

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

_____)	
In re:)	Chapter 11
PEGASUS SATELLITE TELEVISION, INC., et al.,)	Case No. 04-20878
Debtors.)	Joint Administration Requested
_____)	

ORDER AUTHORIZING, BUT NOT REQUIRING, DEBTORS TO CONTINUE TO OPERATE IN THE ORDINARY COURSE, INCLUDING PAYMENT OF PRE-PETITION DATE CLAIMS, WITH RESPECT TO NON-DEBTOR DEALERS

Upon the motion (the "Motion") of Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, each a debtor and debtor-in-possession herein (collectively, the "Debtors"),¹ requesting entry of an order pursuant to sections 363(c)(1) and 105(a) of the Bankruptcy Code² authorizing, but not requiring, the Debtors to continue to operate in the ordinary course of business and maintain their business relationships with respect to the Debtors' non-debtor dealers (the "Dealers"), including payment of pre-Petition Date amounts owed to the Dealers; and the Court having reviewed the Motion, the Lodge Affidavit, and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the "Hearing"); and the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 (b) that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and (c) notice of the Motion and the Hearing was due and proper

¹ The Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, DTS Management, LLC, Golden Sky DBS, Inc., Golden Sky Holdings, Inc., Golden Sky Systems, Inc., Henry County MRTV, Inc., HMW, Inc., Pegasus Broadcast Associates, L.P., Pegasus Broadcast Television, Inc., Pegasus Broadcast Towers, Inc., Pegasus Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp., WTLH License Corp.

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

under the circumstances; and it appearing that granting the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause appearing therefore; it is hereby

ORDERED, that the Motion shall be, and it hereby is, granted; and it is further

ORDERED, that the Debtors are authorized, but not obligated, to continue to operate in the ordinary course of business and to pay, setoff or recoup prepetition claims owed to the Dealers in the ordinary course of the Debtors' business; and it is further

ORDERED, that nothing in the Motion or this Order, nor the Debtors' payment of claims pursuant to this Order, shall be deemed to constitute (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim; or (c) an approval or assumption of any agreement, contract or lease, pursuant to section 365 of the Bankruptcy Code.

Dated: June 4, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE