BRUSNIAK HARRISON & McCOOL, P.C. 1035 C Street, Suite 200 Floresville, Texas 78114-2223 Telephone: (830) 393-0500 Joseph M. Harrison IV TSB 09116150 Special Counsel

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re:

METROMEDIA FIBER NETWORK, INC., et al.,

Debtors.

Chapter 11

Case Nos.

02-22736 (ASH) through 02-22742 (ASH); 02-22744 (ASH) through 02-22746 (ASH); 02-22749 (ASH); 02-22751 (ASH) through 02-22754 (ASH)

(Jointly administered)

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FIRST APPLICATION OF BRUSNIAK HARRISON & McCOOL, P.C., SPECIAL COUNSEL FOR THE DEBTORS, FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM OCTOBER 1, 2002 THROUGH JANUARY 31, 2003

TO THE HONORABLE ADLAI S. HARDIN, JR. UNITED STATES BANKRUPTCY JUDGE:

BRUSNIAK HARRISON & McCOOL, P.C. (the "Applicant"), Special Counsel to

Metromedia Fiber Network, Inc. and its debtor subsidiaries¹ (each a "Debtor" and collectively, the

"Debtors" and/or "Debtors in Possession"), in the above-captioned Chapter 11 case, respectfully

represents:

¹ The subsidiaries' who have filed Chapter 11 petitions are: Metromedia Fiber Network Services, Inc., AboveNet Communications, Inc, SiteSmith, Inc., PAIX.net, Inc, Metromedia Fiber Network of Illinois, Inc, MFN of Utah, L.L.C., MFN of Virginia, L.L.C., Metromedia Fiber National Network, Inc., Metromedia Fiber Network International, Inc, MFN International, *L.L.C.*, MFN Japan Backhaul, Inc., and MFN Europe Finance, Inc

Introduction

1. This is Applicant's first application (the "Application") for an interim allowance of compensation and reimbursement of expenses pursuant to Section 331 of Chapter 3 of title 11 of the United States Code, et seq., as amended (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Local Rules of the United States Bankruptcy Court for the Southern District of New York (the "Local Rules") and this Court's Order Pursuant to sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, dated June 5, 2002 (the "Interim Compensation Procedures Order").

2. This Application requests compensation for legal services rendered by the Applicant on behalf of the Debtors for the period October 1, 2002 through January 31, 2003 (the "Compensation Period") and reimbursement of certain expenses incurred by (or first billed by outside vendors to) the Applicant during the Compensation Period in connection with the rendition of such services. This Application complies with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Procedures Order, as stated in the certification dated February 14, 2003 accompanying this Application, made on behalf of the Applicant by Joseph M. Harrison IV, Esq. (the "Certification"). The Certification is attached hereto as "Exhibit A" to this Application.

3. This Application seeks an allowance of compensation in the amount of \$80,235.00, representing Applicant's actual time charges for 289.20 hours of services rendered during the Compensation Period and reimbursement for expenses in the amount of \$232.04 incurred by (or first billed by outside vendors to) the Applicant and recorded during the Compensation Period, all as more fully set forth below. Pursuant to the United States Trustee Guidelines, Applicant has attached a summary sheet of total compensation requested in this Application as Exhibit "B" and has broken

down this Application and attached time sheets into "project categories" as more fully described below.

Background

4. On May 20, 2002 (the "Commencement Date") the Debtors filed voluntary petitions for relief under Chapter 11, title 11 of the United States Code, 11 U.S.C. § 101 <u>et. seq.</u> (the "Bankruptcy Code") with the Clerk of this Court. The Debtors have continued in the management and operation of its business and property as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. An official committee of unsecured creditors (the "Committee") has been appointed in these cases.

5. The Debtors, together with MFN's non-debtor subsidiaries (collectively, the "Company") provides fiber optic infrastructure, high-bandwidth Internet connectivity and managed Internet infrastructure services for its communications intensive customers. The Company is a facilities-based provider of technologically advanced, high-bandwidth, fiber optic communications infrastructure to communications carriers and corporate and government customers in the United States and Europe. The Company also provides high-bandwidth Internet connectivity, co-location services and a comprehensive Internet infrastructure management solution that includes design and architecture, hardware and software, installation, and ongoing management. MFN's subsidiary PAIX.net, Inc. serves as a packet switching center for Internet service providers ("ISPs") and also offers secure, fault-tolerant co-location services to ISPs.

6. The Company combines the most extensive metropolitan area fiber network with a global optical Internet protocol network, state-of-the-art data centers and managed services to deliver fully integrated, outsourced communications solutions as well as point solutions for carriers, companies, and government. The Company has assembled a strategic set of physical and intellectual assets that enable the Company to deliver its digital communications infrastructure solutions.

Applicant's Retention

7. On October 22, 2002, the Debtors filed an application to employ the Applicant as its special counsel on property tax matters pursuant to section 327(a) of the Bankruptcy Code, as to which there was no objection. The Court approved the retention of the Applicant by order dated November 14, 2002.

8. During the Compensation Period, Applicant, on behalf of and in consultation with the Debtors and Debtor's primary bankruptcy counsel, maintained an active role in these Chapter 11 cases.

9. To apprise this Court of the legal services rendered during the Compensation Period, Applicant sets forth the following summary of legal services rendered.

Services Rendered During Present Compensation Period of October 1, 2002 Through January 31, 2003

10. During the Compensation Period, Applicant's services to the Debtors has included professional advice and representation in connection with discreet categories in this Chapter 11 proceeding. The aggregate hours and amount for each category is set forth as an attachment to this Application. Applicant is requesting fees in the total amount of \$80,235.00 for services rendered during the Compensation Period and reimbursement of expenses in the amount of \$232.04.

11. The following is a breakdown of the services rendered by the Applicant during the Compensation Period in each of the discreet categories.

Property Tax Case Claims Administration and Section 505 Adversary Proceedings

12. This category includes time expended by Applicant relating to a variety of activities regarding the analysis, planning, drafting and filing of the adversary proceedings initiated in accordance with Bankruptcy Code § 505 to correct numerous excessive tax assessments against property of the Debtor. Activities in this connection include analysis of specific state valuation statutes and procedures and correlation of state provisions with proper appraisal methodology

concerning the types of property at issue, review and analysis of appraisal and valuation data from various sources concerning reflective of accurate appraised values for the subject assets, communication with local appraisal and assessment entities concerning particular assets and appropriate valuation methodologies, as well as analysis of procedural motions filed and arguments advanced by various taxing entities to date.

13. Applicant expended 289.2 hours of time for a charge of \$80,235.00 for services rendered with respect to the handling of matters relating to Property Tax Case Claims Administration and Section 505 Adversary Proceedings.

Compensation Requested

14. Applicant has maintained contemporaneous time records which indicate the time that each attorney has spent working on a particular matter and the nature of the work performed. Copies of these time records are annexed to this Application as Exhibit "C". The total number of hours expended by Applicant's attorneys and para-professionals from October 1, 2002 through January 31, 2003 in conjunction with this case is 289.2. All of the services have been rendered by those individuals at Applicant's firm as listed on the Applicant's Personnel Chart attached hereto.

15. The foregoing summarizes and describes the services performed by Applicant on behalf of the Debtors during the Compensation Period. The summary is intended, however, only to highlight the general categories of services performed by Applicant on behalf of the Debtors. It is not intended to set forth each and every item of professional services which Applicant performed.

16. No agreement or understanding exists between Applicant and any other entity for the sharing of compensation to be received for services rendered in or in connection with these Chapter 11 cases. No retainer was paid, not any amounts for pre-petition fees or costs.

17. Applicant respectfully submits that the professional services it rendered during the Compensation Period to the Debtors were necessary and beneficial to the Debtors and respectfully requests that this Court allow and direct the Debtors to pay Applicant the sum of \$80,235.00 for its

services during the Compensation Period, plus the sum of \$232.04, representing Applicant's actual and necessary out-of-pocket disbursements incurred during the Compensation Period, for a total of **\$80,467.04**.

18. No prior application for the relief sought herein has been made to this or any other Court, except as specified herein.

<u>Notice</u>

Copies of the Notice and Application has been served upon to those parties on the master service list with an opportunity to get a copy of Exhibit "C" to the Application from the Applicant free of charge. A complete copy of the Application with Exhibit "C" has been sent to counsel for the Committee and the U.S. Trustee for the Southern District of New York.

Conclusion

WHEREFORE, BRUSNIAK HARRISON & McCOOL, P.C. hereby respectfully requests that this Court to enter an order: (a) approving and allowing (i) compensation of Brusniak Harrison & McCool, P.C. for its duly authorized, necessary and valuable service to the Debtors during the Compensation Period in the aggregate amount of \$80,235.00 and (ii) reimbursement to Brusniak Harrison & McCool, P.C. for actual and necessary expenses incurred during the Compensation Period in connection with the aforesaid services in the aggregate amount of \$232.04; (b) directing the Debtors to pay said amounts to Applicant; and (c) granting such other and further relief as this Court deems just and proper.

Dated: Floresville, Texas, February 14, 2003.

BRUSNIAK HARRISON & McCOOL, P.C. Special Counsel 1035 C Street, Suite 200 Floresville, Texas 78114 (830) 393-0500

By: <u>/s/ Joseph M. Harrison IV</u> Joseph M. Harrison IV A Member of the Firm

EXHIBIT "A"

BRUSNIAK HARRISON & McCOOL, P.C. 1035 C Street, Suite 200 Floresville, Texas 78114-2223 Telephone: (830) 393-0500 Joseph M. Harrison IV TSB 09116150 Special Counsel

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

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(Jointly administered)

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STATE OF TEXAS COUNTY OF WILSON

CERTIFICATION

SS:

JOSEPH M. HARRISON IV, being first duly sworn, deposes and says;

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1. I am a member of the firm of Brusniak Harrison & McCool, P.C. ("Applicant") special counsel to Metromedia Fiber Network, Inc. and its debtor subsidiaries (the "Debtors") herein.

2. I have read the foregoing first interim application (the "Application") for compensation by Applicant and know the contents thereof. The contents of the Application are true to the best of my knowledge, except as to matters therein alleged to be upon information and belief, and as to those matters, I believe them to be true. I have personally performed many of the legal

services rendered by Applicant and am thoroughly familiar with all other work performed on behalf of the Debtors by the attorneys and para-professionals in the firm.

3. In accordance with Bankruptcy Rule 2016(a) and section 504 of the Bankruptcy Code, no agreement or understanding exists between the Applicant and any other person for the sharing of compensation to be received in connection with the within case.

<u>/s/ Joseph M. Harrison IV</u> Joseph M. Harrison IV, Esq.

Sworn to before me this 14th day of February, 2003

<u>/s/ Roseann Wood</u> Notary Public, State of Texas

EXHIBIT "B"

METROMEDIA FIBER NETWORKS, INC. et al.

PERIOD OCTOBER 1, 2002 THROUGH JANUARY 31, 2003

	Hours During Period	Amount
<u>Property Tax Case Claims Administration</u> and Section 505 Adversary Proceedings	289.2	\$80,235.00
Analysis, planning, drafting and filing of adversary proceedings initiated in accordance with Bankruptcy Code § 505 to correct numerous excessive tax assessments against property of the Debtor, analysis of specific state valuation statutes and procedures and correlation of state provisions with proper appraisal methodology concerning the types of property at issue, review and analysis of appraisal and valuation data from various sources concerning reflective of accurate appraised values for the subject assets, communication with local appraisal and assessment entities concerning particular assets and appropriate valuation methodologies, as well as analysis of procedural motions filed and arguments advanced by various taxing entities to date.		

Applicant=s Personnel

Name of Professional Person	Position with and Year A		Hourly Billing Rate	Total Billed Hours	Total Compensation
Joseph M. Harrison IV	Partner	1984	\$300	158.7	\$47,610.00
W. Ray Evans, Jr.	Associate	2002	\$250	130.5	\$32,625.00

Grand Total Fees: \$80,235.00 Total Hours: 289.2 Blended Rate: \$277.44/hour

BRUSNIAK HARRISON & McCOOL, P.C.

By: /s/ Joseph M. Harrison IV Joseph M. Harrison IV A Member of the Firm

EXHIBIT "C"

[TIME RECORDS – intentionally omitted for electronic filing]

EXHIBIT "D"

METROMEDIA FIBER NETWORKS, INC. et al.

EXPENSE BREAKDOWN PERIOD OCTOBER 1, 2002 THROUGH JANUARY 31, 2003

SUBJECT MATTER CATEGORIES	AMOUNT	
Federal Express	\$211.24	
Photocopies	- 0 -	
Telecopies	\$20.80	
TOTAL	\$232.04	