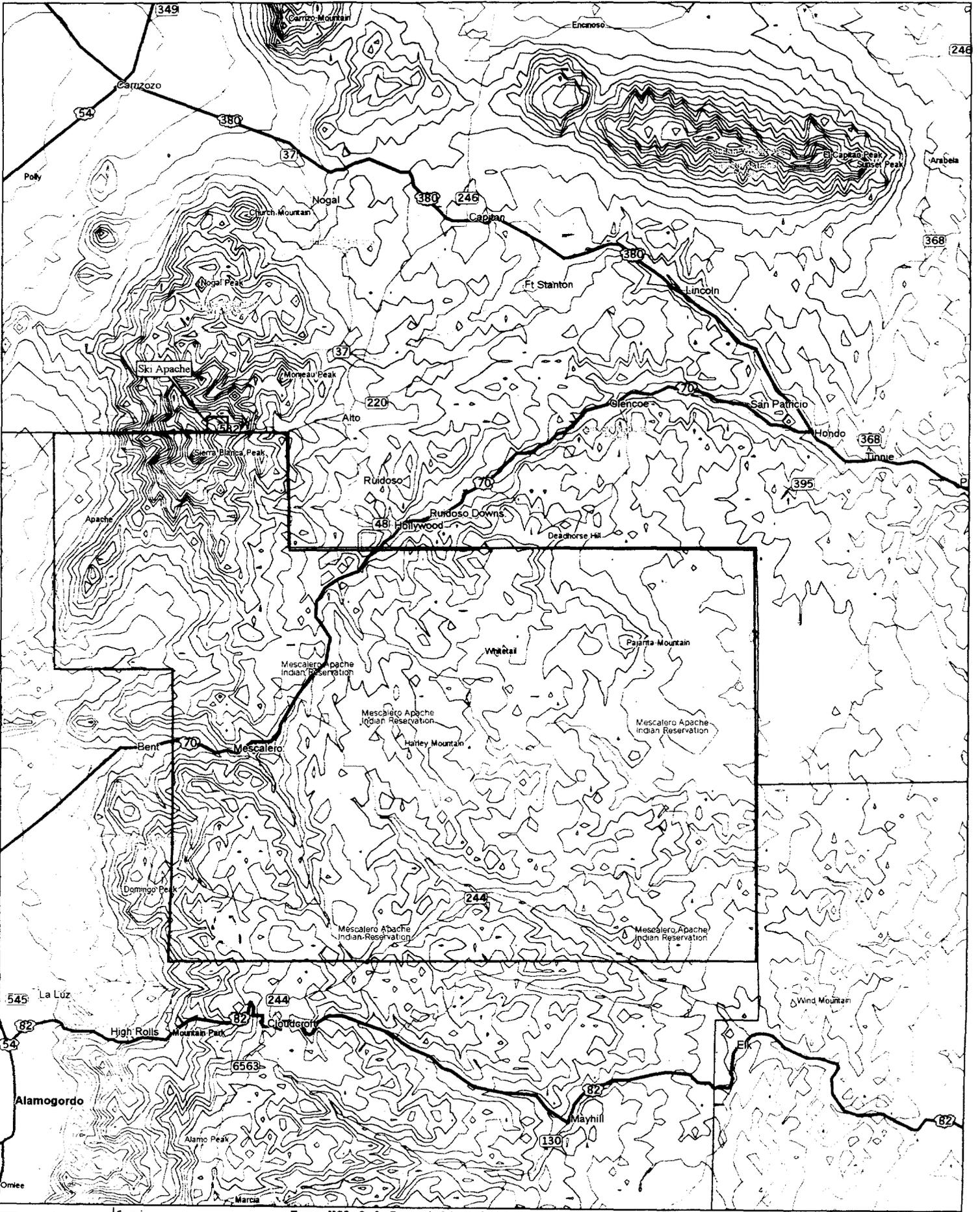
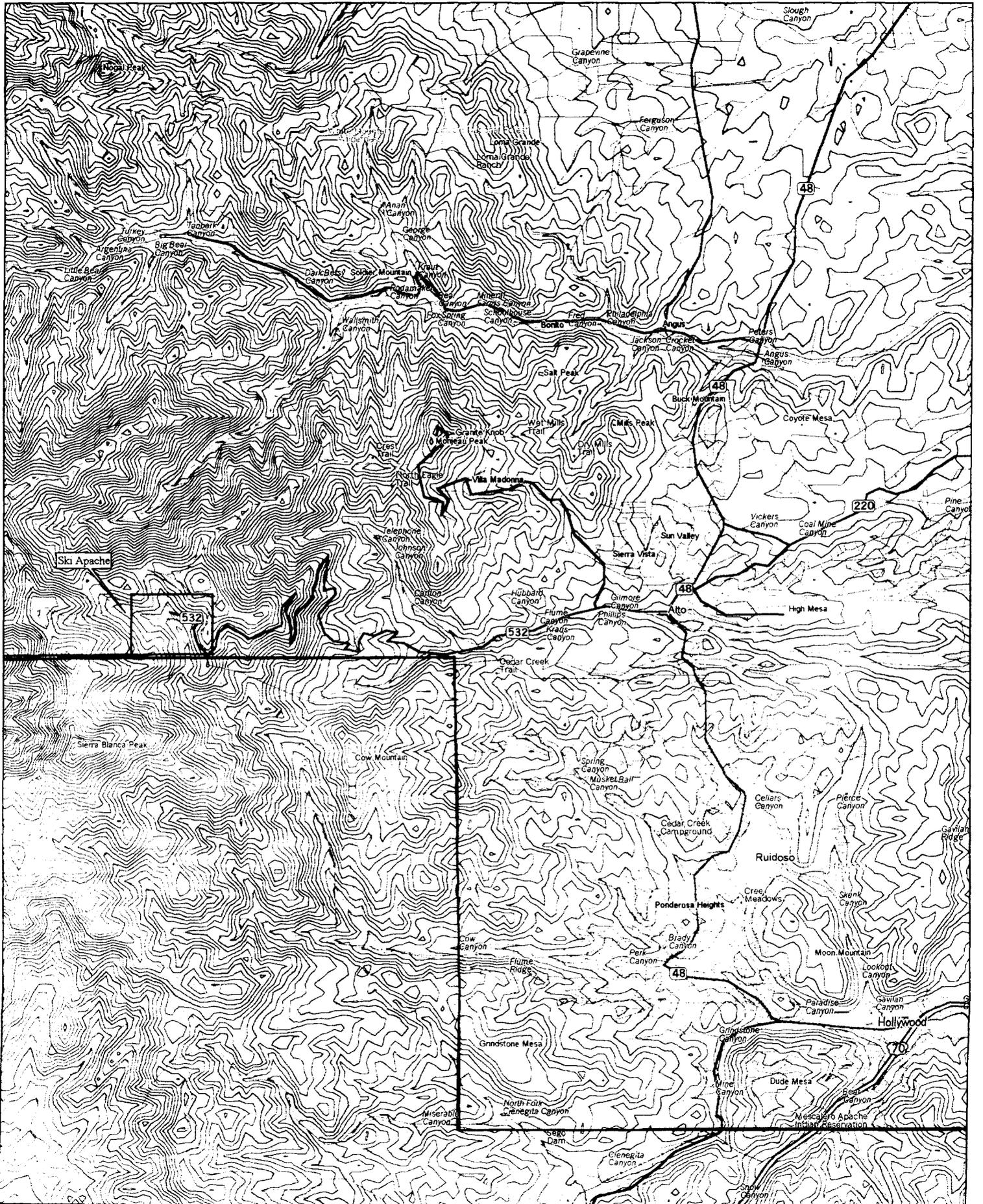


Exhibit A
Mescalero Apache Telecom, Inc.
June 2000

MESCALERO APACHE EXCHANGE MAP





Forecasted Financial and Universal Service Fund Information

Attached hereto is forecasted financial information and the associated calculation of loop costs expense adjustment per Section 36.621 for Mescalero Apache Telecom, Inc ("Mescalero"). The computation is based on reasonable estimates of plant investment and operating expenses for the first three years of operations. These forecasted investments and expenses are based on the company business plan and the approved Rural Utilities Services ("RUS") "A" Loan Design.

Exhibit B, Schedule 4 computes the high-cost funding based upon Mescalero's average cost of its own access lines pursuant to Section 36.621 and Section 36.631 (c). These rules prescribe the computation to apply for the study area total unseparated loop cost and the expense adjustment.

The study area total unseparated loop costs represents the sum of:

- (1) The return component for net unseparated Exchange Line C&WF subcategory 1.3 investment and Exchange Line CO Circuit Equipment Category 4.13 investment. Where the unseparated net investment equals the gross investment in Exchange Line C&WF subcategory 1.3 and CO Category 4.13 pursuant to Section 36.611(a), net of attributable accumulated depreciation and deferred federal income taxes pursuant to Section 36.611(b). The return component is derived by taking the net unseparated investment multiplied by the study area's authorized interstate rate of return or 11.25%;
- (2) Depreciation expense attributable to C&WF subcategory 1.3 investment and CO Category 4.13 investment pursuant to Section 36.611(c);
- (3) Maintenance expense attributable to C&WF subcategory 1.3 investment and CO Category 4.13 investment pursuant to Section 36.611(d), and;
- (4) Corporate Operations Expenses, Operating Taxes and the benefits and rent portions of operating expenses, pursuant to Section 36.611(e) attributable to investment in C&WF Category 1.3 and COE Category 4.13, which is computed by taking the total of these expenses multiplied by the ratio of the unseparated gross exchange plant investment in C&WF Category 1.3 and COE Category 4.13, pursuant to Section 36.611 (a), to the unseparated gross telecommunications plant investment, pursuant to Section 36.611 (f).

The expense adjustment is equal to the sum of the following:

- (1) Sixty-five percent of the study area average unseparated loop cost per working loop as calculated pursuant to Section 36.622(b) in excess of 115 percent of the national average but not greater than 150 percent, multiplied by the

Exhibit B
Mescalero Apache Telecom, Inc.
June 2000

- number of working loops pursuant to Section 36.611(h) for the study area,
and;
- (2) Seventy-five percent of the study area average unseparated loop cost per working loop as calculated pursuant to Section 36.622(b) in excess of 150 percent of the national average for this cost, multiplied by the number of working loops pursuant to Section 36.611(h) for the study area.

Mescalero Apache Telecom, Inc.
PROJECTED CASH FLOWS
3 Year Forecast
Years 2001-2003

06/20/00
 rds
 Mescalero3YrForecast.xls
 Schedule 1

	12/31/01	12/31/02	12/31/03
<u>CASH FLOWS FROM OPERATIONS</u>			
NET INCOME (SCHEDULE 3)	\$117,464	\$133,509	\$177,060
NON-CASH ITEMS IN NET INCOME			
DEPRECIATION & AMORT. EXPENSE (SCHEDULE 3)	748,634	810,575	822,075
DEC. / (INCR.) IN ACCOUNTS RECEIVABLE (SCHEDULE 2)	(559,011)	(90,397)	(4,400)
DEC. / (INCR.) IN PREPAID EXPENSES (SCHEDULE 2)	(18,789)	(3,622)	(698)
DEC. / (INCR.) IN INVENTORIES (Schedule 2)	(10,000)	(20,000)	(54,411)
INCR. / (DEC.) IN ACCOUNTS PAYABLE (Schedule 2)	432,411	101,891	19,768
INCR. / (DEC.) IN ACCRUED EXPENSES (Schedule 2)	45,389	10,695	2,075
INCR. / (DEC.) IN DEFERRED TAXES (Schedule 2)	58,552	70,717	72,927
NET CASH PROVIDED BY/(USED IN) OPERATIONS	814,650	1,013,368	1,034,396
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
PLANT <ADDITIONS> / SALE OF PLANT	(4,957,908)	(919,824)	(190,000)
INCR. / (DEC.) IN SUBSCRIBER DEPOSITS	0	0	0
DEC. / <INCR.> IN OTHER INVESTMENTS	0	0	0
NET CASH PROVIDED BY / (USED IN) INVESTING	(4,957,908)	(919,824)	(190,000)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
PROCEEDS FROM / (REDUCTION TO) LONG TERM DEBT	4,596,020	1,128,474	(497,558)
DIVIDENDS PAID	0	0	0
CAPITAL STOCK SOLD / (RETIRED)	0	0	0
NET CASH PROVIDED BY / (USED IN) FINANCING	4,596,020	1,128,474	(497,558)
NET INCR. / (DEC.) IN CASH	452,761	1,222,018	346,838
CASH & CASH EQUIVALENTS - BEGINNING	(185,614)	267,148	1,489,166
CASH & CASH EQUIVALENTS - ENDING	\$267,148	\$1,489,166	\$1,836,004

Mescalero Apache Telecom, Inc.
 PROFORMA BALANCE SHEETS
 3 Year Forecast
 Years 2001-2003

06/20/00

rds

Mescalero3YrForecast.xls

Schedule 2

12/31/01 12/31/02 12/31/03

ASSETS

CURRENT ASSETS :

CASH & EQUIVALENTS	\$267,148	\$1,489,166	\$1,836,004
ACCOUNTS RECEIVABLE - TRADE	628,513	718,909	723,309
MATERIAL & SUPPLIES	60,000	80,000	134,411
PREPAID EXPENSES	23,613	27,236	27,933

TOTAL CURRENT ASSETS	979,273	2,315,310	2,721,657
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INVESTMENT IN RTB STOCK	0	0	0
OTHER INVESTMENTS	0	0	0

PROPERTY, PLANT & EQUIPMENT :

PLANT IN SERVICE (SCHEDULE 11)	10,499,593	11,419,417	11,609,417
PLANT UNDER CONSTRUCTION	0	0	0
	10,499,593	11,419,417	11,609,417

LESS ACCUM. DEPR. (SCHEDULE 13)	867,199	1,677,774	2,499,849
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NET PROPERTY, PLANT & EQUIP.	9,632,394	9,741,643	9,109,568
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TOTAL ASSETS	\$10,611,667	\$12,056,953	\$11,831,225
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LIABILITIES & EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	\$556,877	\$658,769	\$678,537
ACCRUED EXPENSES	58,454	69,149	71,224

TOTAL CURRENT LIABILITIES	615,331	727,918	749,761
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DEFERRED TAXES	63,260	133,977	206,904
UNAMORTIZED INV. CREDIT	0	0	0
LONG TERM DEBT	9,539,570	10,668,044	10,170,486

STOCKHOLDER'S EQUITY

COMMON STOCK	0	0	0
RETAINED EARNINGS	393,506	527,015	704,075

TOTAL STOCKHOLDER'S EQUITY	393,506	527,015	704,075
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TOTAL LIABILITIES & EQUITY	\$10,611,668	\$12,056,954	\$11,831,226
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Percentage Equity	0.037082	0.043710	0.059510
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Mescalero Apache Telecom, Inc.
 FORECAST STATEMENT OF OPERATIONS
 AND RETAINED EARNINGS
 3 Year Forecast
 Years 2001-2003

06/20/00
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 Mescalero3YrForecast.xls
 Schedule 3

	12/31/01	12/31/02	12/31/03
<u>REVENUES</u>			
LOCAL SERVICE	257,192	269,928	286,106
UNIVERSAL SERVICE FUND - LOOP	1,512,303	1,679,373	1,679,376
UNIVERSAL SERVICE FUND - Switch	107,592	105,748	102,536
END USER NETWORK ACCESS	59,880	62,880	66,690
INTERSTATE ACCESS	144,802	150,870	157,510
INTRASTATE INTRALATA ACCESS	133,749	141,087	148,707
NECA SETTLEMENTS	1,043,479	1,327,763	1,319,797
STATE HIGH COST FUND	0	0	0
UNCOLLECTIBLES (2%)	(5,144)	(5,399)	(5,722)
DIRECTORY REVENUE	45,600	47,900	50,800
INTERSTATE B&C REVENUE	12,197	12,812	13,457
INTRASTATE B&C REVENUE	38,031	39,948	41,962
INSTALLATION REVENUE	15,456	16,224	11,472
OTHER OPERATING INCOME	0	0	0
TOTAL REVENUES	3,365,138	3,849,133	3,872,692
<u>EXPENSES</u>			
PLANT SPECIFIC	1,402,682	1,655,356	1,705,017
PLANT NON-SPECIFIC			
DEPRECIATION & AMORTIZATION (SCHEDULE 14)	748,634	810,575	822,075
CUSTOMER OPERATIONS	75,694	84,103	86,627
CORPORATE OPERATIONS	307,031	375,257	386,514
OPERATING TAXES (Prop, NMPRC Fee)	3,669	1,705	1,774
TOTAL OPERATING EXPENSES	2,537,710	2,926,997	3,002,006
NET OPERATING INCOME	\$827,428	\$922,137	\$870,686
<u>INCOME TAXES</u>			
FEDERAL INCOME TAX	1,960	(1,939)	18,286
FEDERAL INCOME TAX - DEFERRED	58,552	70,717	72,927
STATE INCOME TAX	0	0	0
TOTAL INCOME TAX EXPENSE	60,512	68,777	91,213
<u>NON-OPERATING</u>			
INTEREST EXPENSE	(647,178)	(749,718)	(719,197)
INTEREST INCOME	(7,425)	10,686	59,567
OTHER NON-OPERATING (NET)	5,150	5,305	5,464
TOTAL NON-OPERATING INCOME	(649,453)	(733,727)	(654,167)
NON-REGULATED INCOME (NET)	0	13,877	51,754
NET INCOME	\$117,464	\$133,509	\$177,060
Cumulative Net Income	-6,494	127,015	304,075
BEGINNING RETAINED EARNINGS	\$276,042	\$393,506	\$527,015
DIVIDENDS PAID	0	0	0
ENDING RETAINED EARNINGS	\$393,506	\$527,015	\$704,075

Mescalero Apache Telecom, Inc.

CALCULATION OF USF

**3 Year Forecast
Years 2001-2003**

06/20/00

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Mescalero3YrForecast.xls

Schedule 4

	12/31/01	12/31/02	12/31/03
C&WF MAINTENANCE ALLOCATED TO CAT. 1	711,014	859,400	848,657
COE MAINTENANCE ALLOCATED TO CAT. 4.13	174,022	174,891	180,381
C&WF DEPRECIATION ALLOCATED TO CAT. 1	262,326	283,206	277,879
COE DEPRECIATION ALLOCATED TO CAT. 4.13	105,499	105,499	105,499
NETWORK SUPPORT	0	0	0
GENERAL SUPPORT	161,214	192,616	192,179
CORPORATE OPERATIONS	182,559	220,250	220,008
OPERATING INCOME TAXES	38,321	35,847	30,507
OTHER OPERATING TAXES	2,294	1,043	1,050
BENEFITS & RENTS	30,948	30,268	29,319
TOTAL ALLOCATED EXPENSES	<u>1,668,198</u>	<u>1,903,019</u>	<u>1,885,479</u>
C&WF CAT. 1 INVESTMENT (NET)	4,996,640	5,144,753	4,808,363
COE CAT. 4.13 INVESTMENT (NET)	1,200,625	1,103,372	1,003,903
TOTAL INVESTMENT	<u>6,197,264</u>	<u>6,248,125</u>	<u>5,812,266</u>
RATE OF RETURN	11.25%	11.25%	11.25%
RETURN ON INVESTMENT	<u>697,192</u>	<u>702,914</u>	<u>653,880</u>
TOTAL UNSEPARATED USF COSTS	<u>2,365,390</u>	<u>2,605,933</u>	<u>2,539,359</u>
Adjustment for Partial Year			
TOTAL LOOPS	<u>1,158</u>	<u>1,217</u>	<u>1,290</u>
STUDY AREA COST PER LOOP	<u>\$2,042.65</u>	<u>\$2,141.28</u>	<u>\$1,968.50</u>
NATIONAL AVG. COST PER LOOP	<u>251.84</u>	<u>251.84</u>	<u>254.36</u>
GROSS USF SUPPORT	1,512,304	1,679,376	1,610,029
REDUCTION FOR AVERAGE SCHEDULE STATUS	100.00%	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
TOTAL USF SUPPORT	<u>1,512,304</u>	<u>1,679,376</u>	<u>1,610,029</u>
CAT. 1 % OF TOTAL C&WF	0.918322	0.905097	0.867286
CAT. 4.13 % OF TOTAL COE	0.517650	0.490690	0.490690
GROSS C&WF ALLOCATOR	0.499686	0.496005	0.478711
GROSS COE CKT. ALLOCATOR	0.125598	0.115481	0.113591

Mescalero Apache Telecom, Inc.
REVENUE REQUIREMENT SUMMARIES
3 Year Forecast
Years 2001-2003

06/20/00
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Mescalero3YrForecast.xls
Schedule 5

	12/31/01	12/31/02	12/31/03
INTERSTATE			
RATE BASE	2,963,206	3,715,758	3,556,831
RATE OF RETURN	11.25%	11.25%	11.25%
	333,361	418,023	400,143
STATE INCOME TAX	0	0	0
FEDERAL INCOME TAX	40,006	64,310	63,818
OPERATING EXPENSES	982,387	1,164,927	1,182,572
REVENUE REQUIREMENT	1,355,754	1,647,260	1,646,533
INTRASTATE			
RATE BASE	1,781,802	2,476,248	2,441,363
RATE OF RETURN	8.00%	8.00%	8.00%
	142,544	198,100	195,309
STATE INCOME TAX	0	0	0
FEDERAL INCOME TAX	(5,776)	1,399	2,930
OPERATING EXPENSES	621,971	759,268	783,328
REVENUE REQUIREMENT	758,739	958,766	981,566
<i>Actual Over/Under Rev. Req.</i>	(586,959)	(777,731)	(790,897)
LOCAL			
RATE BASE	2,754,815	3,309,717	3,261,377
RATE OF RETURN	8.00%	8.00%	8.00%
	220,385	264,777	260,910
STATE INCOME TAX	0	0	0
FEDERAL INCOME TAX	(8,930)	1,870	3,913
OPERATING EXPENSES	933,352	1,002,802	1,036,106
REVENUE REQUIREMENT	1,144,808	1,269,449	1,300,930
<i>Actual Over/Under Rev. Req.</i>	624,687	679,852	664,552

Mescalero Apache Telecom, Inc.
 MINI - SEPARATIONS STUDY RATEBASE
 3 Year Forecast
 Years 2001-2003

06/20/00
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 Mescalero3YrForecast.xls
 Schedule 6

	12/31/01	12/31/02	12/31/03
TOTAL COMPANY RATE BASE			
INTEREXCHANGE CWF	178,669	740,607	719,620
LOCAL EXCHANGE CWF	3,277,807	4,759,177	4,777,725
CENTRAL OFFICE SWITCHING	1,020,170	1,007,154	908,501
INTEREXCHANGE CKT. EQUIP.	47,439	156,619	151,113
LOCAL EXCHANGE CKT. EQUIP.	882,728	794,680	772,994
IOT EQUIPMENT (NET)	0	0	0
GENERAL SUPPORT ASSETS (NET)	1,337,237	1,364,915	1,317,038
INTANGIBLES (NET)	626,229	520,387	414,545
PLANT UNDER CONSTRUCTION	0	0	0
OTHER PROPERTY	0	0	0
MATERIAL & SUPPLIES	55,000	70,000	107,206
CASH WORKING CAPITAL	74,545	88,184	90,830
TOTAL RATE BASE	7,499,824	9,501,723	9,259,570
INTERSTATE RATE BASE			
INTEREXCHANGE CWF (ASSUME ALL CAT. 3)	109,960	455,798	442,881
LOCAL EXCHANGE CWF	890,213	1,292,535	1,297,573
CENTRAL OFFICE SWITCHING (NET)	867,145	856,081	772,226
INTEREXCHANGE CKT. EQUIP. (ASSUME CAT. 4.23)	29,196	96,389	93,001
LOCAL EXCHANGE CKT. EQUIP.	239,738	215,826	209,936
IOT EQUIPMENT (NET)	0	0	0
GENERAL SUPPORT ASSETS (NET)	528,347	533,766	505,907
INTANGIBLES (NET)	247,425	203,503	159,237
PLANT UNDER CONSTRUCTION	0	0	0
OTHER PROPERTY	0	0	0
MATERIAL & SUPPLIES	21,731	27,374	41,180
CASH WORKING CAPITAL	29,453	34,485	34,890
TOTAL RATE BASE	2,963,206	3,715,758	3,556,831
INTRASTATE RATE BASE			
INTEREXCHANGE CWF (ASSUME ALL CAT. 3)	68,709	284,809	276,738
LOCAL EXCHANGE CWF	943,504	1,369,910	1,375,249
CENTRAL OFFICE SWITCHING (NET)	0	0	0
INTEREXCHANGE CKT. EQUIP. (ASSUME CAT. 4.23)	18,243	60,230	58,112
LOCAL EXCHANGE CKT. EQUIP.	254,090	228,746	222,503
IOT EQUIPMENT (NET)	0	0	0
GENERAL SUPPORT ASSETS (NET)	317,700	355,711	347,248
INTANGIBLES (NET)	148,779	135,618	109,298
PLANT UNDER CONSTRUCTION	0	0	0
OTHER PROPERTY	0	0	0
MATERIAL & SUPPLIES	13,067	18,243	28,266
CASH WORKING CAPITAL	17,710	22,982	23,948
TOTAL RATE BASE	1,781,802	2,476,248	2,441,363
LOCAL RATE BASE	2,754,815	3,309,717	3,261,377

Mescalero Apache Telecom, Inc.
 MINI - SEPARATIONS STUDY EXPENSES
 3 Year Forecast
 Years 2001-2003

06/20/00
 rds
 Mescalero3YrForecast.xls
 Schedule 7

	12/31/01	12/31/02	12/31/03
TOTAL COMPANY EXPENSES			
SWITCHING EXPENSE	155,704	144,904	159,951
TRANSMISSION EXPENSE	197,001	228,042	224,183
C&WF EXPENSE	791,705	966,964	995,973
OTHER PLANT SPECIFIC EXPENSE	258,271	315,447	324,910
NETWORK & OTHER	0	0	0
DEPRECIATION & AMORTIZATION	748,634	810,575	822,075
CUSTOMER OPERATIONS	75,694	84,103	86,627
CORPORATE OPERATIONS	307,031	375,257	386,514
OTHER OPERATING TAXES	3,669	1,705	1,774
TOTAL OPERATING EXPENSES	2,537,710	2,926,997	3,002,006
INTERSTATE EXPENSES			
SWITCHING EXPENSE	90,698	86,441	93,841
TRANSMISSION EXPENSE	114,754	136,036	131,525
C&WF EXPENSE	229,089	307,389	315,324
OTHER PLANT SPECIFIC EXPENSE	102,044	123,359	124,806
NETWORK & OTHER	0	0	0
DEPRECIATION & AMORTIZATION	296,747	329,662	331,162
CUSTOMER OPERATIONS	29,947	33,274	34,272
CORPORATE OPERATIONS	117,658	148,100	150,962
OTHER OPERATING TAXES	1,450	667	681
TOTAL OPERATING EXPENSES	982,387	1,164,927	1,182,572
INTRASTATE EXPENSES			
SWITCHING EXPENSE	21,741	21,381	24,492
TRANSMISSION EXPENSE	27,508	33,648	34,328
C&WF EXPENSE	231,847	290,930	299,296
OTHER PLANT SPECIFIC EXPENSE	61,360	82,209	85,665
NETWORK & OTHER	0	0	0
DEPRECIATION & AMORTIZATION	177,354	204,544	208,587
CUSTOMER OPERATIONS	24,979	27,754	28,587
CORPORATE OPERATIONS	76,310	98,357	101,905
OTHER OPERATING TAXES	872	444	468
TOTAL OPERATING EXPENSES	621,971	759,268	783,328
LOCAL EXPENSES	933,352	1,002,802	1,036,106

Mescalero Apache Telecom, Inc.
EXPENSE DETAIL
3 Year Forecast
Years 2001-2003

06/20/00
 rds
 Mescalero3YrForecast.xls
 Schedule8

	12/31/2001	12/31/2002	12/31/2003
<u>General Support Expense</u>			
Total Direct Labor Costs	2,231	2,250	2,318
<i>Materials & Overhead Expenses</i>			
Motor Vehicle Expense	101,801	124,337	128,067
Land & Building Expense	103,550	126,474	130,268
Work Equipment Expense	38,066	46,493	47,888
Office Equipment Expense	11,104	11,312	11,651
General Purpose Computer Expense	1,519	4,581	4,718
Clearing	0	0	0
Total Material & Overhead	256,040	313,197	322,592
Total General Support Expense	258,271	315,447	324,910
<u>Central Office Expense</u>			
Total Direct Labor Costs	82,638	82,638	85,117
<i>Materials & Overhead Expenses</i>			
Central Office Switching	119,223	115,284	118,742
Central Office Circuit	150,845	175,025	180,275
Total Material & Overhead	270,067	290,308	299,018
Total COE Expense	155,704	144,904	159,951
Total Switch Expense	155,704	144,904	159,951
Total Circuit Expense	197,001	228,042	224,183
CO Labor Capitalized	0	0	0
	352,705	372,946	384,134
<u>Information Origination/Termination Expense</u>			
Total Direct Labor Costs	0	0	0
<i>Materials & Overhead Expenses</i>			
IOT Expense	0	0	0
Payphone & Terminal Expense	0	0	0
Total Material & Overhead	0	0	0
Total IOT Expense	0	0	0

Mescalero Apache Telecom, Inc.
EXPENSE DETAIL
3 Year Forecast
Years 2001-2003

06/20/00
rds
Mescalero3YrForecast.xls
Schedule9

	12/31/2001	12/31/2002	12/31/2003
<u>Cable & Wire Facility Expense</u>			
Total Direct Labor Costs	87,261	87,261	89,879
<i>Materials & Overhead Expenses</i>			
Poles Expense	0	0	0
Aerial Cable Expense	26,846	8,197	8,443
Buried Cable Expense	675,450	870,850	896,975
Aerial Wire Expense	0	0	0
Conduit Expense	2,148	656	675
<i>Total Material & Overhead</i>	<u>704,444</u>	<u>879,703</u>	<u>906,094</u>
Total Cable & Wire Facility Expense			
Seasonality Factor	100%	100%	100%
C&WF Labor Capitalized	0	0	0
Total C&WF Expense	791,705	966,964	995,973
Total Non-Reg. Expense	0	0	0
TOTAL PLANT SPECIFIC			
	<u>1,402,682</u>	<u>1,655,356</u>	<u>1,705,017</u>
<u>Network Operations Expense</u>			
Total Direct Labor Costs	0	0	0
<i>Materials & Overhead Expenses</i>			
Power Expense	0	0	0
Network Administration	0	0	0
Testing	0	0	0
<i>Total Material & Overhead</i>	<u>0</u>	<u>0</u>	<u>0</u>
Total Network Operations Expense	<u>0</u>	<u>0</u>	<u>0</u>

Mescalero Apache Telecom, Inc.
EXPENSE DETAIL
3 Year Forecast
Years 2001-2003

06/20/00
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Mescalero3YrForecast.xls
Schedule 10

	12/31/2001	12/31/2002	12/31/2003
Customer Operations Expense			
Total Direct Labor Costs	10,000	10,000	10,300
<i>Materials & Overhead Expenses</i>			
Billing & Collection	65,694	74,103	76,327
Advertising	0	0	0
Operator Services	0	0	0
Carrier Access Billings	0	0	0
Directory Expense	0	0	0
<i>Total Material & Overhead</i>	<u>65,694</u>	<u>74,103</u>	<u>76,327</u>
Total Customer Operations Expense	<u>75,694</u>	<u>84,103</u>	<u>86,627</u>
Corporate Operations Expense			
Total Direct Labor Costs	75,344	75,344	77,604
<i>Materials & Overhead Expenses</i>			
Management Expense	0	0	0
Travel & Related Costs	0	0	0
Accounting & Finance	0	0	0
Legal	0	0	0
Other G & A	231,688	299,913	308,910
Special Charges	0	0	0
<i>Total Material & Overhead</i>	<u>231,688</u>	<u>299,913</u>	<u>308,910</u>
Total Corporate Operations Expense	<u>307,031</u>	<u>375,257</u>	<u>386,514</u>
Taxes			
Operating Taxes	3,000	1,000	1,030
New Mexico PRC Carrier & Utility Fee	669	705	744
Total Taxes	<u>3,669</u>	<u>1,705</u>	<u>1,774</u>
Total Company Wages, Benefits & Payroll T	257,474	257,493	265,217

Mescalero Apache Telecom, Inc.
 PROJECTED TELEPHONE PLANT IN SERVICE,
 3 Year Forecast
 Years 2001-2003

06/20/00

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Mescalero3YrForecast.xls

Schedule 11

12/31/01 12/31/02 12/31/03

TELEPHONE PLANT IN SERVICE

GENERAL SUPPORT ASSETS

2111	LAND	\$0	\$0	\$0
2112	MOTOR VEHICLES	160,000	160,000	190,000
2113	AIRCRAFT	0	0	0
2114	SPECIAL PURPOSE VEHICLES	90,000	250,000	250,000
2115	GARAGE WORK EQUIPMENT	3,000	3,000	3,000
2116	OTHER WORK EQUIPMENT	61,000	127,000	127,000
2121	BUILDINGS	1,106,954	1,106,954	1,106,954
2122	FURNITURE	63,000	65,000	68,000
2123	OFFICE EQUIPMENT	24,910	28,910	32,910
2124	GENL. PURPOSE COMPUTERS	24,453	27,453	30,453
	TOTAL GENERAL SUPPORT ASSETS	1,533,317	1,768,317	1,808,317

CENTRAL OFFICE EQUIPMENT

2212	DIGITAL SWITCHING	1,175,922	1,175,922	1,175,922
2215	STEP-BY-STEP SWITCHING	0	0	0
2231	MICROWAVE FACILITIES	334,736	334,736	334,736
2232	CIRCUIT EQUIPMENT	1,036,876	1,176,845	1,176,845
	TOTAL CENTRAL OFFICE EQUIPMENT	2,547,534	2,687,503	2,687,503

INFORMATION ORIG./TERM. EQUIP.

2311	STATION APPARATUS	0	0	0
2321	CUSTOMER PREMISE WIRING	0	0	0
2341	LARGE P.B.X.	0	0	0
2351	PUBLIC TELEPHONE EQUIP.	0	0	0
2362	OTHER TERMINAL EQUIP.	0	0	0
	TOTAL INFO ORIG./TERM EQUIP.	0	0	0

CABLE & WIRE FACILITIES

2411	POLES	0	0	0
2421	AERIAL CABLE	287,371	287,371	287,371
2422	UNDERGROUND CABLE	11,495	11,495	11,495
2423	BURIED CABLE	5,391,276	5,936,131	6,086,131
2424	SUBMARINE CABLE	0	0	0
2431	AERIAL WIRE	0	0	0
2441	CONDUIT SYSTEMS	22,990	22,990	22,990
	TOTAL CABLE & WIRE FACILITIES	5,713,132	6,257,987	6,407,987

2690	INTANGIBLES	705,610	705,610	705,610
	TOTAL ACCOUNT 2001	\$10,499,593	\$11,419,417	\$11,609,417

Mescalero Apache Telecom, Inc.
 PROJECTED TELEPHONE PLANT ADDITIONS
 3 Year Forecast
 Years 2001-2003

06/20/00

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Mescalero3YrForecast.xls

Schedule 12

12/31/01 12/31/02 12/31/03

ADDITIONS TO PLANT IN SERVICE

GENERAL SUPPORT ASSETS

2111	LAND	\$0	\$0	\$0
2112	MOTOR VEHICLES	\$64,000	\$0	\$36,000
2113	AIRCRAFT	\$0	\$0	\$0
2114	SPECIAL PURPOSE VEHICLES	\$0	\$160,000	\$0
2115	GARAGE WORK EQUIPMENT	\$3,000	\$0	\$0
2116	OTHER WORK EQUIPMENT	\$21,000	\$66,000	\$0
2121	BUILDINGS	\$57,474	\$0	\$0
2122	FURNITURE	\$20,000	\$2,000	\$3,000
2123	OFFICE EQUIPMENT	\$4,000	\$4,000	\$4,000
2124	GENERAL PURPOSE COMPUTERS	3,000	3,000	\$3,000
TOTAL GENERAL SUPPORT ASSETS		168,474	236,000	40,000

CENTRAL OFFICE EQUIPMENT

2212	DIGITAL SWITCHING	175,877	0	0
2215	STEP-BY-STEP SWITCHING	0	0	0
2231	MICROWAVE FACILITIES	334,736	0	0
2232	CIRCUIT EQUIPMENT	91,242	139,969	0
TOTAL CENTRAL OFFICE EQUIPMENT		601,849	139,969	0

INFORMATION ORIG./TERM. EQUIP.

2311	STATION APPARATUS	0	0	0
2321	CUSTOMER PREMISE WIRING	0	0	0
2341	LARGE P.B.X.	0	0	0
2351	PUBLIC TELEPHONE EQUIPMENT	0	0	0
2362	OTHER TERMINAL EQUIPMENT	0	0	0
TOTAL INFO ORIG/TERM EQUIPMENT		0	0	0

CABLE & WIRE FACILITIES

2411	POLES	0	0	0
2421	AERIAL CABLE	0	0	0
2422	UNDERGROUND CABLE	0	0	0
2423	BURIED CABLE	4,187,585	544,855	150,000
2424	SUBMARINE CABLE	0	0	0
2431	AERIAL WIRE	0	0	0
2441	CONDUIT SYSTEMS	0	0	0
TOTAL CABLE & WIRE FACILITIES		4,187,585	544,855	150,000

2690	INTANGIBLES	0	0	0
TOTAL ADDITIONS		\$4,957,906	\$919,824	\$190,000

Mescalero Apache Telecom, Inc.
 PROJECTED ACCUMULATED DEPRECIATION
 3 Year Forecast
 Years 2001-2003

06/20/00

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Mescalero3YrForecast.xls

Schedule 13

	12/31/01	12/31/02	12/31/03
ACCUMULATED DEPRECIATION			
<u>GENERAL SUPPORT ASSETS</u>			
2111 LAND	\$0	\$0	\$0
2112 MOTOR VEHICLES	18,500	34,500	53,800
2113 AIRCRAFT	0	0	0
2114 SPECIAL PURPOSE VEHICLES	11,250	36,250	61,250
2115 GARAGE WORK EQUIPMENT	300	600	900
2116 OTHER WORK EQUIPMENT	7,100	19,800	32,500
2121 BUILDINGS	136,932	247,627	358,322
2122 FURNITURE	7,375	13,875	20,675
2123 OFFICE EQUIPMENT	3,014	5,905	9,196
2124 GENERAL PURPOSE COMPUTERS	2,981	5,726	8,771
TOTAL GENERAL SUPPORT ASSETS	187,452	364,283	545,114
<u>CENTRAL OFFICE EQUIPMENT</u>			
2212 DIGITAL SWITCHING	114,075	208,149	302,223
2215 STEP-BY-STEP SWITCHING	0	0	0
2231 MICROWAVE FACILITIES	26,779	53,558	80,337
2232 CIRCUIT EQUIPMENT	101,863	196,011	290,159
TOTAL CENTRAL OFFICE EQUIPMENT	242,717	457,718	672,719
<u>INFORMATION ORIG./TERM. EQUIP.</u>			
2311 STATION APPARATUS	0	0	0
2321 CUSTOMER PREMISE WIRING	0	0	0
2341 LARGE P.B.X.	0	0	0
2351 PUBLIC TELEPHONE EQUIPMENT	0	0	0
2362 OTHER TERMINAL EQUIPMENT	0	0	0
TOTAL INFO ORIG./TERM EQUIPMENT	0	0	0
<u>CABLE & WIRE FACILITIES</u>			
2411 POLES	0	0	0
2421 AERIAL CABLE	17,961	32,330	46,699
2422 UNDERGROUND CABLE	719	1,294	1,869
2423 BURIED CABLE	284,610	561,417	885,724
2424 SUBMARINE CABLE	0	0	0
2431 AERIAL WIRE	0	0	0
2441 CONDUIT SYSTEMS	1,438	2,588	3,738
TOTAL CABLE & WIRE FACILITIES	304,728	617,629	938,030
2690 INTANGIBLES	132,303	238,145	343,987
TOTAL ACCOUNT 3100	\$867,199	\$1,677,774	\$2,499,849

Mescalero Apache Telecom, Inc.
PROJECTED DEPRECIATION EXPENSE
 3 Year Forecast
 Years 2001-2003

06/20/00

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Mescalero3YrForecast.xls

Schedule 14

12/31/01 12/31/02 12/31/03

DEPRECIATION EXPENSE

GENERAL SUPPORT ASSETS

2111	LAND	\$0	\$0	\$0
2112	MOTOR VEHICLES	16,000	16,000	19,000
2113	AIRCRAFT	0	0	0
2114	SPECIAL PURPOSE VEHICLES	9,000	25,000	25,000
2115	GARAGE WORK EQUIPMENT	300	300	300
2116	OTHER WORK EQUIPMENT	6,100	12,700	12,700
2121	BUILDINGS	110,695	110,695	110,695
2122	FURNITURE	6,300	6,500	6,800
2123	OFFICE EQUIPMENT	2,491	2,891	3,291
2124	GENERAL PURPOSE COMPUTERS	2,445	2,745	3,045
	TOTAL GENERAL SUPPORT ASSETS	153,331	176,831	180,831

CENTRAL OFFICE EQUIPMENT

2212	DIGITAL SWITCHING	94,074	94,074	94,074
2215	STEP-BY-STEP SWITCHING	0	0	0
2217	MICROWAVE FACILITIES	26,779	26,779	26,779
2232	CIRCUIT EQUIPMENT	82,950	94,148	94,148
	TOTAL CENTRAL OFFICE EQUIPMENT	203,803	215,001	215,001

INFORMATION ORIG./TERM. EQUIP.

2311	STATION APPARATUS	0	0	0
2321	CUSTOMER PREMISE WIRING	0	0	0
2341	LARGE P.B.X.	0	0	0
2351	PUBLIC TELEPHONE EQUIPMENT	0	0	0
2362	OTHER TERMINAL EQUIPMENT	0	0	0
	TOTAL INFO ORIG/TERM EQUIPMENT	0	0	0

CABLE & WIRE FACILITIES

2411	POLES	0	0	0
2421	AERIAL CABLE	14,369	14,369	14,369
2422	UNDERGROUND CABLE	575	575	575
2423	BURIED CABLE	269,564	296,807	304,307
2424	SUBMARINE CABLE	0	0	0
2431	AERIAL WIRE	0	0	0
2441	CONDUIT SYSTEMS	1,150	1,150	1,150
	TOTAL CABLE & WIRE FACILITIES	285,658	312,901	320,401

2690	INTANGIBLES	105,842	105,842	105,842
	TOTAL ACCOUNT 6560	\$748,634	\$810,575	\$822,075

Mescalero Apache Telecom, Inc.

LONG TERM DEBT SERVICE

3 Year Forecast
Years 2001-2003

06/20/00

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Mescalero3YrForecast.xls

Schedule 15

	12/31/01	12/31/02	12/31/03
<u>LONG TERM DEBT PAYABLE</u>			
RUS LOAN	4,714,929	4,474,877	4,222,822
LOAN-2001	4,824,641	4,649,281	4,459,893
LOAN 2002	0	1,543,885	1,487,770
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
TOTAL	9,539,570	10,668,044	10,170,486
<u>INTEREST EXPENSE</u>			
RUS LOAN	247,178	235,746	223,744
LOAN-2001	400,000	385,971	371,943
LOAN 2002	0	128,000	123,511
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
TOTAL	647,178	749,718	719,197
<u>DEBT PAYMENT / (DRAWS)</u>			
RUS LOAN	475,799	475,799	475,799
LOAN-2001	575,359	575,359	575,359
LOAN 2002	0	184,115	184,115
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
NOT USED	0	0	0
TOTAL	1,051,158	1,235,273	1,235,273

Exhibit C
Mescalero Apache Telecom, Inc.
June 2000

NEW MEXICO PUBLIC REGULATION COMMISSION

JUN-16-2000 14:14

P.02

NEW MEXICO PUBLIC REGULATION COMMISSION

COMMISSIONERS

DISTRICT 1 HERB H. HUGHES, VICE CHAIRMAN
DISTRICT 2 BILL POPE, CHAIRMAN
DISTRICT 3 JEROME D. BLOCK
DISTRICT 4 LYNDA M. LOVEJOY
DISTRICT 5 TONY SCHAEFER



OFFICE OF CHIEF OF STAFF
1120 Paseo de Peralta/P.O. Box 1269
Santa Fe, NM 87504-1269
(505) 827-6942

JOHN B. HIATT, CHIEF OF STAFF

June 13, 2000

Irene Flannery, Chief
Accounting Policy Division
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: New Mexico Local Exchange Carrier Study Area and Price Cap Waiver Request

Dear Ms. Flannery:

This letter is being written in response to a request by representatives of Mescalero Apache Telecom, Inc. ("MATI"), regarding the sale of certain New Mexico exchanges to MATI by GTE Southwest, Inc. ("GTE-SW"). We have been informed by representatives of MATI that the FCC will not act upon its request for a study-area or price-cap waiver in the absence of this correspondence.

By this letter, the New Mexico Public Regulation Commission ("PRC") confirms that it is currently reviewing MATI's application filed on May 15, 2000 for certain approvals required by law to commence operations as a rural telecommunications company, *In the Matter of the Application of Mescalero Apache Telecom, Inc. for a Certificate of Financial and Technical Competency, Operating Authority, and Public Convenience and Necessity and for Approval of Initial Tariffs, PRC Docket No. 3364*. As part of its Application, MATI requests that the NMPRC find that: a) MATI is an eligible telecommunications carrier ("ETC") pursuant to law; and (b) it is in the public interest that MATI be granted a study-area and price-cap waiver by the FCC.

The PRC will neither endorse, nor object, to an early consideration and approval of the requested interstate study-area-waiver or price-cap waiver by the FCC. By this indication, we are not prejudging the effect, if any, that such waivers may have upon the intrastate operations of the affected parties. We reserve the right to review these issues further in the proceedings in Docket

JUN-16-2000 14:15

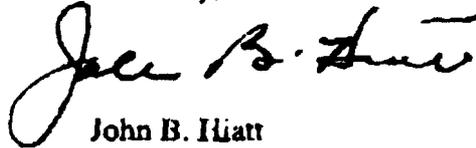
P.03

Irnc Flannery
June 13, 2000
Page Two

No. 3364 and to take whatever steps are necessary to assure that the waivers, if granted, do not adversely affect the public interest in New Mexico.

If you should have any questions regarding this correspondence, or if you should have any further questions, please do not hesitate to call me at (505) 827-4037.

Sincerely,

A handwritten signature in black ink, appearing to read "John B. Hiatt". The signature is written in a cursive style with a large, looping initial "J".

John B. Hiatt
Chief of Staff

cc: Commissioners

CERTIFICATE OF SERVICE

I, Maura Pigeon, a paralegal in the law firm of Greenberg Traurig, certify that a copy of the foregoing "Joint Petition for Expedited Waiver" was served this 5th day of June, 2000, via hand deliver, upon the following:

Chairman William Kennard
Federal Communications Commission
445 12th Street, SW, Room 8-B201H
Washington, DC 20554

Commissioner Gloria Tristani
Federal Communications Commission
445 12th Street, SW, Room 8-C302C
Washington, DC 20554

Commissioner Susan Ness
Federal Communications Commission
445 12th Street, SW, Room 8-B115H
Washington, DC 20554

Commissioner Michael Powell
Federal Communications Commission
445 12th Street, SW, Room 8-A204C
Washington, DC 20554

Commissioner Harold Furchtgott-Roth
Federal Communications Commission
445 12th Street, SW, Room 8-302C
Washington, DC 20554

Lawrence Strickling, Chief
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-C450
Washington, DC 20554

Irene Flannery, Chief
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-A426
Washington, DC 20554

Adrian Wright
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-B510
Washington, DC 20554

Geno Fullano
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-A623
Washington, DC 20554

Eric Jensen
Office of Communication Business Opportunities
Federal Communications Commission
445 12th Street, SW, Room 7-C250
Washington, DC 20554

International Transcription Services
1231 20th Street, NW
Washington, DC 20554

Geoffrey Blackwell
Federal Communications Commission
445 12th Street, SW, Room 2-C231
Washington, DC 20554



Maura Pigeon