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IN THE UNITED STATES BANKRUPTCY COURT FOR THE  
DISTRICT OF MAINE  
PORTLAND DIVISION

IN THE MATTER OF:

CASE NO. 04-20878

PEGASUS SATELLITE TELEVISION,  
INC., PEGASUS SATELLITE TELEVISION  
OF TEXAS

DEBTOR

CHAPTER 11

OBJECTION  
TO CONFIRMATION OF DEBTORS' FIRST AMENDED JOINT  
PLAN OF REORGANIZATION

TO THE HONORABLE BANKRUPTCY JUDGE:

NOW COMES County of Kendall, Texas hereinafter referred to as claimant, and files its Objection to the Confirmation of the Debtor's First Amended Joint Plan of Reorganization, on the following grounds:

I.

The claim of the undersigned is included in the class of claims described as Class 1C, Secured Claims.

II.

The secured claim of the undersigned is impaired under the Plan, and the claimant has not accepted the plan within the time fixed to do so.

### III.

The Plan provisions which deal with the secured claim of the undersigned fail to provide fair and equitable treatment to this secured claim as required by 1129(b)(1) and (2)(A) in that;

1. This secured claim is entitled to express retention of all property tax liens, until all taxes, penalties and interest protected by those liens have been paid;
2. The Plan fails to provide for interim interest as required by 11 U.S.C. § 506(b), as well as post-confirmation interest until paid in full;

### IV.

This claim arises from property taxes for the tax years 2004 due on the debtor's property described as personal property located in this tax jurisdiction. The laws of the State of Texas; Property Tax Code, Section 32.05(b); give the tax liens securing the property taxes superior claims over any other claim or lien against this property. This state priority for tax liens is retained in the Bankruptcy Code giving these claims a superior position over all other claims against this property. *Stanford v. Butler*, 826 F.2d 353 (5th Cir. 1987), Bankruptcy Code U.S.C.A. § 506.

### V.

WHEREFORE, claimant objects to confirmation of the Plan due to noncompliance with the provisions of § 1129(b)(1) and (2)(A) of the Bankruptcy Code, and further requests other and such relief as is just and proper.

Dated: March 10, 2005

Respectfully submitted,

McCREARY, VESELKA, BRAGG &  
ALLEN, P.C.

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Kendall

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By

/s/ Michael Reed

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Michael Reed

State Bar Number 16685400

CERTIFICATE OF SERVICE

I hereby certify that I have placed a copy of the above Objection to Confirmation of the Plan of Reorganization to the following parties and to those parties listed on the Court's Notice of Electronic Filing on March 10, 2005, by Electronic Mail, First Class U. S. Mail or by Facsimile.

/s/ Michael Reed

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