

Daniel C. Stewart, dstewart@velaw.com
Tel 214.220.7761 Fax 214.999.7761

December 12, 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-HDH-11
Agenda Letter for Hearing Scheduled for December 13, 2005 at 1:30 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 December 13, 2005 at 1:30 p.m.:

UNCONTESTED MATTERS

1. Amended Second Motion to Authorize and Ratify Rejections of Various Circuit Agreements filed by the Debtors [Docket No. 2032]

Order Granting Amended Second Motion to Authorize and Ratify Rejections of Various Circuit Agreements [Docket No. 2113]

OBJECTION DEADLINE: December 8, 2005

STATUS: With respect to circuits of MCI Network Services, Inc., MCI Communications Services, Inc., and Sprint Communications Company, LP, the Debtors have agreed to extend the objection deadline until December 30, 2005 at 5:00 p.m. and to continue the hearing until January 3, 2006 at 1:30 p.m.

2. Debtors' Objection to Claim Nos. 689, 690, 691, 3097, 3112, 3115, and 3275 Filed by the Universal Service Administrative Company [Docket No. 2042]

RESPONSE DEADLINE: December 5, 2005

STATUS: No responses have been filed, and the Debtors intend to present an Order granting this motion.

3. Second Omnibus Objection to Claims under 11 U.S.C. §§ 102(1), 105(a), 501(a), and 502(b) and Federal Rule of Bankruptcy Procedure 3007 filed by the Debtors [Docket No. 2043]

RESPONSE DEADLINE: December 5, 2005

STATUS: No responses have been filed, and the Debtors intend to present an Order granting this motion.

4. Motion to Authorize Rejection of Certain Circuit Agreements with SBC Telephone Companies filed by the Debtors [Docket No. 1902]

OBJECTION DEADLINE: December 9, 2005

STATUS: The Debtors and the SBC Telephone Companies intend to present an Order granting this motion.

5. Debtors' Fifth Motion to Authorize Rejection of Certain Circuit Agreements with SBC Telephone Companies [Docket No. 2088]

OBJECTION DEADLINE: December 12, 2005

STATUS: The Debtors and the SBC Telephone Companies have agreed to continue the hearing on this matter to December 19, 2005 at 1:30 p.m.

FEE APPLICATIONS

6. Third Interim Application of Bickel & Brewer, Counsel for the Official Committee of Excel Independent Representatives, for Allowance of Compensation and Reimbursement of Expenses [Docket No. 2090]

OBJECTION DEADLINE: December 12, 2005

STATUS: No objections have been filed, and Bickel & Brewer intends to present an Order granting this application.

7. Third Interim Application of White & Case LLP, Counsel for the Official Committee of Excel Independent Representatives, for Allowance of Compensation and Reimbursement of Expenses [Docket No. 2091]

OBJECTION DEADLINE: December 12, 2005

STATUS: No objections have been filed, and White & Case LLP intends to present an Order granting this application.

8. Third Interim Period Application of Scouler Andrews, LLC for Allowance of Compensation and Reimbursement of Expenses as Claims Consultant for the Official Committee of Excel Independent Representatives for the Period July 1, 2004 through October 31, 2004 [Docket No. 2092]

OBJECTION DEADLINE: December 12, 2005

STATUS: No objections have been filed, and Scouler Andrews, LLC intends to present an Order granting this application.

CONTESTED MATTERS

9. Motion of Qwest Communications Corporation and Qwest Corporation for Order Compelling Immediate Assumption or Rejection of the Debtors' Executory Contracts with Qwest Communications Corporation and Qwest Corporation or, in the Alternative, Granting Relief from the Automatic Stay to Allow Termination of Services [Docket No. 2058]

Debtors' and Comtel's Joint Objection and Response to Motion to Compel Immediate Assumption or Rejection of the Debtors' Executory Contracts or, in the Alternative, Motion to Grant Relief from the Automatic Stay (Qwest Communications Corporation and Qwest Corporation) [Docket No. 2153]

OBJECTION DEADLINE: December 9, 2005

STATUS: This matter will be going forward as a status conference. A hearing on this matter has been set for January 3, 2006 at 10:00 a.m.

Sincerely,

/s/ Daniel C. Stewart

Daniel C. Stewart

cc: Master Service List

1045139_1.DOC