

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
HEARTLAND WIRELESS COMMUNICATIONS,)
INC., a Delaware Corporation,) Case No. 98-2692 (JJF)
)
Debtors.)

**FIRST AND FINAL APPLICATION OF
ANDREWS & KURTH L.L.P. FOR ALLOWANCE OF
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES
FOR THE PERIOD DECEMBER 4, 1998 THROUGH APRIL 1, 1999**

Name of Applicant: Andrews & Kurth L.L.P.

Authorized to Provide Professional Services to: Counsel to the Official Committee of Unsecured Creditors

Date of Retention: Order entered January 19, 1999

Period for which compensation and reimbursement is sought: December 4, 1998 - March 31, 1999

Amount of Compensation sought as actual, reasonable, and necessary: \$69,021.50

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$3,609.10

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This is the first interim fee application.

Name of Professional Person	Position with the app. and no. of years practicing law	Hourly billing rate (incl. chgs)	Total billed hours	Total compensation
Stuart, Michael D.	Partner 28 years	\$375.00	1.00	\$375.00
Silverstein, Paul N.	Partner 18 years	<u>12/98</u> \$390.00	42.80	\$16,692.00
		<u>1/99-4/99</u> \$425.00	86.80	\$36,890.00
Holderness, A. Sidney	Partner 37 years	<u>12/98</u> \$350.00	1.00	\$350.00
		<u>1/99-4/99</u> \$370.00	4.90	\$1,813.00
Russell, Robin	Partner 13 years	<u>12/98</u> \$295.00	1.70	\$501.50
		<u>1/99-4/99</u> \$310.00	40.00	\$12,400.00

Grand Total: 178.2 hours \$69,021.50
 Blended Rate: \$ 387.32 per hour

Dated: May 14, 1999

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In re:) Chapter 11
)
HEARTLAND WIRELESS COMMUNICATIONS,)
INC., a Delaware Corporation,) Case No. 98-2692 (JJF)
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Debtors.)

**APPLICATION OF ANDREWS & KURTH L.L.P., COUNSEL
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES PURSUANT TO SECTION 330 OF THE BANKRUPTCY CODE**

Andrews & Kurth L.L.P. (“A&K”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Heartland Wireless Communications, Inc. (“Heartland” or the “Debtor”), for its application for compensation and reimbursement of expenses pursuant to Section 330 of the Bankruptcy Code, respectfully represents:

Introduction

1. A&K, as counsel to the Committee, seeks an award of compensation in the amount of \$69,021.50 together with expense reimbursement in the amount of \$3,609.10, for an aggregate award under Section 330 of the Bankruptcy Code of \$72,630.60.¹ For the reasons set forth herein and in the accompanying exhibits, the compensation requested by A&K should be approved in all respects.

¹ See footnote 3 at p. 5.

Background

2. In May 1998 the holders of Heartland's outstanding 13% and 14% Senior Notes aggregating \$240 million principal amount (the "Senior Notes") organized for the purpose of negotiating with the Debtor a restructuring of such obligations. As a consequence of such negotiations, an agreement as to the principal terms and conditions of a restructuring (the "Restructuring") was reached. Holders of in excess of 66 2/3% of the Senior Notes agreed to support and vote to accept a Chapter 11 plan embodying the terms of the Restructuring.

3. On December 4, 1998, (the "Petition Date"), the Debtor filed with this Court a petition for relief under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). Along with its Chapter 11 petition, the Debtor filed its pre-negotiated Chapter 11 plan, which embodied the terms of the Restructuring (the "Plan"), together with a disclosure statement and sought promptly to have its Plan confirmed and the Restructuring consummated.

4. The Office of the United States Trustee held an organization meeting of the Debtor's largest creditors on December 16, 1998 and thereafter appointed the Committee. The Committee consists of the following entities:

- (a) Quaker Capital Management Corp.
- (b) Condor Partners IV, L.L.C.
- (c) Aspen Partners, L.P.
- (d) The Mainstay Funds
- (e) Quad-C Inc.

Prior to the Petition Date, such entities comprised the “Ad Hoc Committee of Noteholders,” which negotiated the terms of the Restructuring on behalf of the holders of Senior Notes.

5. The Committee retained the law firm of Andrews & Kurth L.L.P. as its counsel in this Chapter 11 case.² A copy of this Court’s order authorizing the Committee’s retention of A&K is annexed hereto as Exhibit “1”. Prior to the Petition Date, A&K acted as counsel to the Ad Hoc Committee of Noteholders in connection with all matters relating to the Restructuring.

6. A&K’s “job” in this Chapter 11 case was to enable the Committee, as the official representative of the Debtor’s unsecured creditors, to facilitate the Debtor’s emergence from Chapter 11 at the earliest possible date. On behalf of the Debtor’s creditors, A&K’s services were needed to insure that (A) all of the details concerning the terms of the Restructuring, including all ancillary documents and agreements, were finalized and (B) the Debtor’s Plan was promptly confirmed with the least amount of disruption to the Debtor’s business.

7. Because the pre-Petition Date efforts of the Debtor and the Committee and their respective professionals were so well formulated and executed, the implementation of the Restructuring through a confirmed Plan proceeded promptly, economically and with minimal disruption.

² The Committee also determined to retain the Wilmington, Delaware law firm of Young Conaway Stargatt & Taylor, LLP as A&K’s co-counsel.

**Summary of Professional Services
Rendered And Expenses Incurred**

8. The services rendered by A&K on behalf of the Committee can generally be broken down into the following categories:

(a) Committee Organizational Matters;

(b) Finalizing Disclosure Statement and Ancillary Plan

Documents including Warrant Agreement, Registration Rights Agreement and Corporate Governance Materials;

(c) Addressing issues raised by Ad Hoc Group of Equity

Security Holders;

(d) Communications with Senior Noteholders, other creditors

and parties in interest;

(e) Coordinating and communications with the Debtor, its

counsel and other parties in interest concerning all phases of the Chapter 11 case;

(f) Addressing claims and/or issues raised by securities fraud

claimants;

(g) Addressing conditions to Confirmation including review of

regulatory matters and unliquidated and disputed claims' due diligence;

(h) Addressing conditions to Effective Date of Plan, including

appropriate waivers;

(i) Attending relevant Court hearings; and

Miscellaneous matters.

9. A summary of hours expended by A&K professionals is annexed hereto as Exhibit "2." Exhibit "3" to this Application contains detailed time summaries

of all A&K professionals rendering services in connection with this matter. Such summaries include a detailed chronology of the daily services rendered by each attorney and paraprofessional showing the specific task performed and the amount of time expended.³

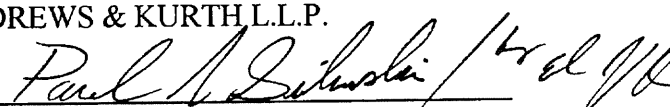
10. Exhibit "4" sets forth the out-of-pocket expenses for which A&K seeks reimbursement, all of which were reasonably and necessarily incurred in connection with this engagement.

11. Annexed hereto as Exhibit "5" is a Certification of the undersigned in support of the Application.

WHEREFORE, pursuant to Section 330 of the Bankruptcy Code, A&K respectfully requests that this Court enter an order awarding A&K, as counsel to the Committee, compensation for services rendered in the amount of \$69,021.50 and reimbursement of costs and expenses incurred in the amount of \$3,609.10 for a total of \$72,630.60.

DATED: May 14, 1999

ANDREWS & KURTH L.L.P.


By: Paul N. Silverstein (PS 5098)
805 Third Avenue
New York, New York 10022
(212) 850-2800
Counsel to the Official Committee of
Unsecured Creditors

³ Certain time charges and expenses incurred may not have been fully tabulated, vouchered and/or recorded as of this date. Accordingly, such charges and expenses will appear in a supplement to this Application to be filed prior to any hearing thereon.