

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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

**ORDER AUTHORIZING THE DEBTORS AND
DEBTORS-IN-POSSESSION TO EMPLOY AND RETAIN
KING & SPALDING LLP AS SPECIAL CORPORATE
AND TRANSACTIONAL COUNSEL PURSUANT TO
11 U.S.C. § 327(e) AND 328(a) NUNC PRO TUNC TO JUNE 2, 2004**

Upon the application (the "Application") of Pegasus Satellite Television, Inc. and certain of its affiliates, each a debtor and debtor-in-possession herein (collectively, the "Debtors"),¹ for an order authorizing the Debtors and Debtors-in-Possession to employ and retain King & Spalding LLP ("King & Spalding") as special corporate and transactional counsel pursuant to 11 U.S.C. §§ 327(e) and 328(a); and upon the Declaration of John L. Graham in Support of Application for Order Authorizing the Debtors and Debtor-in-Possession to Employ and Retain King & Spalding LLP as Special Corporate and Transactional Counsel pursuant to 11 U.S.C. §§ 327(e) and 328(a), and Disclosure of Compensation; and notice of the Application having been given to (i) the United States Trustee for the District of Maine; (ii) the proposed

¹ The 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 County 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., WTLH License Corp.

counsel to the Committee; and (iii) those parties in interest who have filed a notice of appearance; and it appearing that no other notice need be given; and it appearing that King & Spalding neither holds nor represents any interest adverse to the Debtors' estates with respect to the matters on which King & Spalding is to be employed; and it appearing that the relief requested in the Application is in the best interest of the estate and its creditors; and the Court having held a hearing on the Application, it is hereby

ORDERED, that the Application be, and it hereby is granted; and it is further

ORDERED, that any responses or objections that are not otherwise withdrawn or resolved, are overruled; and it is further

ORDERED, that in accordance with sections 327(e) and 328(a) of the Bankruptcy Code, the Debtors are authorized to employ and retain the firm of King & Spalding as their special corporate and transactional counsel as of the Petition Date on the terms set forth in the Application; and it is further

ORDERED, that King & Spalding shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court ; and it is further

ORDERED, that the retention of King & Spalding shall be made effective as of the Petition Date; and it is further

ORDERED, that King & Spalding may continue and in the future may undertake to represent PCC in transactions, disputes, litigations, and other matters that are not substantially related to the subject matter of King & Spalding's work for the Debtors so long as the interests of PCC and the Debtors do not become materially adverse to one another. In addition, if an actual

conflict of interest develops in connection with a matter in which King & Spalding is rendering services to both a Debtor and PCC, King & Spalding will discontinue rendering services to such Debtor and PCC solely with respect to such matter in which the conflict exists, subject to the Debtors' obligations concerning fees and expenses theretofore incurred. King & Spalding may, however, otherwise continue rendering services to such Debtor and/or PCC on matters in which there is no actual conflict of interest.

Dated:

July 22, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE

CERTIFICATE OF SERVICEDistrict/off: 0100-2
Case: 04-20878User: rrowell
Form ID: pdf901Page 1 of 3
Total Served: 70

Date Rcvd: Jul 22, 2004

The following entities were served by first class mail on Jul 24, 2004.

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cr +Missouri Department of Revenue, Steven A. Ginther, 301 W. High Street, PO Box 475,
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cr +National Rural Telecommunications Cooperative, 2121 Cooperative Way, Herndon, VA 20171-4543

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The following entities were served by electronic transmission.
NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

aty Andrew D. Gottfried

aty Arnold & Porter, LLP

aty Drinker, Bidgle & Reath, LLP

aty Dustin F. Hecker, Posternak, Blankstein

aty Eric W. Hagen, Kirkland & Ellis, LLP

aty Jay Teitelbaum, Morgan, Lewis

aty Kristopher M. Hansen, Stroock & Stroock & Lavan LLP

aty Shaw, Pittman, LLP

aty Stephen M. Ryan

cr Austin CAD

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op Capital Management Associates, Inc.

intp Carsey Warner Distribution, LLC

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cr Refugio County

cr Shelby County

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cr The Steering Committee of Senior Secured Creditors

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cr Trinity/Groveton Tax Office

cr Wachovia Bank, National Association

cr Warner Bros. Entertainment, Inc.

cr Wilmington Trust Co.

TOTALS: 46, * 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
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District/off: 0100-2
Case: 04-20878

User: rrowell
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Total Served: 70

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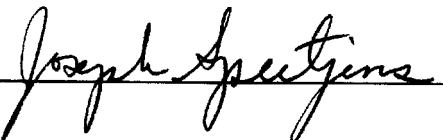
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I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

First Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jul 24, 2004

Signature:

A handwritten signature in black ink, reading "Joseph Speetjens", written over a horizontal line.