

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
:
MCLEODUSA INCORPORATED, : Case No. 02-10288 (RB)
:
Debtor. :
:
: Related Document: 213
- - - - -X

**ORDER UNDER 11 U.S.C. §§ 330 AND 331 AND BANKRUPTCY RULE
2016 APPROVING FINAL APPLICATION OF SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP & AFFILIATES FOR COMPENSATION FOR
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS
COUNSEL TO THE REORGANIZED DEBTOR FOR THE PERIOD
FROM JANUARY 31, 2002 THROUGH APRIL 16, 2002**

Upon the Final Application, dated May 16, 2002,
of Skadden, Arps, Slate, Meagher & Flom LLP & Affiliates
("Skadden, Arps"), counsel for McLeodUSA Incorporated,
reorganized debtor in the above-captioned case
("McLeodUSA"), for entry of an order approving the Final
Application Of Skadden, Arps, Slate, Meagher & Flom LLP &
Affiliates For Compensation For Services Rendered and
Reimbursement Of Expenses As Counsel To The Reorganized
Debtor For The Period From January 31, 2002 Through April
16, 2002 Under 11 U.S.C. §§ 330 and 331 and Bankruptcy
Rule 2016 (the "Final Application"); and the Court having
determined that the relief requested in the Final Appli-

cation is in the best interests of McLeodUSA, its estate, its creditors and other parties-in-interest; and it appearing that notice of the Final Application was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

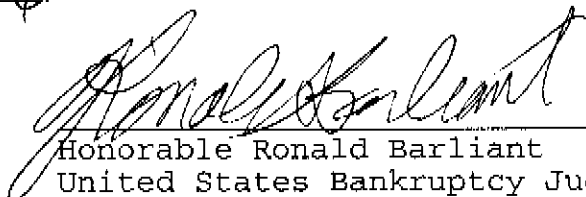
ORDERED, ADJUDGED AND DECREED THAT:

1. The Final Application of Skadden, Arps is hereby granted, and the fees and expenses for which approval is sought in the Final Application are hereby approved.
2. Skadden, Arps is hereby authorized to apply its Retainer against allowed postpetition fees and expenses.
3. McLeodUSA is hereby authorized and directed to pay to Skadden, Arps, to the extent not previously paid, the sums of: (i) \$2,725,927.00, representing the fees incurred by Skadden, Arps during the Entire Case Period and for which final approval was requested in the Final Application, and (ii) \$163,126.59, representing the actual and necessary expenses incurred by Skadden, Arps

during the Entire Case period and for which final approval was requested in the Final Application.

4. The relief granted in this Order is without prejudice to the rights of Skadden, Arps to seek further allowance and payment of additional compensation and reimbursement of expenses, including any such amounts incurred during the Entire Case Period for which approval has not previously been denied, upon application to this court in accordance with the Administrative Order.

Dated: Wilmington, Delaware
August 6, 2002



Honorable Ronald Barliant
United States Bankruptcy Judge