

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE

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

**SUPPLEMENTAL AFFIDAVIT OF LARRY J. NYHAN IN  
CONNECTION WITH THE RETENTION OF SIDLEY AUSTIN  
BROWN & WOOD LLP AS ATTORNEYS FOR THE DEBTORS AND  
DEBTORS IN POSSESSION PURSUANT TO BANKRUPTCY CODE SECTION 329**

STATE OF ILLINOIS                    )  
  )     ss.:  
COUNTY OF COOK                    )

LARRY J. NYHAN declares as follows:

1. I am a partner in the law firm of Sidley Austin Brown & Wood LLP (“Sidley” or the “Firm”), and am a resident at its offices located at Bank One Plaza, 10 South Dearborn Street, Chicago, Illinois 60603. Unless otherwise stated in this Affidavit, I have personal knowledge of the facts set forth herein.

2. On June 2, 2004 (the “Petition Date”), Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, each a debtor and debtor-in-possession herein (collectively, the “Debtors”),<sup>1</sup> filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). On the Petition Date, the Debtors also filed an

<sup>1</sup> 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., and WTLH License Corp.

Application for an Order Authorizing the Retention and Employment of Sidley as Attorneys for the Debtors and Debtors in Possession (the "Application"). In support of the Application, the Debtors filed an affidavit executed by the undersigned on behalf of Sidley in accordance with section 329 of the Bankruptcy Code (the "Nyhan Affidavit").

3. On or about June 24, 2004, this Court granted the relief sought in the Application and approved Sidley's retention and employment by the Debtors and Debtors in Possession as general reorganization and bankruptcy counsel in these chapter 11 cases. I submit this supplemental affidavit to provide the Court with further information to update the disclosures contained in the Nyhan Affidavit.

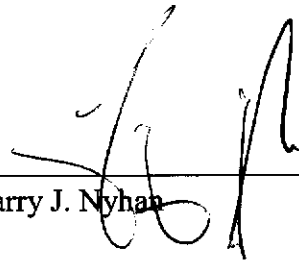
4. It has come to my attention that Sidley has in the past represented, currently represents, and may in the future represent ADS Alliance Data Systems, Inc. ("ADS"), which entity is a potential claimant in the Debtors' chapter 11 cases, in connection with matters wholly unrelated to the Debtors or these chapter 11 cases. Sidley will not represent ADS in connection with asserting any such claims against the Debtors or their estates.

5. In light of the extensive number of creditors and other parties in interest in these chapter 11 cases, neither I nor Sidley are able to conclusively identify all potential relationships. To the extent that I become aware of any additional relationship that may be relevant to Sidley's representation of the Debtors, I will promptly file a supplemental affidavit.

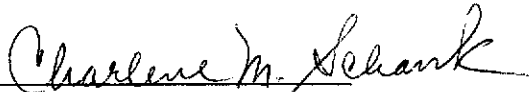
6. The foregoing supplements the Nyhan Affidavit that Sidley filed pursuant to section 329 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b).

3. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 29th day of September, 2004.

  
Larry J. Nyhan

Sworn to and subscribed  
before me this 29th day  
of September, 2004.

  
Notary Public

(Seal)

