

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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

**ORDER APPROVING THE RETENTION OF
KELLEY DRYE & WARREN LLP, AS SPECIAL COUNSEL
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Upon consideration of the application dated December 5, 2003 (the “Application”) of the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for authority to retain and employ Kelley Drye & Warren LLP (“Kelley Drye”), as Special Counsel to the Committee; and upon the Affidavit of Mark R. Somerstein and the Supplemental Affidavit of Mark R. Somerstein in support thereof (collectively, the “Somerstein Affidavits”); and the Court being satisfied, based on the representations made in the Application and the Somerstein Affidavits, that Kelley Drye does not represent any interest adverse to the Committee in connection with the matters for which it is to be retained and that the Committee’s retention and employment of Kelley Drye should be approved; and it appearing that due notice of the Application has been given and no further notice need be given; and good and sufficient cause appearing;

IT IS HEREBY ORDERED THAT:

1. The Application is granted in all respects.

2. The Committee is authorized to retain and employ Kelley Drye as special counsel, *nunc pro tunc* to June 20, 2003, pursuant to Bankruptcy Code section 1103, on the terms described in the Application and the Somerstein Affidavits, to perform the services as set forth in the Application, provided, however, that Kelley Drye will work with the Committee to avoid unnecessary duplication of effort between itself and any of the Committee's other retained professionals.

3. Kelley Drye shall be compensated in accordance with the Bankruptcy Code and shall file applications in compliance with the Bankruptcy Code, applicable Federal Rules of Bankruptcy Procedure, Local Rules of the Court, and such other orders and procedures as may be fixed by this Court in these cases, including those permitting partial payment of compensation and full reimbursement of expenses in these cases on a monthly basis.

4. Upon the Application and the Somerstein Affidavits, the Court finds that Kelley Drye does not hold or represent any interest adverse to the estates and that Kelley Drye is a disinterested person.

Dated: New York, New York
December 18, 2003

/s/Robert D. Drain
UNITED STATES BANKRUPTCY JUDGE