

**ENTERED**TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the order of the Court.

Hamlin DeWayne Hale
United States Bankruptcy Judge

Signed December 14, 2005

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:

VARTEC TELECOM, INC., *et al.*,

DEBTORS.

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CASE NO. 04-81694-HDH-11

**(Chapter 11)
(Jointly Administered)**

**AGREED ORDER GRANTING MOTION TO AUTHORIZE REJECTION OF CERTAIN
CIRCUIT AGREEMENTS WITH SBC TELEPHONE COMPANIES**

[RELATES TO DOCKET NO. 1902]

On November 22, 2005, the Court considered the Motion to Authorize Rejection of Certain Circuit Agreements with SBC Telephone Companies (the "Motion"). The Debtors filed the Motion on September 23, 2005.

The Debtors and the various SBC telephone companies (collectively, "SBC")¹ agree, and the Court finds:

1. The Motion concerns executory contracts between various Debtors and various SBC telephone companies for "Designated Circuits" as more particularly described in Exhibit A to the Motion. The Debtors are not rejecting agreements for any circuits other than Designated Circuits as more particularly described in this Agreed Order.

2. The Debtors and SBC acknowledge that as to those executory contracts for Designated Circuits that are to be rejected pursuant to this Agreed Order, such Designated Circuits were disconnected on or about the respective "Disconnection Dates" listed in Exhibit A of the Motion.

3. The Debtors have exercised sound business judgment to determine that the executory contracts that are to be rejected pursuant to this Agreed Order should be rejected.

4. The Court also finds that adequate notice of the Motion has been given, and that no other notice is necessary.

Based on the foregoing,

It is hereby ORDERED that the Motion is GRANTED IN PART such that the executory contracts relating to each Designated Circuit identified in Exhibit A of the Motion shall be rejected effective as of corresponding disconnection date ("Disconnection Date") for each Designated Circuit listed in Exhibit A of the Motion EXCEPT AS FOLLOWS:

the following Designated Circuits, described by the line item number at which they are more particularly described in Exhibit A of the Motion, shall be stricken from the Motion such that the agreements for these Designated Circuits shall neither be assumed nor

¹ SBC Operations, Inc. and its affiliates listed as follows are referred to collectively as "SBC": Southwestern Bell Telephone, L.P., Pacific Bell Telephone Company, The Southern New England Telephone Company, Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, Wisconsin Bell, Inc., Nevada Bell Telephone Company, and The Woodbury Telephone Company.

rejected; rather, they shall be treated as if these agreements had never been included in the Motion:

- Exhibit A, Line Item No. 6
- Exhibit A, Line Item No. 16
- Exhibit A, Line Item No. 149
- Exhibit A, Line Item No. 208
- Exhibit A, Line Item No. 212
- Exhibit A, Line Item No. 213
- Exhibit A, Line Item No. 256
- Exhibit A, Line Item No. 275
- Exhibit A, Line Item No. 280
- Exhibit A, Line Item No. 281
- Exhibit A, Line Item No. 282
- Exhibit A, Line Item No. 286
- Exhibit A, Line Item No. 297
- Exhibit A, Line Item No. 298
- Exhibit A, Line Item No. 299
- Exhibit A, Line Item No. 300
- Exhibit A, Line Item No. 308
- Exhibit A, Line Item No. 309
- Exhibit A, Line Item No. 310
- Exhibit A, Line Item No. 311
- Exhibit A, Line Item No. 312

Exhibit A, Line Item No. 313
Exhibit A, Line Item No. 341
Exhibit A, Line Item No. 342
Exhibit A, Line Item No. 348
Exhibit A, Line Item No. 349
Exhibit A, Line Item No. 350
Exhibit A, Line Item No. 379
Exhibit A, Line Item No. 380
Exhibit A, Line Item No. 381
Exhibit A, Line Item No. 382
Exhibit A, Line Item No. 389
Exhibit A, Line Item No. 391
Exhibit A, Line Item No. 392
Exhibit A, Line Item No. 395
Exhibit A, Line Item No. 397
Exhibit A, Line Item No. 398
Exhibit A, Line Item No. 404
Exhibit A, Line Item No. 407
Exhibit A, Line Item No. 412
Exhibit A, Line Item No. 413
Exhibit A, Line Item No. 414
Exhibit A, Line Item No. 419
Exhibit A, Line Item No. 422

Exhibit A, Line Item No. 424

Exhibit A, Line Item No. 427

Exhibit A, Line Item No. 429

Exhibit A, Line Item No. 438

Exhibit A, Line Item No. 458

Exhibit A, Line Item No. 467

Exhibit A, Line Item No. 513

As to these Designated Circuits, the Debtors reserve their right to assume or reject these circuit agreements in accordance with the Bankruptcy Code and prior order of this Court; and

It is FURTHER ORDERED that the relief requested as to the Designated Circuit described in Exhibit A, Line Item No. 158 of the Motion shall be DENIED AS MOOT because this circuit agreement relates to a circuit that is billed by MCI. Accordingly, this Designated Circuit should not have been included in a motion that was intended to address only circuit agreements with SBC. If the Court has already entered an order concerning the assumption or rejection of an executory contract concerning the Designated Circuit described in Exhibit A, Line Item No. 158 of the Motion, then that order controls as to the executory contract for that Designated Circuit.

It is FURTHER ORDERED that the relief requested as to the Designated Circuit described in Exhibit A, Line Item No. 243 of the Motion shall be DENIED AS MOOT because this circuit agreement has already been rejected pursuant to an order of the Court entered in these bankruptcy cases.

It is FURTHER ORDERED that the relief requested as to the Designated Circuit described in Exhibit A, Line Item No. 3 of the Motion shall be DENIED AS MOOT because the

circuit agreement described in Exhibit A, Line Item No. 3 duplicates the circuit agreement described in Exhibit A, Line Item No. 26.

It is FURTHER ORDERED that the relief requested as to the Designated Circuit described in Exhibit A, Line Item No. 5 of the Motion shall be DENIED AS MOOT because the circuit agreement described in Exhibit A, Line Item No. 5 duplicates the circuit agreement described in Exhibit A, Line Item No. 40.

It is FURTHER ORDERED that Exhibit A, Line Item No. 111, which specifies a Disconnection Date of May 27, 2007, shall be CORRECTED to specify a Disconnection Date of August 22, 2005.

It is FURTHER ORDERED that the Debtors shall promptly allow SBC to retrieve SBC equipment, which was used to provide service under the executory contracts for the Designated Circuits that are rejected pursuant to this Agreed Order.

It is FURTHER ORDERED that SBC shall retrieve such equipment from the Debtors within a reasonable time, with the costs of such retrieval to be borne by SBC.

It is FURTHER ORDERED that SBC shall file a claim for rejection damages, if any, relating to the executory contracts for the Designated Circuits that are rejected pursuant to this Agreed Order no later than sixty (60) days after the date of entry of this Agreed Order.

End of Agreed Order

AGREED TO BY:

/s/Michael L. Scanlon
Joseph M. Coleman
State Bar No. 04566100
Michael L. Scanlon
State Bar No. 17707500
KANE RUSSELL COLEMAN & LOGAN, P.C.
3700 Thanksgiving Tower
1601 Elm Street

Dallas, Texas 75201
Tel: 214-777-4200
Fax: 214-777-4299

SPECIAL COUNSEL TO THE DEBTORS

/s/David M. Bennett

David M. Bennett

State Bar No. 02139600

THOMPSON & KNIGHT LLP

1700 Pacific Avenue, Suite 3300

Dallas, Texas 75201

Tel: 214-969-1486

Fax: 214-969-1751

**ATTORNEYS FOR SBC OPERATIONS, INC., AND ITS AFFILIATES
SOUTHWESTERN BELL TELEPHONE, L.P., PACIFIC BELL TELEPHONE COMPANY,
THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY, ILLINOIS BELL TELEPHONE
COMPANY, INDIANA BELL TELEPHONE COMPANY INCORPORATED,
MICHIGAN BELL TELEPHONE COMPANY, THE OHIO BELL
TELEPHONE COMPANY, WISCONSIN BELL, INC., NEVADA BELL
TELEPHONE COMPANY, AND THE WOODBURY TELEPHONE COMPANY**