

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091140

NAME	DATE	HOURS	DESCRIPTION
JACOBSON SE	10/30/05	1.50	WORK ON DIP FACILITY (1.5).
		1.50	
Total Partner		1.50	
GAL RP	10/31/05	2.50	ATTENTION TO DIP (2.5).
		2.50	
Total Associate		2.50	
TOTAL TIME		<u>4.00</u>	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1085318

NAME	DATE	HOURS	DESCRIPTION
PERLMAN F	11/09/05	0.20	ATTENTION TO CREDIT AGREEMENT (0.2).
		0.20	
<b>Total Partner</b>		0.20	
ESLER JM	11/30/05	2.10	REVIEW AND REVISE EXIT CREDIT AGREEMENT (2.1).
		2.10	
GAL RP	11/01/05	5.50	ATTENTION TO DIP CLOSING (5.5).
GAL RP	11/02/05	3.50	FINALIZED DIP (3.5).
GAL RP	11/08/05	2.00	ATTENTION TO EXIT FACILITY (2.0).
GAL RP	11/09/05	2.70	WORK ON EXIT AND DIP POST-CLOSING MATTERS (2.7).
GAL RP	11/14/05	2.50	ATTENTION TO EXIT FACILITY MATTERS (2.5).
GAL RP	11/15/05	3.00	ATTENTION TO EXIT FACILITY (3.0).
GAL RP	11/16/05	5.00	WORK ON EXIT LOAN AGREEMENT (5.0).
GAL RP	11/17/05	5.30	WORK ON EXIT LOAN AGREEMENT (5.3).
GAL RP	11/18/05	5.50	WORK ON EXIT LOAN AGREEMENT (5.5).
GAL RP	11/19/05	2.50	WORK ON EXIT LOAN AGREEMENT (2.5).
GAL RP	11/22/05	3.50	ATTENTION TO EXIT LOAN AGREEMENT (3.5).
GAL RP	11/29/05	4.50	PREPARED EXIT COMMENTS; ATTENTION TO IRU SALE.
GAL RP	11/30/05	5.00	WORKED ON EXIT FACILITY (5.0).
		50.50	
MURPHY MM	11/01/05	1.20	ATTENTION TO ISSUES RE: DIP (1.2).
		1.20	
<b>Total Associate</b>		53.80	
BARNES D	11/11/05	2.00	ORGANIZE AND INDEX TRANSACTIONAL DOCUMENTS AND CORRESPONDENCE; ORGANIZE AND UCC SEARCH RESULTS; PREPARE FILES FOR CLOSING SET FROM LENDERS COUNSEL.
BARNES D	11/29/05	5.00	ASSEMBLE CLOSING SETS (5.0).
BARNES D	11/30/05	1.00	ORGANIZE AND INDEX TRANSACTIONAL DOCUMENTS WITH RESPECT TO EXIT (1.0).
		8.00	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

<b>Total Legal Assistant</b>		<b>8.00</b>	
WORSHECK TM	11/02/05	3.80	EDIT AND PREPARE SERVICE LISTS FOR DISTRIBUTION/MAILING RE: DIP ORDER (2.6); PREPARE AND ASSEMBLE DOCUMENTS FOR DISTRIBUTION/MAILING RE: DIP ORDER (1.2).
		3.80	
<b>Total Legal Assistant Support</b>		<b>3.80</b>	
<b>TOTAL TIME</b>		<b><u>65.80</u></b>	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091183

NAME	DATE	HOURS	DESCRIPTION
HALE TA	12/19/05	2.00	OPINION ISSUES; REVIEW.
HALE TA	12/20/05	2.00	OPINION REVIEW; E-MAILS WITH HSU (2.0).
		4.00	
MARAFIOTI KA	12/22/05	0.40	CONFERENCE WITH D. KOLIN RE: FINANCING OPINION ISSUES (0.4).
		0.40	
MCGOVERN LM	12/13/05	2.10	WORK ON SECURITY AGREEMENT AND CLOSING ITEMS; WORK ON LEGAL OPINION.
MCGOVERN LM	12/14/05	5.30	WORK ON SECURITY DOCUMENTS (5.3).
MCGOVERN LM	12/15/05	2.50	WORK ON SECURITY AGREEMENT (1.3); WORK ON OPINION (1.2).
MCGOVERN LM	12/16/05	1.80	WORK ON SECURITY AGREEMENT (0.7); WORK ON OPINION (0.6); WORK ON CLOSING DOCUMENTS (0.5).
MCGOVERN LM	12/19/05	2.30	WORK ON SECURITY AGREEMENT (0.8); WORK ON CLOSING DOCUMENTS (0.9); WORK ON OPINION (0.6).
MCGOVERN LM	12/20/05	0.30	WORK ON OPINION (0.3).
MCGOVERN LM	12/21/05	0.50	WORK ON OPINION (0.5).
MCGOVERN LM	12/22/05	0.40	WORK ON OPINION (0.4).
		15.20	
PERLMAN F	12/13/05	0.60	ATTENTION TO EXIT FINANCING (0.6).
PERLMAN F	12/14/05	1.20	ATTENTION TO EXIT (1.2).
PERLMAN F	12/15/05	1.40	ATTENTION TO EXIT (1.4).
PERLMAN F	12/16/05	0.50	ATTENTION TO EXIT (0.5).
PERLMAN F	12/20/05	1.60	ATTENTION TO EXIT AND RELATED OPINION (1.6).
		5.30	
<b>Total Partner</b>		<b>24.90</b>	
HALLIDAY JW	12/20/05	2.50	REVIEW OF OPINION; TELECONFERENCE WITH D. KOLIN.
		2.50	
<b>Total Of Counsel</b>		<b>2.50</b>	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

KOLIN DF	12/15/05	5.20	REVISIONS TO OPINION; REVIEW AND NEGOTIATION OF SECURITY DOCUMENTATION.
KOLIN DF	12/16/05	3.20	REVIEW OF AND COMMENT TO OPINION AND CLOSING DOCUMENTATION (3.2).
KOLIN DF	12/19/05	3.70	COMMENTS TO AND NEGOTIATION OF SECURITY AGREEMENT; REVISIONS TO OPINION; REVIEW OF RESOLUTIONS AND CLOSING CERTIFS.
KOLIN DF	12/20/05	1.80	REVIEW OF CREDIT DOCUMENTATION; REVISION TO OPINION; REVIEW OF CLOSING MATERIALS.
KOLIN DF	12/22/05	0.40	ANALYSIS OF LEGAL ISSUES RE: RESOLUTION REQUIREMENTS (0.4).
KOLIN DF	12/23/05	0.60	REVISIONS TO OPINION AND DISTRIBUTION FOR BANKRUPTCY OPINION REVIEW (0.6).
		<b>14.90</b>	
MADDOX JE	12/13/05	5.30	REVIEW SECURITY AGREEMENT AND GIVE COMMENTS TO G. STRONG; REVIEW OPINION AND COMMUNICATE WITH G. STRONG WAY TO REVISE.
MADDOX JE	12/14/05	5.70	REVIEW AND MARKUP OPINION AND EMAIL COMMENTS TO G. STRONG (5.7).
MADDOX JE	12/15/05	0.30	ANALYSIS OF NEW OPINION QUALIFICATION NEEDED BECAUSE OPPOSING COUNSEL WOULD NOT TAKE SASMF COMMENTS ON SECURITY AGREEMENT (0.3).
		<b>11.30</b>	
ZIFF ED	12/15/05	0.50	ADVICE ON IP REPS IN THE SECURITY AGREEMENT (0.5).
		<b>0.50</b>	
<b>Total Counsel</b>		<b>26.70</b>	
ESLER JM	12/01/05	2.10	REVIEW AND REVISE CREDIT FACILITY (2.1).
ESLER JM	12/02/05	3.80	REVIEW AND REVISE CREDIT AGREEMENT; DISCUSS COMMENTS WITH J. GREENBLATT.
ESLER JM	12/07/05	1.10	DISCUSS CREDIT FACILITY WITH J. GREENBLATT (1.1).
ESLER JM	12/14/05	3.10	REVIEW AND REVISE MOST RECENT VERSION OF THE CREDIT AGREEMENT; DISCUSS COMMENTS WITH J. GREENBLATT.
		<b>10.10</b>	
GAL RP	12/02/05	2.00	ATTENTION TO EXIT FACILITY AND IRU LIEN RELEASE (2.0).

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

GAL RP	12/06/05	2.00	ATTENTION TO EXIT LOAN AGREEMENT, UCC SEARCHES, AND OPINION (2.0).
GAL RP	12/07/05	0.50	CONFERENCE CALL WITH DPW (0.5).
GAL RP	12/08/05	2.50	REVIEW TAX COMMENTS AND REVISED LOAN AGREEMENT (2.5).
GAL RP	12/09/05	1.90	ATTENTION TO EXIT FACILITY (1.9).
GAL RP	12/13/05	5.30	WORK ON LOAN AGREEMENT AND ANCILLARY DOCUMENTS (5.3).
GAL RP	12/14/05	7.00	WORK ON LOAN AGREEMENT AND ANCILLARY DOCUMENTS (7.0).
GAL RP	12/15/05	2.80	ATTENTION TO EXIT FACILITY (2.8).
GAL RP	12/16/05	3.50	ATTENTION TO EXIT FACILITY (3.5).
GAL RP	12/19/05	1.60	ATTENTION TO LOAN AGREEMENT AND CONTROL AGREEMENT (1.6).
GAL RP	12/20/05	3.50	RESEARCH AND ADVISE CLIENT RE: LOAN AGREEMENT ISSUES; ATTENTION TO EXIT LOAN AGREEMENT.
GAL RP	12/21/05	3.70	ATTENTION TO EXIT AND ASSET SALES (3.7).
GAL RP	12/22/05	5.20	ATTENTION TO ASSET SALES AND EXIT ISSUES (5.2).
GAL RP	12/23/05	1.20	ATTENTION TO IRU (1.2).
GAL RP	12/28/05	2.00	ATTENTION TO DIP AND EXIT ISSUES (2.0).
GAL RP	12/29/05	2.80	ATTENTION TO EXIT CLOSING MATTERS (2.8).
		<b>47.50</b>	
HSU Y	12/06/05	1.00	DRAFT OPINION LETTER FOR EXIT FACILITY (1.0).
HSU Y	12/07/05	0.90	PREPARE OPINION FOR EXIT FACILITY (0.9).
HSU Y	12/08/05	3.00	REVIEW PRECEDENT FOR AND PREPARE OPINION FOR EXIT FACILITY (3.0).
HSU Y	12/12/05	2.00	PREPARE AND REVISE OPINION FOR EXIT FACILITY (2.0).
HSU Y	12/13/05	6.50	REVISE OPINION LETTER FOR EXIT FACILITY; REVIEW AND DRAFT COMMENTS TO SECURITY AGREEMENT.
HSU Y	12/14/05	11.90	PREPARE OPINION LETTER; REVIEW AND DRAFT COMMENTS TO SECURITY AGREEMENT; DRAFT RESOLUTIONS, SCHEDULES FOR SECURITY AGREEMENT, AND CERTIFICATES.

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

HSU Y	12/15/05	5.00	REVISE OPINION FOR EXIT FACILITY; PREPARE CERTIFICATES; REVISE RESOLUTIONS; WORK ON SECURITY AGREEMENT AND ANCILLARY MATERIALS RELATING TO THE EXIT FACILITY.
HSU Y	12/16/05	2.90	REVISE OPINION FOR EXIT FACILITY; PREPARE OFFICER'S CERTIFICATE FOR EXIT FACILITY; REVIEW SECURITY AGREEMENT MATERIALS RELATING TO INTELLECTUAL PROPERTY COMMENTS.
HSU Y	12/22/05	0.70	REVIEW AND REVISE BOARD RESOLUTIONS FOR CREDIT FACILITY (0.7).
HSU Y	12/27/05	0.10	REVIEW SCHEDULES FOR SECURITY AGREEMENT (0.1).
HSU Y	12/29/05	2.10	REVIEW AND DRAFT COMMENTS TO REVISED SECURITY AGREEMENT AND EXHIBITS (2.1).
HSU Y	12/30/05	1.20	REVIEW AND PREPARE EXHIBITS FOR SECURITY AGREEMENT (1.2).
		<b>37.30</b>	
MURPHY MM	12/20/05	4.80	REVIEW DIP, EXIT FACILITY AND CONFIRMATION ORDER RE: APPLICABILITY OF CERTAIN PROCEEDS (4.8).
		<b>4.80</b>	
STRONG G	12/13/05	9.50	REVIEW AND MARK UP SECURITY AGREEMENT; REVIEW AND REVISE OPINION; DISCUSSIONS RE: OPINION AND UCC MATTERS.
STRONG G	12/14/05	1.80	REVIEW AND REVISE OPINION; DEALING WITH OPINION MATTERS.
STRONG G	12/15/05	3.80	REVIEW AND MARK-UP PROVISIONS OF SECURITY AGREEMENT; DEAL WITH VARIOUS SECURITY AGREEMENT ISSUES.
STRONG G	12/16/05	0.30	DRAFT PERMITTED LIEN LANGUAGE (0.3).
STRONG G	12/19/05	0.30	DEALING WITH SECURITY AGREEMENT ISSUES (0.3).
STRONG G	12/23/05	1.50	REVIEW AND MARK-UP CONTROL AGREEMENT; DEALING WITH CONTROL AGREEMENT MATTERS.
		<b>17.20</b>	
WOODARD AD	12/14/05	1.50	REVIEW ALL DOCUMENTS RELATING TO MATTER; CONFERENCE CALLS WITH SKADDEN CHICAGO TEAM RE: SAME.
WOODARD AD	12/15/05	3.50	REVIEW AND REVISE AGREEMENTS; DISCUSS SAME WITH S. LEVI AND E. ZIFF; REVIEW AND REVISE IP SCHEDULES; COMPOSE EMAIL RE: SAME; DISTRIBUTE SAME.

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

WOODARD AD	12/16/05	2.50	CONFERENCE CALLS WITH CLIENT RE: IP SCHEDULE; CONFERENCE CALLS WITH OTHER SIDE RE: IP COMMENTS TO AGREEMENTS; REVISE AGREEMENTS; CONFERENCE CALLS AND EMAILS TO CLIENT'S EXTERNAL IP COUNSEL RE: IP SCHEDULE.
WOODARD AD	12/19/05	0.50	REVIEW SCHEDULES PROVIDED BY CLIENT'S IP COUNSEL; COMPOSE EMAIL RE: SAME.
WOODARD AD	12/20/05	1.50	COMPARE SKADDEN IP SCHEDULE WITH CLIENT'S IP SCHEDULE; DISCUSS SAME WITH CLIENT.
WOODARD AD	12/21/05	2.00	CONFERENCE CALL WITH CLIENT RE: IP SCHEDULE; CONFERENCE CALLS WITH SKADDEN TEAM RE: IP ISSUES; COMPOSE EMAIL TO CLIENT SUMMARIZING SAME.
WOODARD AD	12/22/05	1.50	DRAFT AND REVISE AFFIDAVIT TO US COPYRIGHT OFFICE TO RELEASE EXISTING LIENS IN CLIENT'S REGISTERED COPYRIGHTS; MET WITH E. ZIFF RE: SAME; DISTRIBUTED SAME.
		<b>13.00</b>	
<b>Total Associate</b>		<b>129.90</b>	
BARNES D	12/01/05	2.50	COORDINATE UCC RESEARCH (2.5).
BARNES D	12/05/05	2.00	ASSEMBLE CLOSING SETS (2.0).
BARNES D	12/08/05	5.00	COORDINATE UCC RESEARCH (5.0).
BARNES D	12/09/05	4.00	COORDINATE UCC RESEARCH (4.0).
BARNES D	12/12/05	1.00	ORGANIZE AND INDEX TRANSACTIONAL DOCUMENTS (1.0).
BARNES D	12/13/05	5.80	ORGANIZE AND INDEX TRANSACTIONAL FILES; FACILITATE DILIGENCE TO WORKING GROUP; CHART UCC RESULTS AND PREPARE JPMORGAN LIEN LIST OF UCC WHICH REQUIRE TERMINATION; PREPARE CORPORATE CHARTER REQUEST.
BARNES D	12/14/05	4.00	COORDINATE UCC RESEARCH (4.0).
BARNES D	12/16/05	3.50	ORGANIZE AND INDEX TRANSACTIONAL DOCUMENTS AND FACILITATE TO WORKING GROUP; REVIEW DILIGENCE; REVISE EXIT CLOSING AGENDA.
BARNES D	12/21/05	2.60	COORDINATE UCC RESEARCH (2.6).
		<b>30.40</b>	
ESNES J	12/14/05	3.10	ORGANIZE/INDEX CLOSING AGENDA FOR THE EXIT FACILITY (3.1).
		<b>3.10</b>	



**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

MCGUIRE MC	12/15/05	4.70	ASSIST WITH DUE DILIGENCE INCLUDING PATENT, TRADEMARK AND COPYRIGHT SEARCHES FOR MCLEODUSA INC. AND RELATED ENTITIES; SCHEDULE PATENTS, TRADEMARKS AND COPYRIGHTS; DISCUSS SEARCH RESULTS WITH A. WOODARD.
MCGUIRE MC	12/16/05	0.30	ASSIST WITH DUE DILIGENCE INCLUDING ORGANIZE DUE DILIGENCE MATERIALS (0.3).
MCGUIRE MC	12/20/05	0.30	ASSIST WITH DUE DILIGENCE INCLUDING PROVIDE A. WOODARD WITH FURTHER INFORMATION RE: STATUS OF TRADEMARK REGISTRATION; DISCUSS RELEASE RECORDATION WITH M. FAGIN.
MCGUIRE MC	12/22/05	0.10	ASSIST WITH ASSIGNMENT RECORDATION INVOLVING PROVIDE A. WOODARD WITH FROM OF DECLARATION FOR COPYRIGHT LIEN RELEASE (0.1).
		5.40	
<b>Total Legal Assistant</b>		<b>38.90</b>	
BUCKLEY LT	12/15/05	0.50	MISCELLANEOUS TELECONFERENCES INFO/FOLLOW-UP FOR MCLEODUSA ET AL (0.5).
		0.50	
FOLEY PM	12/08/05	2.50	SCAN DOCUMENTS INTO PDF DOCUMENTS AND LOAD ONTO THE SYSTEM; CREATE INDEX AND BURN CD.
FOLEY PM	12/30/05	2.00	REVISE MCLEOD REV CREDIT AGREEMENT (SKAD TECH # 52530) AND CREATE CLOSING BINDER (2.0).
		4.50	
FRANCIS L	12/12/05	0.50	COORDINATE UCC SEARCHES (0.5).
FRANCIS L	12/13/05	0.20	COORDINATE UCC SEARCHES (0.2).
		0.70	
LUSTIK KW	12/05/05	0.20	COORDINATE UCC SEARCHES (0.2).
LUSTIK KW	12/07/05	0.70	COORDINATE UCC SEARCHES (0.7).
LUSTIK KW	12/08/05	0.50	COORDINATE UCC SEARCHES (0.5).
		1.40	
MACFARLINE DA	12/16/05	0.50	PRINT LONG FORM GOOD STANDING CERTIFICATES FOR THE MCLEOD ET AL ENTITIES; SEND CERTIFICATES VIA FAX AND POUCH TO D. BARNES IN CHICAGO AS PER HIS REQUEST.
		0.50	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

**Total Legal Assistant  
Specialist**

**7.60**

**TOTAL TIME**

**230.50**

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091302

NAME	DATE	HOURS	DESCRIPTION
JACOBSON SE	01/06/06	1.00	WORK ON CLOSING OF EXIT FACILITY; ATTENTION TO OPINIONS.
		1.00	
<b>Total Partner</b>		<b>1.00</b>	
KOLIN DF	01/03/06	2.50	REVIEW OF AND COMMENT TO SECURITY DOCUMENTS; REVISIONS TO OPINION.
KOLIN DF	01/04/06	8.30	REVIEW AND NEGOTIATION OF PLEDGE AGREEMENT; NEGOTIATION AND DRAFTING OF OPINIONS; REVIEW OF ADDITIONAL CLOSING DOCUMENT.
KOLIN DF	01/05/06	8.40	PRECLOSING.
KOLIN DF	01/06/06	8.40	CLOSING.
		<b>27.60</b>	
ZIFF ED	01/03/06	0.75	ADVICE ON IP LIENS TO A. WOODARD.
ZIFF ED	01/04/06	2.00	CONFERENCE CALL WITH DAVIS POLK ON IP LIENS REVIEW SECURITY DOCUMENTS, REVISED LANGUAGE AND CASES CITED BY DAVIS POLK.
		2.75	
<b>Total Counsel</b>		<b>30.35</b>	
GAL RP	01/06/06	2.30	ATTENTION TO EXIT FACILITY CLOSING.
		2.30	
HSU Y	01/02/06	1.00	PREPARE DRAFT PERFECTION CERTIFICATE.
HSU Y	01/03/06	4.00	PREPARE DRAFTS OF SCHEDULES AND OTHER ANCILLARY DOCUMENTS FOR CLOSING OF EXIT FACILITY; REVIEW ORGANIZATIONAL DOCUMENTS.
HSU Y	01/04/06	11.00	PREPARE AND REVISE ANCILLARY DOCUMENTS AND DELIVERABLES FOR CLOSING OF EXIT FACILITY; WORK ON CERTIFICATE RELATING TO LEGAL OPINION; PREPARE AND DISTRIBUTE COMMENTS RE SECURITY AGREEMENT.
HSU Y	01/05/06	13.50	REVIEW CORPORATE ORGANIZATIONAL DOCUMENTS; ATTEND TO CLOSING MATTERS; REVIEW REVISED SECURITY AGREEMENT MATERIALS; PREPARE AND REVISE PERFECTION CERTIFICATE.
HSU Y	01/06/06	7.50	ATTEND TO CLOSING MATTERS RELATING TO EXIT FACILITY.
		<b>37.00</b>	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

STRONG G	01/03/06	2.00	REVIEW AND PROVIDE COMMENTS TO REVISED SECURITY AND PLEDGE AGREEMENT; REVIEW AND PROVIDE COMMENTS TO CONTROL AGREEMENT.
STRONG G	01/04/06	3.50	REVISE OPINION; DEAL WITH VARIOUS OPINION MATTERS; REVIEW REVISED SECURITY AND PLEDGE AGREEMENT; REVIEW CONTROL AGREEMENTS.
STRONG G	01/05/06	4.00	DEAL WITH VARIOUS UCC OPINION ISSUES; REVISE OPINION; REVIEW DEPOSIT ACCOUNT CONTROL AGREEMENT; REVIEW AND PROVIDE COMMENTS ON SECURITIES ACCOUNT CONTROL AGREEMENT; REVIEW REVISED SECURITY AND PLEDGE AGREEMENT; REVIEW STOCK CERTIFICATE.
STRONG G	01/06/06	1.70	DEALING WITH MATTERS REGARDING CONTROL AGREEMENT AND OPINION. ASSISTING WITH CLOSING.
		<b>11.20</b>	
WOODARD AD	01/03/06	1.00	REVIEWED AND REVISED NEW DRAFT OF SECURITY AGREEMENTS.
WOODARD AD	01/05/06	3.00	DRAFTED IP SECURITY AGREEMENTS AND SCHEDULES; DISCUSSED SAME WITH OTHER SIDE; REVIEWED OTHER SIDE'S COMMENTS RE: SAME.
WOODARD AD	01/06/06	1.00	CONFERENCE CALLS WITH CLIENT, SKADDEN TEAM AND OTHER SIDE RE: CERTAIN CLOSING ISSUES AND SIGNATURE PAGES.
		<b>5.00</b>	
<b>Total Associate</b>		<b>55.50</b>	
BARNES D	01/04/06	9.80	ORGANIZE/ INDEX ORGANIZE AND INDEX TRANSACTIONAL DOCUMENTS. PREPARE SIGNATURE PAGES. UPDATE CLOSING AGENDA AND SET UP CLOSING ROOM. PREPARE DOCUMENTS AND DISBURSEMENTS REQUESTED BT WORKING GROUP.
BARNES D	01/05/06	13.00	ASSIST WITH PRE-CLOSING.
BARNES D	01/06/06	11.00	ASSIST WITH CLOSING.
		<b>33.80</b>	
<b>Total Legal Assistant</b>		<b>33.80</b>	
BUCKLEY LT	01/06/06	3.00	PROCESS DOCUMENT REQUEST FOR MCLEODUSA INC ET AL & STATE FILINGS.
		<b>3.00</b>	
<b>Total Legal Assistant Specialist</b>		<b>3.00</b>	
<b>TOTAL TIME</b>		<b><u>123.65</u></b>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/31/06  
Bill Number: 1093039

NAME	DATE	HOURS	DESCRIPTION
WOODARD AD	01/04/06	3.00	CONFERENCE CALL WITH OTHER SIDE RE: IP ISSUES; MEETING WITH E. ZIFF RE: SAME; PREPARE SCHEDULES TO IP SECURITY AGREEMENTS.
		3.00	
<b>Total Associate</b>		<b>3.00</b>	
KEOGH ME	01/04/06	1.00	TELECONFERENCES/EMAILS WITH D. BARNES RE TIME FRAME, ETC. FOR ORDERING GOOD STANDINGS FROM IOWA AND ALSO PROCEDURES TO FILE AMENDMENTS THERE (0.9); ORDER GOOD STANDINGS, ETC. (0.1).
		1.00	
<b>Total Legal Assistant Specialist</b>		<b>1.00</b>	
<b>TOTAL TIME</b>		<b><u>4.00</u></b>	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091140

Disbursement	Date	Vendor/Employee/Dept.	Amount
Messengers/ Courier	10/30/05	United Parcel Service	205.00
		<b>TOTAL MESSENGERS/ COURIER</b>	<b>\$205.00</b>
		<b>TOTAL MATTER</b>	<b>\$205.00</b>

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1085318

Disbursement	Date	Vendor/Employee/Dept.	Amount
Telephone Expense	11/23/05	Telecommunications, D	2.00
		<b>TOTAL TELEPHONE EXPENSE</b>	<b>\$2.00</b>
Messengers/ Courier	11/15/05	United Parcel Service	10.00
		<b>TOTAL MESSENGERS/ COURIER</b>	<b>\$10.00</b>
		<b>TOTAL MATTER</b>	<b>\$12.00</b>

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091302

Disbursement	Date	Vendor/Employee/Dept.	Amount
CLR/Delaware Database	01/06/06	Office Admin, D	450.00
		<b>TOTAL CLR/DELAWARE DATABASE</b>	<b>\$450.00</b>
UCC Filings and Searches	12/15/05	CSC Networks	999.00
UCC Filings and Searches	12/15/05	CSC Networks	211.00
		<b>TOTAL UCC FILINGS AND SEARCHES</b>	<b>\$1,210.00</b>
In-house Reproduction	01/06/06	Copy Center, D	4.00
		<b>TOTAL IN-HOUSE REPRODUCTION</b>	<b>\$4.00</b>
Westlaw	01/04/06	Woodard AD	363.00
		<b>TOTAL WESTLAW</b>	<b>\$363.00</b>
Vendor Hosted Teleconferencing	11/30/05	Teleconferencing Services, LLC	39.00
		<b>TOTAL VENDOR HOSTED TELECONFERENCING</b>	<b>\$39.00</b>
Filing/Court Fees	01/06/06	Skardel, Inc.	169.00
Filing/Court Fees	01/06/06	Skardel, Inc.	311.00
Filing/Court Fees	01/06/06	Skardel, Inc.	311.00
Filing/Court Fees	01/06/06	Skardel, Inc.	379.00
		<b>TOTAL FILING/COURT FEES</b>	<b>\$1,170.00</b>
Messengers/ Courier	01/04/06	Dist Serv/Mail/Page, D	6.11
Messengers/ Courier	01/04/06	Dist Serv/Mail/Page, D	30.89
		<b>TOTAL MESSENGERS/ COURIER</b>	<b>\$37.00</b>
Outside Research/Internet Services	01/06/06	CT Corporation System-NY	165.00
		<b>TOTAL OUTSIDE RESEARCH/INTERNET SERVICES</b>	<b>\$165.00</b>
		<b>TOTAL MATTER</b>	<b>\$3,438.00</b>



**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
Financing (DIP and Emergence)

Bill Date: 01/16/06  
Bill Number: 1091183

Disbursement	Date	Vendor/Employee/Dept.	Amount
UCC Flat Fee Search	12/02/05	Gal RP	117.00
UCC Flat Fee Search	12/02/05	Gal RP	117.00
UCC Flat Fee Search	12/02/05	Gal RP	117.00
UCC Flat Fee Search	12/02/05	Gal RP	117.00
UCC Flat Fee Search	12/02/05	Gal RP	74.00
UCC Flat Fee Search	12/02/05	Gal RP	74.00
UCC Flat Fee Search	12/02/05	Gal RP	74.00
UCC Flat Fee Search	12/02/05	Gal RP	74.00
UCC Flat Fee Search	12/02/05	Gal RP	117.00
UCC Flat Fee Search	12/02/05	Gal RP	117.00
		<b>TOTAL UCC FLAT FEE SEARCH</b>	<b>\$998.00</b>
CLR/Delaware Database	12/16/05	Office Admin, D	450.00
		<b>TOTAL CLR/DELAWARE DATABASE</b>	<b>\$450.00</b>
In-house Reproduction	12/02/05	Copy Center, D	20.62
In-house Reproduction	12/06/05	Copy Center, D	77.07
In-house Reproduction	12/13/05	Copy Center, D	55.74
In-house Reproduction	12/16/05	Copy Center, D	5.00
In-house Reproduction	12/19/05	Copy Center, D	307.57
		<b>TOTAL IN-HOUSE REPRODUCTION</b>	<b>\$466.00</b>
Telephone Expense	12/29/05	Telecommunications, D	11.94
Telephone Expense	12/29/05	Telecommunications, D	0.06
		<b>TOTAL TELEPHONE EXPENSE</b>	<b>\$12.00</b>
Reproduction - color	12/08/05	Copy Center, D	0.50
Reproduction - color	12/30/05	Copy Center, D	0.50
		<b>TOTAL REPRODUCTION - COLOR</b>	<b>\$1.00</b>
Filing/Court Fees	12/16/05	Skardel, Inc.	250.00
Filing/Court Fees	12/16/05	Skardel, Inc.	125.00
		<b>TOTAL FILING/COURT FEES</b>	<b>\$375.00</b>
Messengers/ Courier	12/04/05	Comet Messenger Service	35.09

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

<b>Disbursement</b>	<b>Date</b>	<b>Vendor/Employee/Dept.</b>	<b>Amount</b>
Messengers/ Courier	12/06/05	Dist Serv/Mail/Page, D	19.91
		<b>TOTAL MESSENGERS/ COURIER</b>	<b>\$55.00</b>
Outside Research/Internet Services	12/16/05	CT Corporation System-NY	503.00
		<b>TOTAL OUTSIDE RESEARCH/INTERNET SERVICES</b>	<b>\$503.00</b>
		<b>TOTAL MATTER</b>	<b>\$2,860.00</b>

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND AFFILIATES**

McLeodUSA Incorporated (DIP II)  
 Financing (DIP and Emergence)

Bill Date: 01/31/06  
 Bill Number: 1093039

Disbursement	Date	Vendor/Employee/Dept.	Amount
Car Service Vendor Feeds	01/05/06	Woodard AD	27.00
		<b>TOTAL CAR SERVICE VENDOR FEEDS</b>	<b>\$27.00</b>
Car Service (manual entries)	12/14/05	Flash Cab Co.	16.07
Car Service (manual entries)	01/05/06	Flash Cab Co.	27.36
Car Service (manual entries)	01/05/06	Flash Cab Co.	26.91
Car Service (manual entries)	01/06/06	Flash Cab Co.	3.66
		<b>TOTAL CAR SERVICE (MANUAL ENTRIES)</b>	<b>\$74.00</b>
Vendor Hosted Teleconferencing	12/31/05	Teleconferencing Services, LLC	0.64
Vendor Hosted Teleconferencing	12/31/05	Teleconferencing Services, LLC	2.36
		<b>TOTAL VENDOR HOSTED TELECONFERENCING</b>	<b>\$3.00</b>
		<b>TOTAL MATTER</b>	<b>\$104.00</b>