<br>of non-residential real property,<br>application to employ KPMG LLP as<br>accountants and affidavit of service re<br>lease rejections (6.8); review mail (.2);<br>duplicate and forward Proofs of Claim to<br>the Court (.3); forward Notice of<br>Appearance to P. Chan to update Master<br>Service List (.1); prepare and forward<br>courtesy copies of pleadings (.5). |
| 8/06/03     | 7.20         | Peggy Chan           | Prepare materials for and update filed<br>order binder (1.5); prepare diskettes for<br>AT&T motions to be filed under seal (.5);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
 Legal Services Period Ending August 31, 2003  
 September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|--------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | bring same to the clerk at the Bankruptcy Court (1.4); prepare for and file same electronically on the Court website (.6); assist M. Melvin with preparation to file 6 other pleadings electronically (1.9); research docket for new pleadings (.5); research docket for filed orders for L. Chuplygina (.8).                                                                                                                                                                                                                        |
| 8/06/03     | 1.00         | Nathanael F Meyers   | Assist M. Melvin in filing various pleadings electronically.                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 8/07/03     | 3.30         | Marguerite M Melvin  | Create pdf of deposition transcript of 7/29/03 hearing, forward to client and save on the system (.4); locate and download precedent re notice procedures (.6); locate and download Houlihan retention pleadings (.5); review and sort incoming mail (.2); integrate pleadings into main file (.2); incorporate recent correspondence into the main file (.1); prepare for and electronically file the Notice of Adjourned 341 Meeting and coordinate service of same (.6); update critical dates calendar for attorney review (.7). |
| 8/07/03     | 2.50         | Peggy Chan           | Research docket for new pleadings (.5); download and distribute recently filed motions to internal K&E working group, BMC, and Allegiance (1.0); prepare courtesy copies of 9 pleadings filed on the previous day for Judge Drain's chambers (1.0).                                                                                                                                                                                                                                                                                  |
| 8/07/03     | .70          | Michael J Frishberg  | Draft and revise notice of adjournment of 341 meeting (.5); office conference with L. Chuplygina re same (.2).                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/08/03     | .70          | Ludmila A Chuplygina | Office conferences and telephone conferences with K&E team re same administration issues.                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 8/08/03     | 3.80         | Marguerite M Melvin  | Locate and download objections to Greenhill's retention and revised Exhibit A for attorney review (.8); review and sort incoming mail (.3); duplicate and                                                                                                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | forward Proofs of Claim to the Court (.4); review and forward Notices of Appearance to P. Chan to update the Master Service List (.2); update the pleadings file (.3); update the correspondence file (.2); locate and download Houlihan Lokey's fee applications from the XO Communication case for attorney review (.6); update critical dates calendar (1.0).                                                                                                                                                                                                     |
| 8/08/03     | 5.80         | Peggy Chan          | Prepare and assemble hearing binders, affidavits of service binders, and Greenhill objection cases binders for August 11 hearing (4.1); research on Westlaw for precedents re Greenhill objections (.3); research docket for new pleadings and forward them to internal K&E working group, BMC, and Allegiance (.4); electronically file two affidavits of service on behalf of BMC with the SDNY Bankruptcy Court (.4); prepare courtesy copies of same for Judge Drain's chambers (.3); update Master Service List with BMC (.3).                                  |
| 8/11/03     | 5.70         | Marguerite M Melvin | Download precedent from the Worldcom bankruptcy re relief from stay (.8); office conference with P. Chan re preparation of 8/19/03 hearing binders (.3); prepare for upcoming hearing (1.2); prepare for and electronically file the motion shortening notice for hearing on the KERP motion (.5); review and sort incoming mail (.3); update correspondence file (.2); integrate recent pleadings into main file (.2); prepare for and electronically file KERP motion (1.7); expand main file to incorporate additional pleadings, transcripts and documents (.5). |
| 8/11/03     | .30          | Samuel S Kohn       | Review recent pleadings filed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/11/03     | 4.70         | Peggy Chan          | Assist L. Chuplygina with preparation for the August 11 hearing (.7); continue to update agenda and assemble binders for the August 19 hearing (.7); office conference with M. Melvin re preparation of 8/19/03                                                                                                                                                                                                                                                                                                                                                      |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | hearing binders (.3); research docket for new pleadings and forward them to internal K&E working group, BMC, and Allegiance (.3); electronically file seven affidavits of service on behalf of BMC with the SDNY Bankruptcy Court (1.2); prepare courtesy copies of same for Judge Drain's chambers (.5); assist M. Melvin with filing KERP Motion (1.0).                                                                                                                                                                                                                                                                                                                                                                                            |
| 8/12/03     | 6.90         | Ludmila A Chuplygina | Exchange e-mails and telephone conferences with K&E team re various motions (.5); prepare for and telephone conference with J. Henes, S. Kohn, A. Terry and C. Luna re status of various motions and other case administration issues (2.8); office conference with J. Henes and S. Kohn re case status (.5); telephone conferences with Akin Gump re status of various matters for August 19 hearing (.5); review hearing agenda for August 19 hearing (.3); exchange e-mails with M. Melvin and P. Chan re case administration issues (.5); prepare status chart re August 19 hearing, collect comments re same and distribute same to K&E team (1.5); telephone conference and exchange e-mails with P. Dublin re confidentiality agreement (.3). |
| 8/12/03     | 2.40         | Jonathan S Henes     | Prepare for and participate in telephone conference with S. Kohn, L. Chuplygina, C. Luna and A. Terry re status of motions (1.9); office conference with L. Chuplygina and S. Kohn re case status (.5).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/12/03     | 4.40         | Marguerite M Melvin  | Review docket and pleadings to update the critical dates calendar (2.5); review and sort incoming mail (.5); duplicate and forward recently received Proofs of Claim to the Court (.4); update correspondence file (.2); incorporate recently filed pleadings into the main file (.3); prepare folder for C. DiMauro deposition and Exhibits and integrate into main file (.2); prepare and forward courtesy copies of filed pleadings to the Judge (.3).                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/12/03     | 3.00         | Samuel S Kohn        | Review work in progress report (.6); telephone conference with A. Terry, C. Luna, J. Henes and L. Chuplygina re case status (1.9); office conference with J. Henes and L. Chuplygina re same (.5).                                                                                                                                                                                                                                                                                                                                                                  |
| 8/12/03     | 3.80         | Peggy Chan           | Research docket for new pleadings and forward them to internal K&E working group, BMC, and Allegiance (.3); prepare courtesy copies of KERP motions filed electronically on previous day for Judge Drain's chambers and arrange to be sent to Court (.5); assist L. Chuplygina with preparing an affidavit of service for electronic filing (2.0); update hearing agenda for August 19 hearing (.2); prepare and assemble hearing binder and affidavits of service binder for same (.8).                                                                            |
| 8/13/03     | 3.90         | Ludmila A Chuplygina | Review correspondence received from creditors and parties in interest (.5); respond to or forward to client for response (.3); revise status chart for August 19 hearing and distribute same to K&E team (.8); exchange e-mails, telephone conference and office conferences with K&E team re various motions (.8); prepare status memo re vacation with detailed description of status of various matters (1.5).                                                                                                                                                   |
| 8/13/03     | 6.00         | Marguerite M Melvin  | Locate and forward notice of removal motion to H. Schwartz (.5); review and sort incoming mail (.3); update pleadings and correspondence files (.5); duplicate and forward recently received Proofs of Claim to the Court (.4); review pleadings/docket and update critical dates calendar to incorporate adjourned hearing dates (2.0); locate precedent re Bar Date motion from several large chapter 11 cases (1.8); review Allegiance docket to locate date of entry of certain Orders and dates various pleadings were entered on the docket for S. Kohn (.5). |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/13/03     | .50          | Samuel S Kohn       | Office conference with M. Frishberg re case status.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/13/03     | 4.20         | Peggy Chan          | Review docket for new pleadings and forward them to internal K&E working group, BMC, and Allegiance (.3); office conference with J. Jacques re various case administration tasks (.3); prepare cover letter and fax removal letter to H. Schwartz (.7); file affidavit of service on behalf of BMC with the SDNY Bankruptcy Court and prepare courtesy copy to Judge Drain's chambers (.6); update Master Service List with BMC (.3); continue to update hearing agenda and prepare hearing binders for August 19 hearing (2.0). |
| 8/13/03     | .30          | Jacqueline Jacques  | Attend office conference with P. Chan re daily tasks for Allegiance case.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 8/13/03     | .50          | Michael J Frishberg | Office conference with S. Kohn re case status.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 8/14/03     | 2.40         | Marguerite M Melvin | Locate precedent re Bar Date from various large chapter 11 cases (1.0); review and sort incoming mail (.3) integrate correspondence into main file (.2); integrate pleadings into the main file (.2); forward copies of Proofs of Claim to the Bankruptcy Court (.3); forward recently received Notices of Appearance to P. Chan to update the Master Service List (.1); locate and forward address for the PA Dept. of Revenue to BMC for notice re the Bar Date and solicitation notices (.3).                                 |
| 8/14/03     | 2.20         | Jacqueline Jacques  | Update hearing binder and proof same (1.8); review docket for new pleadings and distribute same to K&E working group, BMC and client (.4).                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/15/03     | 3.00         | Jon Timpe           | Compile subsidiary lists for top 20 creditors and compare names to conflicts database for client relationships.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 8/16/03     | .20          | Samuel S Kohn       | Correspond with client re case status.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/17/03     | 1.90         | Ludmila A Chuplygina | Exchange e-mails with C. Adams re adjournment of 341 meeting (.3); exchange e-mails with A. Terry and J. Henes re participation in hearings by telephone (.3); telephone conference with M. Stachiw re threat of non-payment under Level 3 agreement and re terms of same and Level 3's proposal (.7); voicemail to and telephone conference with Level 3's counsel re same and scheduling telephone conference (.6).                                                                                                                       |
| 8/18/03     | 7.70         | Marguerite M Melvin  | Prepare for and electronically file Notice of adjourned hearings, supplement to monthly operating reports for May and June 2003, BMC's Affidavit of Service re service of KERP pleadings and Notice of adjournment of hearing re Source, Inc. (2.0); telephone conference with R. Reilly re service of the Notice of Adjourned Hearings (.2); amend 8/19/03 agenda for hearing and distribute (1.0); prepare two copies of signature pages for the SOFAs and Schedules for the 39 Debtors (1.0); prepare binders for 8/19/03 hearing (3.5). |
| 8/18/03     | 5.70         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E work group, BMC and Allegiance (.3); telephone conference with Doyle Reporting re hearing transcripts in XO Communications case re Houlihan retention (.2); prepare folders of signature pictures of the SOFA's and schedules of the 39 debtors for S. Kohn (1.2); continue to prepare pleadings binder to incorporate changes re adjourned matters and affidavit of service binder for August 19 hearing (4.0).                                                                 |
| 8/19/03     | 2.90         | Marguerite M Melvin  | Review docket/pleadings and update the critical dates calendar for the September 4th and September 15th hearings (2.0); review and sort incoming mail (.2); update correspondence file (.1); update pleadings file (.3); duplicate and forward recently received Proofs of Claim to the Court                                                                                                                                                                                                                                               |

Allegiance Telecom, Inc.  
 Legal Services Period Ending August 31, 2003  
 September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | (.3).                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 8/19/03     | .50          | Samuel S Kohn        | Office conference with M. Frishberg re case status.                                                                                                                                                                                                                                                                                                                                                                          |
| 8/19/03     | 3.30         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E work group, BMC and Allegiance (.5); assist M. Melvin in organizing pleadings documents in office (1.2); prepare task charts for agendas for 9/4 and 9/15 hearings for S. Kohn (1.0); prepare courtesy copies of affidavits of service, notices of adjourned hearing and supplemental operating report filed on the previous day for Judge Drain's chambers (.6). |
| 8/19/03     | 1.00         | Michael J Frishberg  | Review and update task charts for motions to be heard at the 9/4 and 9/15 hearing (.5); office conference with S. Kohn re case status (.5).                                                                                                                                                                                                                                                                                  |
| 8/20/03     | 1.50         | Ludmila A Chuplygina | Revise Confidentiality Agreement and distribute same to A. Terry for review (.9); review A. Terry's comments to same, revise same and distribute same to J. Henes for review (.4); exchange e-mails with N. Berger and M. Melvin re corrections to Master Service List re Verizon (.2).                                                                                                                                      |
| 8/20/03     | .80          | Marguerite M Melvin  | Prepare and fax request to Court to correct date on docket entry 343 listing the new hearing date as 9/15/03 (.3); review and sort incoming mail (.2); incorporate recent correspondence into the main file (.1); incorporate pleadings into the main file (.2).                                                                                                                                                             |
| 8/20/03     | 1.40         | Samuel S Kohn        | Telephone conference with A. Terry, C. Luna and M. Frishberg re case status (.8); office conferences with M. Frishberg re same (.6).                                                                                                                                                                                                                                                                                         |
| 8/20/03     | 2.80         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E work group, BMC and Allegiance (.5); electronically file two                                                                                                                                                                                                                                                                                                      |



Allegiance Telecom, Inc.  
 Legal Services Period Ending August 31, 2003  
 September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                   |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | affidavits of service on behalf of BMC with the SDNY Bankruptcy Court (.6); prepare courtesy copies of affidavits of service (.4); forward Master Service List issues to BMC (.3); update filed order binder for M. Frishberg (1.0).                                                                 |
| 8/20/03     | 1.40         | Michael J Frishberg  | Telephone conference with A. Terry, C. Luna and and S. Kohn re case status (.8); office conferences with S. Kohn re same (.6).                                                                                                                                                                       |
| 8/21/03     | .30          | Ludmila A Chuplygina | Exchange voicemails with J. Henes re Confidentiality Agreement and distribute same to P. Dublin for review.                                                                                                                                                                                          |
| 8/21/03     | .70          | Marguerite M Melvin  | Review and sort incoming mail (.3); integrate recently received correspondence into the main file (.2); update pleadings file (.2).                                                                                                                                                                  |
| 8/21/03     | .60          | Samuel S Kohn        | Office conference with M. Frishberg re case status.                                                                                                                                                                                                                                                  |
| 8/21/03     | .60          | Peggy Chan           | Telephone conference with S. Smith of McCarter & English re Scheduling Orders, hearing dates and Master Service List (.2); forward Master Service List to same (.1); review docket for new pleadings and distribute same to K&E working group, BMC and client (.3).                                  |
| 8/21/03     | .60          | Michael J Frishberg  | Office conference with S. Kohn re case status.                                                                                                                                                                                                                                                       |
| 8/22/03     | 2.60         | Marguerite M Melvin  | Prepare for and electronically file the facilities, rejection agreement motions and the motion to extend exclusivity (1.5); review and sort incoming mail (.3) duplicate and forward recently received Proofs of Claim to the Bankruptcy Court (.3); update correspondence and pleadings files (.5). |
| 8/22/03     | .60          | Samuel S Kohn        | Review pleadings filed.                                                                                                                                                                                                                                                                              |
| 8/22/03     | .80          | Peggy Chan           | Review docket for new pleadings and                                                                                                                                                                                                                                                                  |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------|--------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | distribute same to K&E working group, BMC and client (.3); prepare courtesy copies of recently filed pleadings for Judge Drain's chambers (.5).                                                                                                                                                                                                                                                                                                                                            |
| 8/25/03     | 2.20         | Marguerite M Melvin  | Prepare a deposition schedule L. Chuplygina's request (.3); review and sort incoming mail (.3); duplicate and forward Proofs of Claim to the Court (.3); forward Notices of Appearance to P. Chan to update the Master Service List (.1); update pleadings and correspondence files (.5); respond to telephone request for Master Service List (.1); forward Master Service List to J. Jeffers upon request (.1); expand main file to accommodate additional pleadings and documents (.5). |
| 8/25/03     | .50          | Samuel S Kohn        | Exchange e-mails with J. Henes re ALGX case status.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 8/25/03     | 2.00         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.3); begin preparation of agenda and pleadings binder for September 4 hearing (1.0); search for final Greenhill order (.2); telephone conference with R. Reilly re appearance of S. Estroff of Wiles & Wiles on the Master Service List (.1); follow-up re same (.4).                                                                                                                            |
| 8/26/03     | 2.50         | Ludmila A Chuplygina | Telephone conference with A. Terry, C. Luna and S. Kohn re status of various tasks (1.5); follow-up conferences with S. Kohn and M. Frishberg re same (.3); review status chart for motion scheduled for September 4 hearing (.3); start revising same (.4).                                                                                                                                                                                                                               |
| 8/26/03     | 2.60         | Marguerite M Melvin  | Review docket and update calendar of critical dates (1.2); revisions to same (.3); prepare schedule of items to be heard at the Sept. 4, 2003 hearing (.5); review incoming mail (.3); integrate recent correspondence and pleadings into the main file (.3).                                                                                                                                                                                                                              |

Allegiance Telecom, Inc.  
 Legal Services Period Ending August 31, 2003  
 September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                      |
|-------------|--------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/26/03     | 1.80         | Samuel S Kohn        | Telephone conference with L. Chuplygina, A. Terry and C. Luna re case status (1.5); office conference with L. Chuplygina and M. Frishberg re same (.3).                                                                                                                                                                                 |
| 8/26/03     | 1.30         | Peggy Chan           | Prepare Proofs of Claims to be sent to the Court (.3); update Master Service List with BMC (.1); review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); electronically file 2 affidavits of service on behalf of BMC with the SDNY Bankruptcy Court (.4); prepare courtesy copies of same (.3). |
| 8/26/03     | .30          | Michael J Frishberg  | Office conference with S. Kohn and L. Chuplygina re case status.                                                                                                                                                                                                                                                                        |
| 8/27/03     | 1.50         | Ludmila A Chuplygina | Review letter with inquiry from Allegiance's customer and e-mail to client re same (.6); exchange e-mails with J. Henes and A. Terry re <del>redacted</del> (.3); prepare materials for J. Henes' meeting with secured lenders (.6).                                                                                                    |
| 8/27/03     | 1.00         | Marguerite M Melvin  | Review and sort incoming mail (.2); incorporate recent correspondence into the main file (.1); incorporate pleadings into the main file (.2); organize working file (.1); office conference with P. Chan re case administration issues (.4).                                                                                            |
| 8/27/03     | .20          | Samuel S Kohn        | Review pleadings filed.                                                                                                                                                                                                                                                                                                                 |
| 8/27/03     | .80          | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.4); office conference with M. Melvin re various case administration issues (.4).                                                                                                                                                             |
| 8/28/03     | 2.20         | Ludmila A Chuplygina | Exchange e-mails with C. Kornegay re Wells Fargo's inquiry (.3); telephone conferences, office conferences and exchange e-mails with K&E team and client re miscellaneous case administration issues (1.9).                                                                                                                             |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/28/03     | 1.10         | Jonathan S Henes    | Telephone conference with I. Dizengoff re case status and deal issues (.4); telephone conferences with M. Kramer and M. Tresnowski re same (.7).                                                                                                                                                                                                                                                               |
| 8/28/03     | 2.30         | Marguerite M Melvin | Prepare for electronically filing amended Schedules (1.0); telephone conferences with BMC re same (.2); review and sort incoming mail (.3); duplicate and send Proofs of Claim to the Court and integrate copies of same into the main file (.1); send Notices of Appearance to P. Chan to update the Master Service List (.1); office conference with S. Kohn, L. Chuplygina and P. Chan re case status (.6). |
| 8/28/03     | 1.20         | Samuel S Kohn       | Office conference with L. Chuplygina, M. Melvin, and P. Chan re case status (.6); office conference with L. Chuplygina and M. Frishberg re case status (.4); review client B. Marks re case status (.2).                                                                                                                                                                                                       |
| 8/28/03     | 3.40         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); update index and hearing binder for September 4 hearing (1.0); office conference with L. Chuplygina, S. Kohn and M. Melvin re various case administration issues (.6); prepare for electronic filing of schedules (1.6).                                                                                        |
| 8/28/03     | .40          | Michael J Frishberg | Office conference with S. Kohn and L. Chuplygina re case status.                                                                                                                                                                                                                                                                                                                                               |
| 8/29/03     | 3.70         | Marguerite M Melvin | Prepare for and electronically file the July monthly operating report (.4); locate and download precedent for solicitation pleadings package (.6); prepare to electronically file amendments to Schedules (2.5); telephone conferences with Bankruptcy Court to determine if there will be a charge per Schedule F (.2).                                                                                       |
| 8/29/03     | .90          | Samuel S Kohn       | Office conference with M. Frishberg re case status (.5); attend to case files                                                                                                                                                                                                                                                                                                                                  |

Allegiance Telecom, Inc.  
Legal Services Period Ending August 31, 2003  
September 22, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                          |
|-------------|--------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | (.4).                                                                                                                                                                                                                                                                                                                                                                       |
| 8/29/03     | 2.80         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); telephone conference with R. Reilly re the preparation for the electronic filing of schedules (.2); assist M. Melvin in researching dockets of Bethlehem Steel and Worldcom re solicitation proceedings (1.0); prepare to electronically file amendments to schedules (1.4). |
| 8/29/03     | .50          | Michael J Frishberg | Office conference with S. Kohn re case status.                                                                                                                                                                                                                                                                                                                              |
|             | 190.70       |                     | TOTAL HOURS                                                                                                                                                                                                                                                                                                                                                                 |

October 21, 2003

Allegiance Telecom, Inc.  
1349 Empire Central Woodview  
Dallas, TX 75247

ATTN: Mark Tresnowski

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

200 East Randolph Drive  
Chicago, Illinois 60601  
FEIN 36-1326630

Inv.# 2710041

---

IN THE MATTER OF                      **Case Administration**

|                                                                                                                   |              |
|-------------------------------------------------------------------------------------------------------------------|--------------|
| For legal services rendered through September 30, 2003<br>(see attached Description of Legal Services for detail) | \$ 44,135.00 |
| For disbursements incurred through September 30, 2003<br>(see attached Description of Expenses for detail)        | \$ 9,349.28  |
| Total for legal services rendered and expenses incurred                                                           | \$ 53,484.28 |

Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

Summary of Hours Billed

| <u>Timekeeper</u>    | <u>Position</u>   | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|----------------------|-------------------|--------------|-------------|---------------|
| Ludmila A Chuplygina | Associate         | 16.30        | 385.00      | 6,275.50      |
| Jonathan S Henes     | Partner           | 2.10         | 460.00      | 966.00        |
| Samuel S Kohn        | Associate         | 16.70        | 420.00      | 7,014.00      |
| Renee Marr           | Associate         | 1.30         | 375.00      | 487.50        |
| Peggy Chan           | Case Assistant    | 70.20        | 95.00       | 6,669.00      |
| Michael J Frishberg  | Associate         | 6.30         | 345.00      | 2,173.50      |
| Jacqueline Jacques   | Case Assistant    | 3.30         | 95.00       | 313.50        |
| Marguerite M Melvin  | Legal Assistant   | 77.70        | 190.00      | 14,763.00     |
| Joseph A Patrevito   | Project Assistant | 9.20         | 115.00      | 1,058.00      |
| Jon Timpe            | Other             | 21.50        | 190.00      | 4,085.00      |
| Gary T Dodds         | Other             | 2.00         | 165.00      | 330.00        |
| <b>Total</b>         |                   | 226.60       |             | \$ 44,135.00  |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

**Description of Legal Services**

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/01/03     | .20          | Samuel S Kohn        | Review docket update.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/04/03     | .40          | Samuel S Kohn        | Review recent pleadings filed (.3); review docket update (.1).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/06/03     | .80          | Samuel S Kohn        | Review recent pleadings filed (.6); review docket update (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/06/03     | .60          | Samuel S Kohn        | Attend to case files.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 8/08/03     | 1.20         | Samuel S Kohn        | Attend to case files (.5); review recent pleadings filed (.5); review docket update (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 8/20/03     | .50          | Samuel S Kohn        | Review recent pleadings filed (.4); review docket update (.1).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/21/03     | .60          | Samuel S Kohn        | Review recent pleadings filed (.5); review docket update (.1).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 8/27/03     | .20          | Samuel S Kohn        | Review docket update.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 9/02/03     | 3.80         | Ludmila A Chuplygina | E-mail to J. Henes re matters scheduled for hearing on September 4 (.3); exchange e-mails with J. Henes and M. Tresnowski re providing [Redacted] LOI to creditors committee professionals (.5); telephone conferences with P. Dublin re same (.7); prepare [Redacted] LOI and other materials for distribution and distribute same to P. Dublin (.4); exchange e-mails with J. Henes re same (.1); finalize bridge order re extension of exclusivity and notice of adjournment of hearing to September 15 and distribute same to Paul Hastings and Akin Gump for review (.5); telephone conferences with K. Shryock and P. Dublin re same (.6); telephone conference with A. Terry re case administration issues (.5); office conference with P. Chan re September 4 hearing binders (.2). |



Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/02/03     | 3.20         | Marguerite M Melvin  | Review/sort mail (.3); prepare for and electronically file the Pontiac lease rejection motion (.5); telephone conference with creditor (.2); update the Master Service List with address correction request from a creditor and notify BMC of change (.3); prepare for and electronically file the Stipulation and Agreed Order between Level 3 Communications and Allegiance Telecom Worldwide (.3); prepare for and electronically file the motion for rejection of executory contracts and unexpired leases (.5); coordinate service of all pleadings filed today (.6); locate and download precedent re a Notice of Presentment (.3); office conference with P. Chan re update of September 4 hearing agenda (.2). |
| 9/02/03     | 2.30         | Peggy Chan           | Exchange e-mails with L. Chuplygina re updating agenda for 9/4 hearing to include adversary proceeding pre-trial conference and exclude adjourned matters (.2); update agenda re same (.6); update hearing binder according to same changes (.5); office conference with M. Melvin re same (.2); prepare affidavits of service binder for 9/4 hearing (.6); office conference with L. Chuplygina to review hearing and affidavits of service binders (.2).                                                                                                                                                                                                                                                             |
| 9/02/03     | 2.60         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare 3 Proofs of Claims to be sent to Court (.3); prepare for electronic filing of schedules (2.1).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 9/03/03     | .10          | Ludmila A Chuplygina | Submit exclusivity order to chambers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 9/03/03     | 4.10         | Marguerite M Melvin  | Locate and download ITC Deltacom Plan and Disclosure Statement for attorney review (.8); forward Level 3 Communications LLC Stipulation and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | Agreed Order to M. Brownstein (.3); telephone conference with R. Reilly re filing of Schedules (.2); review/sort mail (.3); prepare to file Schedules (1.6); expand file to hold additional documents and pleadings (.4); organize working file and update client contact list (.5).                                                                                                                                                                          |
| 9/03/03     | 5.00         | Peggy Chan           | Update agenda for 9/4 hearing and send to L. Chuplygina for review (.5); prepare extra sets of hearing and affidavits of service binders for the Judge and M. Cantor (1.2); edit Proposed Order re lease rejection (.2); prepare 10 copies of Proposed Orders for each Motion to be heard at the 9/4 hearing (.4); prepare electronic copies of same on diskettes (.4); organize same in folders (.3); assist L. Chuplygina in revising the KERP order (2.0). |
| 9/03/03     | 2.40         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare courtesy copies of Monthly Operating Report, Level 3 Communications stipulation and order and 2 Motions filed electronically on the previous day for Judge Drain's chambers (.4); retrieve and prepare August 2003 docket for M. Frishberg (.2); prepare for electronic filing of schedules (1.6).                                                     |
| 9/04/03     | 3.00         | Ludmila A Chuplygina | Office conference with S. Kohn re status of various tasks and preparation for September 15th hearing (.5); obtain precedent for 363 APA (.3); exchange e-mails with client re Akin Gump's fees (.2); e-mail to A. Terry with preliminary questions re KM Complex motion (.2); telephone conferences and conferences with K&E team and client re various motions and case administration issues (1.0); review new motions filed in the case (.8).              |

Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------|--------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/04/03     | 6.40         | Marguerite M Melvin  | Review/sort mail (.3); prepare for and electronically file four Affidavits of Service of BMC re Monthly Operating Report, lease rejection motion, rejection of executory contracts and Motion re the Pontiac, MI property (1.0); prepare for and electronically file a notice of adjourned hearing re the exclusivity motion (.4); coordinate service of same (.2); review docket/pleadings and prepare Sept. 15, 2003 hearing agenda schedule (1.2); revise same (.3); review incoming mail (.3); duplicate and send recently received Proofs of Claim to the Court (.3); locate and download precedent from Bethlehem Steel re KERP (.5); prepare to file schedule supplements (1.9). |
| 9/04/03     | .50          | Samuel S Kohn        | Office conference with L. Chuplygina re case status.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 9/04/03     | 4.60         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.4); organize pdf files of pleadings into folders in hard drive (.2); review precedents of several major cases re KERP structure and bonus amount (1.6); research docket to retrieve Notice filed by the Trustee re the appointment of the Creditors' Committee, as per M. Frishberg's request (.2); research and retrieve Newcor docket re First Amended Disclosure Statement and exhibits for M. Frishberg (.3); prepare for electronic filing of amended schedules for 29 debtors (1.9).                                                                                                   |
| 9/05/03     | 2.00         | Ludmila A Chuplygina | Exchange e-mails with M. Frishberg re KM Complex's motion and adequacy of notice (.3); status telephone conference with A. Terry, C. Luna and S. Kohn re motions and various tasks (1.5); office conference with S. Kohn                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------|--------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | re same (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 9/05/03     | 4.50         | Marguerite M Melvin | Locate and download the Impala interim retention Order (.3); update the critical dates calendar with relevant information for October 2003 (1.5); coordinate with BMC, prepare for and electronically file supplements to 29 Schedule Fs and 2 Schedule Gs (2.7).                                                                                                                                                                                                                                                                                                                         |
| 9/05/03     | 2.80         | Samuel S Kohn       | Office conference with L. Chuplygina re case status (.2); review work in progress report (.5); telephone conference with L. Chuplygina, A. Terry and C. Luna re motion in progress (1.5); attend to case files (.6).                                                                                                                                                                                                                                                                                                                                                                      |
| 9/05/03     | 3.50         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare courtesy copies of 4 affidavits of service electronically filed on previous day (.3); search docket re Exclusivity Motion and Order and e-mail same to L. Laukitis (.3); prepare for electronic filing of amended schedules for 30 debtors (1.2); assist M. Melvin in electronically filing of same (1.5).                                                                                                                                                                         |
| 9/06/03     | .80          | Samuel S Kohn       | Attend to case files.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 9/08/03     | 2.70         | Marguerite M Melvin | Locate and download the Notice of Adjournment re Source (.3); duplicate and forward a copy of the AT&T Stipulation and Order executed by Kirkland & Ellis to Lowenstein Sandler PC (.4); request check to cover the cost of filing amendments to schedules and forward to the court (.4); review/sort incoming mail (.3); forward Notices of Appearance to P. Chan to update Master Service List (.2); forward the Master Service List to K. Lee at Wilmer (.2); prepare for and electronically file the Notice of Adjournment of Hearing re the Master Carrier Agreement with AT&T (.7); |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | Locate facsimile number for M. Stachiw (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 9/08/03     | 2.80         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare courtesy copies of supplements to schedules for 30 debtors and arrange same to be delivered to Judge chambers (1.5); arrange for messenger service to deliver check for amended schedules fee to Court and follow up (.5); update Master Service List (.2); download exhibits to Solicitation Motion of a large chapter 11 case, as per L. Chuplygina's request (.4). |
| 9/09/03     | .80          | Ludmila A Chuplygina | Review and prepare materials re same for distribution and distribute same to P. Dublin (.5); exchange e-mails with K. Shryock re extension of objection deadline to exclusivity motion (.3).                                                                                                                                                                                                                                                                                 |
| 9/09/03     | 2.90         | Marguerite M Melvin  | Prepare and distribute Sept. 4, 2003 hearing transcript to the client and working group (.3); locate and download lease rejection precedent from several large Bankruptcy cases for attorney review (1.5); review/sort mail (.3); forward a copy of the Master Service List to B. Reid at Togut (.2); locate and download precedent re Debtors' response to payment of post-petition rent (.6).                                                                              |
| 9/09/03     | 4.90         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.3); arrange for duplication of supplements to schedules of the 30 debtors to be sent to A. Terry and H. Revill (.5); organize same into binders and create index (2.1); update filed orders binders and index and distribute same to S. Kohn and M. Frishberg (2.0).                                                                                                              |
| 9/10/03     | .40          | Ludmila A Chuplygina | Exchange multiple e-mails with K.                                                                                                                                                                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | Shryock and J. Henes re adjournment of hearing on exclusivity motion.                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 9/10/03     | 7.70         | Marguerite M Melvin | Review dockets for various precedent (1.5); review dockets to locate precedent re the response of the Debtors to landlords motions to assume or reject leases (1.5); download 365(d)(3) precedent from the Ames bankruptcy case for attorney review (.5); telephone conference with BMC re their Affidavit of Service re Bar Date pleadings (.2); prepare for and electronically file Bar Date pleadings (3.5); prepare for and electronically file the 5th Supplemental List of Ordinary Course Professionals (.5). |
| 9/10/03     | .60          | Samuel S Kohn       | Review motion in progress report (.3); office conference with M. Frishberg re same (.3).                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 9/10/03     | .30          | Samuel S Kohn       | Review docket update.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 9/10/03     | 3.00         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); package courtesy copies of supplements to schedules to be sent to A. Terry and H. Revill (.3); search docket for filing and service dates for Pontiac Motion and Motion to Reject Certain Executory Contracts (.2); prepare for and assist M. Melvin in electronically filing the Bar Date pleadings (2.3).                                                                                                           |
| 9/10/03     | .60          | Michael J Frishberg | Review motion status report (.3); office conference with S. Kohn re same (.3).                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 9/11/03     | 2.50         | Marguerite M Melvin | Review/sort incoming mail (.3); forward Notices of Appearance to P. Chan to update the Master Service List (.2); review docket to locate the number of motions to reject nonresidential real property leases filed by the Debtors thus far and how many leases that                                                                                                                                                                                                                                                  |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                         |
|-------------|--------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | included (.8); prepare for and electronically file the notice of hearing on motion for approval of Services Agreement with Impala Partners, LLC (.8); prepare for and electronically file an amendment to the Impala engagement letter (.4).                                                                                                                                               |
| 9/11/03     | 6.10         | Peggy Chan           | Create agenda for the 9/15 hearing (1.2); research docket and retrieve pleadings re matters being adjourned (.5); incorporate changes to agenda according to L. Chuplygina's directions (.5); prepare hearing binder (2.5); prepare affidavits of service binder (.8); create index for same (.4); arrange for duplication of hearing materials (.2).                                      |
| 9/11/03     | 1.00         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare courtesy copies of the Bar Date pleadings and a floppy disk of the proposed order for Judge Drain (.6); update Master Service List with BMC (.2).                                                                                                                                   |
| 9/12/03     | 1.30         | Ludmila A Chuplygina | Finalize hearing agenda and distribute same to chambers (.4); review voicemail from chambers re hearing agenda (.1); attend to miscellaneous case administration issues (.5); exchange e-mails with S. Kohn re September 15 hearing (.3).                                                                                                                                                  |
| 9/12/03     | 8.00         | Marguerite M Melvin  | Review incoming mail (.3); review pleadings/docket and update critical dates calendar (2.0); duplicate and forward numerous Proofs of Claim to the Court (.3); prepare for and electronically file a notice of adjourned hearing re KPMG (.4) prepare for and electronically file the Debtors' objection to the motion of K.M. Complex, L.P. (.6); prepare for September 15 hearing (4.4). |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/12/03     | 2.00         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.3); prepare courtesy copies of the various Notices filed on the previous day for Judge Drain (.2); electronically file 2 affidavits of service on behalf of BMC with the SDNY Bankruptcy Court (.4); prepare courtesy copies of same and arrange for them to be sent to the Court (.3); assist M. Melvin in electronically filing the Objection to the K. M. Complex Motion (.8). |
| 9/12/03     | 3.40         | Peggy Chan           | Create diskettes of proposed orders for Judge Drain for the 9/15 hearing (.6); prepare 10 hard copies of same and organize Orders into folders (.6); prepare blackline of Rejected Agreement order (.3); research Westlaw for cases used for objections re K.M. Complex, Obsolete Inventory and Rejected Agreement (.6); organize hearing materials for S. Kohn (1.3).                                                                                                       |
| 9/13/03     | .70          | Samuel S Kohn        | Attend to case file documents.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9/15/03     | 1.90         | Ludmila A Chuplygina | Multiple office conferences and telephone conferences with K&E team and client re case administration issues.                                                                                                                                                                                                                                                                                                                                                                |
| 9/15/03     | 8.30         | Marguerite M Melvin  | Review/sort incoming mail (.3); review docket/pleadings and update calendar of critical dates (.5); prepare for and electronically file the HQ lease assumption motion and exhibits and coordinate service of same (4.0); locate and download precedent re bidding procedures (.5); prepare for and electronically file pleadings re authorization to obtain letters of credit and enter into bonding arrangements and coordinate service of same (3.0).                     |
| 9/15/03     | 1.50         | Peggy Chan           | Assist M. Frishberg in preparing for 9/15 hearing, including organizing the                                                                                                                                                                                                                                                                                                                                                                                                  |



Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                                                                                 |
|-------------|--------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | Bar Date pleadings and updating the agenda and the hearing binder.                                                                                                                                                                                                                                                                                 |
| 9/15/03     | 2.00         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.3); update Master Service List with BMC (.1); prepare for electronically filing of NCX Motion (1.2); electronically file NCX Motion with the SDNY Bankruptcy Court (.4).                                                                                |
| 9/16/03     | 1.40         | Ludmila A Chuplygina | Office conference with M. Frishberg re BP Commerce issues and status of other tasks (.5); telephone conference with P. Dublin re Confidentiality Agreement (.3); revise same and distribute same to A. Terry for review (.6).                                                                                                                      |
| 9/16/03     | 1.00         | Marguerite M Melvin  | Duplicate and forward recently received Proofs of Claim to the Court (.3); review incoming mail (.3); forward Notice of Appearance to P. Chan to update the Master Service List (.1); coordinate the service of the Stipulation and Order adjourning the hearing re extension of exclusivity and coordinate service of same (.3).                  |
| 9/16/03     | 1.80         | Samuel S Kohn        | Multiple office conferences and telephone conferences re case administration issues.                                                                                                                                                                                                                                                               |
| 9/16/03     | 1.10         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.3); prepare courtesy copies of NCX Motion and Motion to approve Letter of Credit Arrangement for Judge Drain and arrange for messenger service to Court (.5); update Master Service List with BMC (.1); prepare Proof of Claims and send to Court (.2). |
| 9/16/03     | 2.70         | Jacqueline Jacques   | Assist P. Chan in updating pleadings binders for office records.                                                                                                                                                                                                                                                                                   |
| 9/16/03     | 1.50         | Michael J Frishberg  | Office conferences and exchange e-mails                                                                                                                                                                                                                                                                                                            |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                                                                                                                       |
|-------------|--------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                      | with S. Kohn and J. Henes re case status (1.0); office conference with L. Chuplygina re BP Commerce and status of other tasks (.5).                                                                                                                                                      |
| 9/17/03     | 2.00         | Jon Timpe            | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                  |
| 9/17/03     | 2.00         | Gary T Dodds         | LegalKey update searching for Top 20 lists.                                                                                                                                                                                                                                              |
| 9/17/03     | .70          | Ludmila A Chuplygina | Prepare redline of Confidentiality Agreement and distribute same to P. Dublin for review (.3); telephone conference with M. Frishberg re status of various tasks (.4).                                                                                                                   |
| 9/17/03     | 1.30         | Marguerite M Melvin  | Prepare and forward Sept. 15, 2003 hearing transcript to client and working group (.3); review/revise critical dates calendar (.5); locate receipt for payment of filing fees for petitions (.3); telephone conference with our Accounting Department re wire transfer from client (.2). |
| 9/17/03     | 1.10         | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare task table for 9/25 hearing (.9).                                                                                                                                                 |
| 9/17/03     | .40          | Michael J Frishberg  | Telephone conference with L. Chuplygina re status of various tasks.                                                                                                                                                                                                                      |
| 9/18/03     | 3.50         | Jon Timpe            | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                  |
| 9/18/03     | .70          | Ludmila A Chuplygina | Telephone conference with C. Adams re Confidentiality Agreement and e-mail to him re same (.4); exchange e-mails with R. LeHane re AT&T hearing (.2); review P. Lustrin's e-mail re Greenhill Order and forward same to M. Frishberg (.1).                                               |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>          | <u>Description</u>                                                                                                                                                                    |
|-------------|--------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/18/03     | 2.10         | Jonathan S Henes     | Various telephone conferences and office conferences regarding various case issues, including KERP, agreements, scheduling and plan.                                                  |
| 9/18/03     | 1.80         | Marguerite M Melvin  | Review/sort incoming mail (.3); pull precedent from several large Bankruptcy cases re retention of special regulatory counsel (1.5).                                                  |
| 9/18/03     | 1.00         | Renee Marr           | Distribute memorandum re indentures to M. Frishberg (.5); telephone conference re memorandum (.5).                                                                                    |
| 9/18/03     | .20          | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client.                                                                                             |
| 9/19/03     | .20          | Ludmila A Chuplygina | Follow-up telephone conference with C. Adams re Confidentiality Agreement.                                                                                                            |
| 9/19/03     | .90          | Marguerite M Melvin  | Review/sort incoming mail (.3); duplicate and forward recently received Proofs of Claim to the Bankruptcy Court (.3); review docket to locate date notice of Bar Date was filed (.3). |
| 9/19/03     | .30          | Renee Marr           | Telephone conference with M. Frishberg re indentures memorandum.                                                                                                                      |
| 9/19/03     | .50          | Samuel S Kohn        | Attend to case files.                                                                                                                                                                 |
| 9/19/03     | .20          | Peggy Chan           | Review docket for new pleadings and distribute same to K&E working group, BMC and client.                                                                                             |
| 9/19/03     | .50          | Michael J Frishberg  | Exchange emails with J. Henes and S. Kohn re contested matters (.2); telephone conference with R. Marr re indentures memorandum (.3).                                                 |
| 9/22/03     | 4.50         | Jon Timpe            | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                               |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------|--------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9/22/03     | 1.80         | Marguerite M Melvin | Review/sort incoming mail (.3); forward Notices of Appearance to P. Chan to update the Master Service List (.2); prepare for and electronically file the BMC's Affidavit of Service re Debtors' objection to K.M. Complex, L.P. (.4); review/sort incoming mail (.3); forward Notices of Appearance to P. Chan to update the Master Service List (.2); duplicate and forward Proofs of Claim to the Bankruptcy Court (.4).                      |
| 9/22/03     | .70          | Samuel S Kohn       | Attend to case documents for file (.5); review docket update (.2).                                                                                                                                                                                                                                                                                                                                                                              |
| 9/22/03     | 1.20         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); update Master Service List with BMC (.2); prepare Proofs of Claims to be sent to Court (.2); review docket and retrieve KERP orders for M. Frishberg (.1); exchange e-mails with M. Frishberg re 9/25 hearing task chart (.2); prepare courtesy copy of affidavit of service for Judge chambers and arrange for messenger service for same (.3). |
| 9/23/03     | 4.00         | Jon Timpe           | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                                                                                                                                                                         |
| 9/23/03     | 3.10         | Marguerite M Melvin | Review/sort incoming mail (.2); update calendar of critical dates (2.5); prepare for and electronically file the Affidavit of William P. Finegan (.4).                                                                                                                                                                                                                                                                                          |
| 9/23/03     | .50          | Samuel S Kohn       | Attend to case files.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 9/23/03     | 3.80         | Peggy Chan          | Prepare agenda for 9/25 hearing (1.0); prepare hearing and affidavits of service binders for same (1.2); create index for affidavits of service binder (.5); exchange emails and office conference with M. Frishberg re same (.4); update binders according to M.                                                                                                                                                                               |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------|--------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | Frishberg's directions (.7).                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9/23/03     | 1.10         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); update Master Service List with BMC (.2); prepare for and electronically file Notice of Adjourned Hearing re KPMG (.5); prepare courtesy copies of same for Judge chambers (.2).                                                                                                                                                                                                                            |
| 9/23/03     | .80          | Michael J Frishberg | Review and revise hearing agenda for 9/25 hearing (.4); exchange emails and office conferences with P. Chan re same (.4).                                                                                                                                                                                                                                                                                                                                                                                  |
| 9/24/03     | 2.50         | Jon Timpe           | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                                                                                                                                                                                                                                    |
| 9/24/03     | 3.60         | Marguerite M Melvin | Prepare for and electronically file lease rejection and service order rejection motions (1.0); coordinate service of same (.4); forward Exhibit A to service order motion to BMC in Word format (.2); review/sort incoming mail (.3); forward Notice of Appearances to P. Chan to update the Master Service List (.2); duplicate and forward recently received Proofs of Claim to the Bankruptcy Court (.3); prepare for and electronically file the OCP Affidavits (.8); coordinate service of same (.4). |
| 9/24/03     | .50          | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); prepare courtesy copies of OCP affidavits for chambers and arrange for messenger service (.3).                                                                                                                                                                                                                                                                                                              |
| 9/24/03     | 3.10         | Peggy Chan          | Revise 9/25 hearing agenda to incorporate new changes (.3); forward same to Judge chambers, the Trustee, Paul Hastings and Akin Gump (.1); prepare agenda for 10/8 hearing (1.3);                                                                                                                                                                                                                                                                                                                          |

Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------|--------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | research objection deadlines for various matters and create 10/8 hearing task chart (1.0); exchange e-mails with M. Frishberg re same and revise same accordingly (.4).                                                                                                                                                                                                                                                                                                        |
| 9/25/03     | 3.00         | Jon Timpe           | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                                                                                                                                                                                                        |
| 9/25/03     | 4.40         | Marguerite M Melvin | Organize pleadings and prepare for this afternoon's hearing (1.8); review/sort incoming mail (.3); forward Notices of Appearance to P. Chan to update the Master Service List (.2); prepare time line for the Impala matter (.5); download all Impala Partners related pleadings (.6); coordinate with BMC updating the Master Service List to include parties represented by counsel (.5); coordinate locating, packaging and forwarding lease documents to M. Stachiw (.5).. |
| 9/25/03     | 2.00         | Peggy Chan          | Update 9/25 hearing binder with new KERP Order and revised agenda (.3); prepare blackline of revised KERP order (.3); prepare disk of KERP order for Judge and hard copies of same (.3); assist M. Frishberg with final preparation for 9/25 hearing (.4); prepare new hearing binder for S. Kohn to incorporate Impala pleadings and create index of same (.7).                                                                                                               |
| 9/25/03     | 4.50         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); update Master Service List with BMC (.1); electronically file 3 affidavits of service on behalf of BMC (.5); prepare courtesy copies of same for Judge chambers and arrange messenger service (.4); exchange emails and telephone conference with R. Reilly re Master Service List issues (.5); update entire                                                                   |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | Master Service List with information re parties represented by counsel (2.8).                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 9/26/03     | 2.00         | Jon Timpe           | Compare post-petition top 40 creditor subsidiary lists to conflicts database for possible client relationships and create a report for attorney review.                                                                                                                                                                                                                                                                                                                                                                                      |
| 9/26/03     | 2.80         | Marguerite M Melvin | Review docket/pleadings to update critical dates calendar to reflect adjourned dates and input relevant dates for November (2.5); review/sort incoming mail (.3).                                                                                                                                                                                                                                                                                                                                                                            |
| 9/26/03     | 2.50         | Samuel S Kohn       | Telephone conference with A. Terry, C. Luna and M. Frishberg re motion status (1.0); office conferences with L. Laukitis and M. Frishberg re case status (1.0); review work in progress report (.5).                                                                                                                                                                                                                                                                                                                                         |
| 9/26/03     | .50          | Samuel S Kohn       | Attend to case files (.3); review docket update (.2).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 9/26/03     | 4.30         | Peggy Chan          | Review docket for new pleadings and distribute same to K&E working group, BMC and client (.2); exchange e-mails with M. Frishberg re 10/8 hearing task chart (.2); incorporate new matters and revise objection deadlines of same (.5); revise hearing agenda for 10/8 hearing (.6); retrieve pleadings re Denver's Motion to Approve Setoff for M. Frishberg (.3); office conference with J. Jacques re daily case administration tasks (.3); continue to update Master Service List to include information re creditors represented (2.2). |
| 9/26/03     | 2.50         | Michael J Frishberg | Telephone conference with A. Terry, C. Luna and S. Kohn re motion status (1.0); office conferences with S. Kohn and L. Laukitis re case status (1.0); review motion status report (.5).                                                                                                                                                                                                                                                                                                                                                      |
| 9/29/03     | 1.70         | Marguerite M Melvin | Review/sort incoming mail (.3); prepare                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

Allegiance Telecom, Inc.  
 Legal Services for the Period Ending September 30, 2003  
 October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u>         | <u>Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------|--------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |              |                     | for and electronically file the Supplemental Affidavit of Peter C. Keenoy re the Services Agreement with Impala Partners LLC and the August 2003 Monthly Operating Report (1.0); coordinate service of pleadings (.4).                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 9/29/03     | 1.80         | Marguerite M Melvin | Review docket to locate and download precedent from a large Chapter 11 case re the Plan of Reorganization.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 9/29/03     | 1.00         | Joseph A Patrevito  | Review on-line docket (.3); update docket binders (.7).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9/29/03     | 6.50         | Joseph A Patrevito  | Locate and review documents re upcoming matters to be heard at bankruptcy hearing (2.8); organize and catalog same for attorney use (3.7).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 9/29/03     | .40          | Jacqueline Jacques  | Obtain and distribute new pleadings to internal K&E working group.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 9/30/03     | 3.20         | Marguerite M Melvin | Update Master Service List with a recently filed Notice of Appearance and integrate same into the main file (.3); duplicate and forward courtesy copies of pleadings recently filed to the Judges chambers (.4); prepare and distribute the Sept. 25, 2003 hearing transcript to the client and working group (.4); locate and download the Genesis Plan of Merger to Plan Supplement (.5); prepare for and electronically file the Notice of Presentment re BP Commerce (.5); locate the date the Bar Date Order was entered (.2); review/sort mail (.3); duplicate and forward recently received Proofs of Claim to the Court (.4); review/sort incoming mail (.2). |
| 9/30/03     | 1.70         | Joseph A Patrevito  | Locate, prepare and catalog new pleadings from on-line docket system.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 9/30/03     | .20          | Jacqueline Jacques  | Review docket for newly filed pleadings and distribute to internal K&E working group.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |



Allegiance Telecom, Inc.  
Legal Services for the Period Ending September 30, 2003  
October 21, 2003

| <u>Date</u> | <u>Hours</u> | <u>Name</u> | <u>Description</u> |
|-------------|--------------|-------------|--------------------|
|             | 226.60       |             | TOTAL HOURS        |