

IN THE APACHE GAMING COMMISSION

In the matter of the licensing of:

**TGS ANADARKO, LLC; and
WELLS FARGO BANK, N.A.;**

Vendors.

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) **Case No. AGC-2011-1**
) **Richard J. Grellner, Hearing Officer**
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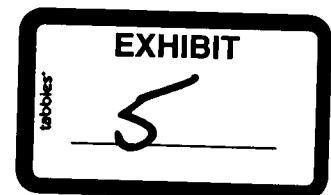
PETITION FOR LICENSE REVIEW WITH BRIEF IN SUPPORT

The Apache Tribe of Oklahoma, through its counsel Jon E. Brightmire and Bryan J. Nowlin of Doerner, Saunders, Daniel & Anderson, L.L.P., submits the following Petition for License Review regarding vendors TGS Anadarko, LLC and Wells Fargo Bank, N.A. The Tribe respectfully requests that the Apache Gaming Commission ("AGC") review the following issues and allegations and issue notices of violations and penalties for any licensing violations it may find exists.

First Violation

1. The Tribe entered into a Gaming Equipment Lease ("Lease") dated December 27, 2007 and effective January 1, 2009 with KAGD, LLC. Exhibit 1. The Lease was assigned by KAGD to TGS Anadarko on June 23, 2008. Exhibit 2. Also on June 23, 2008, the Lease was assigned by TGS to Wells Fargo. Exhibit 3.

2. Neither Wells Fargo nor TGS disclosed to the AGC the language of the assignment. Rather, the AGC was told by Wells Fargo that Wells Fargo would take an assignment of the Lease as security for a loan it would make to TGS. The AGC never was given an opportunity to review the language of the assignment to Wells Fargo. Furthermore, the AGC



was told that if Wells Fargo did become a vendor under the assignment that Wells Fargo would then seek to obtain a vendor's license from the AGC.

3. The assignment itself is unconditional. It provides as follows:

1. Assignment. [TGS] hereby absolutely and unconditionally assigns and grants to [Wells Fargo] all right, title and interest of [TGS] in, to and under the Lease Agreement . . . together with all rights, privileges and entitlements thereunder and all cash and non-cash proceeds thereof . . .

Ex. 3, page 1. TGS then expressly conveyed to Wells Fargo all rents and lease revenue, all equipment owned by TGS used at the Casino, and all other rights of TGS under the Lease, and gave Wells Fargo an irrevocable power of attorney, coupled with an interest, "to take any and all actions necessary to properly manage, preserve and transfer title to the Equipment." *Id.*, p. 2. Wells Fargo gave TGS "a revocable license to collect the rents and to possess, use and enjoy the Lease Agreement and other Assigned Interests." *Id.*

The assignment further provides:

Entire Agreement; Amendments. This Assignment Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified, amended or terminated except by a written agreement specifically referring to this Assignment Agreement signed by all the parties hereto.

Ex. 3, p. 3. There is no language within the four corners of the assignment from TGS to Wells Fargo which limits it in any way to a security interest. Rather, under the plain language of the assignment, which constitutes the "entire agreement of the parties with respect to the subject matter hereof," TGS "absolutely and unconditionally assign[ed] and grant[ed] to [Wells Fargo] all right, title, and interest of [TGS] in, to, and under the Lease Agreement"

4. The AGC should determine (a) that Wells Fargo acted as a vendor in the Silver Buffalo Casino without ever requesting or receiving a gaming license; (b) that Wells Fargo and

TGS wrongfully concealed the contract assignment requiring such a license; and (c) that TGS allowed Wells Fargo the improper benefit of its own license.

5. The Tribe's Compact and Gaming Ordinance provides that an unlicensed vendor is not to receive gaming revenues from the Tribe's casinos. State Compact Part 10(B)(6); Apache Gaming Ordinance § 301(A).

Second Violation

6. Upon information and belief, some or all of the machines provided by TGS and/or Wells Fargo under the Lease do not meet the State Compact standards.

7. Upon information and belief, the AGC was not provided with testing letters for some or all of the machines provided by TGS and/or Wells Fargo. The AGC also was not provided proof of Johnson Act registration from TGS and/or Wells Fargo.

8. The AGC should levy a fine of up to \$5,000 per machine that is found to be in violation of this requirement for placing the Tribe's gaming enterprise in jeopardy.

Request for Licensing Determination as to TGS/Robert J. Medeiros

9. The Tribe is in possession of gaming machines provided under the Lease which it does not wish to possess.

10. The Tribe would like to return these machines to TGS and/or Wells Fargo as may be appropriate.

11. Upon information and belief, the Application attached as Exhibit 4 for a renewal of the license by Medeiros does not contain a full disclosure of all business dealings with Indian tribes. Specifically, the Tribe is knowledgeable that prior to the date of the Application, Mr. Medeiros and/or various entities of which he was an investor conducted business in Indian gaming with the Chickasaw Nation through an entity known as GCG Riverwind, LLC. (Wells

Fargo also is an investor in GCG Riverwind, LLC.)Mr. Medeiros failed to disclose all of his tribal gaming relationships on his applications with the AGC.

12. The Tribe therefore requests that the AGC determine whether Robert J. Medeiros or TGS is suitable for gaming and issue a temporary license. Apache Gaming Ordinance § 108(5).

Authorities

1. TGS and Wells Fargo are subject to the regulatory powers of the AGC.

IGRA plainly declares that “Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.” 25 U.S.C. § 2701(5). *See also, Gaming Corp. of America v. Dorsey & Whitney*, 88 F.3d 536, 544 (8th Cir. 1996). The tribal licensing process is required and regulated by IGRA. Tribes must submit the results of the required background checks to the NIGC. 25 U.S.C. §§ 2710(d)(1)(A)(ii), 2710(b)(2)(F)(ii).

The tribe must license any “person or entity who, directly or indirectly, provides or is likely to provide at least Twenty-five Thousand Dollars (\$25,000.00) in goods or services to the enterprise in any twelve-month period, or who has received at least Twenty-five Thousand Dollars (\$25,000.00) for goods or services provided to the enterprise in any consecutive twelve-month period within the immediately preceding twenty-four month period.” State Compact Part10(B)(1). The Tribe cannot “enter into, or continue to make payments pursuant to, any contract or agreement for the provision of goods or services with any person or entity who does not meet the requirements of Part 10(B) of the Tribal-State Compact.”

In addition, “any person or entity extending financing, directly or indirectly, to the facility or enterprise in excess of Fifty Thousand Dollars (\$50,000.00) in any twelve-month

period shall be licensed prior to providing such financing.” A national bank, however, “who, alone or in conjunction with others, lends money through publicly or commercially traded bonds or other commercially traded instruments, including but not limited to the holders of such bonds or instruments or their assignees or transferees, or which bonds or commercially traded instruments are underwritten by any entity whose shares are publicly traded or which underwriter, at the time of the underwriting, has assets in excess of One Hundred Million Dollars (\$100,000,000.00), shall be exempt from the licensing and background investigation requirements” State Compact at Part 10(C)(4). The AGC issued such an exemption to Wells Fargo for the purpose of financing to the Tribe. However, the AGC could not properly provide an exemption to Wells Fargo for the purpose of providing financing to a gaming vendor within the casino. Furthermore, under the State Compact the AGC could not properly provide an exemption to licensing requirements when Wells Fargo *acts as vendor rather than a financier* to the Tribe. In short, if Wells Fargo owned gaming machines and was contractually obligated to perform duties pursuant to the Equipment Lease then Wells Fargo was required to be licensed. That Wells Fargo was not licensed cannot and will not be disputed.

Wells Fargo and TGS as vendors are subject to the laws of the Apache Tribe regarding its operations in Indian Country. In *Iowa v. Mut. Ins. Co. v. LaPlante*, 480 U.S. 9, 18 (1987), the United States Supreme Court affirmatively recognized that jurisdiction over non-Indians doing business on tribal land is an integral component of tribal sovereignty:

Tribal authority over the activities of non-Indians of reservation lands is an important part of tribal sovereignty . . . Civil jurisdiction over such activities presumptively lies in the tribal courts unless affirmatively limited by a specific treaty or federal statute.

Furthermore, in *Montana v. U.S.*, 450 U.S. 544, 565 (1981), the Court held that “a tribe may regulate, through taxation, licensing, or other means, the activities of nonmembers who enter

consensual relationships with the tribe or its members, through commercial dealing, contracts, leases, or other arrangements.” Thus, because Wells Fargo entered into a consensual lending and leasing arrangement with the Tribe, it is subject to its regulations.

2. If violations are found to exist (and the Tribe alleges the existence of violations) then the AGC should enter an appropriate penalty.

The Tribe asks the AGC to enter findings relating to the following issues, which all directly relate to the AGC’s regulation of gaming within the Tribe’s Indian Country:

1. Whether TGS improperly allowed Wells Fargo to use and benefit from its gaming license pursuant to an Assignment of the Gaming Lease dated June 23, 2008 between TGS and Wells Fargo, and whether Wells Fargo improperly concealed the language of the assignment to avoid obtaining a license from the AGC as a gaming vendor.
2. Whether TGS/Wells Fargo provided State Compact-compliant gaming machines pursuant to the Gaming Equipment Lease effective January 1, 2009.
3. Whether TGS/Wells Fargo made prior report of the movement of machines pursuant to the federal Johnson Act.
4. Whether a declination letter regarding sole proprietary interest or management contract status was obtained from the NIGC at any time prior to the effective date of the Gaming Equipment Lease.
5. Whether TGS or its principal Robert J. Medeiros is suitable to obtain a license for the limited purpose of obtaining possession to slot machines provided under the Gaming Equipment Lease effective January 1, 2009 that remain on the Tribe’s trust land.

Should AGC find a violation, it is authorized to enter a civil penalty where appropriate. The power to regulate itself comes with the inherent authority to penalize for failure to abide by the regulations and endangering the safety of the Tribe’s gaming enterprises. The Tribe’s Gaming Ordinance specifically allows for the determination of penalties and fines and does not provide a limit on the penalty that the AGC may impose. Apache Gaming Ordinance § 108(16).

In addition, the Tribe maintains that a vendor which abuses or which does not have a license, yet receives revenues, should be subject to disgorgement of all gaming revenues

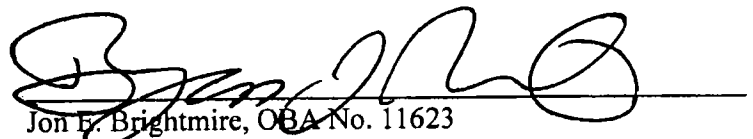
improperly received. There is a long history of disgorgement penalties in Indian Country. *See* 25 U.S.C. § 81. Any fine less than complete disgorgement would not be appropriate as dishonest vendors would be encouraged to skirt licensing requirements by providing goods and services through a licensed vendor. Apache law further recognizes that disgorgement is an appropriate remedy as noted by a resolution of the Apache Business Committee passed in April, 2011. The Tribe therefore believes that disgorgement is an appropriate remedy and will present evidence that the total amount TGS and Wells Fargo received under the Equipment Lease was approximately \$2.1 million dollars, all of which should be returned to the Tribe.

WHEREFORE, the Apache Tribe of Oklahoma prays that the Apache Gaming Commission enter judgment (a) finding that Wells Fargo and TGS violated licensing requirements for vendors, and levy a civil penalty and order disgorgement of all amounts paid under the equipment lease, (b) render a licensing determination on Robert J. Medeiros, and (c) order any other penalty or fine which the AGC deems appropriate.

Respectfully submitted,

DOERNER, SAUNDERS, DANIEL &
ANDERSON, L.L.P.

By:



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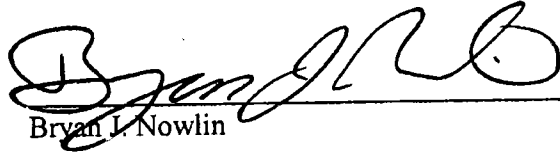
Attorneys for Petitioner the Apache Tribe of
Oklahoma

CERTIFICATE OF SERVICE

I do hereby certify that on June 24, 2011, a true and correct copy of the above pleading was delivered via first class mail, postage prepaid thereon, and e-mailed to:

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Bryan J. Nowlin

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APACHE BUSINESS COMMITTEE
Alonso Chalapa - Chairman
Mary Rivera - Vice-Chairperson
Jimmy Komandley - Secretary/Treasurer
Telephone: 405/247-8493

APACHE BUSINESS COMMITTEE
Henry Kostant - Committee Member
Leonard Chalapa - Committee Member
Donald Komandley - Assistant Tribal Administrator
Fax: 405/247-2685

Apache Tribe of Oklahoma

511 East Colorado
Post Office Box 1220
ANADARKO, OKLAHOMA 73005

Resolution Executing Equipment Lease Agreement by and between KAGD, LLC and the Apache Tribe of Oklahoma

RES# 12-027-01-07

WHEREAS, The Apache Tribe of Oklahoma is a federally recognized Indian Tribe with a Constitution approved by the Secretary of Interior to safeguard the Tribal rights, powers and privileges of its members on December 1 1971, and ratified on February 5, 1972, and

WHEREAS, the Apache Business Committee has the power to transact business for the tribe under Apache Resolution No. 73-1 and 78-7.

WHEREAS, the Apache Business Committee finds that KADG is a suitable company to provide machines and services to the Silver Buffalo Casino, located in Anadarko, Oklahoma in accordance with the terms listed herein.

WHEREAS, the Apache Business Committee hereby executes the following equipment lease together with its provisions of limited waiver of sovereign immunity by and between KAGD, LLC and the Apache Tribe of Oklahoma.

APACHE - ANADARKO EQUIPMENT LEASE AGREEMENT

THIS EQUIPMENT LEASE AGREEMENT ("Lease") is made and entered into this 27th day of December, 2007, by and between KAGD, LLC, a Nevada limited liability company ("Owner"), whose



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address is 2251 S. Fort Apache Rd, Las Vegas, NV 89117 and Apache Tribe of Oklahoma, a federally recognized Indian tribe (the "Lessee"), whose address is P.O. Box 1220, Anadarko, OK 73005.

Owner desires to lease to Lessee, and Lessee desires to lease from Owner in accordance with the terms and conditions contained herein, certain equipment more fully described in a Lease Schedule which is to be attached hereto as Annex I and which shall be in the form that is attached hereto as Exhibit "A" (the "Lease Schedule"). All equipment described in the Lease Schedule shall be collectively referred to as the "Equipment". The Equipment shall consist of:

- (i) 350 Class III Gaming devices to be selected by Lessee in accordance with Section 3 below (as such devices may be substituted with any Replacement Units, the "Units").
- (ii) the Ancillary Furnishings which are referred to by Section 3.2 below.

The Equipment is to be installed in and to be used in connection with the casino facilities (the "Lessee's Casino Facilities") located on certain of the Lessee's Indian Lands near Anadarko, Oklahoma and operated under the trade name of Silver Buffalo Casino.

NOW THEREFORE, Owner and Lessee agree as follows:

1. LEASE AND LEASE SCHEDULE. This Lease and the Lease Schedule establish the terms and conditions by which Owner shall lease the Equipment to Lessee. The Lease Schedule shall incorporate by reference the terms of this Lease.

2. COMMENCEMENT AND TERM.

2.1 Commencement Date. The "Lease Commencement Date" shall mean the date:

- (i) when any of the units have been properly installed at Lessee's Casino Facilities; and
- (ii) the same units are available for play by patrons of Lessee's Casino Facilities.

2.2 Lease Term. The term of this Lease (the "Lease Term") shall commence on the Lease Commencement Date and shall expire when the first of the following has occurred (the "Lease Expiration Date"): (i) the date which is 6 years and 364 days subsequent to the Lease Commencement Date (the "Scheduled Expiration Date"); or (ii) the Buyout Date which is referred to by Section 2.3 below. As used herein, "Lease Years" shall mean a collective reference to the annual period commencing on the Lease Commencement Date and to each succeeding annual period thereafter (except that the final Lease Year shall be 364 days) which occurs during the Lease Term.

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2.3 Buyout Option. At any time after the fourth anniversary of the Lease Commencement Date, and prior to the Lease Expiration Date, Lessee shall have an option to purchase the Equipment in accordance with the following terms and conditions (the "Buyout Option"):

- (i) In order to exercise the Buyout Option, Lessee shall give Owner written notice thereof (a "Buyout Notice"). The effective date of the Buyout Notice is referred to herein as the "Exercise Date". After the Exercise Date, Lessee shall be obligated to purchase the Equipment from Owner, and Owner shall be obligated to sell the Equipment to Lessee, all in accordance with Paragraphs (ii) and (iii) below (the "Buyout Purchase"). Lessee shall not be entitled to deliver the Buyout Notice at any time when there is an uncured Event of Default by Lessee hereunder, or the Lease has been terminated in accordance with the terms and conditions hereof.
- (ii) On the second Payment Date (as defined by Section 5.1) following the Exercise Date, or on such other Payment Date as may be agreed by the parties (in either case, the "Buyout Date"): (a) Owner shall convey the Equipment to Lessee, pursuant to documentation reasonably acceptable to Owner and Lessee (the "Conveyance Documents"); and (b) Lessee shall pay the Buyout Price to Owner in immediately available funds (the "Purchase Funds"). The Conveyance Documents and Purchase Funds shall be delivered to an independent escrow agent, which is reasonably acceptable to Owner and Lessee, for closing of the Buyout Purchase in accordance with instructions which are also reasonably acceptable to Owner and Lessee. The Equipment shall be transferred without warranty or representation by Owner, except for warranties and representations (all of which shall be set forth by the Conveyance Documents) that Owner has good and marketable title to the Equipment, free and clear of all liens and encumbrances (except that the WAP/Participation Units shall be subject to the interest of the WAP/Participation Vendors and the terms and conditions of the WAP/Participation Agreements and the Royalty Units shall be subject to the terms and conditions of the Royalty Agreements).
- (iii) Upon closing of the Buyout Purchase, this Lease shall be terminated and neither Owner, nor Lessee, shall have any further obligations hereunder except for: (a) unsatisfied obligations owed pursuant to Events of Default which occur hereunder prior to the Buyout Date; and (b) obligations hereunder which, by their terms, expressly survive such termination.

2.4 Buyout Price. The "Buyout Price" shall be determined as follows:

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- (i) the sum of all Basic Rent payments which were required to be made during the annual period immediately preceding the Excess Date shall be divided by the number of Payment Dates during such period in order to arrive at the "Estimated Payment Amount".
- (ii) It shall then be hypothetically presumed that a stream of payments, each equal to the Estimated Payment Amount, will be made on the Buyout Date and on each succeeding Payment Date thereafter until, and including, the Scheduled Expiration Date (collectively, the "Estimated Payments"). Such stream of payments shall then be reduced to its present value, as of the Buyout Date, using a discount rate which is equal to eight and fifteen one hundredths percent (8.15%) per annum. The resulting present value shall be the "Buyout Price".

3. EQUIPMENT.

3.1 **Selection of Units.** Each Unit shall be a "class III game" which, in each case, is: (i) permitted by, and licensed under, the terms of the Tribal-State Compact between the Lessee and the State of Oklahoma herewith; and (ii) is readily available to be purchased for use at Lessee's Casino Facilities.

3.2 **Slot Ticketing System and Ancillary Furnishings.** The Equipment shall also include:

- (i) a slot ticketing system enabling the Units to accept ticket vouchers for wagers and disperse ticket vouchers as entitlements to payment (the "Slot Ticketing System"). The Slot Ticketing System shall: (aa) have performance, component and function specifications which are consistent with industry standards and which will provide adequate assurances that the Slot Ticketing System will be compatible with the Slot Accounting System; and (bb) be compatible with the Units. The Slot Ticket System shall include all peripheral hardware and software necessary for the operation thereof; and
- (ii) all stands, stools and signage which are necessary for use of the Units (collectively, the "Ancillary Furnishings").

3.3 **Refurbished Equipment.** The Units and the Ancillary Furnishings may be used items which have been refurbished in such a manner that they are of substantially the same quality and appearance as new Units and Ancillary Furnishings of the same make and model (collectively "Refurbished Units").

3.4 **WAP, Participation and Royalty Units.** At the election of Lessee, the Units selected in accordance with Section 3.1 hereof may include WAP Units, Participation Units and Royalty Units, each of which are defined as follows:

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(i) "WAP Units" shall mean Units which are linked to Class III Gaming devices that are located in gaming establishments other than Lessee's Casino Facilities, which linkage is accomplished, pursuant to a wide area progressive network (the "WAP") that is owned and operated by the vendor of the WAP Unit (the "WAP Vendor"). WAP Units are owned by the WAP Vendor and will be provided for use by Lessee pursuant to an agreement between the WAP Vendor and Owner (the "WAP Agreement") which will provide, among other things, that: (aa) payments will be made to the WAP Vendor in an amount which is equal to a specified percentage of amounts wagered in play on the WAP Unit (the "WAP Percentage Payments"); and (bb) the WAP Vendor will provide the WAP Unit, perform certain maintenance tasks with respect to the WAP Unit, maintain and operate the WAP and satisfy certain jackpots ("WAP Jackpots") which are payable with respect to the WAP; all as more particularly set forth therein.

(ii) "Participation Units" shall mean Units which are not linked to a WAP, but are owned by the vendor (the "Participation Vendor") and which will be provided for use by Lessee pursuant to an agreement between the Participation Vendor and Owner (the "Participation Agreement") which will provide, among other things, that: (aa) payments will be made to the Participation Vendor in an amount which is equal to a specified percentage of the gross win on the Participation Unit (the "Participation Percentage Payments", and, together with the WAP Percentage Payments, the "WAP/Participation Percentage Payments"); and (bb) the Participation Vendor will provide the Participation Unit and perform certain maintenance tasks with respect to the Participation Unit; all as more particularly set forth therein.

(iii) "Royalty Units" shall mean Units which are owned by Owner; but, which are subject to an agreement (a "Royalty Agreement") with the vendor thereof (the "Royalty Vendor"), providing, among other things, that continued use of the Royalty Unit requires certain payments to the Royalty Vendor (the "Royalty Payments"), all as more particularly set forth therein.

The WAP Units and Participation Units are collectively referred to herein as the "WAP/Participation Units". The WAP Vendors and the Participation Vendors are collectively referred to herein as the "WAP/Participation Vendors". The WAP Agreements and the Participation Agreements are collectively referred to herein as the "WAP/Participation Agreements". The Equipment, other than the WAP/Participation Units, is collectively referred to herein as the "Owned Equipment".

3.5 Equipment Costs. The aggregate cost to Owner of all Equipment which is selected by Lessee pursuant to delivery of the Lease Schedule (collectively, the "Initial Equipment Cost") shall not exceed Five Million Dollars (\$5,000,000.00). The Initial Equipment Cost shall include all amounts

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payable to, or for the benefit of, the Vendors of such Equipment, as part of the purchase transaction, including, without limitation, the final sales price as well as all taxes, delivery charges and other amounts. Owner shall consult with Lessee and provide Lessee with reasonable assistance to determine: (i) which Equipment is available for purchase (or, in the case of WAP Units and Participation Units, which items are available for contract) in the market place; (ii) the cost of such items to Owner, where applicable; and (iii) the terms of contract for such items, where applicable. All references herein to the "Vendors" shall be to the WAP/Participation Vendors, the Royalty Vendors and all other vendors of the Equipment.

3.6 **Delivery of Lease Schedule.** Lessee shall complete the Lease Schedule in compliance herewith and deliver the completed Lease Schedule to Owner within 30 days following execution of this agreement. Provided that the Lease Schedule has been completed in compliance herewith, it shall be executed by each party and attached hereto as Annex I.

3.7 **Slot Accounting System.** Lessee is party to a lease agreement with M3 (the "Accounting System Lease") pursuant to which it leases an M3 slot accounting system (the "Slot Accounting System" and, together with the Slot Ticketing System, the "Ticketing and Accounting System"). Lessee shall remain responsible for all obligations under the Accounting System Lease. However, in order to defray the expense to Lessee of satisfying such obligations, Owner shall pay Lessee an amount equal to \$1.00 per day for each Unit that is in operation in Lessee's Casino Facility.

4.0 **REPLACEMENT AND CONVERSION OF UNITS.**

4.1 **Discretionary Replacements.** During each of the second through seventh Lease Years, and subject to the aggregate cost limitation provisions set forth by Section 4.6, below, Lessee shall be entitled to request that Owner replace a certain number of Units, to be determined in accordance with Section 4.5 below, with substitute Units that are selected by Lessee in compliance with the criteria set forth by Section 3.1 hereof ("Discretionary Replacement Units"). If the Unit being replaced is readily available for purchase on the open market, the Discretionary Replacement Unit shall have a maximum cost to Owner which is substantially equivalent to the cost of the Unit being replaced (determined as of the replacement date). If the Unit being replaced is not readily available for purchase on the open market, the Discretionary Replacement Unit shall have a maximum cost to Owner (determined as of the replacement date) which is substantially equivalent to that of a Class III gaming device, that is readily available for purchase on the open market, and which would have a value comparable to the Unit being replaced, if the Unit being replaced was new (or, in the case of a Refurbished Unit, refurbished) on the replacement date.

4.2 **Maintenance Replacements.** In addition to the Discretionary Replacements, Owner shall also replace such Units as Lessee deems reasonably necessary or advisable, in the exercise of commercially reasonable casino operating practice for tribal casinos with a size and market that is similar to Lessee's Casino Facilities, to adequately maintain the Equipment ("Maintenance Replacement Units" and, together with the Discretionary Replacement Units, the "Replacement Units"). Each Maintenance Replacement Unit shall be selected by Lessee in compliance with the criteria set forth by Section 3.1 hereof and: (i) if the Unit being replaced is readily available for purchase on the open market, the Maintenance Replacement Unit shall have a maximum cost to Owner which is substantially equivalent to the cost of the Unit being replaced (determined as of the replacement date); or (ii) if the Unit being

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replaced is not readily available for purchase on the open market, the Maintenance Replacement Unit shall have a maximum cost to Owner (determined as of the replacement date) which is substantially equivalent to that of a Class III gaming device, that is readily available for purchase on the open market, and which would have a value comparable to the Unit being replaced if the Unit being replaced was new (or in the case of a Refurbished Unit, refurbished) on the replacement date.

4.3 Replacement Process. Upon designation, of a Unit for replacement by a Discretionary Replacement Unit or Maintenance Replacement Unit pursuant to the above, Owner shall arrange, at Owner's expense, to remove the Unit so designated and provide for such replacement within such time as may be reasonable under the circumstances. All Units, which are replaced with Replacement Units, shall be the property of Owner and shall no longer be included within the Equipment.

4.4 Conversion Units. In addition to Discretionary Replacement of Games, Lessee shall also be entitled to have certain Units converted (as hereinafter described) subject to the following provisions:

(i) to the extent that the manufacturer of any Unit provides a process which allows Owner to purchase one or more internal components, which are designed to be compatible with such Unit, for the express purpose of substituting such components for existing components of the Unit in order to change the game(s) played thereon, such process is referred to herein as a "Conversion".

(ii) during each of the second through seventh Lease Years, Lessee may require Owner to perform a Conversion with respect to a number of Units which shall be determined in accordance with Section 4.5 below,

(iii) the substituted game(s) which result from any Conversion shall be selected by Lessee, provided that, subsequent to such Conversion, the Unit which is so converted shall have specifications which would have allowed it to be selected by Lessee under Section 3.1.

4.5 Number of Discretionary Replacement Units and Conversions.

The number of Discretionary Replacement Units and Conversions to which Lessee may be entitled shall be determined as follows:

- (i) During the first Lease Year, Lessee shall be entitled to a number of: (aa) Replacement Units that is equal to 3; and (bb) Conversions which is equal to 12. During each of the second through sixth Lease Years, Lessee shall be entitled to a number of: (aa) Replacement Units which is equal to 6 plus the number of Carryover Replacement Units, which is available for the applicable Lease Year; and (bb) Conversions which is equal to 24 plus the number of Carryover Conversions, which is available for the applicable Lease Year. During the seventh Lease Year,

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Lessee shall be entitled to a number of: (aa) Replacement Units which is equal to the number of Carryover Replacement Units, which is available for the seventh Lease Year; and (bb) Conversions which is equal to the number of available Carryover Conversions, which is available for the seventh Lease Year. The number of Carryover Replacement Units and Carryover Conversions, for each Lease Year, shall be determined in accordance with Paragraph (ii) below.

- (ii) Except to the extent hereinafter set forth, any Replacement Units or Conversions: (aa) to which Lessee may be entitled during any Lease Year; and (bb) which are not utilized during such Lease Year; may be utilized during the next succeeding Lease Year (with such utilization being referred to herein as a "Carryover"). However, Lessee may not Carryover more than 6 Replacement Units and 24 Conversions to any Lease Year. Replacement Units which Lessee is entitled to Carryover under this Paragraph are referred to herein as "Carryover Replacement Units" and Conversions which Lessee is entitled to Carryover under this Paragraph are referred to herein as "Carryover Conversions".
- (iii) Any Replacement which Lessee may be entitled to exercise hereunder during any Lease Year may, at Lessee's election, be exercised, instead, as a Conversion during such Lease Year.

4.6 Discretionary Replacement, Conversion and Maintenance Replacement Cost Limitations. Notwithstanding any other provisions herein, it is specifically provided that the aggregate cost of: (i) all Discretionary Replacements, Conversions and Maintenance Replacements, which are performed in accordance herewith; and (ii) supplies and game parts which are to be financed by Owner in accordance with Section 3.3; during: (i) the first Lease Year shall not exceed Seventy Five Thousand Dollars (\$75,000.00); (ii) each of the second through sixth Lease Years shall not exceed One Hundred Fifty Thousand Dollars (\$150,000.00); and (iii) the seventh Lease Year shall not exceed Seventy Five Thousand Dollars (\$75,000.00).

5.0 RENT AND PAYMENTS.

5.1 Basic Rent and Payment. The Basic Rent shall be determined with reference to the "Net Win" during each Rent Period. The "Net Win" for any Rent Period shall be the aggregate amount of all Drops during the Rent Period, less the aggregate amount of: (aa) all Machine Payouts made during the Rent Period; and, less (bb) all WAP/Participation Percentage Payments and Royalty Fees paid, or payable, with respect to revenue received from, or the use of, any of the Units during the Rent Period.

The Basic Rent for the applicable Rent Period shall be an amount which is equal to 20% of the Net Win for such Rent Period.

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The Basic Rent shall be payable bi-monthly (with the date when each such payment is required being referred to herein as a "Payment Date"). Each payment shall be accompanied by a written detailed accounting which represents the calculation of the Net Win.

5.2 Miscellaneous Definitions Related to Basic Rent. All references herein to:

- (i) "Drops", when used with respect to any Rent Period, shall mean the aggregate amount of all currency, coin and other media of exchange which are deposited into the Units during such Rent Period (excluding vouchers issued by the Ticketing System), and, to the extent not included in the foregoing, all other gross revenue generated by any of the Units.
- (ii) "Machine Payouts", when used with respect to any Rent Period, shall mean the aggregate amount paid by Lessee in satisfaction of amounts won by players from any Units during such Rent Period; and
- (iii) "Rent Period" shall mean a reference to any bi-monthly period immediately preceding a Payment Date.

5.3 Vendor Percentage and Royalty Payments. Upon receipt of an invoice from any WAP/Participation Vendor or Royalty Vendor setting forth WAP/Participation Percentage Payments or Royalty Payments (collectively, "Lessee Vendor Payments") with respect to any WAP Unit, Participation Unit or Royalty Unit, as applicable, Owner shall promptly forward such invoice to Lessee. Upon receipt of such invoice, Lessee shall: (i) make the payment required by such invoice directly to the Issuing vendor, within the time period required thereby; and (ii) concurrently with such payment, provide notice thereof to Owner.

5.4 Additional Charges. Any amounts payable by Lessee, to Owner, hereunder (other than Basic Rent) shall be deemed Additional Charges and shall be payable on the Payment Date next following the date upon which they accrue or the last day of the Lease Term, whichever is earlier. Lessee shall make payments of all Additional Charges to Owner at such address or to such account as Owner may designate in writing. As used herein, the term "Rent" shall mean all Basic Rent and Additional Charges. Any Rent not paid by Lessee when due shall, at the option of Owner, bear interest at an annual rate equal to the lesser of 18% or the highest rate permitted by law.

5.5 Owner's Performance of Lessee's Obligations. Except as provided in Section 12.2, if Lessee fails to comply with any obligation which it may have hereunder to make payments to any third party, Owner may, at its option, make such payments on Lessee's behalf without thereby waiving such obligations or the failure to comply therewith and all sums advanced by Owner in connection therewith shall be repayable by Lessee as Additional Charges. No such performance shall be deemed to relieve Lessee of its obligations herein.

6. DELIVERY AND INSTALLATION. In reliance on the Lease Schedule, Owner shall order the Equipment as soon as is commercially reasonable after receipt of the Lease Schedule. Owner shall have no liability for any delay in delivery or failure by the applicable Vendor to deliver any

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Equipment or to fill any purchase order or meet the conditions thereof. Owner, at its expense, shall: (i) provide or cause to be provided expert supervision of the installation of the Equipment; and (ii) pay all transportation, packing, duties, installation, testing and other charges in connection with the delivery, installation and preparation for use of the Equipment. Lessee, at its expense, will provide all power and networking infrastructure required for installation and use of the Equipment, including, but not limited to, all wiring for networking, insuring network is operational, power and data and appropriate surge protection and uninterrupted power supplies. As soon as practicable after receipt of any one or more Units, Lessee shall furnish Owner with a written statement acknowledging receipt of the Units in good operating condition and repair, and accepting them as satisfactory in all respects for the purposes of this Lease. Completion and signature of such statement by any employee, official or agent of Lessee having authority in the premises or having managerial, supervisory or procurement duties with respect to equipment of the same general type as the Equipment leased hereunder shall constitute acceptance of such Equipment on behalf of Lessee.

Lessee understands and agrees that neither the Vendor, nor any salesman or other agent of the Vendor is an agent of Owner. No salesman or agent of any Vendor is authorized to waive or alter any term or condition of this Lease, and no representation as to Equipment or any other matter by any Vendor, or by any salesman or agent of any Vendor shall in any way affect Lessee's duty to pay the Rent and perform its other obligations as set forth in this Lease.

7. NET LEASE AND UNCONDITIONAL OBLIGATION. Except to the extent otherwise expressly set forth herein, this Lease, including the Lease Schedule, is a net lease and Lessee's obligation to pay all Rent due and the rights of Owner or its assignees in, and to, such Rent shall be absolute and unconditional (except as expressly provided herein) and by way of illustration, and not limitation, none of such obligations and remedies shall be affected or impaired by any of the following: (i) any setoff, abatement, reduction, counterclaim, recoupment, defense or other right which Lessee may have against Owner, its assignees, the manufacturer or Vendor of any Unit; (ii) any defect in title, condition, operation, fitness for use, or any damage to or destruction of, the Equipment which does not result from a default hereunder by Owner; (iii) any interruption or cessation of use or possession of the Equipment for any reason whatsoever which does not result from a default hereunder by Owner; or (iv) any insolvency, bankruptcy, reorganization or similar proceedings instituted by or against Lessee.

8. LOCATION AND USE; IDENTIFICATION AND INSPECTION; MAINTENANCE, REPAIRS, PURCHASING AND OUTSOURCING.

8.1 Location and Use. (a) Lessee shall keep and use the Equipment at Lessee's Casino Facilities and shall not remove any Unit unless Owner consents, in writing, prior to its removal (except that this Clause (a) shall not apply to removal of any Unit pursuant to seizure by, or the order of, any federal or state governmental authority); (b) Lessee shall at all times, and at its sole cost and expense, operate the Ticket and Accounting System in a commercially reasonable manner and maintain such other accounting systems as may be reasonably necessary to monitor, record and report receipts and revenues and otherwise maintain sufficient records of a type generally accepted in the industry; and (c) Lessee shall comply with manufacturer instructions relating to the Equipment, with IGRA, with the Tribal-State Compact between the Lessee and the State of Oklahoma, and with all other applicable laws and governmental regulations.

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8.2 Identification and Inspection. Upon request by Owner, Lessee shall mark each Unit conspicuously with appropriate labels or tags furnished by Owner and maintain such markings through the Lease Term to clearly disclose that said Unit is being leased from Owner. Subject to Lessee's reasonable security requirements, Lessee shall permit Owner's representatives to enter the Premises where any Unit is located to inspect such Unit.

8.3 Maintenance. Lessee shall, at all times properly maintain the Equipment in good operating condition and make all necessary repairs thereto in a commercially reasonable manner (the "Maintenance Function"). Owner shall make payments to Lessee in order to reimburse Lessee for some, or all of the Maintenance Function cost. Such payments shall be based on the following schedule: up to Seventy Thousand Dollars (\$70,000.00) per year for wages for slot machine technicians; up to Ten Thousand Dollars (\$10,000.00) per year for slot machine technician training (collectively, the "Maintenance Reimbursement Payments"). As a condition of Owner's obligations to make such Maintenance Reimbursement Payments, Lessee shall provide Owner with commercially reasonable documentation supporting the amounts to be reimbursed. In addition to the Maintenance Reimbursement Payments, Owner shall also be responsible for the cost of all Maintenance Replacements in accordance with Section 4.2, and subject to the cost limitations set forth by Section 4.6.

9. LIENS AND ENCUMBRANCES; NO IMPROVEMENTS.

9.1 Personal Property. Each Unit is personal property and Lessee shall not affix any Unit to realty so as to change its nature to a fixture or real property and agrees that each Unit shall remain personal property during the Lease Term. Owner expressly retains ownership and title to the Equipment. Lessee hereby authorizes, empowers, and grants a power of attorney to Owner to record and/or execute and file, on Lessee's behalf, any certificates, memorandums, financing statements, refiling, and continuations thereof as Owner deems necessary or advisable to preserve and protect its interest hereunder. In furtherance thereof, Owner may file or record this Lease or a financing statement with respect thereto so as to give notice to any interested parties. Any such filing or recording shall not be deemed evidence of any intent to create a security interest under the Uniform Commercial Code. The parties intend to create a lease agreement and the relationship of Owner and Lessee between themselves.

9.2 Liens and Encumbrances. Unless otherwise provided herein, Lessee shall not directly or indirectly create, incur or suffer a mortgage, claim, lien, charge, encumbrance or the legal process of a creditor of Lessee of any kind upon or against this Lease or any Unit. Lessee shall at all times protect and defend, at its own cost and expense, the title of Owner from and against such mortgages, claims, liens, charges, encumbrances and legal processes of creditors of Lessee and shall keep all the Equipment free and clear from all such claims, liens and legal processes. If any such lien or encumbrance is incurred, Lessee shall immediately notify Owner and shall take all actions required by Owner to remove the same; provided that Lessee shall have the option provided in Section 12.2.

9.3 No Improvements. Lessee shall make no modifications or alterations to any Unit, without the prior written consent of Owner. All alterations and attachments at any time made or placed in or upon the Equipment shall become part of the Equipment and shall be the property of Owner; provided, however, that, to the extent that any such attachments were the property of Lessee prior to affixation,

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Lessee shall have the option of removing such attachment pursuant to this Section provided that such attachment is readily removable without damage to the Equipment.

10. RETURN OF EQUIPMENT AND PURCHASE OPTION AT EXPIRATION OF TERM.

10.1 Duty of Return and Obligation to Remove. At the expiration of the Lease Term or upon termination of the Lease, Lessee shall make the Equipment available to Owner, and shall provide Owner with reasonable cooperation in order to facilitate removal of the Equipment. Owner shall remove the Equipment from Lessee's Casino Facilities, at its own expense, in a commercially prompt manner.

10.2 Failure to Return. Lessee shall continue to pay to Owner additional Basic Rent for each Rent Period, or any portion thereof, that Lessee fails to comply with the terms of this return provision, until all of the Equipment is returned, as provided herein.

10.3 Purchase Option At Expiration of Term. Upon occurrence of the Lease Expiration Date, Lessee shall have the option to purchase: (i) all of the Owned Equipment (subject, where applicable, to the Royalty Agreements); and (ii) the Owner's interest under all of the WAP/Participation Agreements so long as there is not an uncured Event of Default then existing, by written notice to Owner, at Owner's address set forth above, not later than 120 days prior to the Lease Expiration Date for a purchase price of \$1, to be paid on the Lease Expiration Date. On the date of such purchase: (i) Lessee shall pay to Owner in cash the purchase price of the Equipment; (ii) Lessee shall execute all documents necessary to provide for transfer of the WAP/Participation Agreements and the Royalty Agreements; and (iii) Owner shall transfer to Lessee without recourse or warranty, express or implied, Owner's interest in such Equipment, "AS IS", in its then condition and location. In no event may such option to purchase be exercised on less than all of the Equipment.

11. RISK OF LOSS: INSURANCE.

11.1 Risk of Loss. Owner shall bear the risk, if any, of all loss or damage to any Equipment, or caused by any Equipment, until such time as it is delivered to Lessee's Casino Facilities. To the extent that Lessee has an insurable interest in any of the Equipment prior to delivery in accordance herewith, Owner shall cause Lessee to be named as an additional insured on all replacement insurance coverage which is maintained by Owner on the Equipment prior to delivery. Lessee shall bear the risk of all loss or damage to any Equipment or caused by any Equipment during the period from the time such Equipment is delivered to Lessee's Casino Facilities until the time it is returned or transferred as provided herein.

11.2 Damage or Destruction of Equipment. If any Equipment is lost, stolen, destroyed, seized by governmental action or, in Lessee's opinion or Owner's opinion, damaged beyond repair ("Event of Loss"), this Lease and the Lease Schedule shall remain in full force and effect with respect to such Equipment. Lessee shall promptly notify Owner of any Event of Loss and shall promptly replace such Equipment at its sole expense with Equipment of equivalent value, useful life and utility, and similar kind, in substantially the same condition as the replaced Equipment was in immediately prior to the Event of Loss, and to which Owner can take good title, free of liens and encumbrances.

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Title to any replacement Equipment immediately shall vest and remain in Owner, and such equipment shall be deemed Equipment under this Lease and the Lease Schedule. Upon such vesting of title and provided Lessee is not in default under this Lease, Owner shall cause to be paid to Lessee any insurance proceeds actually received by Owner for Equipment replaced at Lessee's expense. Lessee shall provide Owner with and shall enter into, execute and deliver such documentation as Owner shall request with respect to the replacement of any Equipment.

11.3 Insurance. Lessee shall obtain and maintain in full force and effect all risk, full replacement cost casualty insurance with respect to the Equipment. Such insurance shall: (i) name Owner and its assignees, if any, as first loss payees as their interests may appear; and (ii) provide that the policy may not be canceled or materially altered without thirty (30) days prior written notice to Owner and its assignees. Such insurance shall be placed with companies reasonably acceptable to the Owner. Lessee shall furnish to Owner, upon request and throughout the Term, insurance certificates of a kind satisfactory to Owner and its Assignees showing the existence of the insurance required hereunder and premium paid.

12. TAXES AND EXPENSES

12.1 Taxes. Lessee agrees to report, file, pay promptly when due to the appropriate taxing authority and indemnify, defend, and hold Owner harmless from and against any and all taxes, assessments, license fees and other governmental charges of any kind or nature, together with any penalties, interest or fines related thereto (collectively, "Taxes"), which are assessed by Lessee, or by any instrumentality of Lessee (collectively, "Tribal Authorities"), and which pertain to the Equipment, its purchase, this Lease, or any proceeds or income thereof (collectively, "Equipment Related Matters"). In the event that any Taxes are assessed against Owner with respect to any Equipment Related Matter by a governmental authority which is not a Tribal Authority (other than taxes on the income of Owner), Lessee shall diligently dispute such assessment to the extent that it can reasonably be characterized as violative of Lessee's sovereign immunity.

12.2 Right to Contest. Lessee may, at its own expense and in its own name, in good faith contest any such Taxes and, in the event of any such contest, may permit the Taxes so contested to remain unpaid during the period of such contest and any appeal therefrom unless Owner shall notify Lessee that, in the opinion of independent counsel, by nonpayment of any such items the interest of Owner in the Equipment will be materially endangered or the Equipment or any part thereof will be subject to loss of forfeiture, in which event Lessee shall promptly pay such Taxes or provide Owner with full security against any loss which may result from nonpayment, in form satisfactory to Owner.

13. REGULATORY FEES, ASSESSMENTS. Any fees or assessments that the Lessee, Lessee's Tribal Gaming Authority, or any other entity of the Lessee assessed upon the Owner shall be reasonable, in accord with industry standards for such fees and assessments, be related to the actual costs of the regulatory function being conducted, and shall, in no instance exceed Five Thousand Dollars (\$5,000.00) annually to the Owner.

14. REPRESENTATIONS AND WARRANTIES. Lessee represents and warrants to Owner that: (i) the Lessee is a federally recognized Indian tribe duly organized and existing pursuant to the Constitution of the Tribe; (ii) the making of this Lease and the anticipated Lease Schedule executed

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by Lessee is duly authorized on the part of Lessee and that upon due execution thereof by Lessee and Owner they shall constitute valid obligations binding upon, and enforceable against, Lessee in accordance with their terms; (iii) neither the making of this Lease, the making of the Lease Schedule, nor the due performance by Lessee, including the commitment and payment of the Rent, shall result in any breach of, or constitute a default under, or violation of, the Constitution or laws of the Tribe, or any agreement to which Lessee is a party or by which Lessee is bound; (iv) no approval or consent not already obtained or withholding of objection is required from any governmental authority, or under any other agreement to which Lessee is a party, with respect to the entering into, or performance of this Lease or the Lease Schedule by Lessee and (v) Lessee has obtained all licenses and permits required by applicable federal, state, local or tribal laws or regulations (the "Gaming Laws") for the operation of its gaming business or use of the Equipment.

15. DISCLAIMERS; MANUFACTURERS WARRANTIES. PROVIDED, AND TO THE EXTENT, THAT THE EQUIPMENT HAS BEEN ACCEPTED BY LESSEE PURSUANT TO DELIVERY OF THE LESSEE ACKNOWLEDGMENTS (AS REQUIRED BY SECTION 6), LESSEE ACKNOWLEDGES THAT ALL EQUIPMENT IS OF THE DESIGN, CAPACITY AND MANUFACTURE SPECIFIED FOR AND BY THE LESSEE AND THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR LESSEE'S PURPOSES. LESSEE AGREES, REGARDLESS OF CAUSE, NOT TO ASSERT ANY CLAIM WHATSOEVER AGAINST OWNER FOR LOSS OF ANTICIPATORY PROFITS OR CONSEQUENTIAL DAMAGES. OWNER EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE EQUIPMENT WHETHER EXPRESSED OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING IT IS INTENDED BY THE PARTIES TO EXCLUDE ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSES. NO SALESMAN OR AGENT OF OWNER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS LEASE OR MAKE ANY REPRESENTATION REGARDING THE EQUIPMENT. OWNER HEREBY ASSIGNS TO LESSEE WITHOUT RECOURSE ANY WARRANTY PROVIDED BY ANY SUPPLIER OR MANUFACTURER OF EQUIPMENT.

16. ASSIGNMENT OF LEASE.

16.1 Assignment by Owner. Lessee acknowledges and agrees that Owner may assign its interest in the Rent to others ("Assignees"), and may collaterally assign, grant a security interest in, or otherwise transfer or encumber its interest hereunder, in the Rent and/or in the Equipment to Assignees without consent of Lessee, provided however that Lessee shall be notified in writing of any assignment, and provided further that Lessee shall not be disturbed in its possession of the Equipment and its rights under this Agreement or any Lease so long as Lessee is not in default of its obligations under this Agreement or any Lease.

16.2 Assignment or Sublease by Lessee. Lessee shall not assign this Agreement or any Lease or assign its rights in or sublet the Equipment, or any interest therein without Owner's prior written consent.

17. FINANCIAL INFORMATION; FURTHER ASSURANCES.

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17.1 Financial Information. Throughout the Lease Term, Lessee shall deliver to Owner copies of (i) within 30 days following the close of each month, financial statements of Lessee's gaming business certified by the chief financial officer of Lessee; (ii) within 120 days following the close of each fiscal year of Lessee, financial statements of Lessee's gaming business conducted on the Premises audited by an independent certified public accountant or accounting firm acceptable to Owner; and (iii) such other information regarding Lessee reasonably requested by Owner or its Assignees.

17.2 Further Assurances. Lessee shall execute and deliver to Owner such other documents, and take such further action as Owner may request, in order to effectively carry out the intent and purposes of this Lease and the Lease Schedule. All documentation shall be in a form acceptable to Owner and its Assignees.

17.3 Lease Agreement. Prior to delivery of any Equipment in accordance herewith, Lessee shall have adopted the Uniform Commercial Code with such conforming modifications as may be reasonably requested by Owner. If any court of competent jurisdiction should determine that this Lease constitutes a security arrangement as opposed to a true lease, the parties then agree that this Lease shall constitute a security agreement within the meaning of the Uniform Commercial Code and that the Owner shall be considered a secured party under the provisions thereof and shall be entitled to all the rights and remedies of a secured party and Lessee, as debtor, grants to Owner, as secured party, a security interest in the Equipment; provided nothing herein shall be construed nor shall the inclusion of this Section 17.3 be interpreted as derogating from the stated intent and contractual understanding of the parties that this is a true lease.

18. DEFAULT BY LESSOR; REMEDIES.

18.1 Default by Lessee. Lessee shall be in default upon the occurrence of any one of the following events (in each case, an "Event of Default"): (a) failure to pay Rent when due and the continuation of such failure, for a period of 10 days after written notice to Lessee of such failure; (b) failure to maintain the insurance required by Section 11.3, (c) failure to perform any other term, condition or covenant of this Lease or the Lease Schedule for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given by Owner to Lessee; (d) Lessee ceases or is enjoined, restrained or is any way prevented from conducting its gaming business for a period of not fewer than 15 days; (e) Lessee removes, sells, transfers, encumbers, parts with possession or sublets the Equipment or any portion thereof; (f) any Equipment is attached, levied upon, encumbered, pledged, or seized under any judicial process and is not released or bonded over to Owner's satisfaction within thirty (30) days; (g) any warranty or representation made by the Lessee in this Lease proves to have been false in any material respect when made; (h) failure to maintain in full force and effect the licenses and permits required under the Gaming Laws for the operation of Lessee's gaming business; (i) failure to comply with all applicable Gaming Laws and regulations, including, without limitation the Tribal-State Compact between the Lessee and the State of Oklahoma or (j) a default or event of default on the part of Lessee occurs, regardless of whether waived, under any other mortgage, indenture, agreement or instrument to which it is a party.

18.2 Owner Remedies. Lessee agrees that upon any Event of Default, and at any time thereafter, Owner, may, in addition to any and all rights and remedies it may have at law or in equity,

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without notice to or demand upon Lessee, at its sole option: (i) declare an amount equal to the aggregate Rent then accrued and unpaid together with the balance of any Rent that would have been due and payable during the remainder of the Lease Term calculated on the basis of the average Rent due during each Rent Period occurring during such Lease Term prior to the Event of Default (collectively, the "Owner's Loss") to be immediately due and payable; (ii) proceed by appropriate court action or other proceeding, either at law or in equity to enforce performance by Lessee of any and all covenants of this Lease or to recover, for breach of this Lease, Owner's Loss as of the date Owner's Loss is declared due and payable hereunder; (iii) on written notice to Lessee, terminate any of Lessee's rights under this Lease and the Lease Schedule in which event Lessee shall immediately surrender and return the Equipment or Units covered by the Lease Schedule to Owner pursuant to Section 10.1 hereof; (iv) take possession of, sell and/or re-lease any Unit as Owner may desire, in its sole discretion, and apply the proceeds of such sale or lease to reimburse Owner for Owner's Loss and any additional amounts due under (v) or (vi) below, retaining any surplus and holding Lessee liable for any deficiency; (v) recover interest on the unpaid balance of Owner's Loss from the date it becomes payable until fully paid at an annual rate equal to the lesser of 18% or the highest rate permitted by law; and (vi) recover legal fees and other expenses incurred by reason of an Event of Default or the exercise of any remedy hereunder, including expenses of repossession, repair, storage, transportation, and disposition of the Equipment.

Owner's rights and remedies herein are cumulative, but only to the extent necessary to permit Owner to recover amounts for which Lessee is liable hereunder, and in addition to any rights or remedies available at law or in equity, including the Uniform Commercial Code, and may be exercised concurrently or separately. A termination hereunder shall occur only upon written notice by Owner to Lessee and no repossession or other act by Owner after default shall relieve Lessee from any of its obligations to Owner hereunder unless Owner so notifies Lessee in writing.

18.3 Limitation of Recovery Against Lessee. Notwithstanding any other provision herein, any recovery against Lessee by Owner: (i) shall be strictly limited to the assets and revenues of Lessee's casino enterprise and Lessee's Casino Facilities; and (ii) shall not extend to any other program or enterprise of Lessee.

19. DEFAULT BY OWNER; REMEDIES

19.1 Default by Owner. Owner shall be in default upon occurrence of any one of the following events ("Owner's Events of Default"): (a) any Equipment is attached, levied upon or seized under any judicial process and is not released or bonded over to Lessee's satisfaction within thirty (30) days; (b) failure to perform any other material term, condition or covenant of this Lease (including, without limitation, material failure to satisfy the maintenance obligations of Owner hereunder) for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given by Lessee to Owner.

19.2 Lessee Remedies. Owner agrees that upon any Owner's Event of Default, and at any time following written notice by Lessee to Owner of twenty (20) days, Lessee may, in addition to any and all rights and remedies Lessee may have at law or in equity, proceed by appropriate Court action or other proceeding, either at law or in equity, to enforce performance by Lessee of any and all covenants of this Lease or to recover, for breach of this Lease.

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20. MISCELLANEOUS.

20.1 Notices. All notices, requests, reports, information or demand which any party hereto may desire or may be required to give to any other party hereunder, shall be in writing and shall be sent by facsimile or first-class certified or registered United States mail, postage prepaid, return receipt requested, and sent to the party at its address appearing below or such other address as any party shall hereafter inform the other party hereto by written notice given as aforesaid:

If to Lessee: Apache Tribe of Oklahoma
P.O. Box 1220
Anadarko, OK 73003
Facsimile No.: (405) 247-2686

If to Owner: KAGD, LLC
2251 S. Fort Apache Rd #1112
Las Vegas, NV 89117
Facsimile No. (702)-734-9118

All notices, payments, requests, reports, information or demands so given shall be deemed effective when sent, if sent by facsimile, or, if mailed, upon receipt or the expiration of the fifth (5th) day following the date of mailing, whichever occurs first, except that any notice of change of address shall be effective only upon receipt by the party to whom said notice is addressed.

20.2 Survival of Indemnities. All indemnities of Lessee and all obligations of Lessee in this Agreement shall survive and continue in full force and effect for events occurring prior to the expiration of the Term.

20.3 Counterparts. This Lease and any Lease Schedule may be executed in several counterparts and by different parties hereto or thereto on separate counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same instrument.

20.4 Titles. Section titles are not intended to have legal effect or limit or otherwise affect the interpretation of this Lease or any Lease Schedule.

20.5 Waiver. No delay or omission in the exercise of any right or remedy herein provided or otherwise available to Owner, or prior course of conduct, shall impair or diminish Owner's rights to exercise the same or any other right of Owner; nor shall any obligation of Lessee hereunder be deemed waived. The acceptance of rent by Owner after it is due shall not be deemed to be a waiver of any breach by Lessee of its obligations under this Lease or any Lease Schedule.

20.6 Successors. This Lease and each Lease Schedule shall inure to the benefit of and be binding upon Owner and Lessee and their respective successors in interest.

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20.7 **Not an Offer.** Neither this Lease nor any Lease Schedule shall be deemed to constitute an offer or be binding upon Owner until executed by Owner's authorized officer.

20.8 **Severability.** If any provisions of this Lease or any Lease Schedule shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions thereof shall not be affected or impaired in any way.

20.9 **Modification.** Owner and Lessee agree that any modifications to this Lease or any Lease Schedule shall be in writing and shall be signed by both parties and their last known assignees, if any.

20.10 **Governing Law.** This Lease and each Lease Schedule are entered into under and shall be construed in accordance with, and governed by the internal procedural and substantive law of the State of Oklahoma, except that matters concerning the validity and perfection of any security interest shall be governed by the conflict of law rules set forth in the Oklahoma Uniform Commercial Code.

20.11 **Lease Schedules.** If there is a conflict between the terms and provisions of any Lease Schedule and the terms and provisions herein, the terms and provisions of the Lease Schedule shall control to the extent of such conflict.

20.12 **Entire Agreement.** LESSEE REPRESENTS THAT IT HAS READ, RECEIVED, RETAINED A COPY OF AND UNDERSTANDS THIS LEASE, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. OWNER AND LESSEE AGREE THAT THIS LEASE AND ALL LEASE SCHEDULES SHALL CONSTITUTE THE ENTIRE AGREEMENT AND SUPERSEDE ALL PROPOSALS, ORAL OR WRITTEN, ALL PRIOR NEGOTIATIONS AND ALL OTHER COMMUNICATIONS BETWEEN OWNER AND LESSEE WITH RESPECT TO ANY UNIT.

21. **ARTICLE 2A WAIVERS.** In the event that Article 2A of the Uniform Commercial Code is adopted under applicable law and applies to this Lease, then Lessee, to the extent permitted by law, waives any and all rights and remedies conferred upon a lessee by Article 2A. To the extent permitted by applicable law, Lessee also hereby waives any rights now or hereafter conferred by statute or otherwise which may require Owner to sell, lease or otherwise use any Equipment in mitigation of Owner's damages or which may otherwise limit or modify any of Owner's rights or remedies, including, without limitation, any limit on the determination of the amount of Owner's Loss provided in Article 2A of the Uniform Commercial Code.

22. **DISPUTE RESOLUTION.** "Claim" shall mean any dispute, claim, question, or disagreement between the Owner and Lessee that is directly or indirectly related to this Lease, whether arising under law or in equity, whether arising as a matter of contract or a tort, and whether arising during or after the expiration of this Agreement. The parties agree that any Claim shall be governed by the following dispute resolution procedures:

- (a) The parties shall use their best efforts to settle the Claim. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the parties. If they do not reach such solution within a period of ten (10) days, then, upon notice by a party to the

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other parties, all Claims shall be settled by arbitration administered by the American Arbitration Association in accordance with the provisions of its Commercial Arbitration Rules in effect at the time of submission; except that: (a) the question whether or not a Claim is arbitrable shall be a matter for binding arbitration by the arbitrators, such question shall not be determined by any court and, in determining any such question, all doubts shall be resolved in favor of arbitrability; and (b) discovery shall be permitted in accordance with the Federal Rules of Civil Procedure, subject to supervision as to scope and appropriateness by the arbitrators. Unless the parties otherwise agree to in writing, arbitration proceedings shall be held at Oklahoma City, Oklahoma.

- (b) The arbitration proceedings shall be conducted before a panel of three neutral arbitrators, all of whom shall be currently licensed attorneys, actively engaged in the practice of law for at least ten (10) years, one of which shall have five (5) years of experience in federal Indian law, and one of which shall have five (5) years of experience in the gaming industry. The arbitrator selected by the claimant and the arbitrator selected by respondent shall, within ten (10) days of their appointment, select a third neutral arbitrator. In the event that they are unable to do so, the parties or their attorneys may request the American Arbitration Association to appoint the third neutral arbitrator. Prior to the commencement of hearings, each of the arbitrators appointed shall provide an oath or undertaking of impartiality. The Tribe further agrees that any arbitration proceeding held in connection with any Claim may be consolidated with any other arbitration proceeding involving Owner and any of the Lessee's affiliates.
- (c) The arbitration award shall be in writing signed by each of the arbitrators, and shall state the basis for the award. The arbitration award shall be set forth in reasonable detail as to its findings of fact and law, and basis of determination of award form and amount. Except to the extent such enforcement will be inconsistent with a specific provision of this Lease, arbitration awards made pursuant to this Section 22 shall be enforceable in federal court under Title 9 of the United States Code and any applicable tribal, federal or state law governing the enforcement of arbitration awards. In addition to any basis for appeal of an arbitration award stated in Title 9 of the United States Code or any applicable law governing the enforcement of arbitration awards, any party hereto may appeal an arbitration award on the basis that the arbitrators incorrectly decided a question of law in making the award, or the award was made in an arbitrary or capricious manner or in manifest disregard of the factual evidence.
- (d) Each party hereto, without having to exhaust any tribal remedies first, shall have the right to seek and obtain a court order from a court having jurisdiction over the parties requiring that the circumstances specified in the order be maintained pending completion of the arbitration proceedings, to the extent permitted by applicable law.
- (e) Judgment on any arbitration award may be entered in any court having jurisdiction over the parties. The arbitrators shall not have the power to award punitive, exemplary or consequential damages, or any damages excluded by or in excess of any damage limitations expressed in this Agreement.

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- (f) The Tribe hereby expressly and irrevocably waive, and also waive its right to assert, sovereign immunity and any and all defenses based thereon with respect to any Claims, and the Tribe hereby consent to (i) binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association, (ii) empowering the arbitrators to take the actions and enforce the judicial remedies described in their Resolution of Limited Waiver of Sovereign Immunity dated December __, 2007 (attached hereto as Exhibit A) adopted by the Tribe in connection with approving the execution of this Agreement, and (iii) judicial proceedings in or before the United States District Court in which the Project is located, the United States Court of Appeals having jurisdiction over the applicable District Court, and the United States Supreme Court, for the purpose of compelling arbitration or enforcing any arbitration award, orders or judgment arising out of this Agreement. If the United States District Court determines it is without jurisdiction, the Tribe consents to be sued in a court of competent jurisdiction and all courts to which an appeal therefrom may be available, but solely to compel, enforce, modify or vacate any arbitration award.
- (g) To the extent lawful in connection with any such Claims, the Tribe expressly waives the application of the doctrines of exhaustion of tribal remedies, abstention or comity that might otherwise require that Claims be heard first in tribal court or other tribal forums of the Tribe.

22.1 Limitation on Recourse. Any award or judgment against the Lessee for money with respect to a Claim may be enforced and collected only as against the assets and revenues of the Lessee that are used in connection with or derived from the Lessee's Casino Facilities.

22.2 Obligation to Meet and Confer. Notwithstanding any other provision of Sections 22 or 23, neither Lessee nor Owner will commence any judicial or arbitration proceeding for a Claim (other than a Claim arising from the occurrence of an Event of Default) without written notice of the pending commencement of the proceedings being delivered by the party to the other party no less than seven days prior to the commencement, during which Lessee and Owner will in good faith seek to meet and confer to mediate the dispute and resolve the Claim without the need for commencement of the proceeding.

22.3 Full Faith and Credit of Judgments. Lessee and all present or future Tribal Courts shall give full faith and credit to any award, order or decree rendered in any arbitration or by any Non-Tribal Court in accordance with this Section 22, and, to the extent reasonably necessary, Tribal Courts will issue orders and exercise those legal powers as may reasonably be necessary to effectuate the same on lands subject to the jurisdiction of Lessee. Lessee's police powers will be available to secure and support any enforcement efforts, and all police or other law enforcement officials of Lessee will carry out any orders that may be entered by a Tribal Court pursuant to this Section 22. Lessee agrees that judgment enforcement remedies generally available throughout the State of Oklahoma may be applied, through Lessee's law enforcement authority, the Federal Bureau of Investigation and the Bureau of Indian Affairs, on lands subject to the sovereign jurisdiction of Lessee with respect to any Claim.

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23. **JURY TRIAL.** EACH OF LESSEE AND OWNER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY (UNLESS SUBJECT TO ARBITRATION AS PROVIDED IN THIS AGREEMENT), AND THAT EITHER PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

24. **NON-IMPAIRMENT.** The Lessee shall not adopt, enact, promulgate or otherwise place into effect any law or legal requirement (including, without limitation, any such law or legal requirement relating to taxation, or to licensing of gaming device of Owner) that impairs or interferes, or could impair or interfere, in any manner, with any right or remedy of the Owner under this Lease or any Lease Schedule.

25. **NON-RECOURSE TO INDIVIDUALS.** No officer or officeholder, employee, agent, representative or member of Lessee, as such, shall have any liability for any obligations of Lessee under this Lease or for any claim based on, in respect of, or by reason of, such obligations or their creation. The waiver and release are part of the consideration for the execution and delivery of this Lease.

26. **INDEMNIFICATION.** Except for the gross negligence or willful misconduct of Owner, its employees or agents, Lessee hereby assumes liability for and agrees to indemnify, defend, protect, save and hold harmless Owner, its agents, employees, directors and assignees from and against any and all losses, damages, injuries, claims, penalties, demands and all expenses, legal or otherwise (including reasonable attorneys' fees) of whatever kind and nature arising from (a) the use or operation of the Equipment by Lessee or any third parties, until the Equipment is returned to Owner and (b) any agreement, association or other relationship of Lessee with any third parties concerning the land acquisition, development, construction, operation or provision of equipment to Lessee's Casino Facilities. Any claim, defense, setoff, or other right of Lessee against any such indemnified party shall not in any way affect, limit, or diminish Lessee's indemnity obligations hereunder. Lessee shall notify Owner immediately as to any such claim, suit, action, damage, or injury of which Lessee has notice and shall, at its own cost and expense, defend any and all suits which may be brought against Owner, shall satisfy, pay and discharge any and all judgments and fines that may be recovered against Owner in any such action or actions, provided, however, that Owner shall give Lessee written notice of any such claim or demand. Lessee agrees that its obligations under this Section shall survive the expiration or termination of this Agreement.

27. **NO MANAGEMENT OF GAMING.** NOTWITHSTANDING ANY OTHER POSSIBLE CONSTRUCTION OF ANY PROVISION OF THIS LEASE OR ANY LEASE SCHEDULE, THE OWNER ACKNOWLEDGES AND AGREES (A) THAT IT NEITHER HAS, NOR SHALL IT ASSERT, ANY RIGHTS TO MANAGE ANY GAMING OPERATIONS OF THE LESSEE AND (B) THAT IT WILL NOT INTERFERE WITH THE LESSEE'S RIGHT TO DETERMINE STANDARDS OF OPERATION AND EFFICIENT MANAGEMENT OF THE LESSEE'S GAMING OPERATIONS, INCLUDING, BUT NOT LIMITED TO, BUDGETING MATTERS AND POLICIES RELATING TO GAMING AND CASINO SERVICES.

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IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed on the date set forth by their authorized representatives.

LESSOR:

APACHE TRIBE OF OKLAHOMA
a federally recognized Indian tribe

By: *Alonzo R. Chalepa*

Its: *Chairman*

OWNER:

KAGO, LLC,
a Nevada limited liability company

By: _____

Its: _____

CERTIFICATION

The above resolution was adopted at a duly called meeting of the Apache Business Committee on December 27, 2007 in Anadarko, Oklahoma by a vote of 3 for and 0 against, a quorum being present.

Alonzo R. Chalepa
ALONZO R. CHALEPA, Chairman

ATTEST:

Mary Rivera
MARY RIVERA, VICE CHAIRPERSON

[SEAL]

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LEASE SCHEDULE NO. _____
TO MASTER LEASE AGREEMENT

This Lease Schedule No. _____ is attached to and made a part of the Equipment Lease Agreement ("Lease") between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated _____, 2007. All capitalized terms which are utilized herein, and which are not otherwise defined herein, shall have the meaning set forth by the Lease.

1. Description of Equipment: The Equipment listed on Attachment A to this Lease Schedule is added to the Equipment leased under the Lease and made subject to the provisions of the Lease.

2. Premises: The Equipment leased under this Schedule will be located at the Lessee's Casino Facilities referred to in the Lease.

3. All of the provisions of the Lease are incorporated by reference herein as if set forth fully herein.

Dated: December 27, 2007

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By: 
Its: Chairman

OWNER:

KAGD, LLC,
a Nevada limited liability company

By: _____
Its: _____

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U.S. DEPARTMENT OF THE INTERIOR

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ATTACHMENT A

This Attachment A is attached to and made a part of the Lease Schedule No. _____ to Master Lease Agreement between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated _____, 20____.

Qty.

Description

Type

**LEASE SCHEDULE NO. 1
TO MASTER LEASE AGREEMENT**

This Lease Schedule No. 1 is attached to and made a part of the Equipment Lease Agreement ("Lease") between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated December 27, 2007. All capitalized terms which are utilized herein, and which are not otherwise defined herein, shall have the meaning set forth by the Lease.

1. Description of Equipment: The Equipment listed on Attachment A to this Lease Schedule is added to the Equipment leased under the Lease and made subject to the provisions of the Lease.

2. Premises: The Equipment leased under this Schedule will be located at the Lessee's Casino Facilities referred to in the Lease.

3. All of the provisions of the Lease are incorporated by reference herein as if set forth fully herein.

Dated: December 9th, 2008

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By: [Signature]
Its: Chairman

OWNER:

TGS ANADARKO, LLC
a Nevada limited liability company,
as the assignee of KAGD, LLC

By: [Signature]
Its: President

ATTACHMENT A

This Attachment A is attached to and made a part of the Lease Schedule No. 1 to Master Lease Agreement between TGS ANADARKO, LLC, a Nevada limited liability company ("Owner"), as the assignee of KAGD, LLC, a Nevada limited liability company, and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), which Lease Schedule is dated November ____, 2008.

A. Scheduled Units

<u>Entry No.</u>	<u>Qty.</u>	<u>Description</u>	<u>Mfr.</u>
(1)	8	S2000 Steppers	IGT
(2)	11	Bar Top 4400 boards	IGT
(3)	19	Upright Gameking 4400 boards	IGT
(4)	21	Slant top Gameking 4400 boards	IGT
(5)	31	Trimline AVP	IGT
(6)	12	MJP (Participation Games)	IGT
(7)	35	Various themes	AGS
(8)	50	Poker Gameking 35 Video Reel	IGT
(9)	6	Emotions	Atronic
(10)	30	Blue Birds	WMS
(11)	12	Virdian	Aristocrat
(12)	38	Mark VI	Aristocrat
(13)	8	2.0	Konami

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The total of Scheduled Units for Lease Schedule No. 1 is 281. The Units referred to by Entry Nos. (1) through (7) are currently in use at Lessee's Casino Facilities and will be purchased from the applicable manufacturer by the Lessor. The Units referred to by Entry No. (7) are to be selected by Lessee from AGS Units currently in use at Lessee's Casino Facilities.

B. Slot Ticketing System

M3 Slot Ticketing System

C. Ancillary Furnishings

- (1) 350 chairs to be purchased from Lessee or a third party provider;
- (2) 350 stands to be purchased from a third party provider;

**LEASE SCHEDULE NO. 2
TO MASTER LEASE AGREEMENT**

This Lease Schedule No. 2 ("Lease Schedule No. 2") is attached to and made a part of the Equipment Lease Agreement between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated December 27, 2007, as it has been amended from time to time (the "Lease"). All capitalized terms which are utilized herein, and which are not otherwise defined herein, shall have the meaning set forth by the Lease.

1. Description of Equipment: The Equipment listed on Attachment A to this Lease Schedule is added to the Equipment leased under the Lease and made subject to the provisions of the Lease.

2. Premises: The Equipment leased under this Schedule will be located at the Lessee's Casino Facilities referred to in the Lease.

3. All of the provisions of the Lease are incorporated by reference herein as if set forth fully herein.

4. Lessee previously executed and delivered Lease Schedule No. 1 to the Lease, dated as of December 9, 2008 ("Lease Schedule No. 1"). The following shall constitute the "Initial Lease Schedule" which is referred to by the Recital Paragraphs of the Lease: (i) Lease Schedule No. 1; (ii) this Lease Schedule No. 2; and (iii) any Lease Schedule which is hereafter executed for the purpose of adding Scheduled Units and related Ancillary Furnishing to the Equipment.

Dated: ^{MAY} April 20th 2009

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By: 

Its: SILVER BUFFALO CASINO G.M.

OWNER:

TGS ANADARKO, LLC
a Nevada limited liability company,
as the assignee of KAGD, LLC

By: 

Its: President

ATTACHMENT A

This Attachment A is attached to and made a part of the Lease Schedule No. 2 to Master Lease Agreement between TGS ANADARKO, LLC, a Nevada limited liability company ("Owner"), as the assignee of KAGD, LLC, a Nevada limited liability company, and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), which Lease Schedule is dated ~~April 20th~~ ^{MAY}, 2009.

A. Scheduled Units

<u>Entry No.</u>	<u>Qty.</u>	<u>Description</u>	<u>Mfr.</u>
(1)	8	Mystic Temple	Konami
(2)	4	Rapid Rewards	Konami

B. Ancillary Furnishings

(1) Signage package (to be provided by Konami) for use with the Mystic Temple Units referred to by Entry No. A(1) above.

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ATTACHMENT "A"

**LEASE SCHEDULE NO. 3
TO MASTER LEASE AGREEMENT**

This Lease Schedule No. 3 ("Lease Schedule No. 3") is attached to and made a part of the Equipment Lease Agreement between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated December 27, 2007, as it has been amended from time to time (the "Lease"). All capitalized terms which are utilized herein, and which are not otherwise defined herein, shall have the meaning set forth by the Lease.

1. Description of Equipment: The Equipment listed on Attachment A to this Lease Schedule is added to the Equipment leased under the Lease and made subject to the provisions of the Lease.

2. Premises: The Equipment leased under this Schedule will be located at the Lessee's Casino Facilities referred to in the Lease.

3. All of the provisions of the Lease are incorporated by reference herein as if set forth fully herein.

4. Lessee has previously executed and delivered the following, each of which have been attached to, and made a part of, the Lease: (i) Lease Schedule No. 1 to Master Lease Agreement, dated as of December 9, 2008 ("Lease Schedule No. 1"); and (ii) Lease Schedule No. 2 to Master Lease Agreement, dated as of May 20, 2009 ("Lease Schedule No. 2").

5. The following shall constitute the "Initial Lease Schedule" which is referred to by the Recital Paragraphs of the Lease: (i) Lease Schedule No. 1; (ii) Lease Schedule No. 2; (iii) this Lease Schedule No. 3; and (iv) any Lease Schedule which is hereafter executed for the purpose of adding Scheduled Units and related Ancillary Furnishing to the Equipment.

Dated: November 4, 2009

LESSEE:

**APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe**

By: [Signature]
Its: GENERAL MANAGER

OWNER:

**TGS ANADARKO, LLC
a Nevada limited liability company,
as the assignee of KAGD, LLC**

By: [Signature]
Its: President

ATTACHMENT A

This Attachment A is attached to and made a part of the Lease Schedule No. 3 to Master Lease Agreement between TGS ANADARKO, LLC, a Nevada limited liability company ("Owner"), as the assignee of KAGD, LLC, a Nevada limited liability company, and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), which Lease Schedule is dated November 4, 2009.

A. Scheduled Units

<u>Entry No.</u>	<u>Qty.</u>	<u>Description</u>	<u>Mfg.</u>
(1)	2	Blue Bird Upright Zeus II Hot Hot Super Re-Spin	WMS Gaming
(2)	2	Blue Bird II Upright Hearts of Venice Hot Hot Super Re-Spin	WMS Gaming
(3)	1	Blue Bird II Upright Griffins Gate Hot Hot Super Re-Spin	WMS Gaming
(4)	1	Blue Bird II Upright Palace of Riches III Hot Hot Re-Spin	WMS Gaming

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ATTACHMENT "A"

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**LEASE SCHEDULE NO. 4
TO MASTER LEASE AGREEMENT**

This Lease Schedule No. 4 ("Lease Schedule No. 4") is attached to and made a part of the Equipment Lease Agreement between KAGD, LLC, a Nevada limited liability company ("Owner"), and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), dated December 27, 2007, as it has been amended from time to time (the "Lease"). All capitalized terms which are utilized herein, and which are not otherwise defined herein, shall have the meaning set forth by the Lease.

1. Description of Equipment: The Equipment listed on Attachment A to this Lease Schedule is added to the Equipment leased under the Lease and made subject to the provisions of the Lease.

2. Premises: The Equipment leased under this Schedule will be located at the Lessee's Casino Facilities referred to in the Lease.

3. All of the provisions of the Lease are incorporated by reference herein as if set forth fully herein.

4. Lessee has previously executed and delivered the following, each of which have been attached to, and made a part of, the Lease: (i) Lease Schedule No. 1 to Master Lease Agreement, dated as of December 9, 2008 ("Lease Schedule No. 1"); (ii) Lease Schedule No. 2 to Master Lease Agreement, dated as of May 20, 2009 ("Lease Schedule No. 2"); and (iii) Lease Schedule No. 3 to Master Lease Agreement, dated as of November ____, 2009 (the "Lease Schedule No. 3").

5. The following shall constitute the "Initial Lease Schedule" which is referred to by the Recital Paragraphs of the Lease: (i) Lease Schedule No. 1; (ii) Lease Schedule No. 2; (iii) this Lease Schedule No. 3; (iv) Lease Schedule No. 4; and (v) any Lease Schedule which is hereafter executed for the purpose of adding Scheduled Units and related Ancillary Furnishing to the Equipment.

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Dated: December 11, 2009

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By: 

Its: _____

OWNER:

TGS ANADARKO, LLC
a Nevada limited liability company,
as the assignee of KAGD, LLC

By: 

Its: President

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ATTACHMENT A

This Attachment A is attached to and made a part of the Lease Schedule No. 4 to Master Lease Agreement between TGS ANADARKO, LLC, a Nevada limited liability company ("Owner"), as the assignee of KAGD, LLC, a Nevada limited liability company, and the Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee"), which Lease Schedule is dated December ____, 2009.

A. Scheduled Units

<u>Entry No.</u>	<u>Qty.</u>	<u>Description</u>	<u>Mfg.</u>
(1)	3	Blue Bird II Upright Lucky Penny - Bright Diamonds	WMS Gaming
(2)	3	Blue Bird II Upright Lucky Penny - Treasure Ceremony	WMS Gaming

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ATTACHMENT "A"

**FIRST AMENDMENT TO APACHE-ANADARKO
EQUIPMENT LEASE AGREEMENT**

THIS FIRST AMENDMENT TO APACHE-ANADARKO EQUIPMENT LEASE AGREEMENT ("First Amendment to Lease") is made and entered into this ____ day of June, 2008 by KAGD, LLC, a Nevada limited liability company ("Owner") and Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee").

WHEREAS:

A. Lessor and Lessee are parties to that certain Apache-Anadarko Equipment Lease Agreement, dated as of December 27, 2007 (the "Existing Lease") pursuant to which, among other things, Owner agreed to lease certain gaming equipment to lessee in accordance with the terms and conditions set forth therein. All capitalized terms which are used herein, and not otherwise defined herein, shall have the meaning set forth by the Existing Lease.

B. The Existing Lease provides for the Equipment which is leased thereunder to include 350 Class III gaming devices (the "Currently Scheduled Units") among other items of gaming equipment.

C. Owner and Lessee desire: (i) that the number of Scheduled Units be reduced to 300; (ii) that Lessee be given an option to add as many as 40 Class III gaming devices to the reduced number of Scheduled Units (the "Additional Equipment Option"); and (iii) the Additional Equipment Option be exercisable by Lessee, from time to time, during the period beginning on the Lease Commencement Date and ending after expiration of 18 months after the Lease Commencement Date.

D. It is understood that the Basic Rent shall be calculated, in accordance with the terms of the Lease, with reference to the Equipment which is subject to the Lease (and not with reference to gaming equipment that is not subject to the Lease).

E. Owner and Lessee wish to amend the Existing Lease in order to: (i) reduce the number of Scheduled Units to 300; and (ii) grant the Additional Equipment Option to Lessee.

NOW, THEREFORE, the Existing Lease is hereby amended as follows:

1. Amendment of Recital. The Recital Paragraphs to the Existing Lease, which immediately follow the Preamble thereof, are hereby amended to read, in their entirety, as follows:

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"Owner desires to lease to Lessee, and Lessee desires to lease from Owner in accordance with the terms and conditions contained herein, certain equipment more fully described in: (aa) a Lease Schedule which is to be attached hereto as Annex I and which shall be in the form that is attached hereto as Exhibit "A" (the "Initial Lease Schedule"); and (bb) any Additional Lease Schedules which are affixed hereto in accordance with Section 3.6 hereof (the "Additional Lease Schedules" and, together with the Initial Lease Schedule, the "Lease Schedules"). All equipment described in the Lease Schedule shall be collectively referred to as the "Equipment". The Equipment shall consist of:

- (i) 300 Class III Gaming devices to be selected by Lessee in accordance with Section 3 below as such devices may be substituted with any Replacement Units (collectively, the "Scheduled Units").
- (ii) as many as 40 Class III gaming devices to be selected by Lessee, at its option in accordance with Section 3.6 below, as such devices may be substituted with any Replacement Units (collectively, the "Additional Units" and, together with the Scheduled Units, the "Units").
- (iii) the Slot Ticketing System and Ancillary Furnishings which are referred to by Section 3.2 below.

The Equipment to be installed in and to be used in connection with the casino facilities (the "Lessee's Casino Facilities") located on certain of the Lessee's Indian Lands near Anadarko, Oklahoma and operated under the trade name of Silver Buffalo Casino."

2. Amendment of Section 3.5. The first two sentences of Section 3.5 of the Existing Lease are hereby amended to read, in their entirety, as follows:

"The aggregate cost to Owner of: (i) all Equipment which is selected by Lessee pursuant to delivery of the Initial Lease Schedule (collectively, the "Initial Equipment Cost") shall not exceed Four Million Two Hundred Eighty Six Thousand Dollars (\$4,286,000.00); and (ii) all Additional Units which are selected by Lessee pursuant to delivery of any Additional Lease Schedules (collectively, the "Additional Equipment Cost" and, together with Initial Equipment Cost, the "Combined Equipment Cost") shall not exceed 14,500 for each Additional Unit. The Combined Equipment Cost shall include all amounts payable to, or for the benefit of, the Vendors of such Equipment, as part of the purchase transaction, including, without limitation, the final sales price as well as all taxes, delivery charges and other amounts."

3. Amendment of Section 3.7. Section 3.7 of the Existing Lease is hereby amended to read in its entirety, as follows:

"3.6 Delivery of Lease Schedules

- (a) Lessee shall complete the Initial Lease Schedule in compliance herewith and deliver the completed Initial Lease Schedule to Owner within 30 days following execution of this agreement. Provided that the Initial Lease Schedule has been completed in compliance herewith, it shall be executed by each party and attached hereto as Annex I;
- (b) In addition to the Initial Lease Schedule, Lessee may, from time to time in accordance herewith, execute Additional Schedules for the purpose of adding Additional Units to the Equipment. Each Additional Lease Schedule shall set forth one, or more, Additional Unit(s) which are to be added to the Equipment thereby, and shall be: (i) in the same form and substance as the Initial Lease Schedule; (ii) executed in the same manner as is required by Subsection (a) above; and (iii) attached hereto as an additional Annex, numbered next in order.
- (c) The number of Additional Units which are added to the Equipment shall not exceed 40, and all Additional Units Schedules, if any, shall be executed and delivered, in accordance herewith, during the period commencing on the Lease Commencement Date and ending 18 months thereafter."

4. All references in the Existing Lease to any of the following terms shall have the meaning set forth below:

"Additional Units" shall have the meaning set forth by Recital C of the First Amendment to Lease.

"Lease" shall mean the Existing Lease as amended by the First Amendment to Lease.

"Lease Schedule" shall mean a collective reference to the Initial Lease Schedule and all Additional Lease Schedules which have been attached hereto in accordance with Section 3.6, if any.

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"Units" shall mean a collective reference to the currently scheduled units.

5. Lessee authorizes the dispute resolution and waiver of sovereign immunity set forth in Paragraphs 22(a)-(g) of the Existing Lease and such waiver of sovereign immunity and dispute resolution provisions are for the benefit the Owner and are enforceable by Owner against Lessee. Additionally, Owner hereby clarifies and amends Section 22 of the Existing Lease in the following manner for the benefit of the Owner and to allow for the compelling of arbitration in state courts and the enforcement of arbitration awards in state courts.

The Lessee hereby expressly submits and consents to the jurisdiction of the courts of the state of Oklahoma (including all courts to which decisions of the courts of the state of Oklahoma may be appealed), the United States District Court for the Western District of Oklahoma (including all federal courts to which decisions of the United States District Court for the Western District of Oklahoma may be appealed) and the courts of any other state which may have jurisdiction over the subject matter, over any such action and over the Lessee with respect to any dispute or controversy arising out of the Lease, including any amendment or supplement which may be made hereto or thereto or to any transaction in connection herewith or therewith and the enforcement of any arbitration award.

In the event a suit is commenced on the Lease or any assignment of the Lease, regarding the subject matter of this Lease or any other document related to the Lease, (including for the enforcement of an arbitration award), the Lessee covenants that it will not dispute the jurisdiction of the courts of the state of Oklahoma (including all courts to which decisions of the courts of the state of Oklahoma may be appealed), the United States District Court for the Western District of Oklahoma (including all federal courts to which decisions of the United States District Court for the Western District of Oklahoma may be appealed), and the courts of any other state which may have jurisdiction over the subject matter, over any such action and over the Lessee.

The Lessee agrees that any action for the entry of judgment on and enforcement of an arbitration award may be brought in any tribal court having jurisdiction. To the extent lawful, the Lessee expressly waives the application of the doctrines of exhaustion of tribal remedies and any right of comity with respect to any tribal court or and tribal court of appeals the Lessee may now or hereafter maintain. In any event, no action may be brought in any tribal court without the prior written consent of the Assignee.

6. Except as set forth herein, the Existing Lease shall remain unchanged and of full force and effect.

out of the Lease, including any amendment or supplement which may be made hereto or thereto or to any transaction in connection herewith or therewith and the enforcement of any arbitration award.

In the event a suit is commenced on the Lease or any assignment of the Lease, regarding the subject matter of this Lease or any other document related to the Lease, (including for the enforcement of an arbitration award), the Lessee covenants that it will not dispute the jurisdiction of the courts of the state of Oklahoma (including all courts to which decisions of the courts of the state of Oklahoma may be appealed), the United States District Court for the Western District of Oklahoma (including all federal courts to which decisions of the United States District Court for the Western District of Oklahoma may be appealed), and the courts of any other state which may have jurisdiction over the subject matter, over any such action and over the Lessee.

The Lessee agrees that any action for the entry of judgment on and enforcement of an arbitration award may be brought in any tribal court having jurisdiction. To the extent lawful, the Lessee expressly waives the application of the doctrines of exhaustion of tribal remedies and any right of comity with respect to any tribal court or and tribal court of appeals the Lessee may now or hereafter maintain. In any event, no action may be brought in any tribal court without the prior written consent of the Assignee.

6. Except as set forth herein, the Existing Lease shall remain unchanged and of full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Lease as of the day and year first above written.

OWNER:

KAGD, LLC,
a Nevada limited liability company

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By _____
Kevin M. Kean,
its Managing Member

By 
its Chairman

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IN WITNESS WHEREOF, the parties have executed this First Amendment to Lease as of the day and year first above written.

OWNER:

KAGD, LLC,
a Nevada limited liability company

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By


Kevin M. Kean,
its Managing Member

By

its Chairman

**SECOND AMENDMENT TO APACHE-ANADARKO
EQUIPMENT LEASE AGREEMENT**

THIS SECOND AMENDMENT TO APACHE-ANADARKO EQUIPMENT LEASE AGREEMENT ("Second Amendment to Lease") is made and entered into this 10th day of December, 2008 by TGS ANADARKO, LLC, a Nevada limited liability company ("Owner") and Apache Tribe of Oklahoma, a federally recognized Indian tribe ("Lessee").

WHEREAS:

A. KAGD, LLC, a Nevada limited liability company ("KAGD") and Owner entered into that certain Apache-Anadarko Equipment Lease Agreement, dated as of December 27, 2007 (the "Original Lease") pursuant to which, among other things, Owner agreed to lease certain gaming equipment to Lessee in accordance with the terms and conditions set forth therein. The Original Lease was amended pursuant to that certain First Amendment to Apache Anadarko Equipment Lease Agreement executed by KAGD and Lessee under date of June __, 2008 (the "First Amendment to Lease"). The Original Lease, as so amended, is referred to herein as the "Existing Lease". All capitalized terms which are used herein, and not otherwise defined herein, shall have the meaning set forth by the Existing Lease.

B. The interest of KAGD, as Owner under the Existing Lease, was assigned to TGS Anadarko, LLC, a Delaware limited liability company ("TGS") pursuant to that certain Assignment of Equipment Lease and Rents executed by KAGD and TGS and dated June 23, 2008.

C. The Existing Lease provides, among other things, that: (i) the Units may include WAP/Participation Units; and (ii) the Basic Rent shall be an amount equal to twenty percent (20%) of the Net Win for each Unit during the applicable Rent Period.

D. TGS and Lessee wish to amend the Existing Lease for the purpose, among other things, of providing for the Basic Rent for each WAP/Participation Unit to be reduced from twenty percent (20%) of the Net Win for each such WAP/Participation Unit to ten percent (10%) of the Net Win for each such WAP/Participation Unit.

NOW, THEREFORE, the Existing Lease is hereby amended as follows:

1. Amendment of Section 5.1 and 5.2. Sections 5.1 and 5.2 of the Existing Lease are each hereby amended to read, in their entirety, as follows:

"5.1 Basic Rent and Payment. The Basic Rent shall be determined with reference to the "Net Win" for each Unit during each Rent Period. The "Net Win" for each Unit during each Rent Period shall be the aggregate amount of all Drops for the applicable Unit during the applicable Rent Period, less the aggregate amount of: (aa) all Machine Payouts made for the applicable Unit during the applicable Rent Period; and, less (bb) all WAP/Participation Percentage Payments and Royalty Fees (in each case, to the extent applicable) which are paid, or payable, with respect to revenue received from, or the use of, the applicable Unit during the applicable Rent Period.

The Basic Rent with respect to each Rent Period, for each Unit which is a WAP/Participation Unit, shall be an amount which is equal to 10% of the Net Win for the applicable Unit during the applicable Rent Period. The Basic Rent with respect to each Rent Period, for each Unit which is not a WAP/Participation Unit, shall be an amount which is equal to 20% of the Net Win for the applicable Unit during the applicable Rent Period.

The Basic Rent for all Units shall be payable bi-monthly (with the date when each such payment is required being referred to herein as a "Payment Date"). Each payment shall be accompanied by a written detailed accounting which represents the calculation of the Net Win for each Unit.

5.2 Miscellaneous Definitions Related to Basic Rent. All references herein to:

- (I) "Drops", when used with respect to any Unit during any Rent Period, shall mean the aggregate amount of all currency, coin and other media of exchange which are deposited into the applicable Unit during the applicable Rent Period (including vouchers issued by the Ticketing System), and, to the extent not included in the foregoing, all other gross revenue generated by the applicable Unit during such Rent Period.
- (II) "Machine Payouts", when used with respect to any Unit during any Rent Period, shall mean the aggregate of: (I) amounts which are disbursed by the applicable Unit in

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satisfaction of wagers won from such Unit during the applicable Rent Period; and (ii) without duplication, amounts which are deposited into the applicable Unit, but withdrawn without having been wagered, during the applicable Rent Period; in each case, including, without duplication, all currency, coin and other media of exchange (including vouchers issued by the Ticketing System); and

(iii) "Rent Period" shall mean a reference to any bi-monthly period immediately preceding a Payment Date."

2. **Definitions.** All references in the Existing Lease to any of the following terms shall have the meaning set forth below:

"Lease" shall mean the Existing Lease as amended by the Second Amendment to Lease.

"Owner" shall mean TGS.


3. Dispute Resolution and Waiver of Sovereign Immunity. Lessee hereby affirms and ratifies Paragraphs 22(a) through 22(g) of the Original Lease, as amended by Section 5 of the First Amendment to Lease (collectively, the "Dispute Resolution and Waiver of Sovereign Immunity Provisions"). Lessee acknowledges and agrees that the Dispute Resolution and Waiver of Sovereign Immunity Provisions, which are incorporated by reference herein, shall be applicable, in all respects, to the Existing Lease, as amended by this Second Amendment to Lease.

4. No Further Changes. Except as set forth herein, the Existing Lease shall remain unchanged and of full force and effect.

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Lease as of the day and year first above written.

OWNER:

TGS-ANADARKO, LLC
a Delaware limited liability company

By 
R.J. Medeiros
Its President

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By _____
Its Chairman

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Lease as of the day and year first above written.

OWNER:

TGS-ANADARKO, LLC
a Delaware limited liability company

LESSEE:

APACHE TRIBE OF OKLAHOMA,
a federally recognized Indian tribe

By _____
R.J. Medeiros,
its President

By 
its Chairman

ASSIGNMENT OF EQUIPMENT LEASE AND RENTS

THIS ASSIGNMENT OF EQUIPMENT LEASE AND RENTS AGREEMENT (this "Assignment") is made as of the 23rd day of June, 2008 by and between **KAGD, LLC**, a Nevada limited liability company (the "Assignor"), and **TGS ANADARKO, LLC**, a Delaware limited liability company (the "Assignee").

WITNESSETH

WHEREAS, Assignor, as the owner, and the Apache Tribe of Oklahoma, as the lessee, (the "Tribe") entered into the Apache – Anadarko Equipment Lease Agreement on December 27, 2007, (the "Lease Agreement") for the lease of certain equipment used to operate casino facility known as the Silver Buffalo Casino on the Tribe's Indian Lands near Anadarko, Oklahoma (the "Casino Facility"). The Lease Agreement is attached hereto as Exhibit "A" and incorporated herein by reference;

WHEREAS, Section 16.1 of the Lease Agreement expressly permits Assignor to assign its rights and interests thereunder;

WHEREAS, Assignee desires to acquire from Assignor all right, title and interest in the Lease Agreement and to assume all of Assignor's obligations and duties; and

WHEREAS, Assignor is willing to convey, sell, and transfer to Assignee all right, title and interest in and to the Lease Agreement upon the terms and conditions hereinafter recited.

AGREEMENTS

NOW, THEREFORE, in consideration of Assignor assigning all right, title, and interest in the Lease Agreement and Assignee assuming all of Assignor's obligations and duties under the Lease Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Assignment.** Assignor hereby absolutely and unconditionally assigns and grants to Assignee, all right, title and interest of the Assignor in, to and under the Lease Agreement, and every modification, amendment or other agreement relating to such Lease Agreement and every guarantee of performance and observance of the covenants, conditions, and agreements to be performed and observed by the other party thereto, together with all rights, privileges and entitlements thereunder and all cash and non-cash proceeds thereof, including, without limitation, the following:

(a) **Rents.** All rents, rent equivalents, income, receivables, revenues, receipts, insurance proceeds, deposits and profits arising from the Lease Agreement and renewals thereof together with all rents, rent equivalents, income, fees, receivables, accounts, profits, and any and all payment and consideration of whatever form or nature received by Borrower or its agents or employees from any and all sources relating to the use and



enjoyment of the Equipment whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code (collectively, the "Rents").

(b) Equipment. All equipment subject to the Lease Agreement now owned or hereafter acquired by Borrower, which is used at or in connection with the operations of the Casino Facility (including, without limitation, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment");

(c) Other. All rights, powers, privileges, options and other benefits of Borrower under the Lease Agreement, including without limitation the immediate and continuing right to make claim for, receive and collect all Rents payable or receivable under the Lease Agreement (and to apply the same to the payment of the Debt), and to do all other things which Borrower or any lessor is or may become entitled to do under the Lease Agreement.

(d) Power of Attorney. Assignor's irrevocable power of attorney, coupled with an interest, to take any and all of the actions necessary to properly manage, preserve and transfer title to the Equipment.

2. Representations and Warranties. Assignor represents and warrants to Assignee as of the date hereof that:

(a) The Lease Agreement is a legal, valid, and binding obligation of Tribe, is in full force and effect without any breach or default thereunder, is fully enforceable against the Tribe in accordance with its terms and constitutes the complete understanding and agreement between Assignor and the Tribe concerning the subject matter thereof.

(b) The Equipment has been properly received, accepted and installed, is in good working order at the location specified in the Lease Agreement and will not be removed from that location without the prior written consent of Assignee.

(c) Assignor has the full power and authority to execute and deliver this Assignment and to perform and comply with the terms and conditions hereof, all of which have been duly authorized. The officer or representative of Assignor executing this Assignment Agreement has been duly authorized and empowered to do so.

(d) Assignor is duly organized, validly existing and in good standing under the laws of the State of Nevada and, is duly qualified to transact business and is in good standing in the State of Nevada.

(e) Other than the Tribe's interest, Assignor's interest in the Lease Agreement is free and clear of liens, claims, and encumbrances.

3. Notice to Other Parties to Contracts. Assignor shall provide notice to the Tribe of this Assignment Agreement and direct the other the Tribe to pay over to Assignee all sums due under the Lease Agreement. Assignor hereby authorizes and directs the Tribe to pay over to Assignee all sums due under the Lease Agreement.

4. Entire Agreement; Amendments. This Assignment Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified, amended or terminated except by a written agreement specifically referring to this Assignment Agreement signed by all the parties hereto.

5. Waivers. No action taken pursuant to this Assignment Agreement, including any investigation by or on behalf of any party hereto shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant, or agreement contained herein or in any ancillary document. The waiver by any party hereto of a breach of any provision of this Assignment Agreement shall not operate or be construed as a waiver of any other or subsequent breach. The waiver by any party of any of the conditions precedent to its respective obligations under this Assignment Agreement shall not preclude it from seeking redress for breach of this Agreement. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

6. Legal and Other Costs. If litigation or other formal legal action becomes necessary to enforce the terms hereof, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in such action.

7. Headings. The paragraph headings contained herein are for the purposes of convenience only and shall not affect the meaning or interpretation of this Assignment Agreement.

8. Further Assurances. Each party hereto shall cooperate, shall take such further action and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Assignment Agreement.

9. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

10. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

EACH, LLC

TGS ANADARKO, LLC

By: [Signature]

By: _____

In: Managing Member

In: _____

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

KAGD, LLC

TGS ANADARKO, LLC

By: _____

By:  _____

Its: _____

Its: _____

EXHIBIT "A"

**APACHE – ANADARKO
EQUIPMENT LEASE AGREEMENT**

ASSIGNMENT OF EQUIPMENT LEASE AND RENTS

THIS ASSIGNMENT OF EQUIPMENT LEASE AND RENTS AGREEMENT (this "Assignment") is made as of the 23rd day of June, 2008 by and between TGS ANADARKO, LLC, a Delaware limited liability company (the "Assignor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (the "Assignee").

WITNESSETH

WHEREAS, KADG, LLC (as "Owner"), and the Apache Tribe of Oklahoma, as the lessee, (the "Tribe") entered into the Apache - Anadarko Equipment Lease Agreement on December 27, 2007, (the "Lease Agreement") for the lease of certain equipment used to operate casino facility known as the Silver Buffalo Casino on the Tribe's Indian Lands near Anadarko, Oklahoma (the "Casino Facility"). The Lease Agreement is attached hereto as Exhibit "A" and incorporated herein by reference;

WHEREAS, KADG, LLC transferred all of its right, title and interest in the Lease Agreement to TGS Anadarko, LLC on June 23, 2008. The Assignment of Equipment Lease and Rents between KADG, LLC and TGS Anadarko is attached hereto as Exhibit "B";

WHEREAS, Section 16.1 of the Lease Agreement expressly permits Assignor to assign its rights and interests thereunder;

WHEREAS, Assignee desires to acquire from Assignor all right, title and interest in the Lease Agreement and to assume all of Assignor's obligations and duties; and

WHEREAS, Assignor is willing to convey, sell, and transfer to Assignee all right, title and interest in and to the Lease Agreement upon the terms and conditions hereinafter recited.

AGREEMENTS

NOW, THEREFORE, in consideration of Assignor assigning all right, title, and interest in the Lease Agreement and Assignee assuming all of Assignor's obligations and duties under the Lease Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Assignment.** Assignor hereby absolutely and unconditionally assigns and grants to Assignee, all right, title and interest of the Assignor in, to and under the Lease Agreement, and every modification, amendment or other agreement relating to such Lease Agreement and every guarantee of performance and observance of the covenants, conditions, and agreements to be performed and observed by the other party thereto, together with all rights, privileges and entitlements thereunder and all cash and non-cash proceeds thereof, including, without limitation, the following (hereafter referred to as the "Assigned Interests):

- (a) **Rents.** All rents, rent equivalents, income, receivables, revenues, receipts, insurance proceeds, deposits and profits arising from the



Lease Agreement and renewals thereof together with all rents, rent equivalents, income, fees, receivables, accounts, profits, and any and all payment and consideration of whatever form or nature received by Borrower or its agents or employees from any and all sources relating to the use and enjoyment of the Equipment whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code (collectively, the "Rents").

- (b) Equipment. All equipment subject to the Lease Agreement now owned or hereafter acquired by Borrower, which is used at or in connection with the operations of the Casino Facility (including, without limitation, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment");
- (c) Other. All rights, powers, privileges, options and other benefits of Borrower under the Lease Agreement, including without limitation the immediate and continuing right to make claim for, receive and collect all Rents payable or receivable under the Lease Agreement (and to apply the same to the payment of the Debt), and to do all other things which Borrower or any lessor is or may become entitled to do under the Lease Agreement.
- (d) Power of Attorney. Assignor's irrevocable power of attorney, coupled with an interest, to take any and all of the actions necessary to properly manage, preserve and transfer title to the Equipment.

2. Revocable License. So long as there shall exist no Event of Default (as provided in the Credit Agreement), there is reserved to Assignor a revocable license to collect the Rents and to possess, use and enjoy the Lease Agreement and other Assigned Interests.

3. Representations and Warranties. Assignor represents and warrants to Assignee as of the date hereof that:

(a) The Lease Agreement is a legal, valid, and binding obligation of Tribe, is in full force and effect without any breach or default thereunder, is fully enforceable against the Tribe in accordance with its terms and constitutes the complete understanding and agreement between Assignor and the Tribe concerning the subject matter thereof.

(b) The Equipment has been properly received, accepted and installed, is in good working order at the location specified in the Lease Agreement and will not be removed from that location without the prior written consent of Assignee.

(c) Assignor has the full power and authority to execute and deliver this Assignment and to perform and comply with the terms and conditions hereof, all of which have been duly authorized. The officer or representative of Assignor executing this Assignment Agreement has been duly authorized and empowered to do so.

(d) Assignor is duly organized, validly existing and in good standing under the laws of the State of Delaware and, is duly qualified to transact business and is in good standing in the State of Nevada.

(e) Other than the Tribe's interest, Assignor's interest in the Lease Agreement is free and clear of liens, claims, and encumbrances.

4. Notice to Other Parties to Contracts. Assignor shall provide notice to the Tribe of this Assignment Agreement and direct the other the Tribe to pay over to Assignee all sums due under the Lease Agreement. Assignor hereby authorizes and directs the Tribe to pay over to Assignee all sums due under the Lease Agreement.

5. Entire Agreement; Amendments. This Assignment Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified, amended or terminated except by a written agreement specifically referring to this Assignment Agreement signed by all the parties hereto.

6. Waivers. No action taken pursuant to this Assignment Agreement, including any investigation by or on behalf of any party hereto shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant, or agreement contained herein or in any ancillary document. The waiver by any party hereto of a breach of any provision of this Assignment Agreement shall not operate or be construed as a waiver of any other or subsequent breach. The waiver by any party of any of the conditions precedent to its respective obligations under this Assignment Agreement shall not preclude it from seeking redress for breach of this Agreement. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

7. Legal and Other Costs. If litigation or other formal legal action becomes necessary to enforce the terms hereof, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in such action.

8. Headings. The paragraph headings contained herein are for the purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

9. Further Assurances. Each party hereto shall cooperate, shall take such further action and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Assignment Agreement.

10. Estoppel Agreement. Assignor shall cause the Tribe to execute and deliver an estoppel agreement, approved by resolution of the Business Committee of the Tribe, which

approves the assignments of Lease Agreement from KAGD, LLC to TGS Anadarko, LLC and this Assignment, confirms that the Lease Agreement is properly assigned to Assignee, and confirms that the Lease Agreement is enforceable by Assignee against the Tribe and which also amends the waiver of sovereign immunity and dispute resolution provisions of the Lease Agreement in the form provided by Assignee.

11. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

12. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

13. Credit Agreement and Defined Terms. Reference is made to that certain Credit Agreement, dated as of June 23, 2008 (as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), executed by and among TGS Anadarko LLC, a Delaware limited liability company, and Wells Fargo Bank, National Association. In this document, all capitalized words and terms not otherwise defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Credit Agreement and any reference to a provision of the Credit Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

Assignor:

TGS ANADARKO, LLC

Assignee:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: _____

R.J. Medeiros
Sole Member and President

By: 

Felix Gallues
Vice President

approves the assignments of Lease Agreement from KAGD, LLC to TGS Anadarko, LLC and this Assignment, confirms that the Lease Agreement is properly assigned to Assignee, and confirms that the Lease Agreement is enforceable by Assignee against the Tribe and which also amends the waiver of sovereign immunity and dispute resolution provisions of the Lease Agreement in the form provided by Assignee.

11. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

12. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

13. Credit Agreement and Defined Terms. Reference is made to that certain Credit Agreement, dated as of June 23, 2008 (as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), executed by and among TGS Anadarko LLC, a Delaware limited liability company, and Wells Fargo Bank, National Association. In this document, all capitalized words and terms not otherwise defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Credit Agreement and any reference to a provision of the Credit Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.


Assignor:

TGS ANADARKO, LLC

By: _____
R.J. Medeiros
Sole Member and President

Assignee:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: 
Felis Gallues
Vice President

approves the assignments of Lease Agreement from KAGD, LLC to TGS Anadarko, LLC and this Assignment, confirms that the Lease Agreement is properly assigned to Assignee, and confirms that the Lease Agreement is enforceable by Assignee against the Tribe and which also amends the waiver of sovereign immunity and dispute resolution provisions of the Lease Agreement in the form provided by Assignee.

11. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

12. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

13. Credit Agreement and Defined Terms. Reference is made to that certain Credit Agreement, dated as of June 23, 2008 (as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), executed by and among TGS Anadarko LLC, a Delaware limited liability company, and Wells Fargo Bank, National Association. In this document, all capitalized words and terms not otherwise defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Credit Agreement and any reference to a provision of the Credit Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

Assignor:

TGS ANADARKO, LLC

By: 

R.J. Medeiros
Sole Member and President

Assignee:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: _____

Felis Gallues
Vice President

approves the assignments of Lease Agreement from KAGD, LLC to TGS Anadarko, LLC and this Assignment, confirms that the Lease Agreement is properly assigned to Assignee, and confirms that the Lease Agreement is enforceable by Assignee against the Tribe and which also amends the waiver of sovereign immunity and dispute resolution provisions of the Lease Agreement in the form provided by Assignee.

11. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

12. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

13. Credit Agreement and Defined Terms. Reference is made to that certain Credit Agreement, dated as of June 23, 2008 (as may be further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), executed by and among TGS Anadarko LLC, a Delaware limited liability company, and Wells Fargo Bank, National Association. In this document, all capitalized words and terms not otherwise defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Credit Agreement and any reference to a provision of the Credit Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

Assignor:

TGS ANADARKO, LLC

Assignee:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: _____
R.J. Medeiros
Sole Member and President

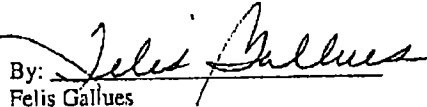
By: 
Felix Gallues
Vice President

EXHIBIT "B"

ASSIGNMENT OF EQUIPMENT LEASE AGREEMENT
FROM KADG, LLC TO TGS ANADARKO, LLC

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APPLICATION FOR VENDOR LICENSE

Tribe or Name: ROBERT JOSEPH MEDEIROS
Name of Vendor: TGS ANADARKO, LLC
Vendor Owner: X Vendor Shareholder: 2/12
Vendor Employee: _____

INSTRUCTIONS

PLEASE READ CAREFULLY AND FOLLOW THE LICENSING INSTRUCTIONS.

- ✓ 1. Use blue or black ink ONLY when completing this application form.
- ✓ 2. All answers should be typed or neatly printed.
- ✓ 3. Answer all questions accurately and in as much detail as possible. If a question does not pertain to you, write "N/A" (not applicable).
- ✓ 4. Complete the application form in its entirety (no questions should be left blank).
- ✓ 5. Sign the Authorization for Release of Information form in the presence of a Notary Public and have your signatures Notarized.
- ✓ 6. All persons completing this application form must attach one (1) current front view photograph of themselves.
- ✓ 7. All persons completing this application form must have their fingerprints taken.
- ✓ 8. All requested documents must be included with the application at the time of submission.
- ✓ 9. All pages of the application form, including additional sheets, must be initialed.

Copies of the following supporting documents MUST BE submitted with the completed application form.

1. Valid Driver's license or a valid Government issued photo ID.
2. Social Security Card.

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PRIVACY NOTICE

NOTICE TO VENDOR / PRINCIPLE / EMPLOYEE APPLICANT

In compliance with the Privacy Act of 1974, the following information is provided:

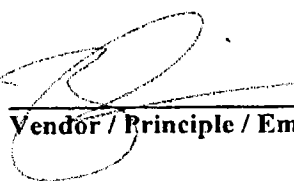
Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information is to determine the eligibility of vendor employees and/or shareholders and/or owners in a gaming operation. The information will be used by National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the Nation Indian Gaming Commission in connection with the licensing of an vendor, the issuance or revocation of a vendor applicant, or investigations of activities while associated with a tribe or a gaming operation.

Failure to consent to the disclosure indicated in this notice will result in a tribe's being unable to license your company.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

Notice Regarding False Statements

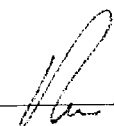
A false statement on any part of your application may be grounds for not being permitted a license. Also, you may be punished by fines or imprisonment (U.S. Code, title 18, section 1001).



Vendor / Principle / Employee Signature

8/17/9

Date


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APACHE TRIBE OF OKLAHOMA
APACHE GAMING COMMISSION
AUTHORIZATION FOR RELEASE OF INFORMATION

PRESENTED TO: _____ (Leave Blank)

I, VENDOR
 (Print / Type VENDOR /VENDOR PRINCIPLE / VENDOR EMPLOYEE Name)

Hereby authorize release to the Apache Tribe of Oklahoma Gaming Commission any information requested in order for the Apache Gaming Commission to determine my suitability for involvement in Indian gaming.

This document authorizes release of requested information whether or not such information would be otherwise be protected from disclosure by any constitutional, statutory or common law privilege.

I agree to accept any risk of adverse public notice, embarrassment, criticism or financial loss that may result from use of information that is obtained in connection with a background investigation for the purpose listed in the first paragraph of this document.

I authorize release of information related to my activities: Schools, property interest (real and personal), employment, criminal justice agencies, regulatory agencies, business, financial institutions, lending institutions, medical institutions, hospital and health care professionals.

I authorize review and copying of all documents.

I relinquish any rights that I may otherwise have to pursue a cause of action against any person (or his/her agent) to whom this request is presented when such cause of action arises out of response to a request for information pursuant to Apache Tribe Gaming Ordinance and the Indian Gaming Regulatory Act (25 U.S.C. Section 2701 et. seq.). I further agree to indemnify and hold harmless any person to whom this request is lawfully presented. Such Indemnification and holding harmless includes all claims, damages, losses and expenses, including reasonable attorney fees.

A reproduction of this authorization is the same as the original.

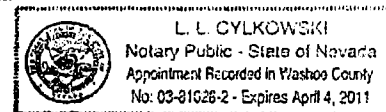
Executed at (City) RENO, (State) NEVADA.

On this 17 day of AUGUST, 2009.

Vendor/ Principal/Employee Signature: _____

Subscribed and sworn to before me on this

17 day of AUGUST, 2009.



11-11-11
 My Commission Expires

L. L. Cylkowski
 Notary Public Signature

Presented by Apache Gaming Representative:

Signature: _____

Date: _____

Print Name: _____

Title: _____

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VENDOR / PRINCIPLE / EMPLOYEE APPLICATION FORM******IF ADDITIONAL SPACE IS NEEDED USE ANOTHER SHEET OF PAPER******New Applicant: Yes NO X Renewal: Yes X NO Name: Last MEDEIROS First Robert Middle JosephTelephone Number: (775) 348 - 2286 Gender: Male X Female Social Security Number(s): Date of Birth: Place of Birth: Venezuela Citizenship: U.S.A. X Other List all Languages Written and/or Spoken: English

List other names used, oral, or written, include maiden and other married names you have been known as. Please list years (month & year) that you went by this name.

Name: NA Dates Used: From To Name: Dates Used: From To Name: Dates Used: From To Name: Dates Used: From To

Please provide your current drivers license number and the state of issue. List your previous driver's license number for the last five (5) years.

Current DL Number State of Issue NevadaPrevious DL Number NO OTHERS IN LAST 22 YEARS State of Issue Previous DL Number State of Issue Previous DL Number State of Issue **RESIDENTIAL HISTORY**

List your current home address and all addresses for the last five (5) years (beginning with the last).

Current Address 4245 MEADOWGATE TRAIL, Reno NV 89519
City / State / Zip CodeFrom 5-04 To Present Did you own / rent / other OWN
Name and address of landlord NA Phone: (775) 746-4929

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Ferrel Szony, 345 N Arlington, Reno NV 89501 775-348-2281Current Address 4821 Ramcreek TRAIL, Reno NV 89509
City / State / Zip CodeFrom 9/96 To 5/04 Did you own / rent / other OWN
Name and address of landlord NA Phone: (775) 521-0722

Provide the name, address, and phone number of a person that knew you while you lived at this address.

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JOE BRADY, 5340 Kietzke Lane, Reno, 89511 775-699-6001
Current Address All other addresses well older than 5 years.
 City / State / Zip Code

From NA To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Current Address NA
 City / State / Zip Code

From _____ To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Current Address NA
 City / State / Zip Code

From _____ To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Current Address NA
 City / State / Zip Code

From _____ To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Current Address NA
 City / State / Zip Code

From _____ To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

Current Address NA
 City / State / Zip Code

From _____ To _____ Did you own / rent / other _____
 Name and address of landlord Phone: () _____

Provide the name, address, and phone number of a person that knew you while you lived at this address.

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EMPLOYMENT HISTORY

List all jobs, beginning with your current employment, you have held for the previous five years from date of application. This includes military service, part-time, temporary and voluntary positions. If you have any periods of unemployment between jobs, please list in the space provided.

List the name of the entity: Herbst Gaming, Inc

Circle if this entity is: Tribal or Gaming or other.

Address: 345 N. Arlington, Reno, NV 89501

Street No. PO Box, ETC

City

State

Zip Code

Phone: (775) 348-2286Fax: (775) 348-6241

Dates of employment : From 1/3/7 To: Present

Nature of entity: Gaming Operator - Acquired Sands Regent 1/07

Do you have ownership interest in this entity? Yes _____ No X

If yes, complete the following:

Your Title / Position: NA % interest held by you: NA

Will you be able to provide verification documents of this entity? Yes NA No NA

If No, list reason: NA

List the name of the entity: Sands Regent

Circle if this entity is: Tribal or Gaming or other.

Address: 345 N. Arlington, Reno NV 89501

Street No. PO Box, ETC

City

State

Zip Code

Phone: (775) 348-2286Fax: (775) 348-6241

Dates of employment: From 6/1/02 To: 1/3/07

Nature of entity: Casino Operator

Do you have ownership interest in this entity? Yes X No _____

If yes, complete the following:

Your Title / Position: Chief Operating Officer % interest held by you: 1.5%

Will you be able to provide verification documents of this entity? Yes X No _____

If No, list reason: NA

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List the name of the entity: NA BEYOND 5 YEARS

Circle if this entity is: Tribal or Gaming or other.

Address: _____
Street No. PO Box, ETC City State Zip Code

Phone: () _____ Fax: () _____

Dates of employment: From _____ To: _____

Nature of entity: _____

Do you have ownership interest in this entity? Yes _____ No _____

If yes, complete the following:

Your Title / Position: _____ % interest held by you: _____

Will you be able to provide verification documents of this entity? Yes _____ No _____

If No, list reason: _____

List the name of the entity: NA

Circle if this entity is: Tribal or Gaming or other.

Address: _____
Street No. PO Box, ETC City State Zip Code

Phone: () _____ Fax: () _____

Dates of employment: From _____ To: _____

Nature of entity: _____

Do you have ownership interest in this entity? Yes _____ No _____

If yes, complete the following:

Your Title / Position: _____ % interest held by you: _____

Will you be able to provide verification documents of this entity? Yes _____ No _____

If No, list reason: _____


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Do you have any existing or previous business relationships with Indian Tribes, including ownership interest in those businesses: Yes X No

If "Yes" explain: I own TRIBAL Gaming SERVICES, LLC (100%) AND 1.33% OF TGS Investors, LLC. TGS Investors has a gaming with The Three Affiliated Tribes in NORTH DAKOTA. (SEE BELOW)

Do you have any existing or previous business relationships with the gaming industry in general, including ownership interests in those businesses: Yes X No

If "Yes" explain: Currently, I am the Regional GM for Herbst Gaming in N. Nevada. I was the C.O.O. for Sands Regent, a publicly held gaming company until its Acquisition.

Have you ever filed an application for a license or permit to gaming (whether or not license/permit was granted): Yes X No

If "Yes": Name of agency / Tribe: Nevada Gaming Control Board - Granted

Address:

Name of agency / Tribe: Three Affiliated Tribes

Address:

Have you ever filed an application for an occupational license or permit (whether or not license/permit was granted): Yes NA No

If "Yes": Name of agency / Tribe:

Address:

Name of agency / Tribe: NA

Address:

Name of agency / Tribe: NA

Address:

Do you have any relatives associated with, employed by, or who have a pending application for this entity? Yes No X

If "Yes", provide the person's name, relationship, address, telephone number, the position or job title, and name of the tribe and operation: NA

REFERENCES

List the names, addresses and telephone numbers for three personal references, including one personal reference who was acquainted with you during each period of residence listed under Residential History.

Name: Ferane Szony Address: 345 N. Arlington
City: Reno State: NV Zip: 89501
Telephone Number: 775-349-2261 Cell 775-843-4796

Name: Joe Brady Address: 5340 Rietzke Lane
City: Reno State: NV Zip: 89511
Telephone Number: 775-689-6001 Cell 775-742-4208

Name: Kevin Sullivan Address: 1 WEST LIBERTY
City: Reno State: NV Zip: 89501
Telephone Number: 775-688-7909 Cell 775-849-9155

① The Three Affiliated Tribe ceased the casino development project. As a result, lease services are not likely to be required. Tribal Gaming Services is likely to be dissolved in 2009. TGS Investors could potentially be dissolved at a later date.

② I had approx a 1.5% ownership interest in Sands Regent. Prior to its Acquisition by Sands Regent, I was the managing shareholder of Gold Ranch Casino. I had approx a 2% interest in Gold Ranch. I maintain an unrestricted license in the state of Nevada.

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CRIMINAL HISTORY

Have you ever:

- ☐ Yes ☒ No Been arrested or charged with any crime or offense?
- ☐ Yes ☒ No Been convicted of a felony or misdemeanor?
- ☐ Yes ☒ No Had records expunged or sealed?
- ☐ Yes ☒ No Been an un-indicted co-party?

If yes, please provide documentation details: NAHave you ever been convicted of, or are you currently being prosecuted for a felony: ☐ Yes ☒ NoIf "Yes": Charge NA Date: NAName of Court: NA City & State of Court NADisposition: NACharge NA Date: NAName of Court: NA City & State of Court NADisposition: NACharge NA Date: NAName of Court: NA City & State of Court NADisposition: NA

Have you ever been convicted of, or are you currently being prosecuted for a misdemeanor (excluding minor traffic violations) within ten (10) years of the date of this application:

If "Yes": Charge NO Date: NAName of Court: NA City & State of Court NADisposition: NACharge NA Date: NAName of Court: NA City & State of Court NADisposition: NACharge NA Date: NAName of Court: NA City & State of Court NADisposition: NA

I currently hold an unrestricted gaming license in the state of Nevada.

NA
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List each criminal charge (excluding minor traffic charges) whether or not there is a conviction, for the last ten (10) years that is not otherwise listed under felonies and/or misdemeanors (ABOVE).

Charge NA Date: NA
 Name of Court: NA City & State of Court: NA
 Disposition: NA
 Charge NA Date: NA
 Name of Court: NA City & State of Court: NA
 Disposition: NA
 Charge NA Date: NA
 Name of Court: NA City & State of Court: NA
 Disposition: NA

Executed at (City) RENO, (State) NEVADA, 20____.
 On this 17 day of AUGUST

Vendor/ Principal/Employee Signature: _____

Subscribed and sworn to before me on this 17 day of AUGUST, 2009.



L. L. CYLKOWSKI
 Notary Public - State of Nevada
 Appointment Recorded in Washoe County
 No: 03-81028-2 - Expires April 4, 2011

4-4-11
 My Commission Expires

L. L. Cylkowski
 Notary Public Signature

Presented by Apache Gaming Representative:

Signature: _____

Date: _____

Print Name: _____

Title: _____

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APACHE GAMING COMMISSION
 Gene Big Soldier- Chairman
 Janelle Horse- Vice-Chairman
 Nghia Thanh - Member
 Telephone: (405)247-5880

APACHE GAMING COMMISSION
 Raquel Wildes -License Investigator
 Andrea King - Internal Auditor
 Jr. Jaquez - Compliance Officer
 Fax: (405)247-3321

Apache Gaming Commission
 106 East Broadway
 Anadarko, Oklahoma 73005

Apache Tribe of Oklahoma

511 East Colorado
 Post Office Box 1220
 ANADARKO, OKLAHOMA 73005

Full Name of Requester Robert J MEDEIROS

Company Name TGS Anadarko, LLC

Citizenship Status US

Social Security Number _____

Current Address 4245 MEMORIAL TRAIL, Reno NV 89519

Date of Birth 11/18/64 Place of Birth UVALDE, CA

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that I am the person named above, and I understand that any falsification of this statement is punishable under the provisions of 18 U.S.C. Section 1001 by a fine of not more than 10,000 or by imprisonment of not more than five years or both, and that requesting or obtaining any record(s) under false pretenses is punishable under the provisions of 5 U.S.C. 552a(i)(3) by a fine not more than 5,000.

Signature _____

Date 8/16/09

Witnessed by: 1. _____

2. _____

Address _____

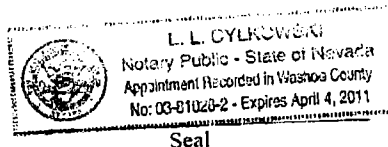
OR

Notarized by: L. L. CYLKOWSKI

Subscribed and sworn to me on this

16 day of August, 2009

4-4-11
 My Commission Expires



OPTIONAL: Authorization to Release Information to Another Person

This form is also to be completed by a requester who is authorizing information relating to himself or herself to be released to another person. Further, pursuant to 5 U.S.C. Section 552a(b), I authorize the NIGC to release any and all information relating to me to:

Name of Person(s)/Organization(s) Requesting Records: _____

Apache Gaming Commission

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INITIAL

ASSIGNMENT OF EQUIPMENT LEASE AND RENTS

THIS ASSIGNMENT OF EQUIPMENT LEASE AND RENTS AGREEMENT (this "Assignment") is made as of the 23rd day of June, 2008 by and between **KAGD, LLC**, a Nevada limited liability company (the "Assignor"), and **TGS ANADARKO, LLC**, a Delaware limited liability company (the "Assignee").

WITNESSETH

WHEREAS, Assignor, as the owner, and the Apache Tribe of Oklahoma, as the lessee, (the "Tribe") entered into the Apache - Anadarko Equipment Lease Agreement on December 27, 2007, (the "Lease Agreement") for the lease of certain equipment used to operate casino facility known as the Silver Buffalo Casino on the Tribe's Indian Lands near Anadarko, Oklahoma (the "Casino Facility"). The Lease Agreement is attached hereto as Exhibit "A" and incorporated herein by reference;

WHEREAS, Section 16.1 of the Lease Agreement expressly permits Assignor to assign its rights and interests thereunder;

WHEREAS, Assignee desires to acquire from Assignor all right, title and interest in the Lease Agreement and to assume all of Assignor's obligations and duties; and

WHEREAS, Assignor is willing to convey, sell, and transfer to Assignee all right, title and interest in and to the Lease Agreement upon the terms and conditions hereinafter recited.

AGREEMENTS

NOW, THEREFORE, in consideration of Assignor assigning all right, title, and interest in the Lease Agreement and Assignee assuming all of Assignor's obligations and duties under the Lease Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Assignment.** Assignor hereby absolutely and unconditionally assigns and grants to Assignee, all right, title and interest of the Assignor in, to and under the Lease Agreement, and every modification, amendment or other agreement relating to such Lease Agreement and every guarantee of performance and observance of the covenants, conditions, and agreements to be performed and observed by the other party thereto, together with all rights, privileges and entitlements thereunder and all cash and non-cash proceeds thereof, including, without limitation, the following:

(a) **Rents.** All rents, rent equivalents, income, receivables, revenues, receipts, insurance proceeds, deposits and profits arising from the Lease Agreement and renewals thereof together with all rents, rent equivalents, income, fees, receivables, accounts, profits, and any and all payment and consideration of whatever form or nature received by Borrower or its agents or employees from any and all sources relating to the use and

enjoyment of the Equipment whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code (collectively, the "Rents").

(b) Equipment. All equipment subject to the Lease Agreement now owned or hereafter acquired by Borrower, which is used at or in connection with the operations of the Casino Facility (including, without limitation, all machinery, equipment, furnishings, and electronic data-processing and other office equipment now owned or hereafter acquired and any and all additions, substitutions and replacements of any of the foregoing), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment");

(c) Other. All rights, powers, privileges, options and other benefits of Borrower under the Lease Agreement, including without limitation the immediate and continuing right to make claim for, receive and collect all Rents payable or receivable under the Lease Agreement (and to apply the same to the payment of the Debt), and to do all other things which Borrower or any lessor is or may become entitled to do under the Lease Agreement.

(d) Power of Attorney. Assignor's irrevocable power of attorney, coupled with an interest, to take any and all of the actions necessary to properly manage, preserve and transfer title to the Equipment.

2. Representations and Warranties. Assignor represents and warrants to Assignee as of the date hereof that:

(a) The Lease Agreement is a legal, valid, and binding obligation of Tribe, is in full force and effect without any breach or default thereunder, is fully enforceable against the Tribe in accordance with its terms and constitutes the complete understanding and agreement between Assignor and the Tribe concerning the subject matter thereof.

(b) The Equipment has been properly received, accepted and installed, is in good working order at the location specified in the Lease Agreement and will not be removed from that location without the prior written consent of Assignee.

(c) Assignor has the full power and authority to execute and deliver this Assignment and to perform and comply with the terms and conditions hereof, all of which have been duly authorized. The officer or representative of Assignor executing this Assignment Agreement has been duly authorized and empowered to do so.

(d) Assignor is duly organized, validly existing and in good standing under the laws of the State of Nevada and, is duly qualified to transact business and is in good standing in the State of Nevada.

(e) Other than the Tribe's interest, Assignor's interest in the Lease Agreement is free and clear of liens, claims, and encumbrances.

3. Notice to Other Parties to Contracts. Assignor shall provide notice to the Tribe of this Assignment Agreement and direct the other the Tribe to pay over to Assignee all sums due under the Lease Agreement. Assignor hereby authorizes and directs the Tribe to pay over to Assignee all sums due under the Lease Agreement.

4. Entire Agreement; Amendments. This Assignment Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified, amended or terminated except by a written agreement specifically referring to this Assignment Agreement signed by all the parties hereto.

5. Waivers. No action taken pursuant to this Assignment Agreement, including any investigation by or on behalf of any party hereto shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant, or agreement contained herein or in any ancillary document. The waiver by any party hereto of a breach of any provision of this Assignment Agreement shall not operate or be construed as a waiver of any other or subsequent breach. The waiver by any party of any of the conditions precedent to its respective obligations under this Assignment Agreement shall not preclude it from seeking redress for breach of this Agreement. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

6. Legal and Other Costs. If litigation or other formal legal action becomes necessary to enforce the terms hereof, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in such action.

7. Headings. The paragraph headings contained herein are for the purposes of convenience only and shall not affect the meaning or interpretation of this Assignment Agreement.

8. Further Assurances. Each party hereto shall cooperate, shall take such further action and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Assignment Agreement.

9. Counterparts. This Assignment Agreement may be executed in one or more counterparts, all of which taken together shall be deemed one original.

10. Governing Law; Venue. This Assignment shall be governed in accordance with the terms and provisions of Section 10.13 of the Credit Agreement.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

KACE, LLC

TGS ANADARKO, LLC

By: [Signature]

By: _____

Its: Managing Member


Its: _____

IN WITNESS WHEREOF, intending to be legally bound hereby, the Assignor has caused this Assignment Agreement to be duly executed, under seal, as of the day and year first above written.

KAGD, LLC

TGS ANADARKO, LLC

By: _____

By:  _____

Its: _____

Its: _____

EXHIBIT "A"

**APACHE - ANADARKO
EQUIPMENT LEASE AGREEMENT**

IN THE APACHE GAMING COMMISSION

In the matter of the licensing of:

**TGS ANADARKO, LLC; and
WELLS FARGO BANK, N.A.;**

Vendors.

)
)
)
) **Case No. AGC-2011-1**
) **Richard J. Grellner, Hearing Officer**
)
)
)

ORDER SETTING ISSUES FOR ADVERSARY EVIDENTIARY HEARING

The Apache Gaming Commission having conducted an investigation based upon information submitted by the Apache Gaming Commission ("AGC"), and having provided notice to the entities potentially in violation of the Tribe and State Compact's licensing requirements and regulations, is in receipt of a Complaint from the Apache Tribe of Oklahoma requesting the Apache Gaming Commission to determine the following issues regarding TGS Anadarko, LLC ("TGS") and Wells Fargo Bank, N.A. ("Wells Fargo"):

1. Whether TGS improperly allowed Wells Fargo to use benefit of its gaming license pursuant to an Assignment of the Gaming Lease dated June 23, 2008 between TGS and Wells Fargo. And whether Wells Fargo improperly concealed the language of the assignment to avoid obtaining a license from the AGC as a gaming vendor.
2. Whether TGS/Wells Fargo provided State Compact-compliant gaming machines pursuant to the Gaming Equipment Lease effective January 1, 2009.
3. Whether TGS/Wells Fargo made prior report of the movement of machines pursuant to the federal Johnson Act.
4. Whether a declination letter regarding sole proprietary interest or management contract status was obtained from the NIGC at any time prior to the effective date of the Gaming Equipment Lease.
5. Whether TGS or its principal Robert J. Medeiros is suitable to obtain a license for the limited purpose of obtaining possession to slot machines provided under the Gaming Equipment Lease effective January 1, 2009 that remain on the Tribe's trust land.

The Gaming Commission having previously corresponded with Wells Fargo and TGS through its counsel Jerome Miranowski (for Wells Fargo) and James L. Morgan (for TGS), and having notified the respondents of its intention to set for hearing the license issues raised by the assignment between Wells Fargo and TGS, sets the above issues for hearing on July 18, 2011 at _____ at the AOA Building in Anadarko, Oklahoma before Richard J. Grellner.

The Vendors (or putative vendors) Wells Fargo and TGS are directed to appear to present evidence on the issues and allegations made, and file any briefing no later than five (5) days prior to the hearing date. The Gaming Commission further directs that the Apache Tribe of Oklahoma appear through counsel at the hearing to advocate on its behalf as to whether any violations of the Tribe's licensing requirements exist and what penalty, if any, should issue.

At the conclusion of the hearing, the undersigned Hearing Officer shall enter recommendations to the Apache Gaming Commission which may then enter a final order or take the matter under further advisement.

Dated this ____ day of June, 2011.

RICHARD J. GRELLNER
HEARING OFFICER, Apache Gaming
Commission

DOERNER, SAUNDERS, DANIEL
& ANDERSON, L.L.P.

By: _____
Jon E. Brightmire, OBA No. 11623
David McCullough, OBA No. 10898
Bryan J. Nowlin, OBA No. 21310
Two West Second Street, Suite 700
Tulsa, Oklahoma 74103
Telephone (918) 582-1211
Facsimile (918) 591-5360
jbrightmire@dsda.com
dmccullough@dsda.com
bnowlin@dsda.com

Attorneys for Plaintiff

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the ___ day of June, 2011, a true and correct copy of the above and foregoing instrument was mailed, with proper postage thereon, to:

Jeremy D. Oliver
601 South Johnson Lane
Wynnewood, Oklahoma 73098
jeremy@jeremydoliver.com

Bryan J. Nowlin

2139023v1