

June 20, 2003

Allegiance Telecom, Inc.  
700 E. Butterfield Road  
Suite 400  
Lombard, IL 60148

ATTN: Mark Tresnowski, Esq.

**KIRKLAND & ELLIS**  
PARTNERSHIPS INCLUDING PROFESSIONAL CORPORATIONS

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

Inv.# 2667542

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IN THE MATTER OF            Plan/Disclosure Statement

For legal services rendered through May 31, 2003 (see attached Description of Legal Services for detail)	\$ 21,101.00
For disbursements incurred through May 31, 2003 (see attached Description of Expenses for detail)	\$ .00
Total for legal services rendered and expenses incurred	\$ 21,101.00

Allegiance Telecom, Inc.  
Legal Services Period Ending May 31, 2003  
June 20, 2003

Summary of Hours Billed

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew A Cantor	13.00	655.00	8,515.00
Jonathan S Henes	20.60	460.00	9,476.00
Samuel S Kohn	5.30	385.00	2,040.50
Gerald T Nowak	2.30	465.00	1,069.50
	41.20		\$ 21,101.00

Allegiance Telecom, Inc.  
Legal Services Period Ending May 31, 2003  
June 20, 2003

### Description of Legal Services

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
5/16/03	2.00	Jonathan S Henes	Prepare for Board call (.5); telephone conference with Board re restructuring (1.5).
5/16/03	1.50	Gerald T Nowak	Telephone conference with Board re restructuring.
5/19/03	1.40	Jonathan S Henes	Telephone conference with S. Kohn re issues relating to termination of exclusivity and appointment of trustee (.2); review cases re same (1.2).
5/19/03	3.40	Samuel S Kohn	Research issue related to termination of initial exclusivity periods (1.8); research issues related to appointment of Chapter 11 trustee (1.4); telephone conference with J. Henes re same (.2).
5/20/03	5.00	Jonathan S Henes	Review plan term sheet (1.0); office conference with M. Cantor re same (1.0); telephone conference with M. Tresnowski re same (.5); email exchange with M. Tresnowski re email to banks' lawyer (.1); telephone conferences with M. Tresnowski re bank issues (1.0); telephone conference with J. Austin re same (.4); review reports by consultants re business operations (1.0).
5/20/03	2.00	Matthew A Cantor	Review plan term sheet (1.0); office conference with J. Henes re same (1.0).
5/20/03	1.50	Samuel S Kohn	Research issues re appointment of Chapter 11 trustee.
5/21/03	3.70	Jonathan S Henes	Review of terms of potential restructuring (.5); various telephone conferences with M. Tresnowski and M. Kramer re same (2.2); prepare for Bank meeting (.6); office conference with S. Kohn re plan issues (.4).

Allegiance Telecom, Inc.  
Legal Services Period Ending May 31, 2003  
June 20, 2003

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
5/21/03	4.00	Matthew A Cantor	Telephone conferences re Plan and CRO issues (2.0); telephone conferences re plan term sheet (1.0); revise same (1.0).
5/21/03	.40	Samuel S Kohn	Office conference with J. Henes re plan issues.
5/22/03	4.30	Jonathan S Henes	Prepare for and participate in Bank meeting (2.0); various office conferences with M. Kramer, M. Tresnowski and M. Cantor re same (2.3).
5/22/03	5.00	Matthew A Cantor	Prepare for meeting with the Banks (1.0); attend meeting with the Banks (2.0); telephone conferences with Greenhill re restructuring (.5); office conferences with J. Henes re same (1.5).
5/28/03	4.20	Jonathan S Henes	Review term sheets and various telephone conferences with respect thereto.
5/28/03	2.00	Matthew A Cantor	Attend meeting re Plan & CRO.
5/30/03	.80	Gerald T Nowak	Telephone conference with M. Tresnowski and A. Terry re restructuring issues.
	41.20		TOTAL HOURS

July 21, 2003

Allegiance Telecom, Inc.  
700 E. Butterfield Road  
Suite 400  
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ATTN: Mark Tresnowski, Esq.

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

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

Inv.# 2674478

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IN THE MATTER OF                      Plan/Disclosure Statement

For legal services rendered through June 30, 2003 (see attached Description of Legal Services for detail)	\$ 16,763.00
For disbursements incurred through June 30, 2003 (see attached Description of Expenses for detail)	\$ 9.98
Total for legal services rendered and expenses incurred	\$ 16,772.98

Allegiance Telecom, Inc.  
Legal Services Period Ending June 30, 2003  
July 21, 2003

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew A Cantor	Partner	17.90	655.00	11,724.50
Jonathan S Henes	Partner	10.20	460.00	4,692.00
Samuel S Kohn	Associate	.90	385.00	346.50
		29.00		\$ 16,763.00

Description of Legal Services

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
6/02/03	2.50	Matthew A Cantor	Attend to restructuring issues.
6/03/03	3.20	Jonathan S Henes	Review and revise Term Sheet (1.7); telephone conferences with M. Tresnowski re same (.8); office conference with M. Cantor re same (.7).
6/03/03	2.00	Matthew A Cantor	Telephone conferences re CRO issues and prepare for board meeting (1.3); office conference with J. Henes re Term Sheet (.7).
6/04/03	5.00	Matthew A Cantor	Participate in Board meeting (2.5); telephone conferences re CRO and Plan proposal (2.5).
6/05/03	1.00	Matthew A Cantor	Telephone conferences re Plan and CRO.
6/06/03	.20	Jonathan S Henes	Office conference with S. Kohn re plan strategy.
6/06/03	.50	Samuel S Kohn	Telephone conference with M. Tresnowski re plan strategy (.3); office conference with J. Henes re same (.2).
6/10/03	2.90	Jonathan S Henes	Review and revise proposal and cover letter (1.1); telephone conferences with M. Tresnowski re same (1.1); office conference with M. Cantor re same (.7).
6/10/03	2.00	Matthew A Cantor	Telephone conferences re committee issues (1.0); review restructuring proposal (.3); office conference with J. Henes re same (.7).
6/11/03	2.20	Jonathan S Henes	Review and revise term sheet (1.1); telephone conference with M. Tresnowski re same (.8); office conference with M. Cantor re same (.3).
6/11/03	1.50	Matthew A Cantor	Telephone conferences re restructuring (1.2); office conference with J. Henes re

Allegiance Telecom, Inc.  
Legal Services Period Ending June 30, 2003  
July 21, 2003

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
			term sheet (.3).
6/13/03	1.40	Matthew A Cantor	Telephone conferences with Company re board issues.
6/16/03	1.70	Jonathan S Henes	Various telephone conferences with M. Tresnowski re proposal and stock option plan thereunder (1.1); review e-mail re same (.2); review proposal re stock options (.4).
6/17/03	2.00	Matthew A Cantor	Telephone conferences re plan issues.
6/25/03	.50	Matthew A Cantor	Telephone conferences re plan negotiation.
6/27/03	.40	Samuel S Kohn	Review Chapter 11 plan proposal.
	29.00		TOTAL HOURS



August 25, 2003

Allegiance Telecom, Inc.  
700 E. Butterfield Road  
Suite 400  
Lombard, IL 60148

ATTN: Mark Tresnowski, Esq.

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

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

Inv.# 2687710

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IN THE MATTER OF                      Plan/Disclosure Statement

For legal services rendered through July 31, 2003 (see attached Description of Legal Services for detail)	\$ 31,453.00
For disbursements incurred through July 31, 2003 (see attached Description of Expenses for detail)	\$ 23.00
Total for legal services rendered and expenses incurred	\$ 31,476.00

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

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew A Cantor	Partner	17.40	655.00	11,397.00
Jonathan S Henes	Partner	34.60	460.00	15,916.00
Michael J Frishberg	Associate	12.00	345.00	4,140.00
		64.00		\$ 31,453.00

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

Description of Legal Services

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
7/02/03	.70	Jonathan S Henes	Review "timeline" memo prepared by company.
7/07/03	1.00	Matthew A Cantor	Telephone conferences re bank plan proposal.
7/09/03	1.80	Jonathan S Henes	Prepare memorandum re plan process for board.
7/09/03	.70	Matthew A Cantor	Telephone conferences with K&E team re Plan options.
7/10/03	2.70	Jonathan S Henes	Review memorandum re plan process (1.0); prepare chart related thereto (.4); review plan proposal (.8); telephone conference with M. Kramer re same (.5).
7/11/03	1.00	Matthew A Cantor	Telephone conferences with M. Kramer re Plan proposals.
7/14/03	.60	Jonathan S Henes	Review M. Tresnowski e-mail re conversation with C. Nicholls (.1); telephone conference with M. Tresnowski re same (.5).
7/15/03	1.90	Jonathan S Henes	Review agenda for board meeting (.4); telephone conferences with K&E team re board meeting (1.5).
7/16/03	.50	Jonathan S Henes	Review M. Tresnowski's e-mail re special committee (.1); telephone conferences with M. Tresnowski re same (.4).
7/16/03	1.00	Matthew A Cantor	Telephone conferences with K&E team re preparation for board meeting.
7/17/03	1.70	Jonathan S Henes	Review operational timeline (.2); prepare restructuring timeline for board (.2); telephone conferences and e-mails re same (.6); review special committee resolutions (.7).

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>
7/17/03	1.50	Michael J Frishberg	Edit and revise plan confirmation timeline.
7/18/03	5.70	Jonathan S Henes	Prepare for and participate in telephone conferences with lenders and creditors' committee (2.0); telephone conferences with M. Kramer and M. Tresnowski re same (1.1); prepare for board meeting (2.6).
7/18/03	1.50	Michael J Frishberg	Edit and revise plan confirmation timeline.
7/20/03	4.30	Jonathan S Henes	Prepare for board meeting, including analysis of key issues (3.6); office conference with M. Cantor re same (.7).
7/20/03	.70	Matthew A Cantor	Office conference with J. Henes re preparation for board meeting.
7/20/03	4.50	Michael J Frishberg	Review precedent re plans of reorganization (2.0); draft and revise same (2.5).
7/21/03	5.90	Jonathan S Henes	Review preparation materials for board meeting (2.9); participate in board gathering (3.0).
7/21/03	2.00	Matthew A Cantor	Telephone conferences with Greenhill re Plan issues (1.0); prepare for Board Meeting (1.0).
7/22/03	8.80	Jonathan S Henes	Prepare for and participate in board meeting.
7/22/03	9.50	Matthew A Cantor	Attend board meetings (7.8); conferences with Company re reorganization plans (1.7).
7/23/03	4.50	Michael J Frishberg	Review precedent re plans of reorganization (1.0); draft and revise same (3.5).
7/25/03	1.50	Matthew A Cantor	Office conference with Company re Plan.
	64.00		TOTAL HOURS

September 22, 2003

Allegiance Telecom, Inc.  
700 E. Butterfield Road  
Suite 400  
Lombard, IL 60148

ATTN: Mark Tresnowski, Esq.

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

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

Inv.# 2699773

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IN THE MATTER OF                      Plan/Disclosure Statement

For legal services rendered through August 31, 2003 (see attached Description of Legal Services for detail)	\$ 37,657.00
For disbursements incurred through August 31, 2003 (see attached Description of Expenses for detail)	\$ 230.78
Total for legal services rendered and expenses incurred	\$ 37,887.78

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	10.60	655.00	6,943.00
Ludmila A Chuplygina	Associate	6.20	385.00	2,387.00
Jonathan S Henes	Partner	22.40	460.00	10,304.00
Samuel S Kohn	Associate	.30	420.00	126.00
Michael J Frishberg	Associate	51.60	345.00	17,802.00
Nathanael F Meyers	Legal Assistant	.50	190.00	95.00
		91.60		\$ 37,657.00

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

### Description of Legal Services

<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
8/01/03	1.20	Matthew A Cantor	Telephone conference with M. Tresnowski and M. Kramer re plan options.
8/01/03	.50	Nathanael F Meyers	Retrieve model Plan and Disclosure Statements off PACER and send same to J. Henes.
8/05/03	1.00	Matthew A Cantor	Telephone conferences with M. Kramer re plan.
8/07/03	3.50	Michael J Frishberg	Edit and revise the exclusivity pleadings (2.5); review precedent re same (1.0).
8/08/03	3.50	Michael J Frishberg	Edit and revise exclusivity motion (2.0); review precedent re same (.5); research re same (1.0).
8/11/03	3.00	Michael J Frishberg	Edit and revise exclusivity pleadings (2.0); research issues re same (1.0).
8/12/03	4.20	Matthew A Cantor	Telephone conference with independent committee (2.5); follow-up telephone conference with M. Kramer (.7); office conference with J. Henes re Plan (1.0).
8/13/03	1.20	Matthew A Cantor	Telephone conferences with M. Kramer re Plan (.7); telephone conferences with M. Tresnowski re same (.5).
8/15/03	1.00	Matthew A Cantor	Office conferences re Plan and Bank Term Sheet.
8/18/03	2.00	Matthew A Cantor	Office conference with Company and Greenhill re term sheet.
8/19/03	1.10	Jonathan S Henes	Review Term Sheet.
8/20/03	3.00	Jonathan S Henes	Various office conferences with M. Frishberg re exclusivity motion (.7); review and revise exclusivity motion (1.8); review comments to same (.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>
8/20/03	3.30	Michael J Frishberg	Edit and revise exclusivity pleadings (1.3); research re same (1.0); exchange e-mails and telephone conferences with C. Luna re same (.5); office conferences with J. Henes re same (.5).
8/21/03	.90	Jonathan S Henes	Telephone conference with management re plan issues.
8/21/03	2.50	Michael J Frishberg	Edit and revise exclusivity motion (1.5); exchange e-mails with J. Henes re same (.5); exchange e-mails M. Tresnowski re same (.5).
8/22/03	5.80	Jonathan S Henes	Review term sheet of e-mails related thereto (1.1); telephone conferences with M. Tresnowski, R. Holland, G. Singer and I. Dizengoff re potential terms of a plan (1.0); telephone conferences with M. Tresnowski re same (.6); office conference with M. Frishberg re plan preparation (.4); telephone conference with Creditors Committee (1.0); telephone conference with lenders (1.0); review L3 stipulation (.7).
8/22/03	3.50	Michael J Frishberg	Review, revise and file the exclusivity pleadings (2.6); exchange e-mails and telephone conferences with C. Luna re same (.5); office conference with J. Henes re plan preparation (.4).
8/25/03	.30	Ludmila A Chuplygina	Telephone conference with K. Schryock re exclusivity motion.
8/25/03	2.40	Jonathan S Henes	Prepare for meeting with lenders, including telephone conferences with M. Tresnowski (1.4); review proposed timeline (.5); office conference with M. Frishberg re plan proposal (.5).
8/25/03	2.30	Michael J Frishberg	Review plan proposal (1.8); office conference with J. Henes re same (.5).
8/26/03	1.20	Ludmila A Chuplygina	Telephone conference with K. Shryock re exclusivity issues (.7); telephone conference with P. Dublin re exclusivity motion and potential resolution of their



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>
			objection (.5).
8/26/03	2.20	Jonathan S Henes	Various telephone conferences with M. Tresnowski and M. Kramer re meeting with vendors, timeline and plan terms.
8/26/03	4.00	Michael J Frishberg	Review precedent re the plan of reorganization (2.5); edit and revise same (1.5).
8/27/03	1.80	Ludmila A Chuplygina	Multiple telephone conferences with P. Dublin re extension of the Debtors' exclusivity and hearing on same and bridge order (.7); exchange e-mails with J. Henes re same (.4); telephone conferences with M. Frishberg re same (.3); telephone conferences with K. Shryock re same (.4).
8/27/03	7.00	Jonathan S Henes	Prepare for and attend meeting with lenders (3.0); participate in telephone conference with management re same (1.0); various telephone conferences with M. Tresnowski re same (.8); telephone conferences with K. Shryock prior to meeting re various issues (.7); prepare analysis re various plan options (1.5).
8/27/03	.30	Samuel S Kohn	Exchange e-mails with J. Henes re Plan Term Sheet.
8/27/03	9.00	Michael J Frishberg	Attend office conferences with the prepetition lenders re plan issues (3.0); office conference with Greenhill and Allegiance re meeting with the prepetition lenders (1.5); draft and revise the plan of reorganization (3.0); review precedent re same (1.0); exchange e-mails with J. Henes re same (.2); telephone conferences with L. Chuplygina re exclusivity motion (.3).
8/28/03	9.00	Michael J Frishberg	Edit and revise the plan of reorganization (5.0); research re same (1.0); review precedent re same (3.0).
8/29/03	1.90	Ludmila A Chuplygina	Draft exclusivity bridge order and notice of adjournment of hearing on exclusivity

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>
			motion (1.0); start drafting solicitation motion and review precedent of same (.9).
8/29/03	5.00	Michael J Frishberg	Edit and revise the plan of reorganization.
8/30/03	1.00	Ludmila A Chuplygina	Continue drafting solicitation motion.
8/31/03	3.00	Michael J Frishberg	Edit and revise the Plan of Reorganization.
	91.60		TOTAL HOURS

October 21, 2003

Allegiance Telecom, Inc.  
700 E. Butterfield Road  
Suite 400  
Lombard, IL 60148

ATTN: Mark Tresnowski, Esq.

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

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

Inv.# 2710052

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IN THE MATTER OF            **Plan/Disclosure Statement**

For legal services rendered through September 30, 2003 (see attached Description of Legal Services for detail)	\$ 146,245.00
For disbursements incurred through September 30, 2003 (see attached Description of Expenses for detail)	\$ 2,411.81
Total for legal services rendered and expenses incurred	\$ 148,656.81

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>
Marko J Belej	Associate	29.60	465.00	13,764.00
Matthew A Cantor	Partner	61.80	655.00	40,479.00
Ludmila A Chuplygina	Associate	7.00	385.00	2,695.00
Nick DiCrescenzo	Partner	44.10	410.00	18,081.00
Michael G Fatall	Associate	5.50	375.00	2,062.50
Jonathan S Henes	Partner	58.70	460.00	27,002.00
Gregg Kirchhoefer	Partner	3.10	620.00	1,922.00
Samuel S Kohn	Associate	5.80	420.00	2,436.00
Lisa G Laukitis	Associate	15.50	420.00	6,510.00
Jeffrey L Terry	Associate	36.90	375.00	13,837.50
Michael J Frishberg	Associate	50.20	345.00	17,319.00
Renee M Prescan	Legal Assistant	.50	175.00	87.50
IP Research	Research Specialist	.30	165.00	49.50
<b>Total</b>		<b>319.00</b>		<b>\$ 146,245.00</b>

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>
9/02/03	1.50	Ludmila A Chuplygina	Telephone conference with M. Frishberg and S. Kohn re plan issues for solicitation motion (.3); continue drafting solicitation motion (1.2).
9/02/03	3.20	Jonathan S Henes	Various telephone conferences with M. Tresnowski re issues relating to plan strategy (1.2); office conferences with M. Cantor re same (.9); attend to issues related to LOI (1.1).
9/02/03	2.50	Matthew A Cantor	Review and revise term sheet (.6); telephone conferences with M. Kramer re same (1.0); office conferences with J. Henes re issues relating to plan strategy (.9).
9/02/03	.30	Samuel S Kohn	Office conference with L. Chuplygina and M. Frishberg re plan issues.
9/02/03	2.00	Michael J Frishberg	Research re plan issues (1.7); office conference with L. Chuplygina and S. Kohn re plan issues (.3).
9/03/03	4.10	Jonathan S Henes	Attend to plan issues, including preparation of time line, review of various terms, research various issues and various telephone conferences and office conferences regarding same.
9/03/03	4.50	Michael J Frishberg	Edit and revise the Disclosure Statement.
9/04/03	.30	Ludmila A Chuplygina	Office conference with M. Frishberg re plan and disclosure statement.
9/04/03	4.00	Jonathan S Henes	Review and revise term sheet (1.1); various telephone conferences and office conferences with M. Cantor, M. Tresnowski and M. Kramer re same (2.9).
9/04/03	2.00	Matthew A Cantor	Various office conferences re terms sheet with J. Henes, M. Tresnowski 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>
			M. Kramer and review and revise same.
9/04/03	1.00	Matthew A Cantor	Telephone conferences with J. Austin re exclusivity (.5); review letter from Akin Gump (.2); exchange e-mails with J. Henes re same (.3).
9/04/03	4.50	Michael J Frishberg	Email exchanges with A. Terry re Disclosure Statement (1.0); revise same (3.2); office conference with L. Chuplygina re Plan and Disclosure Statement (.3).
9/05/03	4.60	Ludmila A Chuplygina	Telephone conference with J. Henes re solicitation motion (.1); e-mail to and telephone conference with L. Laukitis re same (.3); exchange voicemails with J. Henes re same (.3); attend to obtaining additional precedent for solicitation pleadings (.5); continue drafting and finalize first draft of solicitation motion and distribute same to L. Laukitis (3.4).
9/05/03	2.00	Jonathan S Henes	Attend to plan issues, including potential rights offering (1.7); telephone conference with L. Laukitis re solicitation and exclusivity (.2); telephone conference with L. Chuplygina re solicitation motion (.1).
9/05/03	2.00	Matthew A Cantor	Numerous telephone conferences re term sheet with Company and M. Kramer.
9/05/03	4.00	Matthew A Cantor	Attend special committee meeting (3.0); telephone conferences with M. Tresnowski and M. Kramer re same (1.0).
9/05/03	.20	Lisa G Laukitis	Participate in conference with J. Henes re solicitation and exclusivity.
9/05/03	.30	Lisa G Laukitis	Participate in telephone conferences with L. Chuplygina re solicitation and ballots.
9/05/03	4.50	Michael J Frishberg	Edit and revise plan of reorganization (3.5); research re same (.5); email

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>
			exchanges and telephone conferences with S. Lunat re Disclosure Statement (.5).
9/06/03	2.10	Jonathan S Henes	Review and revise term sheet and telephone conference regarding same.
9/06/03	2.00	Matthew A Cantor	Telephone conferences with M. Kramer and M. Tresnowksi re term sheet (1.5); review same (.5).
9/07/03	1.40	Jonathan S Henes	Telephone conference regarding plan issues.
9/07/03	1.00	Matthew A Cantor	Telephone conferences with M. Kramer and M. Tresnowksi re term sheet.
9/08/03	.60	Ludmila A Chuplygina	Office conference with J. Henes re extension of objection deadline for exclusivity motion (.3); exchange voicemail and telephone conference with C. Adams re same (.3).
9/08/03	5.20	Jonathan S Henes	Office conference with L. Chuplygina re extension of Objection deadline for exclusivity motion (.3); revise term sheet (2.0); various telephone conferences and office conferences with M. Cantor, M. Tresnowski and M.Kramer re same (2.9).
9/08/03	2.50	Matthew A Cantor	Telephone conferences with M. Kramer, J. Henes and M. Tresnoswki re term sheet (1.0); review and revise same (.5); review revised plan and disclosure statement (1.0).
9/08/03	3.70	Lisa G Laukitis	Review and revise solicitation motion.
9/08/03	.70	Lisa G Laukitis	Review and revise ballots.
9/08/03	1.10	Lisa G Laukitis	Draft solicitation order.
9/08/03	1.80	Nick DiCrescenzo	Telephone conference with J. Nowak (.3); telephone conferences with A. Terry (.3); exchange e-mails with J. Terry (.3); exchange voicemail with G.

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			Kirchhoeffer (.3); draft email to J. Nowak (.3); review due diligence materials (.3).
9/08/03	4.00	Michael J Frishberg	Review revised term sheet (1.0); edit and revise plan re same (3.0).
9/08/03	.30	Gregg Kirchhoefer	Review and prepare voicemail re Merger Agreement and due diligence.
9/09/03	1.30	Jeffrey L Terry	Review initial documents.
9/09/03	.40	Michael G Fata11	Office conferences with G. Kirchhoefer and N. DiCrescenzo re potential merger (.3); review IP due diligence re same (.1).
9/09/03	5.30	Marko J Belej	Review term sheet and disclosure statement (2.0); prepare tax section to disclosure statement (2.3); office conferences and exchange e-mails with M. Frishberg re same (1.0).
9/09/03	1.50	Matthew A Cantor	Telephone conferences with Greenhill re term sheet (1.2); exchange e-mails with J. Henes re same (.3).
9/09/03	.40	Samuel S Kohn	Office conference with M. Frishberg re plan issues.
9/09/03	4.30	Lisa G Laukitis	Draft and revise solicitation motion (2.5); participate in office conferences with M. Frishberg re same (.7); draft and revise solicitation order (1.1).
9/09/03	2.80	Nick DiCrescenzo	Review public filings and due diligence requests (1.5); review questionnaire (1.0); office conferences with M. Fata11 and G. Kirchhoefer re <b>[Redacted]</b> Agreement (.3).
9/09/03	5.60	Michael J Frishberg	Office conference with S. Kohn re plan issues (.4); edit and revise plan and disclosure statement (3.9); office conferences and exchange emails with M. Belej re tax sections of the disclosure



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			statement (1.0); email exchanges with C. Nagler re securities issues (.3).
9/09/03	1.30	Gregg Kirchhoefer	Review and prepare e-mail and voicemail re [Redacted] Agreement and due diligence (.5); office conferences with N. DiCrescenzo and M. Fata11 re same (.3); review documentation re same (.5).
9/10/03	1.50	Michael G Fata11	Review 10Q filing re potential merger (.6); office conference with N. DiCrescenzo re potential merger (.5); office conference with G. Kirchhoefer re potential merger (.4).
9/10/03	7.00	Marko J Belej	Prepare tax section to disclosure statement.
9/10/03	.50	Matthew A Cantor	Telephone conferences with M. Tresnowski re term sheet.
9/10/03	.40	Samuel S Kohn	Office conference with M. Frishberg re plan issues.
9/10/03	2.30	Lisa G Laukitis	Review edits to Solicitation Motion and further revise (1.4); revise Solicitation Order (.6); review Term Sheet (.3).
9/10/03	2.80	Nick DiCrescenzo	Telephone conferences with A. Terry re due diligence matters (.5); office conference with M. Fata11 re merger issues (.5); review due diligence materials and public filings (1.8).
9/10/03	3.90	Michael J Frishberg	Office conference with S. Kohn re plan issues (.4); edit and revise plan of reorganization (3.5).
9/10/03	1.00	Gregg Kirchhoefer	Review and prepare voicemail and e-mail re potential merger (.3); review documents re same (.3); office conference with M. Fata11 re same (.4).
9/11/03	.50	Renee M Prescan	Order litigation searches from library (.1); review search results to find

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			case (.1); order docket (.1); telephone conference with and draft e-mail to W. Cody re documents to procure (.2).
9/11/03	2.80	Jeffrey L Terry	Telephone conference with Allegiance Telecom, Inc. team re possible transaction (1.8); prepare for telephone conference (.5); telephone conference with N. DiCrescenzo re due diligence (.5).
9/11/03	2.10	Michael G Fata11	Telephone conference with A. Terry, K. Athy, J. Terry re business background, due diligence focus and issues (.9); review analysis of 10-K and 10-Q and website re potential merger (.4); telephone conferences with N. DiCrescenzo re IP matters (.8).
9/11/03	2.50	Marko J Belej	Prepare tax section to disclosure statement.
9/11/03	2.10	Jonathan S Henes	Review Disclosure Statement.
9/11/03	1.20	Jonathan S Henes	Office conferences with M. Frishberg re extension of exclusivity (.3); various telephone conference with M. Tresnowski regarding same (.9).
9/11/03	1.50	Matthew A Cantor	Review Plan draft (1.0); telephone conferences with M. Tresnowski re same (.5).
9/11/03	1.00	Matthew A Cantor	Office conferences with J. Henes re exclusivity and sale of miscellaneous assets.
9/11/03	.30	IP Research	Intellectual Property Research Litigation search.
9/11/03	2.40	Nick DiCrescenzo	Telephone conference with A. Terry and K. Athy re due diligence background (.5); telephone conference with J. Terry re due diligence (.5); telephone conferences with M. Fata11 re intellectual property matters (.8); telephone conferences with J. Nowak

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			(.6).
9/11/03	3.50	Michael J Frishberg	Review comments on the Disclosure Statement from A. Terry and C. Luna and incorporate same.
9/11/03	1.00	Michael J Frishberg	Edit and revise the exclusivity stipulation (.5); email exchanges with the Prepetition Lenders and the Creditors Committee re same (.2); office conferences with J. Henes re extension of exclusivity (.3).
9/12/03	1.00	Matthew A Cantor	Telephone conference with M. Kramer and M. Tresnowski re Plan.
9/12/03	.50	Matthew A Cantor	Telephone conferences with M. Tresnowski re preparation for Board call.
9/12/03	2.10	Lisa G Laukitis	Review draft plan (1.4); review solicitation motion (.7).
9/12/03	1.00	Michael J Frishberg	Edit and revise exclusivity stipulation (.3); email exchanges with J. Henes and P. Dublin re same (.7).
9/12/03	.50	Gregg Kirchhoefer	Review and prepare voicemail and e-mail re IP issues (.2); exchange e-mails with M. Fata11 re same (.3).
9/14/03	3.10	Jonathan S Henes	Review business plan (1.1); participate in board call (2.0).
9/14/03	3.00	Matthew A Cantor	Telephone conferences with M. Tresnowski re board call (.5); participate in board call (2.5).
9/15/03	2.80	Jeffrey L Terry	Telephone conference with various parties including M. Tresnowski, K. Athy and A. Terry of Allegiance Telecom, Inc. and N. DiCrescenzo of Kirkland and Ellis re due diligence (1.8); telephone conference with N. DiCrescenzo re same (1.0).
9/15/03	1.50	Michael G Fata11	Telephone conference with corporate

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			team, client, target re IP diligence questions (.7); office conferences with N. DiCrescenzo re same (.3); review additional materials received, internet web sites re initial IP diligence (.5).
9/15/03	.30	Marko J Belej	Prepare tax section to Disclosure Statement.
9/15/03	.80	Jonathan S Henes	Office conferences with M. Tresnowski regarding potential plan strategies.
9/15/03	1.00	Matthew A Cantor	Review and revise term sheet (.5); telephone conferences with M. Tresnowski re same (.5).
9/15/03	.80	Lisa G Laukitis	Revise solicitation motion and order.
9/15/03	3.50	Nick DiCrescenzo	Prepare for and attend due diligence conference call (1.7); office conference with M. Fataall re due diligence (.3); telephone conference with J. Terry (1.0); telephone conferences with J. Nowak (.5).
9/16/03	1.80	Jonathan S Henes	Review and revise draft term sheet (.5); various telephone conferences and office conferences regarding same (1.3).
9/16/03	1.00	Matthew A Cantor	Telephone conferences with M. Tresnowski re term sheet.
9/17/03	4.00	Marko J Belej	Review revised term sheet (1.0); prepare tax section to Disclosure Statement (3.0).
9/17/03	1.90	Jonathan S Henes	Review term sheet (.7); telephone conferences regarding same (1.2).
9/17/03	1.50	Matthew A Cantor	Draft term sheet conference (1.0); telephone conferences with M. Tresnowski re same (.5).
9/17/03	.30	Nick DiCrescenzo	Telephone conferences with A. Terry re due diligence (.2); exchange e-mails with J. Terry re same (.1).

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9/17/03	3.50	Michael J Frishberg	Review revised term sheet (1.0); revise plan re same (2.5).
9/18/03	6.50	Marko J Belej	Prepare tax section to Disclosure Statement (5.5); telephone conference with R. Olson and D. Goldberg regarding tax position of company (1.0).
9/18/03	1.50	Matthew A Cantor	Telephone conferences with M. Tresnowski re plan process and KERP (.5); telephone conferences with M. Kramer re same (1.0).
9/18/03	.30	Nick DiCrescenzo	Exchange e-mails with A. Terry and J. Terry.
9/19/03	.50	Jeffrey L Terry	Prepare for due diligence discussions (.3); telephone conference with A. Terry and N. DiCrescenzo re focus list (.2).
9/19/03	1.90	Jonathan S Henes	Various telephone conferences with M. Tresnowski and M. Kramer regarding plan issues (1.4); office conference with S. Kohn re same (.5).
9/19/03	2.00	Matthew A Cantor	Telephone conferences with Company re Plan issues.
9/19/03	.50	Samuel S Kohn	Office conference with J. Henes re plan issues (.5).
9/19/03	.60	Nick DiCrescenzo	Review focus list (.2); prepare for due diligence trip (.2); telephone conferences with A. Terry and J. Terry (.2).
9/21/03	.50	Jeffrey L Terry	Review miscellaneous documents.
9/21/03	1.10	Jonathan S Henes	Prepare for and participate in telephone conference with M. Tresnowski, M. Kramer and M. Cantor re plan.
9/21/03	2.00	Matthew A Cantor	Telephone conference with J. Henes, Greenhill and Company re Plan.

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<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
9/21/03	.40	Nick DiCrescenzo	Office conferences with J. Terry.
9/22/03	4.30	Jeffrey L Terry	Review due diligence.
9/22/03	5.80	Jonathan S Henes	Review offers from potential buyer and accompanying presentation (1.5); various telephone conferences regarding same (1.1); various telephone conferences and office conferences re bank meeting (2.1); review term sheet (.7); telephone conference with M. Tresnowski re plan strategy (.4).
9/22/03	1.50	Matthew A Cantor	Review and revise term sheet (1.0); telephone conference with M. Kramer re same (.5).
9/22/03	8.90	Nick DiCrescenzo	Conduct data room examination of documents (6.0); office conferences with [Redacted] (1.0); office conferences with M. Stachiw, R. Hand and K. Demro (1.0); telephone conferences with A. Terry (.9).
9/22/03	1.20	Michael J Frishberg	Draft and revise stipulation adjourning hearing on exclusivity (.5); exchange emails and telephone conferences with Prepetition Lenders and Creditors Committee re same (.7).
9/23/03	.50	Jeffrey L Terry	Data room review of due diligence materials.
9/23/03	2.50	Jonathan S Henes	Participate in telephone conference with company and steering committee regarding plan (1.4); office conference with M. Cantor re same (.5); various telephone conferences with M. Tresnowski and M. Kramer re same (.6).
9/23/03	3.00	Matthew A Cantor	Participate in board committee telephone conference (2.0); telephone conferences with M. Tresnowski and M. Kramer re [Redacted] (.5); telephone conferences with J. Henes re same (.5).

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<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
9/23/03	6.80	Nick DiCrescenzo	Conduct data room review of due diligence materials (5.0); office conferences with J. Terry and [Redacted] re same (1.0); telephone conferences with A. Terry re same (.8).
9/24/03	3.30	Jeffrey L Terry	Review due diligence items (2.3); office conference with N. DiCrescenzo re same (1.0).
9/24/03	.50	Marko J Belej	Telephone conference with D. Goldberg.
9/24/03	5.00	Jonathan S Henes	Review term sheet (.6); review NDAs (.5); exchange e-mails with M. Cantor re same (.6); attend to various term sheet issues, including telephone conferences (2.3); telephone conference with M. Tresnowski, R. Holland and M. Cantor (1.0).
9/24/03	1.50	Matthew A Cantor	Telephone conferences with J. Henes and M. Tresnowski re Plan.
9/24/03	4.70	Nick DiCrescenzo	Organize and transmit due diligence materials to client (.5); draft numerous emails re same (.5); telephone conferences with J. Terry re same (.5); telephone conferences with A. Terry re same (.5); draft emails re due diligence issues (.5); prepare emails re regulatory matters (1.0); telephone conference with J. Nowak (1.2).
9/25/03	8.30	Jeffrey L Terry	Review due diligence (7.0); telephone conference with A. Terry of Allegiance Telecom, Inc. re same (.8); telephone conferences with N. DiCrescenzo re same (.5).
9/25/03	3.50	Marko J Belej	Review revised term sheet (1.0); prepare tax section to disclosure statement (2.5).
9/25/03	2.70	Jonathan S Henes	Office conferences with M. Cantor and M. Tresnowski re potential bids (.2); review stand alone term sheet (.3); review plan (.8); review letter from

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<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
			[redacted] (.3); telephone conference with M. Kramer re plan issues (.3); telephone conferences with M. Tresnowski re same (.8).
9/25/03	6.00	Matthew A Cantor	Telephone conferences with M. Kramer re Plan (1.0); telephone conference with J. Henes and M. Tresnowski re same (2.0); telephone conferences with M. Tresnowski and R. Hunt re same (.5); telephone conferences re offer (2.5).
9/25/03	3.50	Nick DiCrescenzo	Review and prepare comments to due diligence request memorandum (.5); telephone conference with A. Terry (.5); review prior due diligence memoranda (.5); review emails re due diligence matters (.5); telephone conferences re open items (1.5).
9/25/03	3.00	Michael J Frishberg	Edit and revise plan of reorganization.
9/26/03	2.50	Jeffrey L Terry	Due diligence review (1.5); participate in various telephone conferences with N. DiCrescenzo and K&E team re same (1.0).
9/26/03	1.90	Jonathan S Henes	Various telephone conferences with M. Kramer and M. Tresnowski regarding plan process.
9/26/03	6.50	Matthew A Cantor	Office conference with GE and client (6.0); correspondence with [Redacted] (.5).
9/26/03	2.00	Nick DiCrescenzo	Review summary chart (.5); telephone conferences with A. Terry and J. Clopton (.5); telephone conferences with J. Terry (.5); prepare email to [redacted] (.5).
9/26/03	4.00	Michael J Frishberg	Edit and revise plan of reorganization.
9/28/03	1.00	Jonathan S Henes	Prepare for and participate in telephone conference with M. Cantor, M. Tresnowski and M. Kramer re Plan issues.



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<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
9/28/03	2.50	Matthew A Cantor	Telephone conferences with J. Henes, M. Tresnowski and M. Kramer re Plan issues.
9/29/03	4.80	Jeffrey L Terry	Review contracts (1.0); distribute initial summary of contracts (1.0); track down due diligence items (1.0); participate in various telephone conferences with N. DiCrescenzo and K&E team re same (1.8).
9/29/03	1.50	Matthew A Cantor	Telephone conferences with M. Kramer and M. Tresnowski re stand alone plan (1.0); telephone conference with R. Holland and T. Lord re board meeting (.5).
9/29/03	1.90	Nick DiCrescenzo	Telephone conferences with J. Terry (.5); review due diligence memoranda (.5); telephone conferences with A. Terry re open items (.7); draft email to [Redacted] (.2).
9/30/03	5.30	Jeffrey L Terry	Draft and distribute revised due diligence request list (3.0); review Purchase Agreement (1.0); participate in various telephone conferences (1.3).
9/30/03	3.90	Jonathan S Henes	Review letter re potential bid (.1); office conference with M. Cantor re same (.1); telephone conferences with M. Kramer and M. Tresnowski re same (1.1); review response to letter (.1); review plan (2.0); office conferences with M. Frishberg re plan (.5).
9/30/03	4.30	Matthew A Cantor	Draft letter re response to [Redacted] (.5); telephone conferences with M. Tresnowski and M. Kramer re same (.4); telephone conference with I. Dizengoff re [Redacted] (.3); review [Redacted] proposal (.5); telephone conferences with M. Tresnowski and M. Kramer re same (1.0); office conference re plan process (1.0); office conference with M. Tresnowski re same (.5); office

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<u>Date</u>	<u>Hours</u>	<u>Name</u>	<u>Description</u>
			conference with J.Henes re [Redacted] (.1).
9/30/03	1.20	Samuel S Kohn	Office conference with J. Henes and M. Frishberg re plan issues (.5); exchange e-mails with J. Henes and M. Frishberg re same (.7).
9/30/03	3.00	Samuel S Kohn	Research issues re termination of Exclusivity (2.7); exchange e-mails with J. Henes re same (.3).
9/30/03	1.40	Nick DiCrescenzo	Telephone conferences with A. Terry re due diligence (.5); telephone conference with A. Terry, J. Clopton, K. Athy et al re same (.5); exchange e-mails with J. Terry re same (.4).
9/30/03	4.00	Michael J Frishberg	Edit and revise the plan (3.5); office conferences with J. Henes and S. Kohn re the term sheet and plan structure (.5).
	319.00		TOTAL HOURS