



SO ORDERED.

SIGNED this 30 day of October, 2008.

Dale L. Somers

Dale L. Somers
UNITED STATES BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS**

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

**ORDER (1) APPROVING AUCTION AND BID PROCEDURES FOR
SALE OF ASSETS; (2) APPROVING EXPENSE REIMBURSEMENT;
AND (3) APPROVING FORM AND MANNER OF NOTICE**

Now on this 28th day of October, 2008, this matter having come before the Court upon Debtor’s Motion for Order Pursuant to 11 U.S.C. § 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Expense Reimbursement; (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”) filed on October 24, 2008, by Gateway Ethanol, L.L.C., debtor and debtors-in-possession (“Debtor” or “Seller”), seeking entry of an order (a) approving certain proposed bidding and auction procedures (the “Auction and Bid Procedures”) for the sale of all of Seller’s right, title and interest in substantially all of the assets owned, leased or otherwise used by Seller (the “Assets”) to Dougherty Funding, LLC (“Purchaser”), subject to higher or better offers, (b) approving Expense Reimbursement, and (c) approving the form and manner of proposed notice in connection with the foregoing. Unless otherwise defined herein, capitalized terms in this Order shall be given the same meaning accorded to such terms in the Sale Motion. The Court has considered the entire record in these proceedings to date, including the objections filed by October 27, 2008, and the arguments presented by counsel for the various parties reflected in the record at the hearing.

FINDINGS OF FACT AND CONCLUSIONS OF LAW^{1/}

Based on the foregoing, and after due deliberation and good and sufficient factual and legal cause appearing therefor, the Court finds and concludes as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The predicates for relief sought herein include 11 U.S.C. §§ 105(a), 363 and 365 and Rules 2002, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

2. Prior to its bankruptcy proceeding, Seller initiated the marketing process for the Assets with the assistance of its investment banker and financial advisor, William Blair & Company, LLC (“William Blair”). William Blair’s marketing efforts generated several entities that appear to be interested in exploring a purchase of Debtor’s assets.

3. On October 23, 2008, Seller entered into an asset purchase agreement (the “Purchase Agreement”) with Purchaser for the purchase and sale of Seller’s Assets to Purchaser for an Estimated Purchase Price of \$59,931,224.36 (the “Purchase Price”). Debtor has filed the Purchase Agreement, including the attached schedules to date (the “Schedules”), with the Court.

4. Purchaser shall be entitled, as provided in and subject to the terms and conditions set forth in the Purchase Agreement, to an expense reimbursement not to exceed the amount of \$250,000 (the “Expense Reimbursement”). The Expense Reimbursement constitutes a fair and reasonable exercise of Debtor’s business judgment and is fair, reasonable and in the best interests of Debtor’s estate and creditors.

5. Debtor’s obligation to Purchaser (under the conditions and as set forth in the Purchase Agreement) for the Expense Reimbursement is (a) an actual and necessary cost and expense of preserving the Debtor’s assets, within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial and commensurate benefit to Debtor’s estate, (c) reasonable and appropriate, in light of the size and nature of the transaction and the efforts that have been and will be expended by Purchaser, and (d) necessary to ensure that Purchaser will continue to pursue its proposed acquisition of the Assets. The Expense Reimbursement was a material inducement for, and condition of, Purchaser’s entry into the Purchase Agreement.

6. With respect to the Sale Motion and all matters addressed in this Order, due and proper notice has been given to all parties.

7. Debtor has good and sufficient business reasons for the relief requested in the Sale Motion and has exercised prudent and reasonable business judgment with respect thereto. It is vital for the preservation of value for the Assets that the Sale Hearing occur on an

^{1/} Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

expedited basis. The Auction and Bid Procedures are reasonable and appropriate and represent the best method for maximizing the value of the Assets.

ORDER

In light of the Court's findings and conclusions, **IT IS HEREBY ORDERED:**

8. Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 and Bankruptcy Rules 2002, 6004, 6006 and 9006, the Sale Motion is granted, and the transactions contemplated therein are authorized and approved, subject to final approval of the sale of the Assets to Purchaser (or the Successful Offeror(s) at the Auction) at the Sale Hearing pursuant to the Sale Order.

9. Pending approval by the Court at the Sale Hearing, the Assets sold pursuant to the Sale Motion shall be free and clear of any and all interests, liens, claims and encumbrances pursuant to 11 U.S.C. § 363(f), with all such interests, liens, claims and encumbrances to attach to the Sale Proceeds with the same extent, validity, priority, force and effect as exists at the time of the Auction and as provided in the Final DIP Order, subject to any claims and defenses Debtor and its estate may possess with respect thereto, and subject to a further hearing and final court approval of the Auction. The Sale Proceeds, if any, will be distributed either pursuant to the Final DIP Order and the Debtor-In-Possession Loan and Security Agreement, as applicable, or further order of this Court. Subject to paragraph 12 hereof, nothing herein shall alter or affect the Final DIP Order or the rights granted to the DIP Lender pursuant to Interim DIP Order entered by the Court on October 8, 2008.

10. To the extent that any objections have not been withdrawn or resolved by stipulation prior to the entry of this Order or are not resolved by the relief granted herein or as stated on the record of the hearing, all such objections are overruled.

11. The sale of the Assets shall be conducted pursuant to the Auction and Bid Procedures attached hereto as **Exhibit A**, and expressly incorporated into and made a part of this Order. The Auction and Bid Procedures are hereby approved in their entirety.

12. The Expense Reimbursement is approved, and Seller is authorized and directed to comply with its terms as set forth in the Auction and Bid Procedures and Purchase Agreement. The Expense Reimbursement shall survive termination of the Purchase Agreement and shall constitute an administrative expense (which shall be a superpriority administrative expense claim senior to all other administrative expense claims and payable out of Seller's cash or other collateral securing Seller's obligations to its senior secured lender, prior to recovery by such lender) of Seller under Section 364(c)(1) of the Bankruptcy Code, and the Final DIP Order shall be deemed to so provide.

13. Within two (2) business days after the entry of this Order, Seller shall serve via first-class mail (except with respect to those parties receiving electronic notice in Seller's bankruptcy proceeding) a notice of the Auction and Bid Procedures and the Sale Motion, substantially in the form annexed hereto as **Exhibit B** (the "Sale Notice"), on the following entities: (i) all parties that were contacted by Seller or William Blair in connection with the

marketing and sale process for the Assets; (ii) all other prospective offerors and parties in interest upon written request to Seller or William Blair; (iii) all entities who receive electronic notice in Seller's bankruptcy proceeding; and (iv) all parties pursuant to Bankruptcy Rules 6004(a), 6004(c), 6006(c) and 9014. Service pursuant to Bankruptcy Rules 6004(a), 6004(c), 6006(c) and 9014 on those parties not receiving electronic notice shall be by first-class mail addressed to the business address of such persons appearing in Seller's records notwithstanding Bankruptcy Rule 9014. In addition, Seller shall publish the Sale Notice (in summary form) in *The Wall Street Journal* (National Edition). Pursuant to Bankruptcy Rule 2002, service of the Sale Notice described herein shall constitute good and sufficient notice of the Auction and Bid Procedures, the Auction, this Order, the Sale Motion and the Sale Hearing (and any proceedings to be held thereon or related thereto) on all known and unknown creditors and parties in interest, including all persons entitled to service pursuant to Bankruptcy Rules 2002, 6004(a), 6004(c), 6006(c) and 9014. The form of Sale Notice is hereby approved.

14. Within three (3) business days after the entry of this Order, Seller shall serve via first-class mail on the counterparties (the "Counterparties") to those executory contracts and unexpired leases related to the Assets (the "Contracts") a notice, substantially in the form annexed hereto as **Exhibit C** (the "Contract Notice"), of (a) Seller's intent to assume and assign certain of the Contracts to Purchaser (or to such other successful bidder(s) ultimately selected by Seller pursuant to the Auction and Bid Procedures; (b) a list of the Contracts and the defaults (if any) related to each such Contract that are required to be cured pursuant to Section 365 of the Bankruptcy Code (the "Cure Amounts"); and (c) the procedures for filing any objections to the assumption and assignment of the Contracts, including any objections to the proposed Cure Amounts. The form of Contract Notice is hereby approved.

15. On December 18, 2008, at 10:00 a.m. Central Time, the Court shall conduct a hearing (the "Assumed Contracts Hearing") at which any potential disputes concerning the Cure Amounts under the Assumed Contracts shall be resolved. The Court's findings at the Assumed Contracts Hearing as to the Cure Amounts, if any, arising from the Assumed Contracts pursuant to Section 365(b) of the Bankruptcy Code, shall be final and binding on the parties to all Assumed Contracts, and shall not be subject to further dispute or audit based on performance prior to the time of assumption and assignment (to the extent any Assumed Contracts contain an audit clause).

16. Objections, if any, to the Sale Motion shall be in writing, shall conform to the Bankruptcy Rules and local rules and orders of the Court, shall set forth (i) the nature of the objector's claims against or interests in Seller's estate, (ii) the basis for the objection, (iii) the specific grounds therefor, and (iv) a summary of all evidence in support of said objection, to the extent available, and shall be filed and served so as to be received on or before 5:00 p.m. Central Time on December 16, 2008, by (a) each Person who receives electronic notice in Seller's bankruptcy proceedings and (b) counsel for Purchaser. Any Person objecting to the Sale Motion that has not complied with the requirements of this paragraph shall not be heard at the Sale Hearing. If any Qualified Bidder objects to Seller's determination of a Competing Bid as a higher and better bid for the Assets, the sole and exclusive remedy of such Qualified Bidder shall be to bid under protest at the Auction and, upon compliance with this paragraph, have standing at the Sale Hearing to contest the Seller's determination. Purchaser shall have standing for all

purposes and, as applicable, the terms of the Final DIP Order are not intended to be modified by this Order.

17. Except as set forth above, nothing otherwise contained in this Order shall be deemed to deprive any party of the right to object timely to the Sale Motion, all of which rights will be expressly reserved by this Order.

18. The Competing Bid Deadline is 5:00 p.m. Central Time on December 12, 2008.

19. If required, the Auction shall be held on December 15, 2008, at 10:00 a.m. Central Time or such other time as the parties may agree, to the extent there are Competing Bids submitted by Qualified Bidders.

20. The Sale Hearing to consider the relief requested in the Sale Motion and to consider whether to approve the Final Accepted Offer(s) shall be held before the Court on December 18, 2008, at 10:00 a.m. Central Time, United States Courthouse, Courtroom 144, 500 State Avenue, Kansas City, Kansas.

21. Deposits received by on or behalf of Debtor shall be subject to the liens of the DIP Lender and the Prepetition Senior Lender; provided that such liens shall (a) only extend to such deposits to the extent of Debtor's interest therein and subject to the right of any bidder to the return of such deposit, and (b) shall be subject to the provisions of the relevant asset purchase agreement.

22. The Auction and Bid Procedures are solely for the benefit of Seller, and nothing contained in this Order shall create any rights in any other person or bidder except as specified therein.

23. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

24. To the extent not previously resolved by the parties or reserved by Noble Americas Corp. ("Noble"), the objections of Noble are overruled.

#

ORDER SUBMITTED BY:

Laurence M. Frazen KS Fed. #70114
Tammee E. McVey KS #14972
BRYAN CAVE LLP
3500 One Kansas City Place
1200 Main Street
Kansas City, Missouri 64105
Telephone: (816) 374-3200
Telecopy: (816) 374-3300

Attorneys for Debtor and Debtor in Possession

EXHIBIT A

AUCTION AND BID PROCEDURES

The following sets forth the proposed bidding and auction procedures (the “Auction and Bid Procedures”)² pursuant to which Gateway Ethanol, L.L.C. (“Gateway” or “Seller” or “Debtor”) will solicit bids and seek authority to sell all of Gateway’s right, title and interest in substantially all of the assets owned by Gateway (collectively, the “Assets”). Gateway’s assets include a dry-mill ethanol plant located near Pratt, Kansas.

Seller has entered into an asset purchase agreement (the “Purchase Agreement”) with Dougherty Funding, LLC (together with its permitted successors and assigns, “Purchaser”) for the sale of the Assets for an estimated purchase price of \$59,931,224.36, being the sum of: a) all Prepetition Senior Obligations owing to Purchaser pursuant to the Prepetition Senior Loan Documents as of the Closing Date (including all outstanding principal, accrued but unpaid interest at the applicable rate set forth in the Prepetition Senior Loan Documents, and all fees, costs and charges properly chargeable under the Prepetition Senior Loan Documents, including all attorneys’ fees and legal expenses through (and including) the Closing Date), plus b) all Postpetition Indebtedness owing to Purchaser pursuant to the Postpetition Loan Documents (including all outstanding principal, accrued but unpaid interest at the applicable rate set forth in the Postpetition Loan Documents, and all fees, costs and charges properly chargeable under the Postpetition Loan Documents, including all attorneys’ fees and legal expenses through (and including) the Closing Date), plus c) the assumption of certain specified liabilities (the “Purchase Price”); provided, that, if the Purchaser elects, by the Closing Date, to exclude any Category II Assumed Contract or Category III Assumed Contract, the Purchaser may reduce its Purchase Price by a specified amount of Prepetition Senior Obligations. Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement.

² The Auction and Bid Procedures were approved by the United States Bankruptcy Court for the District of Kansas (“Bankruptcy Court”) by an order dated October 29, 2008 (the “Bidding Procedures Order”), pursuant to Seller’s Motion for Order Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Expense Reimbursement; (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, Seller seeks authority to sell the Assets to Purchaser (as defined below) free and clear of liens, claims and encumbrances, subject to higher or better offers in accordance with the Auction and Bid Procedures set forth herein.

Seller intends to sell the Assets free and clear of all interests, liens, claims and encumbrances, subject to any applicable defenses; provided that Seller reserves the right to contest the validity, extent or priority of any Liens that encumbered the Assets prior to the consummation of the sale.

The sale of the Assets shall be conducted in accordance with Sections 363 and 365 of the Bankruptcy Code, Rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure, and the Bidding Procedures Order, including the Seller's Auction and Bid Procedures.

Submission of Bids

1. Seller will accept Competing Bids for the Assets in parcels and Competing Bids for the Assets as one lot. Competing Bids for individual Assets may be aggregated to be considered as a Competing Bid for the Assets as an entirety

2. Any Person seeking Confidential Information regarding Debtor and/or the Assets must identify such Person's shareholders or members owning at least 5% of such Person as well as such Person's affiliates and execute and deliver a confidentiality agreement in a form and in substance acceptable to Debtor in its sole and absolute discretion. Debtor, in its sole and absolute discretion (but after consultation with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender), may decline to provide Confidential Information or any other non-public information to any Person seeking it hereunder if Debtor concludes, in its sole and absolute discretion, that provision of such information to a particular Person could harm Debtor's estate in any way whatsoever or diminish the value of the Assets or their marketability.

3. Upon written request to Seller by any Person interested in submitting a bid for the Assets, Seller shall, upon execution by such Person of a confidentiality agreement and the confirmed intent to timely consummate a transaction in terms of scope and value that is of interest to Seller, provide such Person with access to relevant business and financial information that will enable such Person to evaluate the Assets for the purpose of submitting a competing offer for the Assets in one lot or in parcels.

4. The Purchase Agreement and its attached schedules (the "Schedules") identify certain contracts and/or liabilities (including without limitation, executory contracts,

unexpired leases, and other obligations) related to the Assets not previously rejected by Seller pursuant to an order of the Bankruptcy Court (all such contracts and liabilities, the “Contracts”) that Seller may assume and assign to the Purchaser at closing (the “Purchaser Assumed Contracts”). The Purchaser has reserved the right to designate certain Category II Assumed Contracts and Category III Assumed Contracts as Excluded Assets by the Closing and to reduce the Purchase Price by a designated amount of Prepetition Senior Obligations that the Prepetition Senior Lender will retain as a limited recourse secured claim against the Seller’s estate.

5. Any Qualified Bidder (other than Purchaser) interested in purchasing all or a portion of the Assets must submit a bid (a “Competing Bid”) prior to 5:00 p.m. Central Time on December 12, 2008 (the “Competing Bid Deadline”), in compliance with the provisions set forth below in order for such bid to be considered a Competing Bid.

6. Each Competing Bid shall remain open and irrevocable until the later of the fifteenth (15th) day following the date of entry of an order approving the sale by the Bankruptcy Court or the twentieth (25th) day following the date of the Auction, as defined below (the “Bid Expiration Date”), or the date of the Closing of the last sale of the Assets sold pursuant to the Auction if earlier, or such earlier date as may be determined by Seller, and shall:

a) be made by a Person (i) demonstrating evidence of committed financing and other ability to consummate the proposed transaction by the later of December 31, 2008 (with no financing contingency) or the Bid Expiration Date, and (ii) delivering to Seller an offer that Seller, in its discretion exercised in good faith and upon the advice of its investment banker and financial advisor and after consultation with the Creditors’ Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, believes is reasonably likely to lead to a Prevailing Bid (as defined below) (a “Qualified Bidder”);

b) be submitted in a writing identical to the Purchase Agreement (except that any proposed changes to the Purchase Agreement shall be set forth in the Qualified Bidder’s purchase agreement in electronic form marked to reflect such changes) signed by the Qualified Bidder, (i) identifying (i) the bidder and the members of its investor group, as applicable, (ii) the consideration offered for the Assets, (iii) financial information regarding the bidder and its ability to consummate the proposed transaction,

and (iv) all terms and conditions of the Competing Bid; provided that the Competing Bid may not include non-cash consideration;

c) if a Competing Bid is submitted for the Assets in one lot, be a higher or better offer for the Assets than the Purchase Price, and such offer shall not be considered a higher or better offer unless if for the Assets in one lot, such Competing Bid (i) provides for aggregate cash consideration to Seller's estate of at least more than the sum of the Purchase Price plus the Expense Reimbursement (the "Alternative Minimum Purchase Price"); (ii) is not (A) subject to conditions, representations or terms that Seller, in its sole and absolute discretion, after consultation with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, determines to be unacceptable; or (B) subject to the bidder receiving any breakup fee, termination fee, expense reimbursement or similar type of purchaser protection payment; (iii) contains the following agreements (collectively, the "TIF Assumption Agreements") by the bidder (A) an agreement by the bidder to assume the Assessment Agreement dated March __, 2006 (the "Assessment Agreement") among the County of Pratt, Kansas (the "County"), the Seller and the County Appraiser, Pratt County Kansas, and the Property Tax Increment Rebate Agreement dated March 30, 2006 (the "TIF Rebate Agreement") between the County and the Debtor; (B) an agreement by the bidder that the pledge of the "Increments" defined in the TIF Rebate Agreement to the Prepetition TIF Lender pursuant to the Pledge and Security Agreement dated March 30, 2006 (the "TIF Pledge Agreement") constitutes a Permitted Encumbrance on the Real Property defined in the APA; and (C) an agreement that the bidder will grant a first priority non-recourse mortgage on the Premises to secure the payment of any Taxes on the Premises that are paid by the Prepetition TIF Lenders because of the Premises' owner's failure to timely pay such Taxes and the Prepetition TIF Lender's collection costs (including, without limitation, reasonable attorney's fees and legal expenses) in enforcing such mortgage; and (iv) identifies the Contracts that the bidder desires the Seller to assume and assign to the bidder; provided, however, that the bidder may elect to reduce the purchase price to an amount less than the Alternative Minimum Purchase Price if the bidder elects not to have the Seller assume and assign any Class II Assumed Contract or Class III Assumed Contract specified by the bidder so long as the bidder agrees (the "Minimum Alternative

Purchase Price Adjustment Agreement”) to purchase the retained Prepetition Senior Obligations described in Section 2.1(c) of the Purchase Agreement on the terms and conditions set forth in Section 2.1(c) of the Purchase Agreement so that, after giving effect to such price, the sum of the purchase price being paid for the Assets and for the retained Prepetition Senior Obligations shall be at least equal to the Alternative Minimum Purchase Price; provided further, however, that Seller, in its sole and absolute discretion, may add or modify these requirements by announcement prior to the Auction (defined below);

d) a Competing Bid may be for less than all of the Assets; provided, however, that the Real Property is required to be sold as a single parcel. In the event Seller receives a Competing Bid for less than all of the Assets, Seller may combine such Competing Bid with other Competing Bids for some of the other Assets to provide for an aggregate purchase price which is an amount equal to or greater than the Alternative Minimum Purchase Price. Such Competing Bids shall not be considered a higher or better offer unless such Competing Bids (i) are not (A) subject to conditions, representations or terms unacceptable to Seller in its sole and absolute discretion; or (B) subject to the bidder receiving any breakup fee, termination fee, expense reimbursement or similar type of purchaser protection payment; (ii) provide that the sales contemplated by such combined Competing Bids are expressly conditioned upon the closing of all other sales contemplated by such combined Competing Bids; (iii) the Competing Bid for the Real Property is required to contain the TIF Assumption Agreements; and (iv) the Competing Bids may contain the Alternative Minimum Purchase Price Adjustment Agreement; provided, however, that Seller, in its sole and absolute discretion, may add or modify these requirements by announcement prior to the Auction (defined below);

e) if a Competing Bid is submitted for the Assets in one lot, include an earnest money deposit of no less than \$3,000,000 in cash or cash equivalents (the “Bulk Assets Initial Deposit”). If a Competing Bid is submitted for the Assets in parcels, include an earnest money deposit of no less than ten percent (10%) of the Competing Bid in cash or cash equivalent (the “Parcel Assets Initial Deposit”). Seller reserves the right to condition its acceptance of any offer of a Qualified Bidder other than the Purchaser on the provision of an additional deposit of cash or a letter of credit in the amount and in the

form acceptable to Seller in Seller's sole and absolute discretion and to the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, in their respective sole and absolute discretion (the "Additional Deposit") (each Bulk Assets Initial Deposit, each Parcel Assets Initial Deposit and each Additional Deposit is each sometimes referred to herein as a "Sale Deposit"); and

f) be submitted on or before the Competing Bid Deadline by delivering the complete competing offer(s) together with the Bulk Assets Initial Deposit or Parcel Assets Initial Deposit, as applicable, to Tammee E. McVey at Bryan Cave LLP, One Kansas City Place, 1200 Main Street, Suite 3500, Kansas City, Missouri 64105 with copies to Frederick S. Loomis, Chairman of the Board, Gateway Ethanol, L.L.C., P.O. Box 8593, Pratt, Kansas 67124 and Geoffrey Richards, William Blair & Company, LLC, 222 West Adams Street, Chicago, Illinois 60606. Potential bidders may obtain copies of the Purchase Agreement from Tammee E. McVey at Bryan Cave LLP, One Kansas City Place, 1200 Main Street, Suite 3500, Kansas City, Missouri 64105 (816-374-3220) (temcvey@bryancave.com).

7. Seller shall consult with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender regarding the conduct of the Auction and the selection of the "Prevailing Bidder(s)" and "Back-up Bidder(s)" as respectively defined below. Any Sale pursuant to one or more Competing Bids is subject to the terms of the relevant Order.

8. All bidders, whether a Qualified Bidder or not, their shareholders and/or the members owning at least 5% of such bidders, are deemed to have submitted to the exclusive jurisdiction of the Bankruptcy Court with respect to all matters related to the bids, the Auction, and the sale of the Assets.

Bid Protection

9. Purchaser shall be entitled, as provided in and subject to the terms and conditions set forth in the Purchase Agreement, to the Expense Reimbursement up to the amount of \$250,000.00.

10. Purchaser shall be entitled to the Expense Reimbursement at the time and upon satisfaction of the conditions set forth in the Purchase Agreement.

11. Seller shall pay the Expense Reimbursement by wire transfer of immediately available funds to such account as Purchaser may designate in writing in accordance with the terms of the Bidding Procedures Order.

The Auction

12. If Qualified Bidders have submitted Competing Bids by the Competing Bid Deadline, Seller may receive additional bids from Purchaser and Qualified Bidders for the Assets at an Auction (as defined below), to be held on a business day that is not less than three (3) business days and not more than ten (10) calendar days following the Competing Bid Deadline. A live oral Auction shall be organized and conducted by Seller at the offices of Bryan Cave LLP, One Kansas City Place, 1200 Main Street, Suite 3500, Kansas City, Missouri 64105, on invitation to Purchaser, each Qualified Bidder, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender (the "Auction"). Within two (2) business days after the Competing Bid Deadline or as soon thereafter as is reasonably practical (but in no event later than 5:00 p.m. Central Time, on the second business day preceding the Auction date), Seller shall deliver copies of all Competing Bids (including copies of all documents described in paragraph 6 herein) to Purchaser, each other Qualified Bidder, the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender. Overbids for the Assets in one lot shall be in an amount of at least \$50,000 in excess of the last highest bid; provided, however, that any overbid by Purchaser shall be in an amount of at least the last highest bid less the Expense Reimbursement plus \$25,000. Overbids for the Assets in parcels shall be in an amount of at least \$25,000 in excess of the last highest bid.

13. The Expense Reimbursement shall be taken into account in determining the amount bid in each round of bidding. The only Persons who will be permitted to bid at the Auction are authorized representatives of Purchaser and each Qualified Bidder. Each bid submitted at the Auction must comply with the procedures set forth herein for Competing Bids and copies of each bid must be provided to Purchaser, each other Qualified Bidder, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender at the Auction. All bids shall be made in the physical presence of Seller, Purchaser, all other Qualified Bidders, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender. To facilitate a deliberate and orderly consideration of the Competing Bids, Seller may adjourn the Auction at any time and from time to time and may conduct multiple rounds of bidding, so long as the Sale

Hearing is held within the time constraints set forth in the Purchase Agreement. Notwithstanding the foregoing, Seller, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender shall determine, in their respective sole and absolute discretion, and subject to final determination by the Bankruptcy Court as set forth in paragraph 15 below, considering all of the factors referenced below, among others, whether a bid matches or is higher and better than another bid.

14. Any Qualified Bidder who is physically absent from the Auction for more than 30 minutes may, in the Debtor's sole and absolute discretion, be disqualified from the Auction. Only the Purchaser, the Qualified Bidders, the Creditors' Committee, if applicable, Debtor, the Prepetition Senior Lender, the Prepetition TIF Lender, the DIP Lender, and each of their authorized representatives, may attend and be present at the Auction. Debtor, in its sole discretion, may permit other Persons or Entities to attend the Auction.

15. Seller shall not be deemed to have accepted any offer unless and until such offer and bid and Seller's acceptance thereof have been subsequently authorized by separate order of the Bankruptcy Court.

16. Seller is authorized to conduct the Auction in accordance with such additional procedures and requirements as Seller, with Purchaser's approval and after consultation with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, shall from time to time announce, consistent with these Auction and Bid Procedures.

17. At the Auction, after the conclusion of bidding, and following consultation with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, Seller, taking into account any and all relevant factors including, but not limited to, the terms and conditions of the proposed purchase agreement, the scope of the proposed transaction(s), the aggregate value offered for the Assets that the maker of the bid(s) propose to purchase, and the likelihood and timing of closing on such proposed transaction(s), shall select the offer or offers that Seller determines in its sole and absolute discretion to reflect (i) the highest or best offer(s) for the Assets (such offer(s), the "Prevailing Bid(s)"), and (ii) the second highest or best offer(s) for the Assets (such offer(s), the "Back-up Bid(s)").

18. At the Auction, at the conclusion of bidding, Seller shall notify any Person submitting a Prevailing Bid (the "Prevailing Bidder") that such Person's offer has been

determined by Seller to be a Prevailing Bid and any Person submitting a Back-up Bid (the “Back-up Bidder”) that such Person’s offer has been determined by the Seller to be a Back-up Bid. No later than one (1) business day after the Auction, and prior to the Sale Hearing, (a) the Prevailing Bidder, if other than Purchaser, shall deliver any unpaid portion of any Additional Deposit to Seller and (b) the Prevailing Bidder shall complete and sign all agreements and documents deemed by Seller as necessary to bind the Prevailing Bidder to all of the terms and conditions contemplated by the Prevailing Bid. After notification that a Qualified Bidder is a Prevailing Bidder, the Prevailing Bidder’s Sale Deposit and Additional Deposit, if any, shall be nonrefundable when paid, and shall be forfeited to Seller, as liquidated damages, if for any reason the Prevailing Bidder fails to consummate the acquisition of the Assets in accordance with the Prevailing Bid and such failure is the result of a breach by the Prevailing Bidder, except as otherwise set forth in the Prevailing Bidder’s purchase agreement as approved by the Bankruptcy Court.

19. Each Sale Deposit received by Seller shall be maintained in an interest-bearing account and be subject to the jurisdiction of the Bankruptcy Court.

20. The Sale Deposit of the Prevailing Bidder or the Back-up Bidder, as the case may be, shall be applied by Seller against the purchase price to be paid by the Prevailing Bidder or the Back-up Bidder, as applicable, at the closing of the relevant transaction(s) approved by the Bankruptcy Court.

21. If for any reason the Prevailing Bidder fails to consummate the acquisition of the Assets in accordance with the Prevailing Bid, the Seller is authorized to effect the sale of the Assets to the Back-up Bidder in accordance with the Back-up Bid without further order of the Bankruptcy Court. If for any reason the Back-up Bidder fails to consummate the acquisition of the Assets in accordance with the Back-up Bid, and such failure is the result of a breach by the Back-up Bidder, the Back-up Bidder’s Sale Deposit shall be forfeited to Seller as liquidated damages, except as otherwise set forth in the Back-up Bidder’s purchase agreement as approved by the Bankruptcy Court.

22. No later than the Bid Expiration Date, Seller shall return to each Qualified Bidder(s), other than the Prevailing Bidder and the Back-up Bidder, their respective Sale Deposit(s), together with any interest accrued thereon. No later than the second business day

after the closing of the sale of the Assets to the Prevailing Bidder, Seller shall return the Back-up Bidder's Sale Deposit to the Back-up Bidder, together with any interest accrued thereon.

23. The Auction and Bid Procedures are solely for the benefit of Seller, and nothing contained in the Bidding Procedures Order shall create any rights in any other Person or bidder other than the rights expressly granted to Purchaser under the Bidding Procedures Order.

24. Except as provided in the Bidding Procedures Order, the Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order.

Notice of Auction and Bid Procedures, Sale Motion and Sale Hearing

25. Within two (2) business days after the entry of the Bidding Procedures Order, Seller shall serve via first-class mail a notice (the "Sale Notice") of the Auction and Bid Procedures, the Bidding Procedures Order, the Sale Motion and the Sale Hearing (defined below), in such form as the Bankruptcy Court shall approve, on the following entities: (i) Purchaser and all Persons that were contacted by Seller or William Blair & Company, LLC in connection with the marketing and sale process for the Assets; (ii) all other prospective offerors and parties-in-interest upon written request to Seller; (iii) all Persons who receive electronic notice in Seller's bankruptcy proceedings; and (iv) all Persons pursuant to Bankruptcy Rules 6004(a), 6004(c), 6006(c) and 9014. Service pursuant to Bankruptcy Rules 6004(a), 6004(c), 6006(c) and 9014 on those Persons not receiving electronic notice shall be by first-class mail addressed to the business address of such Persons appearing in Seller's records, notwithstanding Bankruptcy Rule 9014. In addition, Seller shall publish the Sale Notice (in summary form) in *The Wall Street Journal* (National Edition). Pursuant to Bankruptcy Rule 2002, this service of the Sale Notice shall constitute good and sufficient notice of the Auction and Bid Procedures, the Auction, the Bidding Procedures Order, the Sale Motion and the Sale Hearing (and any proceedings to be held thereon) on all known and unknown creditors and parties-in-interest, including all Persons entitled to service pursuant to Bankruptcy Rules 6004(a), 6004(c), 6006(c) and 9014.

26. Objections, if any, to the Sale Motion shall be in writing, shall conform to the Bankruptcy Rules and local rules and orders of the Bankruptcy Court, shall set forth (i) the nature of the objector's claims against or interests in Seller's estate, (ii) the basis for the objection, (iii) the specific grounds therefor, and (iv) all evidence in support of said objection,

and shall be filed and served so as to be received on or before December 16, 2008, by (a) each Person who receives electronic notice in Seller's bankruptcy proceedings and (b) counsel for Purchaser. Any Person objecting to the Sale Motion that has not complied with the requirements of this paragraph shall not be heard at the Sale Hearing. If any Qualified Bidder objects to Seller's determination of a Competing Bid as a higher or better bid for the Assets, the sole and exclusive remedy of such Qualified Bidder shall be to bid under protest at the Auction, state their reasons on the record at the Auction for their objections and, upon compliance with this paragraph and the other Auction and Bid Procedures, have standing at the Sale Hearing to contest Seller's determination. Purchaser shall be deemed to have standing at the Sale Hearing for all purposes.

27. Except as set forth above, nothing otherwise contained in the Bidding Procedures Order shall be deemed to deprive any interested party of the right to object timely to the Sale Motion, all of which rights are expressly reserved by the Bidding Procedures Order.

Sale Hearing

28. The Sale Hearing to consider the relief requested in the Sale Motion and to consider whether to approve the Prevailing Bid(s) and the Back-up Bid(s) (the "Sale Hearing") shall be held before the Bankruptcy Court within two (2) business days after the Auction, or as soon thereafter as the Court's schedule permits, and if no Auction is held, within five (5) business days after the Competing Bid Deadline, or at such other time as the Court may determine. Debtor shall serve those parties identified in paragraph 21 of these Auction and Bid Procedures with a separate Notice, setting forth the date and time of the Sale Hearing and the deadline for the filing of objections to the Sale Motion.

29. Subject to the time restrictions set forth in the Purchase Agreement, Seller, after consultation with the Creditors' Committee, if applicable, the Prepetition Senior Lender, the Prepetition TIF Lender and the DIP Lender, may extend the deadlines set forth in the Bidding Procedures Order, may recess or adjourn the Auction at any time or from time to time, and/or may seek adjournment of the Sale Hearing, and/or may adopt and/or implement and/or waive such other, additional or existing procedures or requirements consistent with these Auction and Bid Procedures and the Purchase Agreement that in its sole and absolute discretion serves to further an orderly auction and bid process, all without further notice. Seller shall file with the Bankruptcy Court appropriate notices of adjournment with respect to any such extension or adjournment.

EXHIBIT B

(Form of Sale Notice)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS**

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

**NOTICE OF HEARING, AUCTION AND BID PROCEDURES FOR
SALE OF ASSETS OF GATEWAY ETHANOL, L.L.C, AND SALE MOTION**

NOTICE IS HEREBY GIVEN that upon Debtor’s Motion for Order Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Expense Reimbursement; (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”), the United States Bankruptcy Court for the District of Kansas (the “Court”) entered an order dated October 28, 2008 (the “Bidding Procedures Order”). The Bidding Procedures Order approves certain auction and bid procedures (the “Auction and Bid Procedures”) pursuant to which Debtor will solicit bids and seek authority to sell all of Debtor’s right, title and interest in substantially all of the assets owned, leased or otherwise used by Debtor (the “Assets”), and approves a Reimbursement Expense in connection with the sale of the Assets.

The Bidding Procedures Order further approves the form and manner of notice of the Sale Motion for an order (a) authorizing the sale of the Assets, subject to higher and better offers, free and clear of any and all liens, claims, interests and encumbrances; (b) approving the assumption and assignment of certain identified executory contracts and unexpired leases in connection with such sale pursuant to Fed. R. Bankr. P. 2002 and 6006; and (c) approving the form and manner of notice of the Auction and Bid Procedures and the Sale Hearing and assumption and assignment of the identified executory contracts and unexpired leases pursuant to Fed. R. Bankr. P. 2002, 6004, 6006 and 9014. Unless otherwise defined herein, capitalized terms shall have the meanings defined in the Sale Motion.

NOTICE IS FURTHER HEREBY GIVEN that copies of the Sale Motion, Purchase Agreement and Bidding Procedures Order (and proposed Sale Order once completed) are on file with the Clerk of the Court and may be viewed online at <http://ecf.ksb.uscourts.gov> if you have PACER access.

NOTICE IS FURTHER HEREBY GIVEN that the Auction and Bid Procedures, including instructions for submission of Competing Bids, can be obtained from the website listed above or by calling the telephone number listed below.

NOTICE IS FURTHER HEREBY GIVEN that if Competing Bids are received by the Competing Bid Deadline, which is 5:00 p.m. Central Time, on December 12, 2008, Debtor will hold an Auction on December 15, 2008, at 10:00 a.m., or such other time as the parties may agree, pursuant to the Auction and Bid Procedures.

NOTICE IS FURTHER HEREBY GIVEN that a final hearing (the “Sale Hearing”) to approve the highest and best bid for the Assets will be held before the Honorable Dale L. Somers, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Kansas on December 18, 2008 at 10:00 a.m. Central Time, United States Courthouse, Courtroom 144, 500 State Avenue, Kansas City, Kansas.

NOTICE IS FURTHER HEREBY GIVEN that objections, if any, to the Sale Motion shall set forth the information required by the Auction and Bid Procedures and shall be filed and served in accordance with the Bidding Procedures Order. Objections, if any, to the Sale Motion shall be in writing, shall conform to the Bankruptcy Rules and local rules and orders of the Court, shall set forth (i) the nature of the objector’s claims against or interests in Seller’s estate, (ii) the basis for the objection, (iii) the specific grounds therefor, and (iv) all evidence in support of said objection, and shall be filed and served so as to be received on or before 5:00 p.m. Central Time on December 16, 2008, by (a) each Person who receives electronic notice in Seller’s bankruptcy proceeding and (b) counsel for Purchaser. Any Person objecting to the Sale Motion that has not complied with the requirements of this paragraph shall not be heard at the Sale Hearing. If any Qualified Bidder objects to Seller’s determination of a Competing Bid as a higher and better bid for the Assets, the sole and exclusive remedy of such Qualified Bidder shall be to bid under protest at the Auction and, upon compliance with this paragraph, have standing at the Sale Hearing to contest the Seller’s determination. Purchaser shall have standing for all purposes.

NOTICE IS FURTHER HEREBY GIVEN that any inquiries regarding information contained in this Notice should be directed to Laurence M. Frazen or Tammee E. McVey at (816) 374-3200.

Date: October __, 2008
Kansas City, Kansas

BY ORDER OF THE COURT

EXHIBIT C

(Form of Contract Notice)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS**

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

**DEBTOR’S NOTICE OF INTENT TO ASSUME AND ASSIGN
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES
IN CONNECTION WITH SALE OF ASSETS**

NOTICE IS HEREBY GIVEN that Gateway Ethanol, L.L.C., debtor and debtor in possession (“Debtor”), filed a motion on October 24, 2008 (the “Sale Motion”), requesting, among other relief, an order (i) authorizing the sale of all of Debtor’s right, title and interest in substantially all of the assets owned, leased or otherwise used by Debtor (the “Assets”) to Dougherty Funding, LLC (“Purchaser”), subject to higher and better offers, free and clear of any and all liens, claims, interests and encumbrances pursuant to §§ 105(a), 363 and 365 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 6004; and (ii) approving the assumption and assignment of certain executory contracts and unexpired leases related to the Assets in connection with such sale, pursuant to §§ 105(a) and 365 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 6006. A hearing to consider approval of the proposed sale (the “Sale Hearing”) will be held on **December 18, 2008, at 10:00 a.m. Central Time**, in the United States Bankruptcy Court for the District of Kansas, United States Courthouse, Courtroom 144, 500 State Avenue, Kansas City, Kansas, if there is an Auction, and if no Auction is held, within five (5) days after the Competing Bid Deadline, or at such other time as the Court may determine.

PLEASE TAKE FURTHER NOTICE that pursuant to the Sale Motion, Debtor may assume and assign to Purchaser (or to such other successful bidder(s) ultimately selected by Debtor pursuant to the Auction and Bid Procedures), subject to a Closing of the sale of the Assets, those executory contracts and unexpired leases related to the Assets (the “Contracts”) listed on **Exhibit A** annexed hereto, pursuant to Sections 363 and 365 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 6006. All executory contracts and unexpired leases related to the Assets (not limited to those Contracts designated by Purchaser to be assumed) are subject to assumption and assignment pursuant to the Sale Motion. Those Contracts to be assumed and assigned, as presently designated by Purchaser, are identified accordingly on **Exhibit A**. If a bidder(s) other than Purchaser is the successful bidder(s) for the Assets and such successful bidder(s) seeks to assume Contracts in addition to those designated by Purchaser to be assumed and assigned as indicated on **Exhibit A**, or if pursuant to the Auction and Bid Procedures approved by the Court, Purchaser designates additional Contracts to be assumed and assigned, supplemental notice will be provided accordingly.

PLEASE TAKE FURTHER NOTICE that Debtor has indicated on **Exhibit A** annexed hereto the cure amounts that Debtor believes must be paid to cure all defaults under the Contracts to which you are a party as of October 5, 2008 (in each instance, the “Cure Amount”). Debtor believes there are no non-monetary defaults (other than the filing of this Chapter 11 case) or monetary defaults which will not be cured by payment of the Cure Amount.

PLEASE TAKE FURTHER NOTICE that Debtor proposes that Purchaser’s obligation to pay the amounts arising under the Contracts after the Closing constitutes adequate assurance of future performance of the assigned Contracts in accordance with Section 365(f)(2)(b) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that any party seeking (i) to object to the Cure Amount as determined by Debtor or otherwise assert that any other amounts, defaults, conditions or pecuniary losses must be cured or satisfied under any of the assigned Contracts in order for such Contract to be assumed and/or assigned, or (ii) to object to the assumption and assignment of any Contract on any other basis, must file a written objection (an “Assumption/Assignment Objection”) setting forth the cure amount the objector asserts to be due, the specific types and dates of the alleged defaults, pecuniary losses and conditions to assumption and assignment and the support therefor, and the basis for the objection. Moreover, any party filing an Assumption/Assignment Objection with respect to any unliquidated damages claims or adjustments for percentage rent, real estate taxes, common area maintenance or similar adjustable charges (the “Unliquidated Charges”) must provide in such Assumption/Assignment Objection a good faith estimate (if possible) of the amount of such Unliquidated Charges and a description of the factors used in calculating such charges (in all cases with appropriate documentation in support thereof). **All Assumption/Assignment Objections must be served so as to be received no later than 5:00 p.m. Central Time on December 8, 2008** (the “Assumption/Assignment Deadline”) by (a) each Person who receives electronic notice in Debtor’s bankruptcy proceeding, and (b) counsel for Purchaser (collectively, the “Notice Parties”).

PLEASE TAKE FURTHER NOTICE that unless an Assumption/Assignment Objection is filed and served before the Assumption/Assignment Deadline, all parties shall (i) be forever barred from asserting any cure or other amounts with respect to the Contracts, and Debtor, Purchaser or any other successful bidder(s) shall be entitled to rely on the absence of any cure amount requiring payment; (ii) be deemed to have consented to the assumption and assignment of the Contracts; and (iii) be forever barred and estopped from asserting or claiming against Debtor, Purchaser or any other successful bidder(s) that any additional amounts are due or other defaults exist, that any conditions to assumption and assignment remain to be satisfied under such Contracts or that there is any objection or defense to the assumption and assignment of such Contracts.

PLEASE TAKE FURTHER NOTICE that on December 18, 2008, at 10:00 a.m. Central Time, the Court shall conduct a hearing (the “Assumed Contracts Hearing”) at which any Assumption/Assignment Objections shall be heard and resolved. The Court’s findings at the Assumed Contracts Hearing as to the Cure Amounts, if any, arising from the Contracts to be assumed pursuant to Section 365(b) of the Bankruptcy Code, shall be final and binding on the

parties to all Contracts to be assumed, and shall not be subject to further dispute or audit based on performance prior to the time of assumption and assignment (to the extent any Contracts to be assumed contain an audit clause).

PLEASE TAKE FURTHER NOTICE that a properly filed and served Assumption/Assignment Objection shall reserve such party's rights with respect to the assumption and assignment of the particular Contract(s) but shall not constitute an objection to the relief requested in the Sale Motion. **Parties wishing to otherwise object to the relief requested in the Sale Motion are required to file and serve a separate objection, stating with particularity such party's grounds for objection, so as to be received by each of the Notice Parties listed above no later than 5:00 p.m. Central Time on December 16, 2008.**

PLEASE TAKE FURTHER NOTICE that Debtor's assumption and assignment of the Contracts to Purchaser is subject to court approval and consummation of the Closing of the Sale of the Assets. Further, those Contracts to be assumed and assigned are subject to change. Accordingly, Debtor shall be deemed to have assumed and assigned each of the Contracts as of the date of and effective only on the Closing of the Sale of the Assets and Purchaser's decision to take assignment of the Contracts. Absent such Closing, each of the Contracts shall in all respects be subject to further administration under the Bankruptcy Code. The inclusion of any document on the list of Contracts shall not constitute or be deemed to be a determination or admission by Debtor or Purchaser that such document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved) or that such Contract will indeed be assumed and assigned at the Closing.

PLEASE TAKE FURTHER NOTICE that any inquiries regarding information contained in this Notice should be directed to Tammee E. McVey at Bryan Cave LLP, counsel for Debtor, at (816) 374-3220 or via facsimile at (816) 855-3220. A complete list of Contracts and Cure Amounts is available upon written request to Ms. McVey.

Date: October __, 2008
Kansas City, Kansas

EXHIBIT A
TO CONTRACT NOTICE

Assumed Contracts

	<u>Construction Contracts</u>	<u>Cure Cost</u>
A.	<u>Category I Construction Contracts</u>	
1.	Construction Agreement dated January 31, 2006 between HABCO, Inc., and Gateway Ethanol, L.L.C. (the " <u>Grain Handling Facility Contract</u> ").	\$0.00
2.	Construction Agreement dated January 31, 2006, between Railworks Track Systems, Inc. and Gateway Ethanol, L.L.C. (the " <u>Loop Tract Contract</u> ").	\$0.00
3.	Industry Track Contract between Union Pacific Railroad Company and Gateway Ethanol, L.L.C. (the " <u>Rail Access Agreement</u> ").	\$0.00
4.	?? Rail Spur Contract ??	Undetermined
5.	Gound Lease dated March 30, 2006 between Power to Go, L.L.C. and Gateway Ethanol, L.L.C. (the " <u>Ground Lease</u> ").	\$0.00
6.	Sublease Agreement dated March 30, 2006 between Power to Go, L.L.C. and Gateway Ethanol, L.L.C. (the " <u>Substation Contract</u> ").	\$0.00
7.	Supplemental Agreement for Lease of Ethanol Substation dated November 20, 2006 between Power to Go, L.L.C. and Gateway Ethanol, L.L.C. (the " <u>Substation Supplemental Agreement</u> ").	\$0.00
8.	Capacitor Sublease Agreement dated July 31, 2006 between Power to Go, L.L.C. and Gateway Ethanol, L.L.C. (extension and addition to the Ground Lease and Substation Contract) (the " <u>Capacitor Sublease Agreement</u> ").	\$0.00
9.	Substation Erection Contract, Ethanol Substation dated January 17, 2006, and Addendum to Substation Erection Contract dated March 13, 2006, between Re-Con Company (Contractor/ Bidder) and Power To Go, LLC (Owner) (the " <u>Substation Erection Contract</u> ").	\$0.00
10.	AIA Document A101-1997 Standard Form of Agreement Between Owner and Contractor dated April 17, 2007 between Rafferty Construction, Inc. and Gateway Ethanol, L.L.C. (the " <u>Rafferty Construction Contract</u> ").	\$0.00

B.	<u>Category II Construction Contracts</u>	<u>Cure Cost</u>
	None	\$0.00
C.	<u>Category III Construction Contracts</u>	
1.	Restated Engineering, Procurement and Construction (EPC) Agreement dated March 30, 2006, between Gateway Ethanol, L.L.C. and Lurgi PSI, Inc (the " <u>Lurgi Contract</u> ") together with: <ul style="list-style-type: none"> (a) the Seller's right, title and interest in the letter of credit delivered by Lurgi pursuant to the Lurgi Contract; and (b) the "Guaranty" (as defined in the Lurgi Contract) made by GEA Group AG in favor of Seller 	Undetermined
	<u>Operating Agreements</u>	
A.	<u>Category I Operating Agreements</u>	
1.	The permit from Kansas Department of Health and Environment (" <u>KDHE</u> "), Permit #I-AR73-NP02, permitting the discharge of blow down wastewater from the Plant into collection ponds and future use as irrigation (the " <u>Irrigation Agreement</u> ").	\$0.00
2.	Operating Leases <ul style="list-style-type: none"> (a) Sublease Agreement and Ground Lease, each dated April 13, 2007, between Jerry Rafferty and Gateway Ethanol, LLC (Maintenance Building) 	\$15,600.00
3.	Agreement for Electric Service dated January 31, 2006 between the Ninnescah Rural Electric Cooperative Association, Inc. and Gateway Ethanol, L.L.C. (the " <u>Electrical Service Agreement</u> ").	\$216.21
4.	Discount Rate Agreement for Transportation of Natural Gas dated February 1, 2006 between Kansas Service, a division of Oneok, Inc., and Gateway Ethanol, L.L.C. (the " <u>Natural Gas Agreement</u> ").	\$1,750.00
5.	Potable Water Supply Contract dated February 6, 2006 between the City of Pratt and Gateway Ethanol, L.L.C. (the " <u>Potable Water Agreement</u> ") <ul style="list-style-type: none"> (a) Water Appropriate Agreement (b) Storm Water Discharge Permit 	\$0.00 \$28,761.78 \$60.00

	<u>Category I Operating Agreements - Continued</u>	<u>Cure Cost</u>
6.	<p>Incentive Payments</p> <p>(a) Eligibility with the USDA Commodity Credit Corporation, 7 CFR Part 1424, Federal Register, Volume 68, No. 88, May 2, 2003, page 24596-24603 (the "<u>Commodity Credit Corporation Payments</u>").</p> <p>(b) Eligibility for the Kansas Department of Revenue, Ethanol Production Incentive Payment Program. (the "<u>State of Kansas Producer Incentive Payments</u>").</p>	<p>\$0.00</p> <p>\$0.00</p>
7.	<p>Prepetition TIF Documents</p> <p>(a) Assessment Agreement dated March 30, 2006, between the Pratt County, KS, the Pratt County Appraiser and Gateway Ethanol, L.L.C (the "<u>Assessment Agreement</u>").</p> <p>(b) Property Tax Increment Rebate Agreement dated March 30, 2006 between Pratt County, Kansas and Gateway Ethanol, L.L.C. (the "<u>TIF Rebate Agreement</u>").</p>	<p>\$0.00</p> <p>\$0.00</p>
8.	<p>Service Agreements</p> <p>(a) Nisly Brothers Trash Service</p>	\$1,622.51
9.	Antenna and Radio Frequency Transmission Agreement dated October 4, 2007 between Crop Circle RTK by Record Harvest Enterprises, Inc. and Gateway Ethanol, L.L.C.	\$0.00
10.	Lease of Bin dated November 13, 2006 between Farmers Cooperative Company and Orion Ethanol, LLC (the " <u>Bin Lease</u> "), as assigned to Gateway Ethanol, L.L.C. pursuant to a _____ dated _____, 2006.	\$0.00
B.	<u>Category II Operating Agreements</u>	
1.	Trinity Industries Leasing Company Railroad Car Lease Agreement dated September 11, 2007 between Trinity Industries Leasing Company and Gateway Ethanol, L.L.C. (the " <u>Trinity Railcar Lease</u> ").	Undetermined
2.	Mitco Purchase Order for Water Treatment Services dated February 2, 2007.	Undetermined
C.	<u>Category III Operating Agreements</u>	
1.	Indeck Lease.	Undetermined