

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:	:	Chapter 11
	:	
PEGASUS SATELLITE TELEVISION, INC., et al.,	:	Case No. 04-20878
	:	
Debtors.	:	(Jointly Administered)

**AGREED UPON MOTION FOR ENLARGEMENT OF TIME AND WITHDRAWAL
CLAIMS OBJECTION WITHOUT PREJUDICE**

With the consent of counsel to the United States Department of the Treasury (the “Department of the Treasury”), Pegasus Satellite Television, Inc. and its subsidiaries and certain of its affiliates, each a Reorganized Debtor herein (collectively, the “Reorganized Debtors”)¹ and the Liquidating Trustee of The PSC Liquidating Trust (the “Liquidating Trustee”), hereby move for entry of an order enlarging the time to object to claim numbers 1050, 1098, and 1099 filed by the Department of the Treasury (collectively, the “IRS Claims”) and withdrawing, without prejudice, the Reorganized Debtors and the Liquidating Trustee’s Seventh Omnibus Objection to and Motion to Disallow or Reclassify Certain Claims Pursuant to 11 U.S.C. § 502(b), Bankruptcy Rules 3001 and 3007, and D.Me.LBR 3007-1 (the “Seventh Objection”) as to the IRS Claims. Pursuant to the Reorganized Debtors’ First Amended Joint Plan of Reorganization, the Claims Objection Deadline is October 2, 2005. The parties have agreed to set November 4, 2005 as the deadline for filing objections to the IRS Dollar Claims. In support of the Motion, the Reorganized Debtors and the Liquidating Trustee respectfully represent as follows:

¹ The Reorganized Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, DTS Management, LLC Golden Sky DBS, Inc., Golden Sky Holdings, Inc., Golden Sky Systems, Inc., Henry Country MRTV, Inc., HMW, Inc., Pegasus Broadcast Associates, L.P., Pegasus Broadcast Television, Inc., Pegasus Broadcast Towers, Inc., Pegasus Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp., and WTLH License Corp.

1. On June 2, 2004, the Reorganized Debtors filed petitions for relief under chapter 11 of the Bankruptcy Court in the United States Bankruptcy Court for the District of Maine (the “Court”). On June 4, 2004, the Court entered an order directing joint administration of the Reorganized Debtors’ cases for procedural purposes only.

2. On April 15, 2005, the Court entered an order (“Confirmation Order”) confirming the Reorganized Debtors’ First Amended Joint Plan of Reorganization and the Plan became effective on May 5, 2005 (the “Effective Date”). Pursuant to the Plan and Confirmation Order, Ocean Ridge Capital Advisors, LLC was appointed the Liquidating Trustee of The PSC Liquidating Trust established under the Plan.

3. Pursuant to section 1.30 of the Plan, the last day for filing and serving objections to claims other than administrative claims and fee claims is one hundred and fifty (150) days after the Effective Date (the “Claims Objection Deadline”). The current Claims Objection Deadline is October 2, 2005. Section 1.30 of the Plan grants the Bankruptcy Court authority to extend the Claims Objection Deadline.

4. On January 5, 2005, the Department of the Treasury filed a proof of claim against Debtor Pegasus Satellite Television, Inc., that was assigned claim number 1050. On March 9, 2005, the Department of the Treasury filed a proof of claim against Debtor DTS Management, LLC, that was assigned claim number 1098, and a proof of claim against Debtor Golden Sky Systems, Inc., that was assigned claim number 1099. Subsequently, the representatives of the Department of the Treasury and the Liquidating Trust’s professionals have engaged in mutual exchanges of information and sought to informally resolve the IRS claims.

5. On September 29, 2005, the Reorganized Debtors and the Liquidating Trust filed the Seventh Objection objecting to, among other claims, the IRS Claims.

6. At this time, in order to allow negotiations with respect to the IRS Claims

to continue on a consensual and informal basis, the Department of the Treasury has agreed to extend the deadline for filing objections to the IRS Claims up to and including November 4, 2005, and the Reorganized Debtors and the Liquidating Trustee have agreed to withdraw the objections to the IRS Claims set forth in the Seventh Objection without prejudice to the Reorganized Debtors and the Liquidating Trustee's rights to object to the IRS Claims.

7. The Reorganized Debtors and the Liquidating Trustee request that the Court exercise its discretion to extend the deadline for objecting to the IRS Claims as permitted by the Plan. Counsel to the Department of the Treasury and to the Reorganized Debtors and the Liquidating Trustee require more time to exchange information and potentially resolve objections to the IRS Claims. The Reorganized Debtors and the Liquidating Trustee further note that the enlargement requested will not unduly delay the progress of the claims review process or the administration of the Debtors' estates.

8. The Reorganized Debtors and the Liquidating Trustee expressly reserve their rights to object to the ultimate allowance of any of the claims filed in these chapter 11 cases including, without limitation, the IRS Claims, on any ground.

WHEREFORE, with the consent of counsel to the United States Department of the Treasury, the Reorganized Debtors and the Liquidating Trustee request that the Court enter an order enlarging the time for filing objections to the IRS Claims to November 4, 2005, and withdrawing, without prejudice, the Seventh Objection as to the IRS Claims, and such other, further relief as the Court deems just.

Respectfully submitted,

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