

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re:	)	Case No. 05-63230
	)	
MCLEODUSA INCORPORATED	)	(Jointly Administered)
et al.,	)	Chapter 11
	)	
Debtors.	)	Hon. John H. Squires

**ORDER APPROVING FIRST AND FINAL FEE APPLICATION OF SKADDEN,  
ARPS, SLATE, MEAGHER & FLOM LLP AS COUNSEL TO THE DEBTORS  
SEEKING ALLOWANCE AND PAYMENT OF FINAL COMPENSATION AND  
REIMBURSEMENT OF EXPENSES UNDER §§ 330 AND 331 OF  
THE BANKRUPTCY CODE**

Upon the first and final application (the "Application") of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps") seeking final allowance of compensation and reimbursement of expenses under 11 U.S.C. §§ 330 and 331 for the period from October 28, 2005 through January 6, 2006 (the "Case Period"); and the Court having received no objections to the Application; and upon the record in these cases; and after due deliberation thereon; and good and sufficient cause appearing therefor:

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Application is granted in part.
2. Without limiting the generality of the foregoing, in accordance with the Application, Skadden, Arps is allowed, on a final basis, fees of \$1,114,376 incurred during the Case Period plus reimbursement of charges and disbursements of \$29,629 incurred during the Case Period.

3. Skadden, Arps is authorized to apply its pre-petition retainer against the amounts described in paragraph 2 above, and McLeodUSA Incorporated is directed to pay Skadden the outstanding balance, if any, in full satisfaction of amounts owed within ten (10) days of entry of this order.

4. Skadden, Arps will file a supplement to its Application providing additional detail with respect to \$14,317 in expenses (the "Outstanding Amount") and may seek approval of all or a portion of the Outstanding Amount.

Dated: Chicago, Illinois  
March 8, 2006

**MAR - 8 2006**

  
UNITED STATES BANKRUPTCY JUDGE