

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS**

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| In re: |) | In Proceedings Under Chapter 11 |
| |) | |
| GATEWAY ETHANOL, L.L.C., |) | Case No. 08-22579-DLS |
| |) | |
| Debtor. |) | |

**MOTION FOR EXPEDITED HEARING ON MOTION FOR ORDER
PURSUANT TO 11 U.S.C. §§ 105(a), 363 AND 365 (1) APPROVING AUCTION AND BID
PROCEDURES; (2) APPROVING REIMBURSEMENT EXPENSE; (3) APPROVING
FORM AND MANNER OF NOTICE; (4) AUTHORIZING SALE OF ASSETS FREE
AND CLEAR OF LIENS, CLAIMS AND
ENCUMBRANCES, SUBJECT TO HIGHER OR BETTER OFFERS;
AND (5) APPROVING ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Gateway Ethanol, L.L.C., debtor and debtor in possession, by and through its undersigned attorneys, for its Motion for Expedited Hearing on Motion for Order Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Reimbursement Expense; (3) Approving Form and Manner of Notice; (4) Authorizing Sale of Assets Free and Clear of Liens, Claims and Encumbrances, Subject to Higher or Better Offers; and (5) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases (the “Motion”), respectfully represents as follows:

1. On October 5, 2008 (the “Petition Date”), Gateway Ethanol, L.L.C. (“Gateway” or “Debtor”) filed a voluntary petition under Chapter 11 of Title 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101–1532, as amended (the “Bankruptcy Code”). Debtor continues to operate its business and manage its properties as a debtor in possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.

2. Gateway intends to focus its reorganization efforts on selling its ethanol plant and liquidating its other assets in an orderly manner. Prior to the Petition Date, Gateway engaged

William Blair & Company, LLC (“William Blair”) as its investment banker and financial advisor to provide various services including assisting Gateway in marketing the ethanol plant. William Blair’s marketing efforts have generated several entities that appear to be interested in exploring a purchase of Debtor’s assets.

3. Dougherty Funding, LLC (“Dougherty”) as DIP Lender has agreed to provide debtor in possession financing to Gateway in the principal amount of up to approximately \$5.2 million to see Gateway through a contemplated Code Section 363 sale process (the “DIP Facility”). On October 8, 2008, the Court entered a Stipulated Order Granting Expedited Relief and Interim Order: (I) Authorizing Debtor (A) to Obtain Secured Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, and 364(c) and (d); and (B) to Grant Security Interests, Superpriority Claims and Adequate Protection; and (II) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001(c) (the “Interim DIP Order”) [docket no. 54]. The final hearing on the debtor in possession financing is scheduled for October 28, 2008, at 10:00 a.m. Central Time.

4. The Interim DIP Order contains tight timelines for Gateway to complete a Code Section 363 sale of its assets. On October 23, 2008, Gateway signed an Asset Purchase Agreement (the “Purchase Agreement”) with Dougherty.

5. Concurrently with the filing of this Motion, Gateway has filed its Motion for Order Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Reimbursement Expense; (3) Approving Form and Manner of Notice; (4) Authorizing Sale of Assets Free and Clear of Liens, Claims and Encumbrances, Subject to Higher or Better Offers; and (5) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases (the “Sale Motion”). Pursuant to the Sale Motion, Gateway is seeking court approval of certain auction, bid and sale procedures (“Procedures”), and sale of all

