

Presentment Date: December 18, 2003 at noon (EST)
Objection Deadline: December 18, 2003 at 11:30 a.m. (EST)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

ALLEGIANCE TELECOM, INC., *et al.*,

Debtors.

Chapter 11

Case No. 03-B13057 (RDD)

(Jointly Administered)

**SUPPLEMENTAL AFFIDAVIT OF MARK R. SOMERSTEIN IN SUPPORT OF THE
APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF ALLEGIANCE TELECOM INC. FOR ENTRY OF AN
ORDER AUTHORIZING AND APPROVING THE RETENTION *NUNC PRO TUNC*
OF KELLEY DRYE & WARREN LLP, AS SPECIAL COUNSEL**

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

MARK R. SOMERSTEIN, of full age, deposes and says:

1. I am an attorney at law admitted to practice in the State of New York and in the United States District Courts for the Southern and Eastern Districts of New York. I am a member of the firm of Kelley Drye & Warren LLP (“Kelley Drye”), which maintains offices at 101 Park Avenue, New York, New York 10178.

2. I am familiar with the matters set forth herein, and I make this supplemental affidavit in support of the application (the “Application”) of the Official Committee of Unsecured Creditors (the “Committee”) of Allegiance Telecom, Inc., and certain of its direct and indirect subsidiaries (collectively, the “Debtors”), seeking approval to retain and employ Kelley Drye, *nunc pro tunc* to June 20, 2003, as special counsel to the Committee.¹

¹ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed in the Application.

3. As more fully set forth in the Application, on or about June 20, 2003, the Committee selected Kelley Drye to serve as Special Counsel to the Committee and to perform, as requested, in Potential Conflict Circumstances, the services described in the Application.

4. Immediately upon being selected as Special Counsel, Kelley Drye commenced its representation of the Committee by responding to certain motions filed, and objections to use of cash collateral interposed, by Verizon (the "Verizon Matters"). Thereafter, Kelley Drye represented the Committee in connection with the Debtors' settlement of the Verizon Matters.

5. In addition to the Verizon Matters, Akin Gump advised Kelley Drye of the Committee's need to retain counsel to, if necessary, prosecute litigation against General Electric Capital Corporation ("GECC"), the administrative agent for the Debtors' secured lender group. For several months, Kelley Drye attempted to obtain from a GECC affiliate a waiver of a potential conflict of interest that might arguably arise were Kelley Drye to prosecute claims against GECC. Ultimately, the GECC affiliate refused to grant the waiver, and Kelley Drye declined to represent the Committee in litigation involving GECC. The Committee refrained from filing the Application to retain Kelley Drye until recently while the Committee identified separate counsel to pursue claims against GECC and other secured lenders, to the extent necessary.

6. Since June 20, 2003, Kelley Drye has represented the Committee in connection with the Verizon Matters and in connection with the Debtors' motion to reject telecommunications agreements with AT&T and other matters associated with and related to the relationship between AT&T and the Debtors arising from the rejection motion.

7. To date, Kelley Drye has incurred fees for services rendered on behalf of the Committee in the approximate amount of \$43,000.00 and expenses in approximate amount of \$800.00.

8. Kelley Drye has and will continue to work with Akin Gump, the Committee, the Debtors and their counsel to allocate responsibility for various tasks to avoid unnecessary duplication of effort and to move the Chapter 11 Cases forward quickly, harmoniously and efficiently.

/s/ Mark R. Somerstein
Mark R. Somerstein

Sworn to before me this
17th day of December, 2003

/s/ Marie Vicinanza

Notary Public
MARIE VICINANZA

Notary Public, State of New York
No. 4739750 - Orange County

Commission Expires 9/30/05