MULTNOMAH COUNTY OREGON Department of Business and Community Services
Division of Tax Collection and Records Management
P.O.Box 2716, Portland, Oregon 97208
Phone # 503-988-3326
Fax # 503-988-3330

December 23, 2003

Clerk
US Bankruptcy Court-Southern District of New York
Bowling Green Station, P.O. Box 95
New York, NY 10274-0095

In re ALLEGIANCE TELECOM, INC., ET AL Debtor.	Chapter 11 Case No. 03-13057

ORDER (A) FIXING TIME, DATE AND PLACE OF HEARING ON DEBTORS' MOTION FOR APPROVAL OF BIDDING PROCEDURES AND BID PROTECTIONS IN CONNECTION WITH THE SALE OF SUBSTANTIALLY ALL OF THE ASSETS OF THE DEBTORS AND (B) AUTHORIZING AND APPPROVING DEBTORS' AGREEMENT TO NO-SHOP PROVISIONS SET FORTH IN SECTION 6.17(a) OF THE ASSET PURCHASE AGREEMENT BETWEEN THE DEBTORS AND QWEST COMMUNICATIONS INTERNATIONAL INC.

Multnomah County has no objection to the sale/auction and/or assumption of the assets of the above referenced bankruptcy case proposed by the notice of December 18, 2003, so long as the total amount of taxes assessed and interest accrued to date of disbursement are impressed as a lien on the proceeds of sale.

1. Personal property tax owed Multnomah County for the 2003/04 tax year is $8,381.76 with interest accruing at an annual statutory rate of 16% (ORS 311.500).

2. Said indebtedness is for taxes duly and regularly assessed against real and/or personal property owned by debtor on and before the date this case was filed. ORS 308.517 (1) states

> "that the Department of Revenue shall assess to the property user all property owned, leased, rented, chartered or otherwise held for or used by it in performing a business service or sale of a commodity enumerated in ORS 308.515; (2) Where any property owned, leased, rented, chartered or otherwise assigned by an owner, lessor, lessee or user whose property is otherwise subject to ORS 308.505 to 308.665 is leased, rented, chartered or otherwise assigned for the use or benefit of a company which has or thereby has property subject to ORS 308.505 to 308.665, the department may assess the property to either the owner, lessor, lessee or user."

3. All of Debtors accounts are Utility accounts which are centrally assessed by the Oregon Department of Revenue and then certified over to the particular County involved. Multnomah County is merely the entity that collects these taxes.

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SO. DIST. OF NEW YORK

Multnomah County
501 SE Hawthorne Ave, Suite 175
Portland, Oregon 97204
(503)988-3326

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4. All personal property not exempt from ad valorem taxation or subject to special assessment shall be valued at 100% of its real market value, as of January 1 and shall be assessed at its assessed value determined as provided in ORS 308.146. Taxes on personal property shall be a lien on July 1 of the assessment year beginning January 1, which corresponds to the tax year beginning July 1 of the same calendar year.

5. Taxable personal property that is removed from the county in which it is assessed, or sold or otherwise transferred to another owner, on or after January 1and before July 1 of the assessment year, taxes on the removed, sold or transferred personal property, shall be a lien on the personal property described in subsection (3)(a)(A) of this section that attaches as of the day preceding the date of removal, sale or transfer per ORS311.405 (5)(a).

For the reasons set out above, Multnomah County respectfully requests the court not to grant Debtors' motion without the stipulation that the total tax amount due is impressed as a lien on the proceeds of sale and Multnomah County is paid in full.

DATED: December 23, 2003.

Angelika Loomis, Registered Agent
MULTNOMAH COUNTY, OREGON

By _____
Angelika Loomis, Registered Agent

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Portland, Oregon 97204
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*** Multnomah County Account Summary ***

Printed at: 08:34am 12/23/03

Owner Address:
ALLEGIANCE TELECOM OF OREGON (797
9201 N CENTRAL EXPY
DALLAS, TX 75231

Property: U529052 001
B11 - BANKRUPTCY CHAPTER 11

INTEREST AND DISCOUNTS BASED ON A PAYMENT DATE ON OR BEFORE 01/15/2004

*** Fees, Bills & Refunds ***

ID#	Bill ID	Levied Tax	Tax Paid	Interest	Amount Paid	Date Paid
1.	2002.359 0	18,977.81	18,977.81	84.34	19,062.15	12/16/02

ID#	Bill ID	Levied Tax	Tax Paid	Interest	Amount Paid	Date Paid
2.	Current Taxes for bill 2003.53, Levied tax of 10,591.50					
	1/3 due Nov 17	3,530.50	2,244.04		2,244.04	
	Third Date Due	Levied Tax	Tax Due	Interest	Third Due	Balance Due
	1/3 due Nov 17	3,530.50	1,286.46	34.30	1,320.76	1,320.76
	2/3 due Feb 17	3,530.50	3,530.50		3,530.50	4,851.26
	3/3 due May 17	3,530.50	3,530.50		3,530.50	8,381.76
		Total Due:	8,347.46	34.30	8,381.76	

CERTIFICATE OF SERVICE

I certify that on December 23, 2003, I served by first class mail a full true and correct copy of the foregoing Objection to Sale on the following:

United States Bankruptcy Court
Southern District of New York
Alexander Hamilton Custom House
One Bowling Green
New York, NY 10004-1408

United States Trustee
Attn: Pamela J. Lustrin
33 Whitehall, 21st Floor
New York, NY 10004

Attn:Jonathan S. Henes
Kirkland & Ellis LLP
Citigroup Center
153 East 53rd Street
New York, NY 10022

Attn: Ira S. Dizengoff
Akin Gump Strauss Hauer Feld LLp
590 Madison Ave
New York, NY 10022

Attn: Jesse Austin, III
Paul, Hastings Janofsky & Walker LLP
600 Peachtree Street
NE 24th Floor
Atlanta, GA 30308

Attn: Paul M. Basta
Weil, Gotshal & Manges LLP
767 5th Ave
New York, NY 10153

DATED: December 23, 2003

MULTNOMAH COUNTY, OREGON

By _____
Angelika Loomis
Bankruptcy Assistant

Multnomah County Counsel
1120 SW Fifth Avenue, Suite 1530
Portland, Oregon 97204-1977
(503) 248-3138