

Hearing Date and Time: January 15, 2004 at 10:00 a.m.
Objection Deadline: January 9, 2004 at 4:00 p.m.

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Attorneys for Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**NOTICE OF HEARING TO CONSIDER FIRST
INTERIM FEE APPLICATION OF KPMG LLP FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

PLEASE TAKE NOTICE that on January 15, 2004, at 10:00 a.m., in the courtroom of the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Room 610, One Bowling Green, New York, New York 10004, or as soon thereafter as counsel may be heard, a hearing will be held to consider the first interim fee application for allowance of compensation and reimbursement of expenses (the "Application"), filed by KPMG LLP, as set forth below:

APPLICANT	COMPENSATION PERIOD	NATURE OF REPRESENTATION	COMPENSATION AND REIMBURSEMENT OF EXPENSES REQUESTED
KPMG LLP	First Interim Application 6/30/2003-9/30/2003	Accountants, Auditors, Tax Advisors and Bankruptcy Compliance Advisors to the Debtors	\$209,853.00 (Fees) \$136.00 (Expenses)

PLEASE TAKE FURTHER NOTICE that the Application may be examined and inspected by interested parties between the hours of 9:00 a.m. and 4:30 p.m. during the days when the Court is in session, at the offices of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408, or viewed online at <www.nysb.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Application must comply with the Federal Rules of Bankruptcy Procedure, must be set forth in a writing describing the basis thereof, must be filed with the court electronically in accordance with General Orders M-182 and M-193 by registered users of the Court's electronic case filing system, and must be filed by all other parties in interest on a 3-1/2" inch disk, preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format (with a hard copy delivered directly to the Chambers) and served in accordance with General Orders M-182 or M-193 or by first-class mail upon each of the following: (a) Kirkland & Ellis LLP, 153 East 53rd Street, New York, New York 10022 (Attn. Jonathan S. Henes, Esq.); (b) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn. Pamela J. Lustrin, Esq.); (c) Paul, Hastings, Janofsky & Walker LLP, 600 Peachtree Street, N.E., 24th Floor, Atlanta, Georgia 30308 (Attn. Jesse Austin, III, Esq.); (d) Akin Gump Strauss Hauer Feld LLP, 590 Madison Avenue, New York, New York 10022 (Attn.

Ira S. Dizengoff, Esq.); (e) Togut Segal & Segal LLP, One Penn Plaza, New York, New York 10119 (Attn. Frank A. Oswald, Esq.); and (f) Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022 (Attn. Robert J. Rosenberg, Esq.), in each case so as to be actually received no later than January 9, 2004, at 4:00 p.m. (prevailing Eastern Time).

Dated: New York, New York
December 4, 2003

Respectfully submitted,

/s/ Jonathan S. Henes
Matthew A. Cantor (MC-7727)
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