

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:)	Chapter 11
)	
PEGASUS SATELLITE TELEVISION, INC., et al.,)	Case No. 04-20878
)	
Debtors.)	Joint Administration Requested

ORDER AUTHORIZING, BUT NOT REQUIRING, DEBTORS TO CONTINUE TO OPERATE IN THE ORDINARY COURSE, INCLUDING PAYMENT OF PRE-PETITION DATE CLAIMS, WITH RESPECT TO NON-DEBTOR DEALERS

Upon the motion (the “Motion”) of Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, each a debtor and debtor-in-possession herein (collectively, the “Debtors”),¹ requesting entry of an order pursuant to sections 363(c)(1) and 105(a) of the Bankruptcy Code² authorizing, but not requiring, the Debtors to continue to operate in the ordinary course of business and maintain their business relationships with respect to the Debtors’ non-debtor dealers (the “Dealers”), including payment of pre-Petition Date amounts owed to the Dealers; and the Court having reviewed the Motion, the Lodge Affidavit, and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the “Hearing”); and the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 (b) that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and (c) notice of the Motion and the Hearing was due and proper

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.

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

under the circumstances; and it appearing that granting the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause appearing therefore; it is hereby

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

ORDERED, that the Debtors are authorized, but not obligated, to continue to operate in the ordinary course of business and to pay, setoff or recoup prepetition claims owed to the Dealers in the ordinary course of the Debtors' business; and it is further

ORDERED, that nothing in the Motion or this Order, nor the Debtors' payment of claims pursuant to this Order, shall be deemed to constitute (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim; or (c) an approval or assumption of any agreement, contract or lease, pursuant to section 365 of the Bankruptcy Code.

Dated: June 4, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE

CERTIFICATE OF SERVICEDistrict/off: 0100-2
Case: 04-20878User: rrowell
Form ID: pdf900Page 1 of 1
Total Served: 12

Date Rcvd: Jun 04, 2004

The following entities were served by first class mail on Jun 06, 2004.

db Pegasus Satellite Television, Inc., 213 Felton Street, Marlborough, MA 01752
 aty Benjamin E. Marcus, Esq., Drummond Woodsum & MacMahon, 245 Commercial Street, P.O. Box 9781,
 Portland, ME 04104-5081
 aty +Ellen Moring, Esq., Sidley Austin Brown & Wood LLP, 787 Seventh Avenue,
 New York, NY 10019-6018
 aty +Eric K. Bradford, Esq., Office of the U.S. Trustee, 10 Causeway Street, Room 1184,
 Boston, MA 02222-1047
 aty +Gayle H. Allen, Esq., Verrill & Dana, One Portland Square, Portland, ME 04101-4054
 aty Leonard M. Gulino, Esq., Bernstein, Shur, Sawyer & Nelson, P.O. Box 9729,
 Portland, ME 04104-5029
 aty Robert J. Keach, Esq., Bernstein, Shur, Sawyer & Nelson, 100 Middle Street, 6th Floor,
 P.O. Box 9729, Portland, ME 04104-5029
 aty +Robert S. Brady, The Brandywine Building, 1000 West Street, 17th Floor, P.O. Box 391,
 Wilmington, DE 19899-0391
 smg Maine Department of Labor, Bureau of Unemployment Compensation, P.O. Box 259,
 Augusta, ME 04332-0259
 smg +State of Maine, Bureau of Revenue Services, Bankruptcy Unit, P.O. Box 9113,
 Augusta, ME 04333-0001
 ust +Office of U.S. Trustee, 537 Congress Street, Room 302, Portland, ME 04101-3353
 intp +United States Trustee, 537 Congress Street, Portland, ME 04101-3318

The following entities were served by electronic transmission.
 NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****
 aty Kristopher M. Hansen, Stroock & Stroock & Lavan LLP
 intp Pegasus Communications Corporation
 cr The Steering Committee of Senior Secured Creditors
 cr Wilmington Trust Co.

TOTALS: 4, * 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
 USPS regulations require that automation-compatible mail display the correct ZIP.

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: Jun 06, 2004

Signature: 