

August 17, 2005

The Honorable Harlin D. Hale  
Judge, United States Bankruptcy Court  
1100 Commerce Street  
Dallas, Texas 75242

Re: ***In re VarTec Telecom, Inc., et al.***; Case No. 04-81694-SAF-11  
Agenda Letter for Hearing Scheduled for August 18, 2005 at 2:30 p.m.

Dear Judge Hale:

The purpose of this correspondence is to advise you of the status and proposed disposition of the following matters set for hearing on the Court's docket for August 18, 2005 at 2:30 p.m.:

## **UNCONTESTED MATTERS**

1. Motion to Enter into Contract with Fiserve Solutions, Inc. (d/b/a Personix) filed by the Debtors [Docket No. 1477]

**OBJECTION DEADLINE:** July 28, 2005

**STATUS:** This matter will be going forward as scheduled.

2. Motion to Approve Stipulation and Order Authorizing Adequate Protection Payments to UMB Bank, N.A. filed by the Debtors [Docket No. 1493]

**OBJECTION DEADLINE:** August 1, 2005

**STATUS:** This matter will be going forward as scheduled.

3. Motion to Approve Sale of Personal Property at Addison II Location filed by the Debtors [Docket No. 1623]

**OBJECTION DEADLINE:** August 15, 2005

**STATUS:** This matter will be going forward as scheduled.

**FEE APPLICATION MATTERS**

4. Second Interim Application of Vinson & Elkins LLP for Allowance of Fees and Expenses as Counsel for the Debtors for the Period March 1, 2005 through June 30, 2005 [Docket No. 1639]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

5. Second Interim Application of Lynn Tillotson & Pinker, L.L.P., Special Counsel for the Debtors for Allowance of Compensation and Reimbursement of Expenses [Docket No. 1632]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

6. Second Interim Application of Kane, Russell, Coleman & Logan, P.C., Special Counsel for the Debtors for Allowance of Compensation and Reimbursement of Expenses [Docket No. 1634]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

7. Second Interim Application of Hughes & Luce, L.L.P., Special Counsel to the Debtors, for Allowance of Compensation and Reimbursement of Expenses [Docket No. 1637]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

8. Second Interim Application for Allowance of Fees and Reimbursement of Expenses of Houlihan Lokey Howard & Zukin Capital as Investment Banker to the Debtors for the Period March 8, 2005 through June 7, 2005 [Docket No. 1641]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

9. First Interim Application for Allowance of Fees and Reimbursement of Expenses of Luffey Huffman & Monroe, a Professional Accounting Corporation as Accountants to the Debtors for the Period January 7, 2005 through June 30, 2005 [Docket No. 1642]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

10. Carrington, Coleman, Sloman & Blumenthal, L.L.P.'s Second Interim Application for Compensation and Reimbursement of Expenses and Request for Payment of the Twenty Percent Holdback [Docket No. 1640]

Objection filed by the Rural Telephone Finance Cooperative [Docket No. 1742]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

11. Second Interim Application for Allowance of Fees and Reimbursement of Expenses of XRoads Solutions Group, LLC Financial Advisors for the Official Committee of Unsecured Creditors for the Period March 1, 2005 through June 30, 2005 [Docket No. 1689]

Objection to be filed by the Rural Telephone Finance Cooperative [Docket No. \_\_\_\_]

**OBJECTION DEADLINE:** August 18, 2005

**STATUS:** This matter will be going forward as scheduled.

### **CONTESTED MATTERS**

12. Motion to Reject Circuit Agreements filed by the Debtors [Docket No. 1395]

Limited Objection filed by Wiltel Communications [Docket No. 1468]

Objection filed by MCI WorldCom Communications, Inc. and MCI WorldCom Network Services, Inc. [Docket No. 1478]

Objection filed by Bellsouth Telecommunications, Inc. [Docket No. 1523]

Objection filed by Broadwing Communications, LLC [Docket No. 1538]

Objection filed by Sprint Spectrum L. P. [Docket No. 1588]

**OBJECTION DEADLINE:** July 11, 2005 (unless otherwise extended by agreement of the parties)

**STATUS:** The contested rejections have been resolved and the parties intend to present an Order on this matter.

13. Motion of the Official Committee of Excel Independent Representatives to Extend Sunset Provision on IR Committee Appointment For Additional 90 Days [Docket No. 1715]

Conditional Objection to the Motion of the Official Committee of Excel Independent Representatives to Extend Sunset Provisions on IR Committee Appointment for an Additional 90 Days filed by the Official Committee of Unsecured Creditors [Docket No. 1761]

**OBJECTION DEADLINE:** N/A (Expedited Hearing)

**STATUS:** This matter will be going forward as scheduled.

14. First Omnibus Objection to Claims under 11 U.S.C. §§ 102(a), 105(a), 501(a), and 502(b) and Federal Rule of Bankruptcy Procedure 3007 filed by the Debtors [Docket No. 1508]

Response filed by City of Eureka [Docket No. 1605]

Response filed by El Paso County Treasurer [Docket No. 1651]

Response filed by Hugh J. Gilmartin, Jr. [Docket No. 1674]

Response of Benefit Partners, Inc. [Docket No. \_\_\_\_]

Response of Valor Telecommunications of Texas L.P. [Docket No. \_\_\_\_]

Response of Kerrville Telephone Company [Docket No. \_\_\_\_]

Response of Teller County [Docket No. \_\_\_\_]

**OBJECTION DEADLINE:** August 8, 2005

**STATUS:** This matter will be going forward as scheduled.

Sincerely,

*/s/ Daniel C. Stewart*

Daniel C. Stewart

cc: Master Service List

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