

CASE NO. 2005-0065

AIRPORT GARDENS SITE
(HAZARD)

PERRY COUNTY, KENTUCKY

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED
MAR 14 2005
PUBLIC SERVICE
COMMISSION

In the matter of:

THE APPLICATION OF EAST KENTUCKY NETWORK)
LIMITED LIABILITY COMPANY FOR THE ISSUANCE)
OF A CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE No 2005-00065
NECESSITY TO CONSTRUCT A TOWER IN PERRY)
COUNTY, KENTUCKY).

In case number 91-002 East Kentucky Network, LLC, formerly Mountaineer Cellular Limited Liability Company was granted a Certificate of Public Convenience and Necessity by the Kentucky Public Service Commission to construct and operate a cellular radio telecommunications system for KY RSA 9 and KY RSA 10.

In an effort to improve service in Perry County, East Kentucky Network, LLC Pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a tower near Hazard, Kentucky. The proposed tower will be a 300 foot self-supporting tower located at Apple Ridge Lane, near Hazard in Perry County, Kentucky (: 37-17-29.0 N /: 83-12-53.0 W). A map and detailed driving directions to the site can be found in Exhibit 8.

East Ky Network LLC merger documents were filed with the Commission on February 2, 2001 in Case # 2001-022.

FAA and Kentucky Airport Zoning Commission approvals have been approved and are included. These applications are enclosed as Exhibit 4 and 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

The geotechnical report is detailed by Brandon K. Austin, P.E... in a universal letter of soil bearing analysis designated Exhibit 3

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Allstate Tower, Inc. of Henderson, KY and will be constructed under their supervision. Their qualifications are evidenced in Exhibit 5 by the seal and signature of the registered professional engineer responsible for this project.

The tower will be erected by A & D Communication of Cattlesburg, Kentucky. A & D has vast experience in the erection of communications towers.

Enclosed, and should be filed with Exhibit 10, back of folder, is a survey of the proposed tower site signed by a Kentucky registered professional engineer. There are 4 structures within 500 feet of the proposed tower as indicated in this enclosure. Exhibit 2 is a list of all Property owners or residents within 500' of the proposed tower. No other properties are contiguous with East Kentucky's property.

Exhibit 10, back of folder, contains a vertical sketch of the tower by Coleman engineering...

Pursuant to 807 KAR5:063 Sections 1 (1) : all affected property owners according to the property valuation administrator's record who reside or own property within 500 feet of the proposed Tower were notified by certified mail return receipt requested of East Kentucky Network, LLC's proposed construction and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 2 is a copy of that notification.

Perry County has no formal local planning unit. In absence of this unit the Perry County Judge Executive's office was notified by certified mail, return receipt requested of East Kentucky Network Limited Liability Company's proposal and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 1 is a copy of that notification.

East Kentucky Network, LLC will finance the subject Construction with earned surplus in its General Fund.

Estimated Cost of Construction	140,000.00
Annual Operation Expense of Tower	12,500.00

A sign 24" X 48" which conforms to the Public Service Commissions guidelines issued on September 3, 1997 was posted on the site on March 9, 2005 and will remain posted for at least two weeks after filing of this application as specified by the PSC guidelines. A second such sign was posted at the nearest public road, and will remain posted two weeks after this filing.

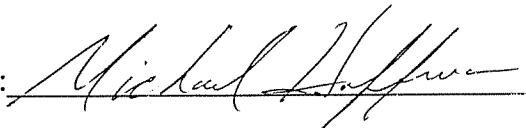
Enclosed in Exhibit 9 is a copy of East Kentucky Network LLC's deeds to the site.

Notice of the location of the proposed construction was published on the second and third weeks of March in the Hazard Herald. Enclosed is a copy of that notice in Exhibit 1. The Hazard Herald is the newspaper with the largest circulation in Perry County.

The proposed construction site is located on Apple Ridge Lane some feet from the nearest structures.

Due to the location of the proposed site, the property is unsuitable for any type of development. East Kentucky Network LLC's operation will not affect the use of nearby land nor its value. No more suitable site exists in the area. A copy of the search area map is enclosed in Exhibit 8. No other tower capable of supporting East Kentucky Network LLC's load exists in the general area; therefore, there is no opportunity for co-location of our facilities with anyone else.

The foregoing document was prepared by Janice Robinson, Accounting Department, East Kentucky Network d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to Michael Huffman, Controller, East Kentucky Network, P. O. Box 405, Prestonsburg, KY 41653.

APPROVED BY:  Date: 3/11/05
Michael Huffman, Controller

Phone: (606) 791-2375, Ext. 164

Email: (mhuffman@ekn.com)

Michael Huffman, Controller

East Kentucky Network, LLC.

355 Village Drive, P. O. Box 405

Prestonsburg, KY 41653

**EAST KENTUCKY NETWORK, LLC
d/b/a APPALACHIAN WIRELESS**

AIRPORT GARDENS

CASE # 2005-0065

HAZARD, PERRY COUNTY, KENTUCKY

EXHIBIT

ITEM

1. Notification/Response from County
2. Copies of Cell Site Notices
3. Universal Letter of Soil Bearing Analysis
4. Kentucky Airport Zoning Commission
Application
5. Tower Design
6. FAA Notice of Proposed Construction
7. 2003 Audited Financial Statements
8. Maps to Suitable Scale
9. Deed of Conveyance or Lease Agreement for
the Proposed Tower Site Property
10. Survey of Site signed and sealed by a
Professional Engineer Registered in Kentucky



EAST KENTUCKY NETWORK
POST OFFICE BOX 405
PRESTONSBURG, KY 41653
PHONE: (606)886-6007
FAX: (606)886-0206
E-MAIL: INFO@EKN.COM
WEBSITE: EKN.COM



VIA: U.S. CERTIFIED MAIL

March 8, 2005

Denny Ray Noble, Judge Executive
Perry County Court House
P. O. Box 210
Hazard, KY 41702

Phone (606) 439-1816

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2005-065)

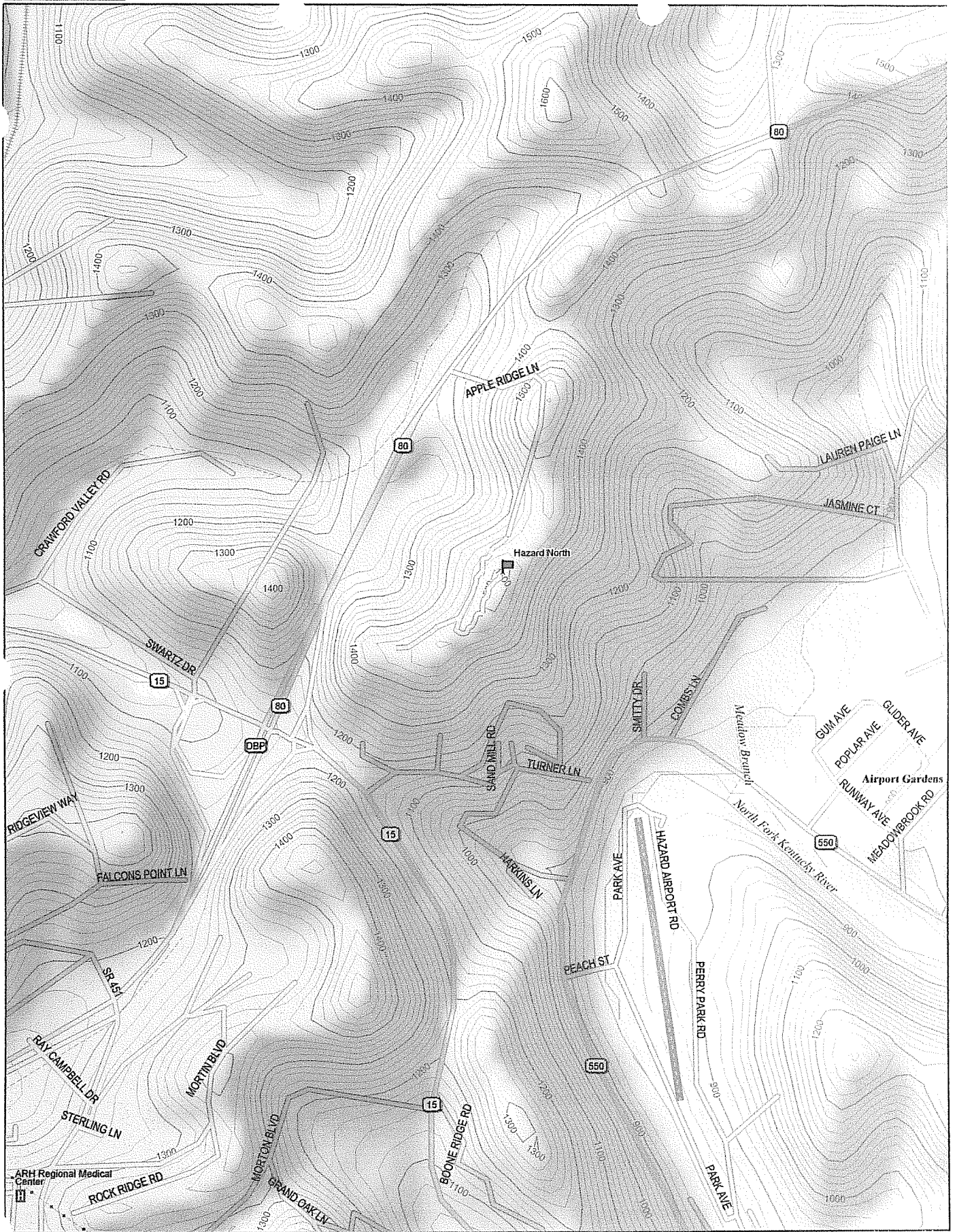
East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service. The facility will include a 300 foot self supported tower, with attached antennas extending upwards, and an equipment shelter to be located on Apple Ridge Lane near Hazard, in Perry County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you are the County Judge Executive of Perry County.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

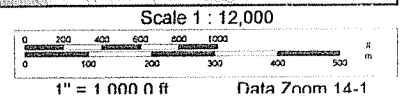
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2005-0065 in your correspondence.

Sincerely,

Michael Huffman, CPA
Accounting Manager
enclosure

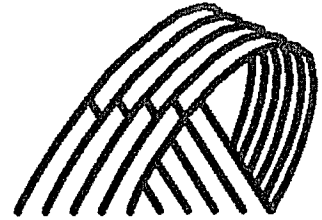


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 www.delorme.com



d/b/a Appalachian Wireless
P.O. Box 405
355 Village Drive
Prestonsburg, KY 41653
Phone: 606/886-6007
Fax: 606/791-2225

EAST KENTUCKY NETWORK



Fax

To: HAZARD HERALD

From: JANICE ROBINSON

ATT: Advertising Department

Fax: 606-4363140

Phone: 606-791-2375, Ext. 166

Phone: 606-436-5771

Pages: Pages (INCLUDING COVER)

Re: PUBLIC NOTICE ADVERTISEMENT **CC:**

Nancy,

We would like to have the following public notice printed in The Hazard Herald for the next two weeks. The notice should state the following:

PUBLIC NOTICE:

RE: Public Service Commission of Kentucky (CASE NO. 2005-0065)

Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a tower near Hazard in Perry county, Kentucky. The proposed tower will be a 300-foot self-supporting tower. The proposed tower site is located at Airport Gardens, on Apple Ridge Lane.

If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sower Boulevard, P o Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2005-0065..

If you have questions about the placement of the above mentioned notice, please call me at 606-791-2375, ext. 166.

Thank you,

Janice Robinson

Accounting Department If you have any problems with this fax, please call 606/886-6007.

The message above and the information contained in the documents transmitted are confidential and intended only for the person(s) named above. Dissemination, distribution or copying of this communication by anyone other than the person(s) named above is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address listed above via regular mail. Thank you.

LIST OF PROPERTY OWNERS
WITHIN 500 FEET OF PROPOSED TOWER
AIRPORT GARDENS-HAZARD
PERRY COUNTY, KENTUCKY

Ali & Shaheen Rizwan
P. O. Box 910366
Lexington, KY 40591

Terry & Kimberly North
238 Apple Ridge Lane
Hazard, KY 41701

Robert & Mirlene Terry
224 Apple Ridge Lane
Hazard, KY 41701

Christie Jones
210 Apple Ridge Lane
Hazard, KY 41701

EAST KENTUCKY NETWORK
POST OFFICE BOX 405
PRESTONSBURG, KY 41653
PHONE: (606)886-6007
FAX: (606)886-0206
EMAIL: INFO@EKN.COM
WEBSITE: EKN.COM



VIA: U.S. CERTIFIED MAIL

AIRPORT GARDENS CELL SITE - HAZARD)

PUBLIC NOTICE

March 9, 2005

Christie Jones
210 Apple Ridge Lane
Hazard, KY 41701

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2005-0065)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service. The facility will include a 300-foot self-supported tower, with attached antennas extending upwards, and an equipment shelter to be located at Airport Gardens, on Apple Ridge Lane near Hazard in Perry County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2005-0065 in your correspondence.

Sincerely,

Michael Huffman, CPA
Controller
enclosure

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VIA: U.S. CERTIFIED MAIL

AIRPORT GARDENS CELL SITE - HAZARD)

PUBLIC NOTICE

March 9, 2005

224 Apple Ridge Lane
Robert & Mirlene Terry
Hazard, KY 41701

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Sincerely,

Michael Huffman, CPA
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VIA: U.S. CERTIFIED MAIL

AIRPORT GARDENS CELL SITE - HAZARD)

PUBLIC NOTICE

March 9, 2005

Terry & Kimberly North
238 Apple Ridge Lane
Hazard, KY 41701

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March 9, 2005

Ali & Shaheen Rizwan
P O Box 910366
Lexington, KY 40591

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The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

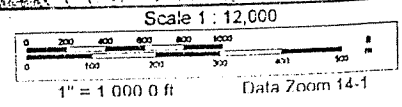
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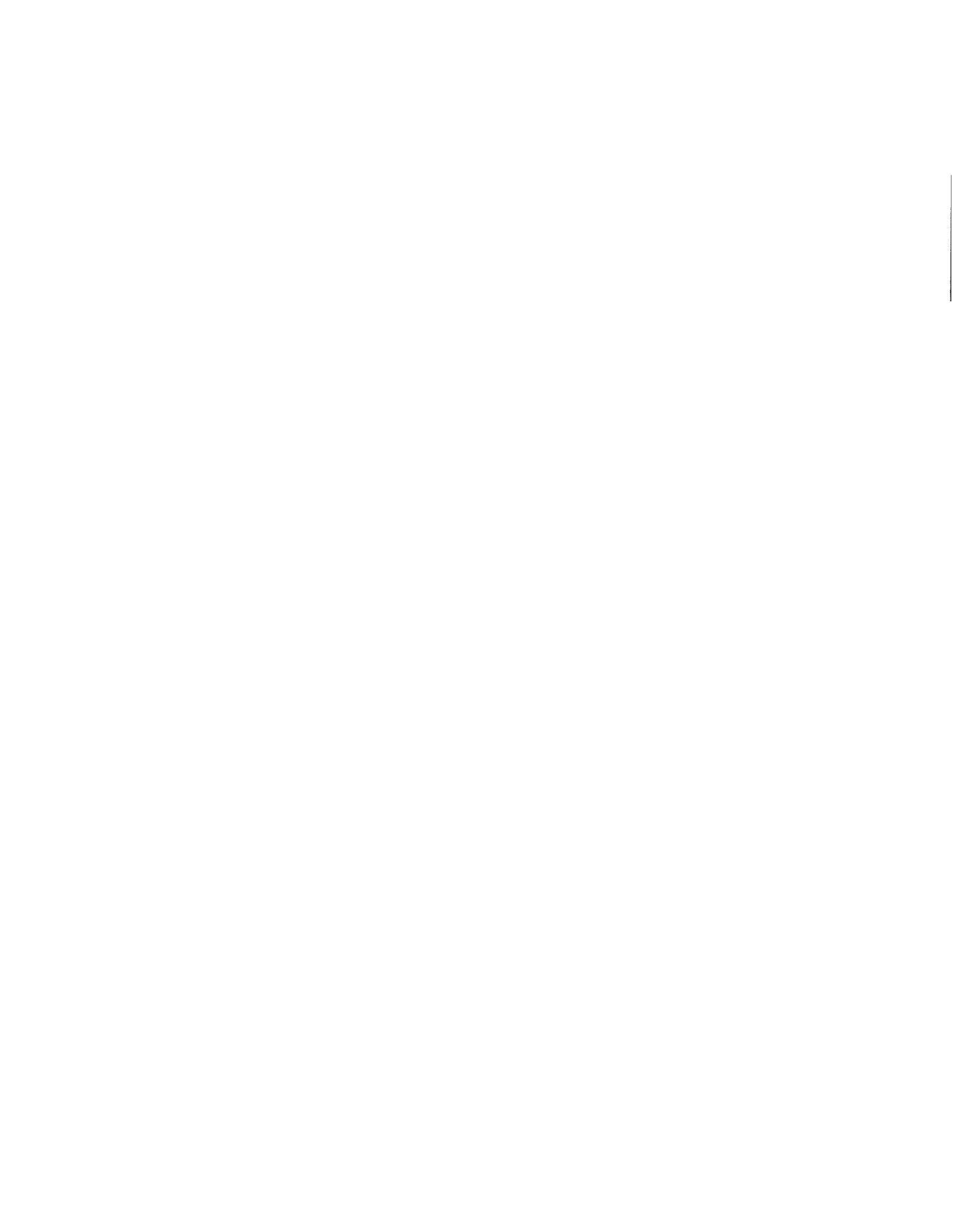
Sincerely,

Michael Huffman, CPA
Accounting Manager
enclosure



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 www.delorme.com





Allstate Tower, Inc.
P.O. Box 25
Henderson, KY 42419-0025
(270) 533-6000

January 7, 2005

Mr. Marty Thakker
President
Appalachian Wireless
60 Communication Lane
Hindman, KY 41822

Mr. Thakker,

The present manner in which Allstate Tower, Inc. gathers geotechnical information on all respective projects has, in our experience, proven to be a sufficient means of collecting data for tower foundation design. This information has historically consisted of a certified geotechnical report that includes site and soil analysis, complete recommendations, and copies of field boring logs.

If you should have any questions or comments pertaining to the content of this letter, or any other topic, please feel free to contact us.

Sincerely,

A handwritten signature in cursive script, appearing to read "Brandon K. Austin".

Brandon K. Austin, P.E.

WENDELL R. HOLMES, P.G.
139 Wabaco Circle Road
Hazard, KY 41701
(606) 435-8100

October 27, 2004

Hazard Tower Site

Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Perry County near Hazard, Kentucky. The site of the proposed tower is now forestland. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

Site Investigation:


The trenching method was used to determine the type of bedrock material at the proposed tower site. A Caterpillar excavator and bulldozer were used to expose the bedrock material. It is approximately 0.50 feet to the sandstone bedrock. (See attached page for descriptions of materials encountered.) The terrain in Perry County is moderately to very steep. The tower site is located on a ridgeline between First Creek and the North Fork of the Kentucky River, both being tributaries of the Kentucky River, approximately one mile west of Airport Gardens in Perry County. The sandstone formation below the tower site is approximately 35.00 feet thick, based on the information obtained from the site investigation and geological maps of the area.

Conclusions:

The proposed tower site is located on a ridge in the area. The sandstone bedrock on the proposed tower site is part of the Breathitt Formation, and is middle to lower Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the sandstone bedrock formation.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.

Wendell R. Holmes, P.G.
Registered Professional Geologist
Kentucky



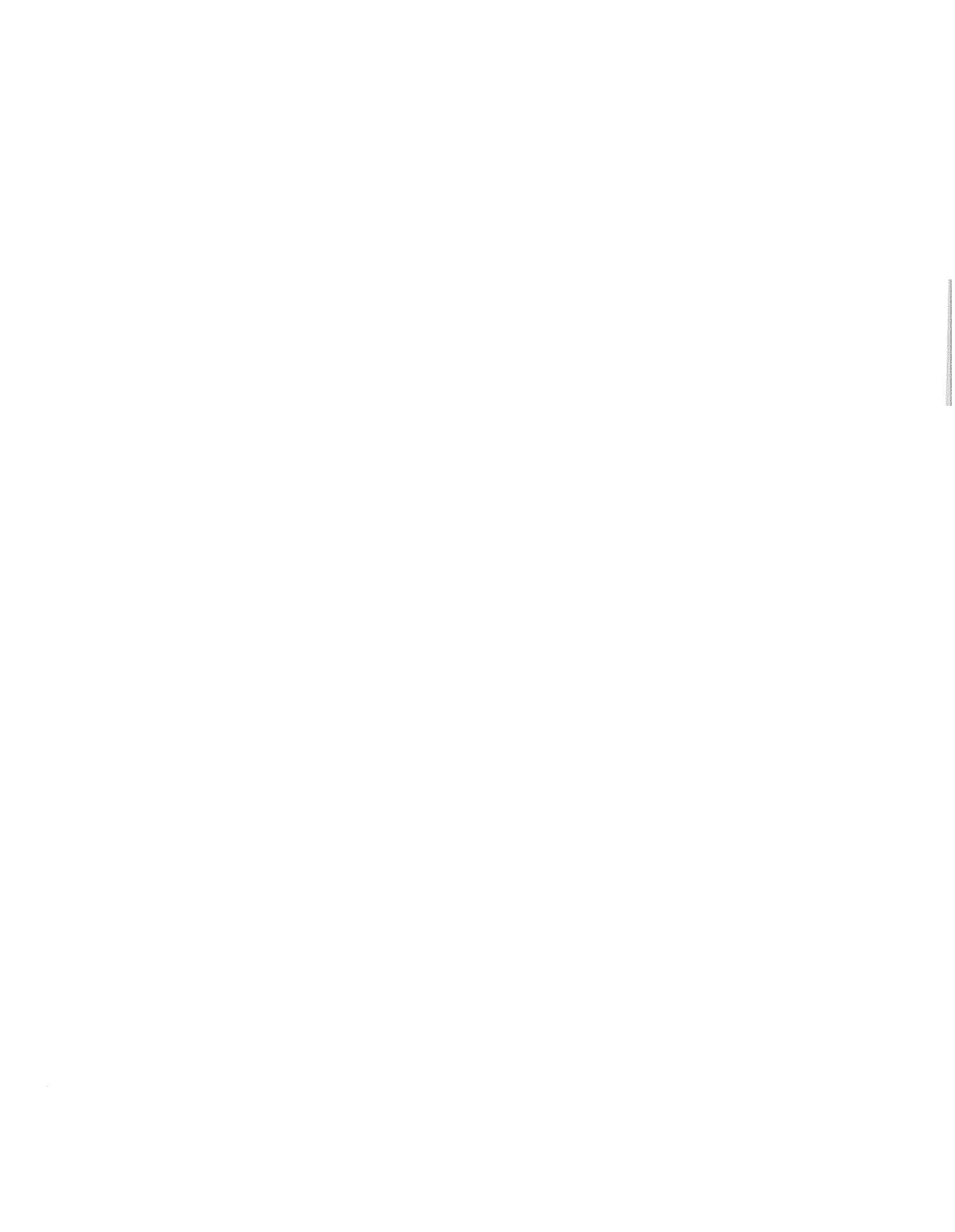
WENDELL R. HOLMES, P.G.

**139 Wabaco Circle Road
Apartment 2
Hazard, Ky. 41701**

Geologist Log

Location: Hazard Tower Site

Unit Thickness	Total depth	Strata	Description
0.50'	0.50'	Soil	Yellow and Brown, with Sandstone Fragments
5.00'	5.50'	Sandstone w/ Shale	Brown and Weathered
30.00'	35.50'	Sandstone	Brown and Gray



LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED
1650 TYSONS BOULEVARD
SUITE 1500
MCLEAN, VA 22102
703-584-8678
FAX: 703-584-8696

ISSELL D. LUKAS+
JAVID L. NACE+
THOMAS GUTIERREZ+
ELIZABETH R. SACHS+
GEORGE L. LYON, JR.+
PAMELA L. GIST+
DAVID A. LAFURIA+
MARILYN SUCHECKI MENSE+
B. LYNN F. RATNAVALE+
TODD SLAMOWITZ+
STEVEN M. CHERNOFF+

January 7, 2005

CONSULTING ENGINEERS
ALI KUZEHKANANI
LEROY A. ADAM
LEILA REZANAVAZ
—
OF COUNSEL
JOHN J. MCAVOY+
J.K. HAGE III++
LEONARD S. KOLSKY+++

+ADMITTED ONLY IN DC
++ADMITTED ONLY IN NY
+++ADMITTED ONLY IN MA

<http://www.fcclaw.com>

WRITER'S DIRECT DIAL

(703) 584-8669

TELECOPIER

(703) 584-8692

Via U.S. Mail

Mr. John Houlihan, Administrator
Kentucky Airport Zoning Commission
200 Mero Street
Frankfort, KY 40622

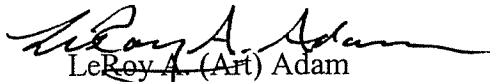
Re: AS-097-K20-04-224

Dear Mr. Houlihan:

Forwarded herewith is a copy of the FAA flight safety determination for the referenced KAZC study.

Should you have any questions, please do not hesitate to call the undersigned.

Sincerely,


Leroy A. (Art) Adam
Consulting Engineer

cc: East Kentucky Network, LLC
Attention: Gerald Robinette
Marty Thacker



Federal Aviation Administration
 Southern Regional Office
 1701 Columbia Avenue-ASO-520
 College Park, GA 30337

Aeronautical Study No.
 2004-ASO-6543-OE

Issued Date: 12/22/2004

LEROY A (ART) ADAM
 EAST KY NETWORK LLC C/O LUKAS NACE GUTIERREZ & SAC
 1650 TYSONS BLVD SUITE 1500
 MCLEAN, VA 22102

**** DETERMINATION OF NO HAZARD TO AIR NAVIGATION ****

The Federal Aviation Administration has completed an aeronautical study under the provisions of 49 U.S.C., Section 44718 and, if applicable, Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure Type: Antenna Tower
 Location: HAZARD, KY
 Latitude: 37-17-29.34 NAD 83
 Longitude: 83-12-52.63
 Heights: 325 feet above ground level (AGL)
 1865 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

As a condition to this Determination, the structure should be marked and/or lighted in accordance with FAA Advisory Circular 70/7460-1 AC 70/7460-1K Change 1, Obstruction Marking and Lighting, a med-dual system - Chapters 4,8(M-Dual),&12.

It is required that the enclosed FAA Form 7460-2, Notice of Actual Construction or Alteration, be completed and returned to this office any time the project is abandoned or:

At least 10 days prior to start of construction
 (7460-2, Part I)

Within 5 days after the construction reaches its greatest height
 (7460-2, Part II)

As a result of this structure being critical to flight safety, it is required that the FAA be kept appraised as to the status of the project. Failure to respond to periodic FAA inquiries could invalidate this determination.

While the structure does not constitute a hazard to air navigation, it would be located within or near a military training area and/or route.

This determination expires on 6/22/2006 unless:

- (a) extended, revised or terminated by the issuing office.
- (b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION
ST BE POSTMARKED OR DELIVERED TO THIS OFFICE AT LEAST 15 DAYS PRIOR TO THE
EXPIRATION DATE.

This determination is based, in part, on the foregoing description which includes specific coordinates, heights, frequency(ies) and power. Any changes in coordinates, heights, and frequencies or use of greater power will void this determination. Any future construction or alteration, including increase to heights, power, or the addition of other transmitters, requires separate notice to the FAA.

This determination does include temporary construction equipment such as cranes, derricks, etc., which may be used during actual construction of the structure. However, this equipment shall not exceed the overall heights as indicated above. Equipment which has a height greater than the studied structure requires separate notice to the FAA.

This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body.

A copy of this determination will be forwarded to the Federal Communications Commission if the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (404)305-5589. On any future correspondence concerning this matter, please refer to Aeronautical Study Number 2004-ASO-6543-OE.

Signature Control No: 404810-334703

(DNE)

Cesar I Perez
Specialist

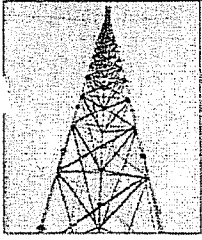
Attachment(s)
Frequency Data

7460-2 Attached

Frequency Data for ASN 2004-ASO-6543-OE

LOW FREQUENCY	HIGH FREQUENCY	FREQUENCY UNIT	ERP	ERP UNIT
880	890	MHz	.2	KW





ALLSTATE TOWER INCORPORATED

P.O. Box 25 ♦ Henderson, KY 42419 ♦ Tel. (270) 533-6000 ♦ Email – sales@allstatetower.com
6541 Cairo-Dixie Rd. ♦ Cairo, KY 42406 ♦ Fax (270) 533-6888 ♦ Emergency (270) 748-1358

Paint ♦ Repair ♦ Inspection ♦ Plumb and Tension ♦ Re-Guy ♦ Lighting ♦ Antenna Feedline

Engineered Tower and Foundation Drawings

for the

300' Self-Supporting Tower

for

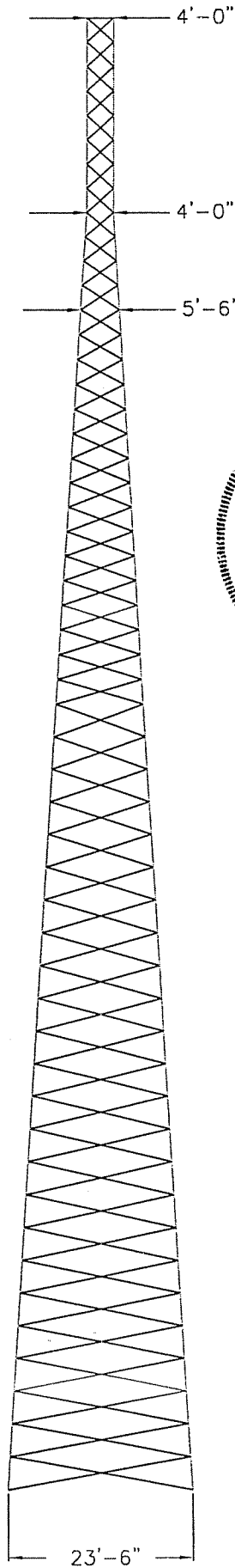
Hazard Site

Hazard, KY

For: Appalachian Wireless
Prepared By: Aaron Thornhill
Date: 01/04/2005

A = L 3x3x1/4
 B = L 1.75x1.75x3/16

LEGS	4.00" φ	3.75" φ	3.50" φ	3	2.75" φ	2.50" φ	2.25" φ	2.00" φ	5" φ							
DIAGONALS	L 3.5x3.5x1/4	A	L 3x3x3/16	L 2.5x2.5x3/16	L 2x2x3/16	L 1.75x1.75x3/16										
GIRTS	NONE															
BRACE BOLTS	7/8" φ	3/4" φ		5/8" φ												
SPLICE BOLTS	(8) 1" φ PER LEG															
# OF BAYS	0'	20'	40'	60'	80'	100'	120'	140'	160'	180'	200'	220'	240'	260'	280'	300'
	3/20' (X-BRACING)			4/20' (X-BRACING)												
	(8) 1" φ PER LEG			(8) 3/4" φ PER LEG												



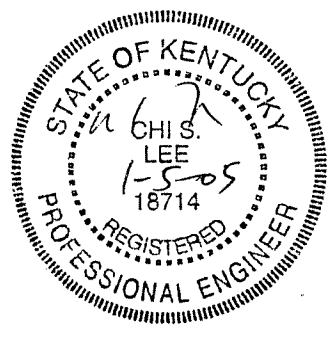
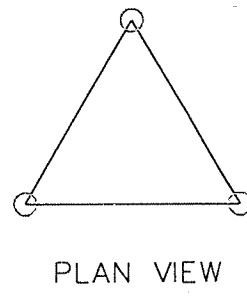
ELEV.	ANTENNAS	FEEDLINES
300'	(6) DB810 ANTENNAS	(6) 1-5/8"
300'	(2) 24" X 30" X 12" AMPLIFIERS	(2) 1-5/8"
270'	(4) DB810 ANTENNAS	(4) 1-5/8"
250'	(3) DB810 ANTENNAS	(3) 1-5/8"
220'	(1) 8' DISH/RADOME W/EW52	
180'	(1) 8' DISH/RADOME W/EW52	

BASE REACTIONS:
 TOTAL SHEAR = 36 KIPS
 AXIAL LOAD = 60 KIPS
 UPLIFT/LEG = 247 KIPS
 COMP./LEG = 287 KIPS
 O.T. MOMENT = 5435 FT-K

- W.G. SUPPORTS OVER 3 TOWER LEGS
- TOTAL LINES - 15; MAX. 5 LINES EXPOSED TO WIND
- STEP BOLTS WITH SAFETY DEVICE

DESIGN NOTES:

- 1) ALL LEGS ARE 50 KSI
- 2) ALL BRACES ARE 36 KSI
- 3) ALL BRACE AND SPLICE BOLTS ARE A325-X
- 4) ESTIMATED STEEL WT. OF TOWER - 42.14 KIPS
 (STEEL WT. INCLUDES FLANGE & GUSSET PLATES ONLY)
- 5) USE (6) 1.50" DIA. X 6'-0" LONG (OVERALL) ANCHOR BOLTS (A36)
 WITH 19" φ X 2.25" THK. (A36) BASE PLATE PER LEG WITH A 13.75" BOLT CIRCLE
 WITH (6) 3.5" X 5" X 1/2" STIFFENERS WITH 1/4" WELDS



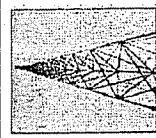
TOWER IS DESIGNED AT 70 MPH WIND + 0.5" RADIAL ICE
 (WITH REDUCTION) PER TIA/EIA-222-F-1996 STANDARD

ALLSTATE TOWER INC.

P.O. BOX 25, HENDERSON, KY 42419 PHONE: (270) 844-0003 FAX: (270) 844-0037

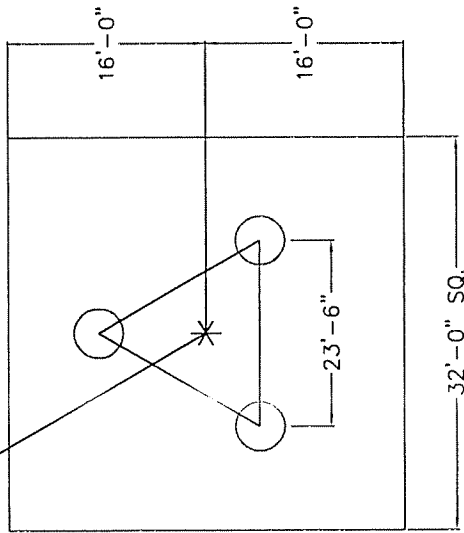
PROPRIETARY STATEMENT: THIS DRAWING IS THE PROPERTY OF ALLSTATE TOWER CO. IT IS NOT TO BE REPRODUCED OR COPIED IN ANYWAY WITHOUT PRIOR WRITTEN CONSENT OF ALLSTATE TOWER CO.

FOR:	APPALACHIAN WIRELESS	DRAWN BY:	CADD STAFF
	300' SELF SUPPORTING TOWER	ENGINEER:	R.FULKERSON
	HAZARD SITE	DATE:	01/02/2005
	HAZARD COUNTY, KY	TOWER NO.	40132
REF. JOB#	ALLSTATE JOB NO. 40132F	SHEET	A



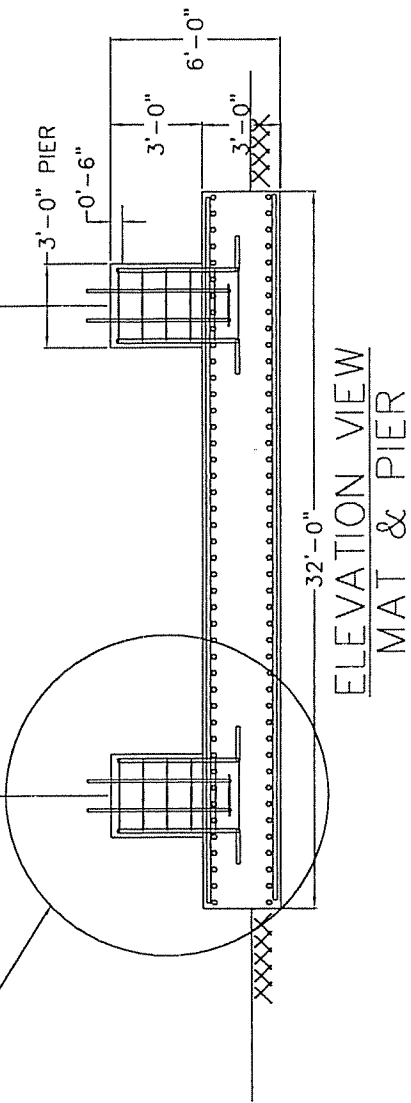
TOLERANCE BANDS ARE AS FOLLOWS:
 ALL DIMENSIONS ARE ±1/16"
 ALL ANGULAR DIM ARE ±1/2° UNLESS OTHERWISE NOTED

CENTER OF T
AND FOUNDATION



PLAN VIEW

SEE DETAIL "A"



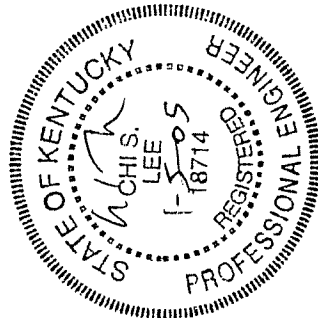
ELEVATION VIEW
MAT & PIER

(6) 1.50" DIA. ANCHOR BOLTS
x 6'-0" OVERALL LENGTH
w/ 3/4" THK BEARING PLATE AT
THE BOTTOM OF THE ANCHOR BOLTS
(MIN. EMBED. LENGTH = 5')

(9) #8 VERTICAL L-SHAPED BENT
BARS w/ #4 TIES AT 12" O.C.
FOR ENTIRE LENGTH
USE 3'-0" LONG 90° HOOK
FOR EACH #8 V-BAR.
(TOTAL LENGTH OF EACH
RE-BAR IN PIER = 7'-9")

(32) #9 HORIZONTAL BARS x 31'-6" LONG
EQUALLY SPACED EACH WAY AT TOP
AND BOTTOM OF MAT. (TOTAL OF 128)

DETAIL "A"



NOTES:

- TOTAL VOLUME OF CONCRETE 116.13 C.Y.
- FOUNDATION DESIGN IS BASED ON SOIL BORINGS LOGGED BY WENDELL R. HOMES, P.G. DATED OCTOBER 27, 2004
- USE (6) 1.50" DIA. A36 ANCHOR BOLTS.
- REBARS PER ASTM A615 GR. 60
- ULTIMATE CONCRETE STRENGTH = 3000 PSI
- MIN. COVER OF CONCRETE = 3"

ALLSTATE TOWER INC.

PO BOX 25 HENDERSON, KY 42419 PHONE: (270) 533-6000 FAX: (270) 533-6888

PROPRIETARY STATEMENT: THIS DRAWING IS THE PROPERTY OF AT.I. IT IS NOT TO BE REPRODUCED OR COPIED IN ANYWAY WITHOUT PRIOR WRITTEN CONSENT OF ALLSTATE TOWER INC.

TOLERANCE BANDS ARE AS FOLLOWS: ALL DIMENSIONS ARE ±1/16" ALL ANGULAR DIM ARE ±1/2" UNLESS OTHERWISE NOTED		DESIGNED BY: A. THORNHILL DATE: 01/02/2005	
MAT AND PIER FOUNDATION APPALACHIAN WIRELESS 300' SELF SUPPORTING TOWER HAZARAD SITE HAZARD, KY		JOB NO.	
REF. JOB #:		DWG NO.	

SHEET
B

WENDELL R. HOLMES, P.G.
139 Wabaco Circle Road
Hazard, KY 41701
(606) 435-8100

October 27, 2004

Hazard Tower Site

Purpose:

A site assessment was conducted for Appalachian Wireless on a tract of land located in Perry County near Hazard, Kentucky. The site of the proposed tower is now forestland. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

Site Investigation:

The trenching method was used to determine the type of bedrock material at the proposed tower site. A Caterpillar excavator and bulldozer were used to expose the bedrock material. It is approximately 0.50 feet to the sandstone bedrock. (See attached page for descriptions of materials encountered.) The terrain in Perry County is moderately to very steep. The tower site is located on a ridgeline between First Creek and the North Fork of the Kentucky River, both being tributaries of the Kentucky River, approximately one mile west of Airport Gardens in Perry County. The sandstone formation below the tower site is approximately 35.00 feet thick, based on the information obtained from the site investigation and geological maps of the area.

Conclusions:

The proposed tower site is located on a ridge in the area. The sandstone bedrock on the proposed tower site is part of the Breathitt Formation, and is middle to lower Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the sandstone bedrock formation.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.

Wendell R. Holmes, P.G.

WENDELL R. HOLMES, P.G.

**139 Wabaco Circle Road
Apartment 2
Hazard, Ky. 41701**

Geologist Log

Location: Hazard Tower Site

Unit Thickness	Total depth	Strata	Description
0.50'	0.50'	Soil	Yellow and Brown, with Sandstone Fragments
5.00'	5.50'	Sandstone w/ Shale	Brown and Weathered
30.00'	35.50'	Sandstone	Brown and Gray



Kentucky Airport Zoning Commission
200 Mero Street
Frankfort, KY 40622

(502) 564-4480
fax: (502) 564-7953
No.: AS-097-K20-04-224

January 19, 2005

APPROVAL OF APPLICATION

APPLICANT:

East Kentucky Network, LLC
Leroy A. Adam, Senior Engineer
C/O Lukas, Nace, Gutierrez, & Sachs, Chartered
1650 Tyson Blvd., Suite 1500
MCLEAN, VA 22102

SUBJECT: AS-097-K20-04-224

STRUCTURE: Antenna Tower
LOCATION: Hazard, KY
COORDINATES: 37-17-29.0 N / 83-12-53.0 W
HEIGHT: 325'AGL/1865'AMSL

The Kentucky Airport Zoning Commission has approved your application for a permit to construct 325'AGL/1865'AMSL Antenna Tower near Hazard, KY 37-17-29.0 N / 83-12-53.0 W.

This permit is valid for a period of 18 Month(s) from its date of issuance. If construction is not completed within said 18-Month period, this permit shall lapse and be void, and no work shall be performed without the issuance of a new permit.

A copy of the approved application is enclosed for your files.

Dual obstruction lighting is required in accordance with 602 KAR 50:100.

A handwritten signature in black ink, appearing to read "John Houlihan".

John Houlihan, Administrator

Kentucky Transportation Cabinet, Kentucky Airport Zoning Commission, 125 Holmes Street, Frankfort KY 40622

Kentucky Aeronautical Study Number

APPLICATION FOR PERMIT TO CONSTRUCT OR ALTER A STRUCTURE

AS-097-KZC-04-024

1 APPLICANT - Name, Address, Telephone, Fax, etc.

East Kentucky Network, LLC
c/o Lukas, Nace, Gutierrez & Sachs, Chtrd.
1650 Tysons Blvd., Suite 1500
McLean, VA 22102

T: 703-584-8669

2 Representative of Applicant - Name, Address, Telephone, Fax

LeRoy A. Adam
Lukas, Nace, Gutierrez & Sachs, Chartered
1650 Tysons Blvd., Suite 1500
McLean, VA 22102

T: 703-584-8669

3 Application for: New Construction Alteration Existing

4 Duration: Permanent Temporary (Months _____ Days _____)

5 Work Schedule: Start 01/03/05 End 01/14/05

6 Type: Antenna Tower Crane Building Power Line
 Landfill Water Tank Other _____

7 Marking/Painting and/or Lighting Preferred:

- Red Lights and Paint Dual - Red & Medium Intensity White
- White - Medium Intensity Dual - Red & High Intensity White
- White - High Intensity Other _____

8 FAA Aeronautical Study Number TED

9. Latitude: 37 ° 17 ' 29.0 "

10. Longitude: 83 ° 12 ' 53.0 "

11. Datum: NAD 83 NAD 27 Other _____

12. Nearest Kentucky City Hazard County: Perry

13. Nearest Kentucky public use or Military airport:
Wendell H. Ford Airport ("K20")

14. Distance from #13 to Structure: 7.1 miles

15. Direction from #13 to Structure: SSE

16. Site Elevation (AMSL): 1540 Feet

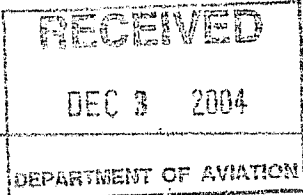
17. Total Structure Height (AGL): 325 Feet

18. Overall Height (#16 + #17) (AMSL): 1865 Feet

19. Previous FAA and/or Kentucky Aeronautical Study Number(s):
N/A

20. Description of Location: (Attach a USGS 7.5 minute Quadrangle Map or an Airport Layout Drawing with the precise site marked and any certified survey)

Site is 2.9 miles NNW of Hazard (Perry), KY.



21. Description of Proposal:

The tower to be constructed is a communication tower which consists of a 300-foot guyed support structure plus a 25-foot antenna/lightning rod for operation of a Band B Cellular base station. The antenna system is omni-directional (beamwidth 360°) with the maximum ERP in any direction of 200 Watts.

22 Has a "NOTICE OF CONSTRUCTION OR ALTERATION" (FAA Form 7460-1)

been filed with the Federal Aviation Administration?

- No
- Yes, When 11/29/04

CERTIFICATION: I hereby certify that all the above statements made by me are true, complete and correct to the best of my knowledge and belief.

LeRoy A. Adam

LeRoy A. Adam

11/29/04

Printed Name

Signature

Date

PENALTIES: Persons failing to comply with Kentucky Revised Statutes (KRS 183.861 through 183.990) and Kentucky Administrative Regulations (602 KAR 050: Series) are liable for fines and/or imprisonment as set forth in KRS 183.990(3). Non-compliance with Federal Aviation Administration Regulations may result in further penalties.

Commission Action:

- Chairman, KAZC
- Administrator, KAZC

- Approved
- Disapproved

John Adulman JOHN ADULMAN

Date 1-19-05

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

FINANCIAL REPORT

December 31, 2003

INDEPENDENT AUDITOR'S REPORT

To the Members
East Kentucky Network, LLC
dba Appalachian Wireless
Prestonsburg, Kentucky 41653

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2003 and 2002 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2003 and 2002 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Jones, Neal & Mattingly, P.C.

Louisville, Kentucky
February 26, 2004

642 South Fourth Avenue, Suite 300
Louisville, Kentucky 40202-9975
(502) 583-0248 • FAX (502) 589-1680

Member American Institute of Certified Public Accountants
Kentucky Society of Certified Public Accountants

**EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS**

**BALANCE SHEETS
December 31, 2003 and 2002**

ASSETS	<u>2003</u>	<u>2002</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,781,029	\$ 1,2
Short-term investments	2,617,468	1
Accounts receivable, less allowance for doubtful accounts of \$280,280 in 2003 and \$834,722 in 2002	1,283,271	1,4
Inventory	419,855	8
Prepaid expenses	<u>107,325</u>	<u>3,7</u>
Total current assets	<u>\$ 7,208,948</u>	<u>\$ 3,7</u>
 PROPERTY, PLANT AND EQUIPMENT (Note 4)		
Plant in service:		
General support	\$ 7,021,978	\$ 6,0
MTSO equipment	6,265,231	5,7
Cell equipment	25,509,795	23,9
Paging equipment	3,300,442	3,1
Fiber ring	3,987,697	3,7
Unfinished plant	<u>1,520,311</u>	<u>42,7</u>
	<u>\$ 47,605,454</u>	<u>\$ 42,7</u>
Less accumulated depreciation	19,301,482	15,7
	<u>\$ 28,303,972</u>	<u>\$ 26,9</u>
 OTHER ASSETS		
Investment in affiliated company, RTFC (Note 4)	\$ 867,749	\$ 8
Intangible assets, net of accumulated amortization of \$1,519,773 in 2003 and \$972,121 in 2002 (Note 2)	5,947,249	6,4
Other	<u>30,909</u>	<u>7,3</u>
	<u>\$ 6,845,907</u>	<u>\$ 7,3</u>
	<u>\$ 42,358,827</u>	<u>\$ 38,6</u>

The Notes to Financial Statements are an integral part of these statements.

LIABILITIES AND MEMBERS' EQUITY	<u>2003</u>	<u>2002</u>
CURRENT LIABILITIES	\$ 2,200,000	\$ 2,700
Notes payable (Note 3)	798,055	754
Current maturities of long-term debt (Note 4)	662,323	639
Accounts payable	6,178	51
Accounts payable, member (Note 6)	780,509	673
Accrued expenses	164,192	116
Customer deposits	<u>\$ 4,611,257</u>	<u>\$ 4,934</u>
Total current liabilities		
LONG-TERM DEBT, less current maturities (Note 4)	7,408,929	8,181
MEMBERS' EQUITY	30,338,641	24,976
	<u><u>\$ 42,358,827</u></u>	<u><u>\$ 38,091</u></u>

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF INCOME
Years Ended December 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
REVENUE		
Retail	\$ 16,436,390	\$ 14,91
Roamer	3,784,721	3,65
Long distance	178,971	25
Paging	1,584,737	2,00
Equipment sales	1,474,793	1,33
Other	<u>1,860,502</u>	<u>78</u>
Total revenue	<u>\$ 25,320,114</u>	<u>\$ 22.95</u>
EXPENSES		
Cost of cellular service	\$ 7,019,191	\$ 5,65
Cost of paging service	629,904	66
Cost of equipment sales	2,396,548	3,09
Customer service	950,566	89
Billing	1,016,679	1,01
Selling	1,337,980	1,29
Maintenance	705,705	72
Utilities	303,426	27
Bad debts	937,244	63
Cell site rental	127,313	11
Taxes	241,575	31
Advertising	470,732	74
General and administrative	1,473,026	1,52
Occupancy	253,738	21
Depreciation	3,481,218	3,37
Amortization	<u>609,215</u>	<u>41</u>
Total expenses	<u>\$ 21,954,060</u>	<u>\$ 21.00</u>
Income from operations	<u>\$ 3,366,054</u>	<u>\$ 1.95</u>
OTHER INCOME (EXPENSE)		
Interest income	\$ 38,725	\$
Interest expense	<u>(542,951)</u>	<u>(6.00)</u>
Net income	<u>\$ 2,861,828</u>	<u>\$ 1.95</u>

The Notes to Financial Statements are an integral part of these statements.

**EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF MEMBERS' EQUITY
Years Ended December 31, 2003 and 2002**

	Cellular Services, Inc.	Gearhart Communi- cations Company, Inc.	Mountain Tele- communi- cations, Inc.	Thacker- Grigsby Telephone Co., Inc.	Peoples Rural Telephone Coop- erative Corp- oration, Inc.	Total
Balance, January 1, 2002	\$ 4,730,585	\$ 4,730,584	\$ 4,730,584	\$ 4,730,585	\$ 4,730,585	\$23,652
Net income	264,778	264,778	264,778	264,778	264,778	1,323
Balance, December 31, 2002	\$ 4,995,363	\$ 4,995,362	\$ 4,995,362	\$ 4,995,363	\$ 4,995,363	\$24,976
Net income	572,366	572,366	572,366	572,366	572,366	2,861
Capital contributions	500,000	500,000	500,000	500,000	500,000	2,500
Balance, December 31, 2003	<u>\$ 6,067,729</u>	<u>\$ 6,067,728</u>	<u>\$ 6,067,728</u>	<u>\$ 6,067,729</u>	<u>\$ 6,067,729</u>	<u>\$30,338</u>

The Notes to Financial Statements are an integral part of these statements.

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2003 and 2002

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 2,861,828	\$ 1,323,8
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	3,481,218	3,378,0
Amortization	609,215	451,4
Changes in assets and liabilities, net of the effects of investing and financing activities:		
Decrease in accounts receivable	183,762	102,4
Decrease in inventory	437,460	83,0
(Increase) decrease in prepaid expenses	(20,127)	88,0
Decrease in other assets	1,119	1,
Increase (decrease) in accounts payable	22,942	(897,0
(Decrease) in accounts payable, member	(45,077)	(130,0
Increase in accrued expenses	107,040	185,
Increase in customer deposits	47,660	57,0
Net cash provided by operating activities	\$ 7,687,040	\$ 4,642,
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (4,933,301)	\$ (4,235,
Purchase of intangibles	--	(705,
Purchase of short-term investments	(2,517,468)	
Purchase of RTFC equity certificates	(3,352)	(28,
Net cash (used in) investing activities	\$ (7,454,121)	\$ (4,970,
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from capital contributions	\$ 2,500,000	\$
Net borrowings on notes payable	(500,000)	671
Payments on long-term borrowings	(728,750)	(681
Net cash provided by (used in) by financing activities	\$ 1,271,250	\$ (10
 Net increase (decrease) in cash and cash equivalents	\$ 1,504,169	\$ (337
 Cash and cash equivalents:		
Beginning	1,276,860	1,614
Ending	\$ 2,781,029	\$ 1,276
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	\$ 531,577	\$ 666

The Notes to Financial Statements are an integral part of these statements.

EAST KENTUCKY NETWORK, LLC
DBA APPALACHIAN WIRELESS

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of operations

East Kentucky Network, LLC, dba Appalachian Wireless, is a Kentucky limited liability company formed by the merger of Appalachian Cellular, LLC, Mountaineer Cellular, LLC and East Kentucky Network, LLC on January 1, 2000. The Company is engaged in cellular telephone communications and paging services to residential and commercial customers located in eastern Kentucky. The Company's five members consist of Cellular Services, Inc.; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

Cash

The Company maintains its cash balances, which exceed the \$100,000 federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

Cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having a maturity of three months or less to be cash equivalents.

Short-term investments

Certificates of deposit having original maturities between three and nine months are classified as short-term investments, are carried at cost and are held to maturity.

Inventory

Inventory is composed of cellular telephone equipment, paging equipment, and accessories purchased for resale during the ordinary course of business. The inventory is valued at the lower of cost or market, cost being determined by the first-in, first-out (FIFO) method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost, which approximates fair value.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Intangible assets

The customer lists, non-compete agreements, FCC licenses, and use of name are recorded at cost and are being amortized over 15 years by the straight-line method. The excess cost over the fair value of the net assets acquired (goodwill) related to paging acquisitions is measured for impairment on an annual basis, and written down, if necessary, to its estimated value at that time.

Recognition of revenue

Cellular service and paging revenues are recognized when earned. Monthly access and feature charges are billed one month in advance and recognized as revenue the following month. Revenue from telephone and accessories sold are recognized as revenue upon delivery to the customer.

Advertising

Advertising costs are expensed as incurred. At December 31, 2003 and 2002, these costs were \$470,732 and \$745,470, respectively.

Income taxes

Under existing provisions of the Internal Revenue Code, the income or loss of a limited liability company is recognized by the members for income tax purposes. Accordingly, no provision for income tax has been provided for in the accompanying financial statements.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

Reclassification

Certain amounts presented in the prior year have been restated to conform with the current year presentation.

NOTES TO FINANCIAL STATEMENTS

Note 2. Intangible Assets

Intangible assets consist of the following at December 31, 2003 and 2002:

	December 31,	
	2003	2002
Customer lists	\$ 5,363,530	\$ 5,363,530
Non-compete agreements	220,348	220,348
FCC licenses	841,593	841,593
Use of name	10,000	10,000
Goodwill (excess cost over assets acquired)	1,005,712	1,005,712
Other	25,839	20,691
	<u>\$ 7,467,022</u>	<u>\$ 7,461,874</u>
Less accumulated amortization	(1,519,773)	(972,121)
	<u>\$ 5,947,249</u>	<u>\$ 6,489,753</u>

Note 3. Notes Payable

Notes payable consist of the following:

	December 31,	
	2003	2002
RTFC, Line of Credit (a)	\$ 1,800,000	\$ 2,300,000
Cumberland Mountain Paging (b)	400,000	400,000
Total	<u>\$ 2,200,000</u>	<u>\$ 2,700,000</u>

(a) The Company has a line of credit agreement with Rural Telephone Finance Cooperative (RTFC) that provides for borrowings up to \$5,000,000. The outstanding balance at December 31, 2003 and 2002 was \$1,800,000 and \$2,300,000, respectively. The agreement carries an interest rate at prime, plus one and one-half percent, is unsecured and expires June 28, 2004.

(b) The Company issued two promissory notes in connection with the acquisition of certain paging assets. Both notes were due in one year with interest at a rate of 4%. The remaining note with a balance of \$400,000 is currently due, but the Company is negotiating the amount based upon the purchased customer lists.

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Debt

Long-term debt as of December 31, 2003 and 2002 consists of the following:

	December 31, 2003		
	Balance	Current	Long-Term
Notes payable, RTFC:			
Dated 11/13/97, variable rate (4.40% at 12/31/03)	\$ 240,199	\$ 20,054	\$ 220,14
Dated 11/13/97, variable rate (4.40% at 12/31/03)	1,093,351	95,994	997,35
Dated 11/13/97, variable rate (7.20% at 12/31/03)	893,978	73,946	820,03
Dated 12/31/98, variable rate (7.25% at 12/31/03)	733,212	52,230	680,98
Dated 02/13/01, variable rate (4.20% at 12/31/03)	932,054	76,974	855,08
Dated 02/13/01, variable rate (4.20% at 12/31/03)	1,094,112	90,358	1,003,7
Dated 07/27/01, variable rate (4.20% at 12/31/03)	3,220,078	388,499	2,831,5
	<u>\$ 8,206,984</u>	<u>\$ 798,055</u>	<u>\$ 7,408,9</u>

	December 31, 2002		
	Balance	Current	Long-Term
Notes payable, RTFC:			
Dated 11/13/97, variable rate (7.00% at 12/31/02)	\$ 260,785	\$ 18,710	\$ 242,0
Dated 11/13/97, variable rate (5.60% at 12/31/02)	1,181,142	90,801	1,090,3
Dated 11/13/97, variable rate (7.20% at 12/31/02)	969,326	68,854	900,4
Dated 12/31/98, variable rate (7.25% at 12/31/02)	785,751	48,609	737,1
Dated 02/13/01, variable rate (5.30% at 12/31/02)	997,130	73,026	924,7
Dated 02/13/01, variable rate (5.30% at 12/31/02)	1,170,503	85,724	1,084,1
Dated 07/27/01, variable rate (5.30% at 12/31/02)	3,571,097	368,573	3,202,5
	<u>\$ 8,935,734</u>	<u>\$ 754,297</u>	<u>\$ 8,181,1</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Debt (Continued)

The notes payable to Rural Telephone Finance Cooperative (RTFC) are secured by mortgage and security agreements that include substantially all of the assets of the Company. In addition, the Company is required to purchase equity certificates in RTFC equal to 5% of the total amounts borrowed. The notes are payable in quarterly installments over 15 years with interest at a variable rate set by RTFC.

Approximate maturities or payments required on principal under note payable agreements for each of the succeeding five years are as follows:

Year ending December 31:

2004	\$ 798,055
2005	844,397
2006	893,474
2007	945,454
2008	1,000,508

Note 5. Retirement Plans

The Company has a 401(k) plan for qualifying employees who have reached twenty-one years of age. Eligible employees are allowed to invest up to 15% of their compensation and the Company has agreed to match 100% of the first 3% of the employees' contribution and 50% of the employees' contribution between 3% and 5%. The Company contributed \$59,472 and \$60,561 matching funds for its 401(k) plan during the years ended December 31, 2003 and 2002, respectively.

The Company also offers an employer sponsored retirement savings plan for qualified employees who have reached twenty-one years of age. The Company has agreed to contribute 9% of the eligible employee's compensation, plus an additional 5% of the original contribution. The Company contributed \$205,832 and \$146,459 to its retirement savings plan during the years ended December 31, 2003 and 2002, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 6. Related Party Transactions

The Company shares personnel with one of its members. The Company paid \$126,331 and \$126,130 for shared personnel during the years ended December 31, 2003 and 2002 respectively. The Company also leased offices and warehouse space from two members. The leases are for an unspecified length of time. The monthly lease payments total approximately \$7,000. In addition, the Company incurred interconnection charges from its members aggregating \$765,004 and \$579,948 for the years ended December 31, 2003 and 2002, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member for \$100 per month for each site. The leases are for an unspecified length of time. In addition, the Company leases two other sites from a company owned by this member for \$600 each on a month to month basis.

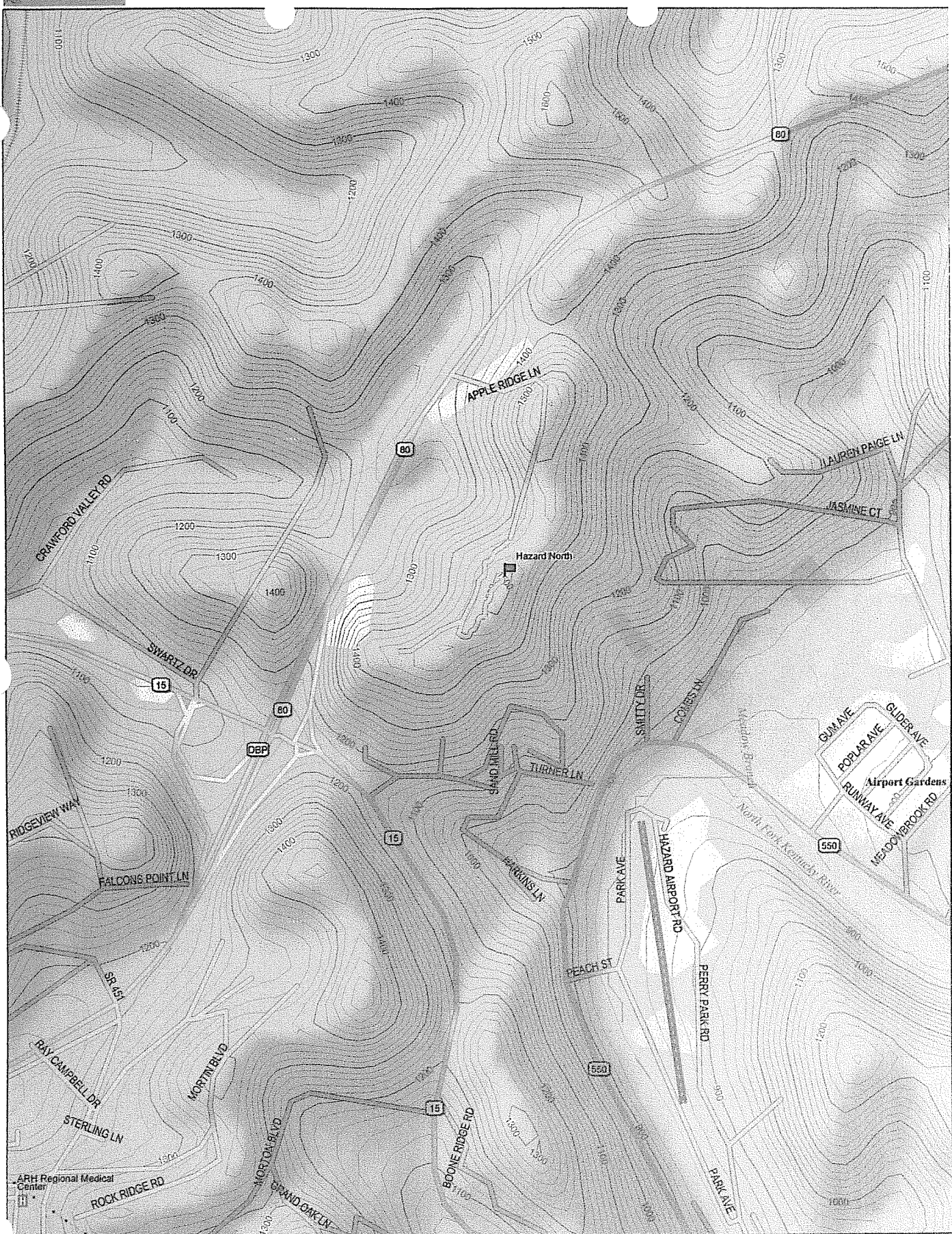
The Company leases cellular tower sites from the parent company of one of its other members for \$1,039 per month. The leases are for five years with options to renew.

DRIVING DIRECTIONS TO PROPOSED TOWER

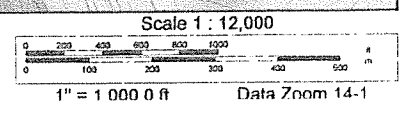
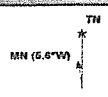
AIRPORT GARDENS

HAZARD, PERRY COUNTY, KENTUCKY

- Beginning at the Perry County Courthouse turn onto Main Street and go .2 miles. Main Street ends into HWY 15 South. Continue on HWY 15 South for .2 miles and turn right onto HWY 15 North (Johnny Cox All American Drive) and continue 1.9 miles. HWY15 turns left at the end of Johnny Cox All American Drive. Continue on HWY 15 another 1.8 miles to the Jct. of HWY 15 North and Route 80 east. Turn on to route 80 East and go .6 miles. Turn right onto access road at The Daniel Boone Place intersection and go to Apple Ridge Lane. At Apple Ridge Lane, turn left and go .3 miles. Turn left beside large water tank and through Green gate to end of road ending at the proposed tower site.



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PERRY COUNTY CLERK

2003 FEB 14 PM 1:02

DEED AND EASEMENT

This Deed of Conveyance and Easement is made and entered into this 14th day of February, 2003, by and between ROBINSON AND HICKS CONSTRUCTION, INC., a Kentucky corporation having a mailing address of 2070 Abbott Road, Prestonsburg, Kentucky 41653, party of the first part (hereinafter "Grantor"); and EAST KENTUCKY NETWORK, LLC dba APPALACHIAN WIRELESS, with offices located at P.O. Box 405, Prestonsburg, Kentucky 41653, party of the second part (hereinafter "Grantee"),

WITNESSETH:

That said Grantor, for and in consideration of the sum of Thirty Thousand Dollars (\$30,000.00), cash in hand paid, the receipt and adequacy of which is hereby acknowledged, has bargained and sold and by these presents does hereby bargain, sell, grant and convey unto Grantee, its successors and assigns forever, a tract of land lying and being in Perry County, Kentucky, and described as follows:

Lying and being in Perry County, Kentucky, on the waters of Short Fork of First Creek, a tributary of the North Fork of the Kentucky River, and bounded as follows:

Beginning on a #4 rebar (set/cap) on top of the ridge between Short Fork and Meadow Branch, a corner to Lucien and Lydia Jeannie Trumbo, Mark and Linda Engle, and Jimmy and Frances Marie Sidwell, and being the thirty-second corner in a survey found in Deed Book 211, page 111, thence leaving the ridge and down the hill NW 55 49 37, 166.29 feet to a #4 rebar (set/cap) and the line of Common Area #2, thence with the line of Common Area #2, NE 49 22 25, 57.82 feet to a #4 rebar (set/cap) at the base of an eighteen inch diameter oak tree, thence NE 49 22 25, 17.18 feet to a #4 rebar (set/cap) at the center of the spur, thence NE 49 22 25, 34.74 feet to a #4 rebar (set/cap), thence NE 49 22 25, 40.26 feet, thence SE 79 14 32, 127.15 feet to the center of the ridge and the line of said Trumbo, Engle, and Sidwell, witness an "X" on a large rock NW 79 03 36, 4.35 feet, thence with the center of the ridge SW 41 58 25, 39.90 feet, witness a #4 rebar (set/cap) at the base of a twenty-four inch white oak

tree SE 59 42 39, 5.96 feet, thence SW
46 38 20, 70.58 feet to a #4 rebar
(set/cap), thence SW 14 33 57, 92.18
feet to the beginning containing 0.49
acres.

SOURCE OF TITLE: Being a portion of Lot B as depicted on the plat of Apple Ridge Development recorded in Plat Cabinet No. 1, slide 198 A and B in the Perry County Clerk's Office, and being a part of the same property conveyed to the Grantor by deed from Roy Campbell, et al, dated August 11, 1995 and recorded at Deed Book 253, page 521 in the Perry County Clerk's Office.

EASEMENT RIGHTS: Grantor, in further consideration of the sum set forth above, does hereby grant and convey unto Grantee, its successors and assigns, the following easement rights affecting a portion of Grantor's property described at Deed Book 253, page 521 in the Perry County Clerk's Office:

(a) A permanent easement for ingress to and egress from the above-described 0.49 acre tract of land, which easement shall begin at the end of Access Road Section 2 and shall run across Grantor's property to the 0.49 acre tract described above, with the understanding that the specific location of the easement is to be agreed to by the parties, and with the further understanding that the Grantee shall be responsible for constructing the roadway along this easement. This easement shall be used by Grantee only for purposes of accessing the above-described 0.49 acre tract during the construction of a telecommunications tower and auxiliary buildings to be located thereon and, subsequently, for servicing and maintaining said tower and buildings, and for no other purposes. And

(b) A permanent powerline easement giving Grantee the right to erect and install powerlines on Grantor's property to service the telecommunications tower and auxiliary

buildings to be located on the above-described 0.49 acre tract, with the understanding that Grantor will execute any additional documents, if needed, to evidence Grantee's right to install said powerlines.

TO HAVE AND TO HOLD the aforesaid tract and easement

tree SE 59 42 39, 5.96 feet, thence SW 46 38 20, 70.58 feet to a #4 rebar (set/cap), thence SW 14 33 57, 92.18 feet to the beginning containing 0.49 acres.

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STATE OF KENTUCKY)
COUNTY OF Knott)SS

I hereby certify that the foregoing deed and easement and certificate of parties was produced to me and duly acknowledged, subscribed and sworn to before me by Ricky Robinson, authorized representative of Robinson and Hicks Construction, Inc., party thereto, to be the act and deed of the corporation, on this the 14th day of February, 2003.

Dennis Shepherd
Notary Public

My commission expires Oct. 22-2005.

STATE OF KENTUCKY)
COUNTY OF Knott)SS

I hereby certify that the foregoing deed and easement and certificate of parties was produced to me and duly acknowledged, subscribed and sworn to before me by William K Grigsby, authorized representative of EAST KENTUCKY NETWORK, LLC dba APPALACHIAN WIRELESS, party thereto, to be the act and deed of the corporation, on this the 11th day of February, 2003.

Dennis Shepherd
Notary Public

My commission expires Oct. 22-2005.

STATE OF KENTUCKY)
) SS
 COUNTY OF PERRY)

I, HAVEN KING, Clerk of Perry County, do hereby certify that the foregoing instrument was on the 14 day of February, 2003, lodged in my office for record and that it, the foregoing, and this my certificate have been duly recorded in my said office in Deed Book 298, page 84.

Witness my hand on this the 14 day of February, 2003.

HAVEN KING, CLERK

By: [Signature] D.C.

Deed Tax
 \$ 30.00

This instrument prepared by:

[Signature]
 ROBIN JOHNSON COLLINS
 ATTORNEY AT LAW
 P.O. BOX 176
 LACKEY, KY 41643
 (606)358-4493

A:5135AW-35

