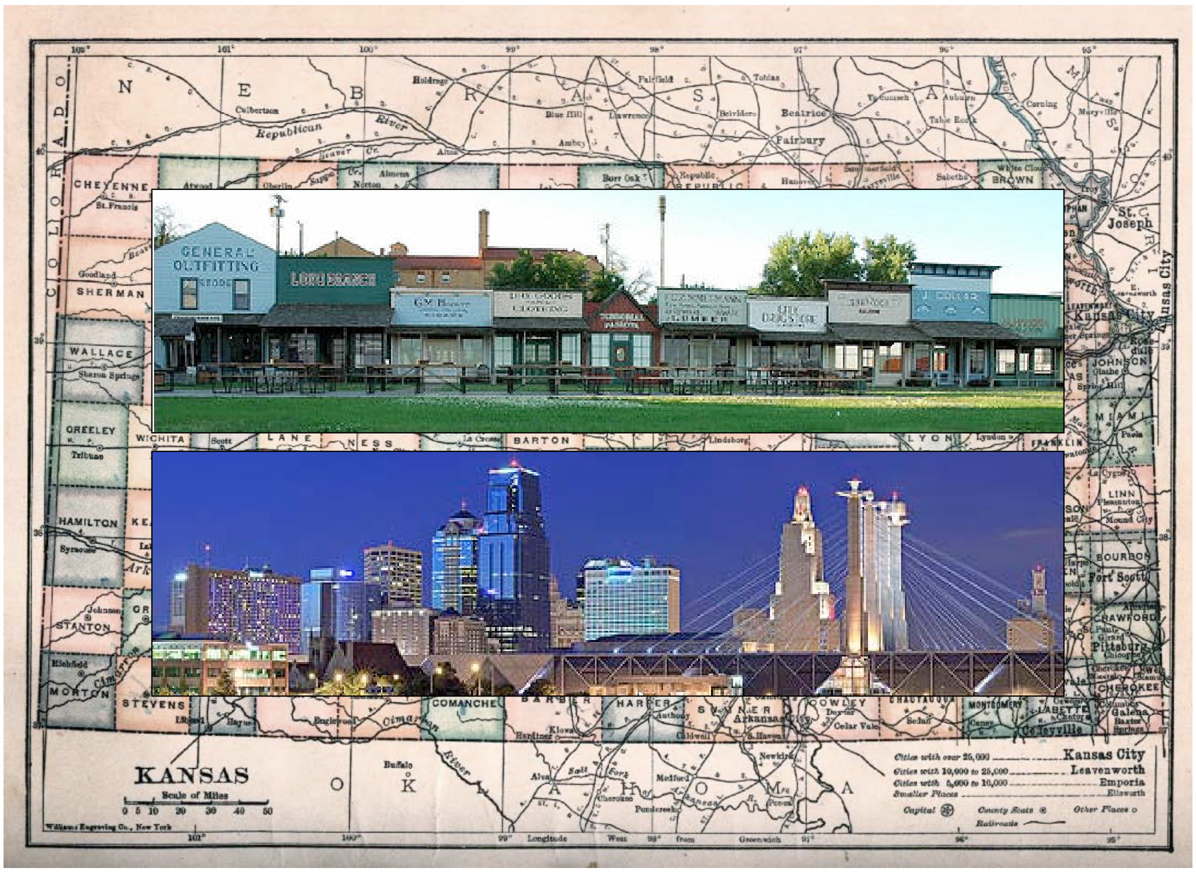
Kansas Casino Market Study

Task1 – Estimates of gaming revenues for a generic casino to be located in each of the four gaming zones

<u>Final Report</u>



Prepared For:

Kansas Lottery Gaming Facility Review Board

May 26, 2008

Prepared By:

Wells Gaming Research
495 Apple Street, Suite 205
Reno, NV 89502
775-826-3232
http://www.wellsgaming.com

Kansas Casino Market Study & Gaming Revenue Projections

Table of Contents

Wells Gaming Research
May 2008

Section 1

Introduction

The State of Kansas has lost gaming revenues for many years to a number of surrounding states, particularly to Missouri and Oklahoma. The recent development of numerous tribal casinos in Oklahoma exacerbated the problem. In an effort to stem the flow of gaming revenues and related taxes, Kansas' legislators passed Senate Bill 66 (the Kansas Expanded Lottery Act), which legalized casino gaming. SB 66 was signed by the governor in 2007.

Key Provisions of Senate Bill 66

Some key provisions of SB 66 that pertain to this study include:

1. Establishment of four casino gaming zones:
- Northeast (located in Wyandotte County)
- Southeast (located in Crawford and Cherokee Counties)
- South Central (located in Sumner and Sedgwick Counties)
- Southwest (located in Ford County)

2. Building one state owned casino in each of the four Kansas gaming zones listed above.

3. Permitting an aggregate of 2,800 slot machines to be installed at the three existing racetracks.

Senate Bill 66 required the counties located within the four subject gaming zones to hold referendum elections for the purpose of either approving or disapproving casino gaming, or slot machines to be located at their respective racetracks. Three gaming zones have racetracks (northeast, southeast, and south central). However, Sedgwick County, located in the south central gaming zone, rejected gaming in their referendum election. As a result, slot machines will be limited to two Kansas racetracks: Woodlands Race Track located in the Kansas City, Kansas (northeast gaming zone), and Camptown Greyhound Park (closed since November 2000) located near Frontenac, Kansas (southeast gaming zone).

The Kansas Lottery Commission has appointed an independent Lottery Gaming Facility Review Board to review all of the gaming applications and select the best ones. The Board has engaged a number of outside consulting firms to help with the reviewing process. To date, six gaming applications have been received for the northeast zone, one for the southeast zone, four for the south central zone, and two for the southwest zone. The applicants that are selected will be contract managers of the gaming facilities acting on behalf of the Kansas Lottery Commission. As planned, the state will own and/or control the gaming portion of the facilities. However, the lottery will select a contract manager who will manage the gaming. The contract managers that are selected will fund, build, and operate all of the facilities under contract with the state lottery.

The contract managers will also be required to pay the following taxes that are all based on a percentage of casino gaming revenues:

- The lottery facility would pay a minimum of 22% of gaming revenues to the state plus an additional 2% to fund programs for problem gamblers and gaming addictions issues.

- If a lottery gaming facility were located in either the northeast or southwest gaming zones, but not in a city, the gaming facility would be required to pay an additional 3% of gaming revenues to the county where the gaming facility was located.

- If, on the other hand, the gaming facility were located in a city, the facility would pay 1.5% of gaming revenues to the city and 1.5% to the county.

- If the lottery gaming facility were located in either the southeast or the south central gaming zone, but not in a city, the gaming facility would pay 2% of gaming revenues to the county in which the facility were located, and an additional 1% to the other county in the gaming zone (each gaming zone has two counties).

- If a gaming facility were located in a city, a combined tax equal to 3% of gaming revenues would be paid to the city (1%), to the county in which the facility were located (1%), and to the second county in the gaming zone (1%).

These state owned casinos are unique and will be the first state owned casinos in the US.

Assessment of the Kansas Gaming Revenue Potential

Before enactment of Senate Bill 66 (the Kansas Expanded Lottery Act), the Kansas Lottery Commission engaged Christensen Capital to update their study addressing the gaming revenue potential for the four Kansas gaming zones. The updated study was released in March of 2008.

To verify the gaming revenue potential, the Kansas Lottery Gaming Facility Review Board has engaged a team of casino gaming consultants including Wells Gaming Research (WGR) and Cummings & Associates. Both WGR and Cummings were engaged to conduct independent evaluations of the gaming revenue potential as stated in Task 1 of the work assignment. In essence, Task 1 requires a market analysis of each of the gaming zones in Kansas that have been authorized for casino gaming. This involved estimating the gross gaming revenues potential for a generic casino (not associated with any of the proposals) to be located in each of the gaming zones, and projecting the potential revenue generation for the State of Kansas. The results of studies conducted by WGR and Cummings will be compared with the Christensen Study that was commissioned by the Lottery.

In compliance with the Kansas Lottery Gaming Facility Review Board's Task 1 assignment, WGR has conducted an independent assessment of the gaming revenue potential of the four gaming zones. WGR's work has been conducted totally independent of the work performed by either Cummings or Christensen.

Research Methodology & Scope of Work

To assess the gaming revenue potential of the four Kansas gaming zones, Wells Gaming Research utilized its proprietary gravity modeling system to developed gravity models for each of the subject gaming zones. Each gravity model was customized to reflect the market conditions of the respective gaming zone.

The geographical trade areas for the gaming zones are illustrated by the circles on the map on page 1-4. The trade area boundaries for each of the gaming zones extend approximately 100 miles from the proposed casino sites. Some degree of overlap does occur between the boundaries of the gaming zones. The casinos proposed for Kansas, together with the two racetracks (the Woodlands in Wyandotte County, and Camptown Greyhound Park in Crawford County) have been plotted on the map. Also shown are the existing casinos with which the new Kansas gaming facilities will be competing.

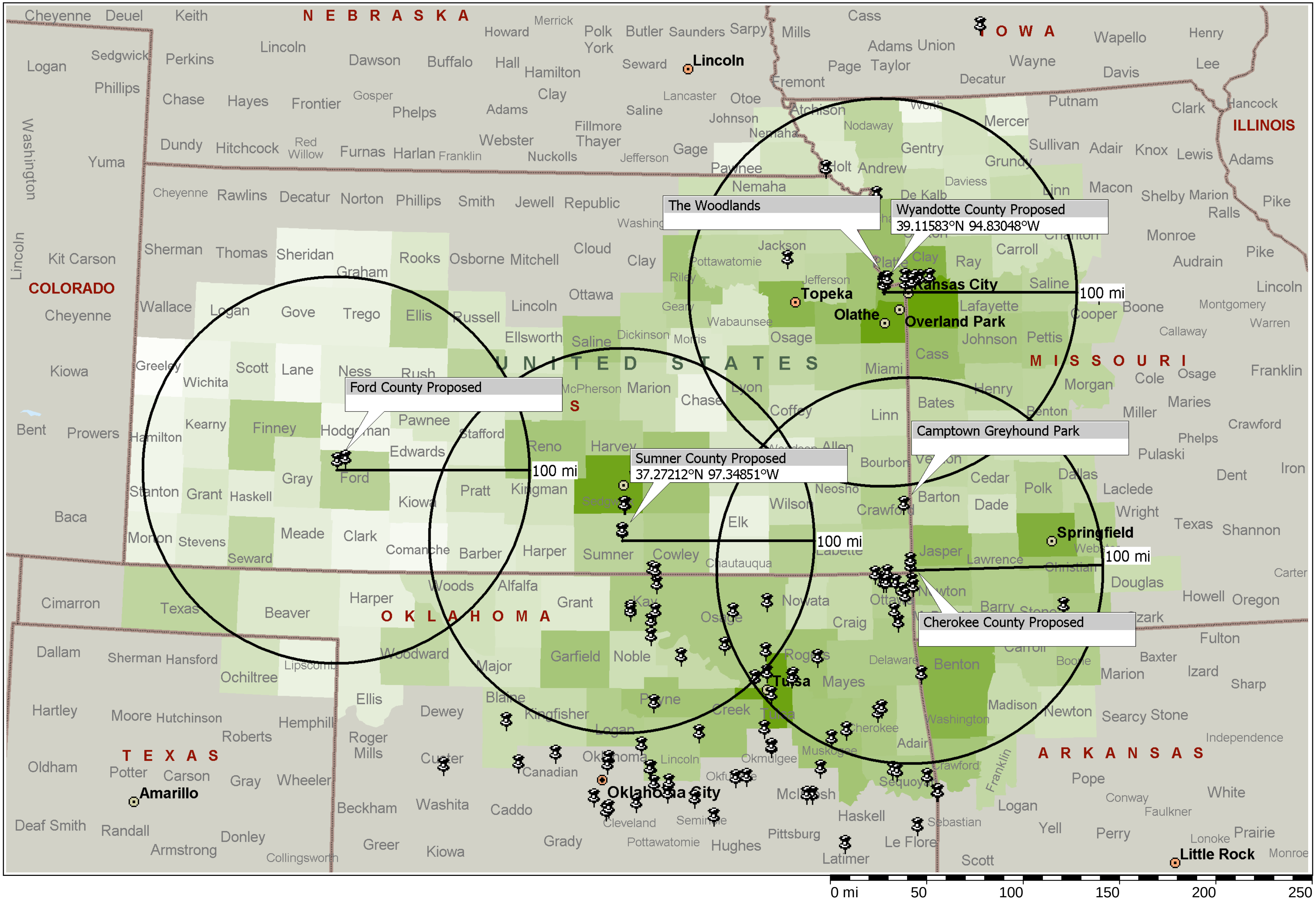
Three key definitions used in the discussions include:

- **Gaming Zone** - includes the two counties where Kansas Senate Bill 66 has authorized casinos for each zone.
- **Trade Area** – encompasses the area within an approximate 100-mile radius of the generic casino sites. The trade areas for the casino sites can extend into the neighboring states of Oklahoma, Arkansas, Missouri, and to a limited extend to Nebraska and Texas.
- **Competitive Market** - includes the approximate 150-mile region surrounding a casino site where competitor casinos vie for players living within a 150-mile radius.

Key elements WGR's research and analyses included, but were not limited to, the following:

- Detailed population data was obtained from the Bureau of Business & Economic Research, University of Nevada, Reno at the census tract level for 2000 through 2012.
- The casino gaming capacities and amenities for existing casinos, expansions, and proposed/planned casinos located within a 150-mile radius of the four casino development sites were incorporated into the respective gravity models for each casino site.
- Size, scope, and location assumptions were developed for the each of the four proposed casinos and the two racetracks.
- The status quo period is 2007. Thus, statistics from 2007 were used to develop a baseline case for each of the four gaming zones.

Kansas Lottery Project



- Current gaming revenues were projected for each of the gaming zones (gaming revenues as they existed before any new casinos or expansions were built). In addition to the baseline cases, WGR developed three primary scenarios per zone to forecast gaming revenues.

  Scenario-1 projected gaming revenue for the new Kansas Lottery Casino facility as if it were the only new casino to be built in the gaming zone.

  Scenario-2 included scenario-1 plus any proposed/planned casino expansions for the gaming zone.

  Scenario-3 included scenario-2 plus any new casinos that were planned/proposed for the gaming zone.

- Three gaming revenue projections (low, mid, and high cases) were developed for each scenario for the 2008 through 2012 period. WGR believes that three projection cases encompass a reasonable performance range for casino gaming revenues. WGR prefers not to develop single point projections because forecasting casino revenues is far from an exact science. Many factors both known and unknown can cause actual performance to vary significantly from the projections.

By way of background, WGR has developed a custom, proprietary, gravity model for use in estimating gaming revenues at casinos, as well as for evaluating the impacts of increased competition on those revenues. WGR's gravity modeling methodology has proven to be a flexible and effective tool for estimating gaming revenues for casino projects where the interplay with existing and/or proposed competing casinos could affect future gaming revenues.

The concept of gravity modeling is not new to the business world. William J. Reilly first advanced the concept of a gravity model in 1931 in his book entitled *Law of Retail Gravitation.* Gravity models use the principal of Isaac Newton's law of gravity, wherein the attraction between two objects is proportional to their mass, and is inversely proportional to the square of their respective distances. Newton's law of gravity dealt with planets, the amount of gravitational force that they exert on each other, and the effects that the forces of gravity have on their trajectory. This concept of gravitational force, or pull, can be applied to various types of problems, including business, retail, and traffic. Reilly applied the concept to retail shopping center trade area and customer attraction analysis.

Summary of the Research Results for Kansas

To complete the Task 1 assignment, WGR developed four custom gravity models, one for each of the gaming zones in Kansas. The gravity models were specifically designed to project the gaming revenues for the trade areas surrounding the gaming zones.

Population statistics were one of the key variables used in the gravity models to project the potential casino gaming revenues for the gaming zones. Statistics were compiled for both the total and adult segments of the population to determine the size of the respective trade areas for each gaming zones. The population statistics included in this report are limited to those counties located within the specific trade areas and are not representative of the entire state. Due to the age restrictions on casino gaming, only the adult statistics were used in the gravity model's gaming revenue projections**.**

Exhibit 1-1 shows a comparison of both the total and the adult populations for 2007 (status quo) relative to 2012. The data are presented by state and include the total population for 184 counties located within the trade areas of each of the four gaming zones. The total population for 2007 was approximately 7.3 million, with 7.6 million forecasted for 2012. This reflects an average compound growth rate (ACGR) of less than one percent (0.8%). The adult population segment has been projected to increase at the same rate as the total population, moving up from approximately 5.1 million in 2007 to nearly 5.3 million by 2012.

Exhibit 1-1 Total & Adult Population by State for the Gaming Zones

		2007		2012		ACGR
State	**Counties**	**Total**	**Adult**	**Total**	**Adult**	**Adult Pop**
AR	8	557,719	386,322	633,954	439,056	2.6%
KS	87	2,686,247	1,842,821	2,753,442	1,888,940	0.5%
MO	51	2,432,987	1,709,651	2,522,479	1,772,325	0.7%
NE	3	18,630	13,311	18,267	13,051	-0.4%
OK	33	1,617,373	1,120,631	1,681,085	1,164,451	0.8%
TX	2	12,779	8,518	13,385	8,919	0.9%
Total	**184**	**7,325,735**	**5,081,253**	**7,622,612**	**5,286,741**	**0.8%**

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

Gaming Capacity Outlook with Proposed Growth

If all of the proposed expansions and new casinos were built, the accompanying capacity statistics would approximate those profiled in Exhibits 1-2.

Exhibit 1-2 Capacity by State Includes Existing, Proposed Expansions & New Casinos

	Kansas	Oklahoma	Missouri	Iowa	Total
Existing Casinos					
# of Casinos	4	65	6	1	76
# of Slots	2,790	33,178	9,748	1,100	46,816
# of Tables	65	543	300	25	933
Expansions	1	5	0	0	6 [1]
Proposed New Casinos					
# of Casinos	7	11	2	0	20
# of Slots	9,350	13,771	2,500	0	25,621
# of Tables	210	324	71	0	605
Total (Existing, New Casinos & Expansions)					
# of Casinos	**11**	**76**	**8**	**1**	**96**
# of Slots	**12,140**	**46,949**	**12,248**	**1,100**	**72,437**
# of Tables	**275**	**867**	**371**	**25**	**1,538**
Percentage Increases (Existing Versus New Casinos & Expansions)					
# of Casinos	175%	17%	33%	0%	26%
# of Slots	335%	42%	26%	0%	55%
# of Tables	323%	60%	24%	0%	65%

Footnote (1): The six expansions have not been added into the total number of casinos.
Data Source: Wells Gaming Research, May 2008.

The top section of Exhibit 1-2 shows the current capacity for all of the casinos located within an approximate 150-mile radius of the four Kansas gaming zones. Currently there are 76 casinos equipped with 46,816 slot machines and 933 table games.

If all of the proposed expansions and new casinos were built, and the two racetracks installed a combined total of 1,400 slot machines (800 at the Woodlands and 600 at Camptown), the gaming capacity picture would look like the total section of Exhibit 1-2. The data shows that the number of casinos would go from 76 to 96, an increase of 20 casinos (26%). It is important to note that the six expansions have not been added into the total number of locations; however, the gaming capacity has been added. Overall, slot capacity would increase by 25,621 machines, up from 46,816 to 72,437 (55%). The number of table games would increase by 605, up from 933 to 1,538 (65%).

Competition

Strong competition already exists for the four Kansas gaming zones. The northeast zone is subject to intense competition from the Kansas City, Missouri casinos and from Tribal casinos located north of the gaming zone. In addition to being subject to strong existing competition, both the southeast and the south central zones are vulnerable to increasing competition from Oklahoma Tribal casinos, which are located to the south.

Status Quo Gaming Revenue Summary

Exhibit 1-3 profiles WGR's status quo gaming revenues for 2007 and 2012. The gaming revenue estimates are limited to all existing casinos. None of the proposed casinos or expansions has been added.

Exhibit 1-3 Status Quo Casino Gaming Revenues for 2007 & Projections for 2012
(Stated in Millions of Dollars)

	2007					2012				
State	**Coming From**	**%**	**Going To**	**%**	**Dif**	**Coming From**	**%**	**Going To**	**%**	**Dif**
IA	$0	0.0%	$9	0.4%	$9	$0	0.0%	$9	0.4%	$9
AR	$194	7.8%	$0	0.0%	-$194	$220	8.6%	$0	0.0%	-$220
KS	$841	34.1%	$148	6.0%	-$693	$865	33.7%	$152	5.9%	-$713
MO	$839	34.0%	$1,009	40.9%	$170	$869	33.8%	$1,044	40.6%	$175
NE	$7	0.3%	$0	0.0%	-$7	$7	0.3%	$0	0.0%	-$7
OK	$583	23.6%	$1,300	52.7%	$717	$605	23.6%	$1,364	53.1%	$759
TX	$3	0.1%	$0	0.0%	-$3	$3	0.1%	$0	0.0%	-$3
Total	**$2,467**	**100.0%**	**$2,467**	**100.0%**	**$0**	**$2,569**	**100.0%**	**$2,569**	**100.0%**	**$0**

Data Source: Wells Gaming Research, May 2008.

The 2007 status quo gaming revenues are illustrated on the left hand side of Exhibit 1-3. The data shows where the gaming revenues come from and where they go. Total gaming revenues were approximately $2.5 billion in 2007. The majority (92%) was generated in three states including Kansas ($841 million, 34.1%), Missouri ($839 million, 34.0%), and Oklahoma ($583 million, 24%). Of the total $2.5 billion, approximately $9.0 million (0.4%) went to Iowa, $148 million (6.0%) went to Kansas, $1.0 billion (41%) went to Missouri, and $1.3 billion (53%) went to Oklahoma. Of particular interest are the differences between the revenues that were generated in Kansas and Oklahoma versus the revenues that flowed back to these two states. For example, Kansas generated $841 million in 2007 and only retained $148 million, a negative difference of $693 million. On the other hand, Oklahoma generated $583 million in 2007, while $1.3 billion flowed back to Oklahoma for a gain of $717 million.

The right hand side of Exhibit 1-3 shows that without the addition of new casinos or expansions within any of the states referenced, the 2012 outlook is similar to that of 2007. Total gaming revenues have been estimated at $2.6 billion (an increase of $102 million over 2007). Oklahoma has been forecasted to be the big winner generating $605 million in gaming revenues (24% of the total), while receiving $1.4 billion (53%). Kansas has been forecasted to generate $865 million (34% of the total), while retaining $152 million, for a negative difference of $713 million. Missouri has been estimated to generate $869 million (34.0%), with $1 billion flowing back to Missouri, a gain of $175 million.

Gaming Revenue Projections With Casino Expansions & New Casinos

For purposes of estimating gaming revenues for our statewide gravity model, WGR identified the competitor facilities (all known and existing casinos, together with all proposed expansions and new casinos) that were located within the 150-mile trade area of each of the four gaming zones. The results are summarized in Exhibit 1-4. The status quo gaming revenues (2007) are shown, as well as the gaming revenue forecasts for 2012. The 2012 forecasts reflect the gaming revenue levels that could be achieved if all of the proposed casino expansions and new casinos were built and were operational.

Exhibit 1-4 Casino Revenue Projections w/ New Casinos & Expansions
(Stated in Millions of Dollars)

	2007					2012				
State	**Coming From**	**%**	**Going To**	**%**	**Dif**	**Coming From**	**%**	**Going To**	**%**	**Dif**
IA	$0	0%	$9	0%	$9	$0	0%	$6	0%	$6
AR	$194	8%	$0	0%	-$194	$225	8%	$0	0%	-$225
KS	$841	34%	$148	6%	-$693	$936	35%	$621	23%	-$316
MO	$839	34%	$1,009	41%	$170	$905	34%	$837	31%	-$68
NE	$7	0%	$0	0%	-$7	$7	0%	$0	0%	-$7
OK	$583	24%	$1,300	53%	$717	$609	23%	$1,221	45%	$612
TX	$3	0%	$0	0%	-$3	$3	0%	$0	0%	-$3
Total	**$2,467**	**100%**	**$2,467**	**100%**	**$0**	**$2,684**	**100%**	**$2,684**	**100%**	**$0**

Data Source: Wells Gaming Research, May 2008.

The 2007 statistics and results are the same as those presented in Exhibit 1-3, page 10.

WGR's forecasts of the flow of casino gaming revenues for 2012 are summarized on the right hand side of Exhibit 1-4. The major states of origin for 2012 continue to be Kansas ($936 million, 35%), Missouri ($905 million, 34%), and Oklahoma ($609 million, 23%).

Oklahoma would continue to be the biggest recipient of gaming revenues with an estimated $1.2 billion (45% of the total) flowing back. Missouri ranks second with $837 million (31%), and Kansas ranks third with $621 million (23% of the total) staying in Kansas.

The detailed analyses and results are presented in the following sections of this report for each of the four gaming zones:

- Section 2 – Northeast Trade Area & Gaming Zone
- Section 3 – Southeast Trade Area & Gaming Zone
- Section 4 – South Central Trade Area & Gaming Zone
- Section 5 – Southwest Trade Area & Gaming Zone

Limiting Conditions

Wells Gaming Research, subject to the following conditions, presents the results of the **Kansas Casino Market Study & Gaming Revenue Projections** to the Kansas Lottery Gaming Facility Review Board.

Limit of Liability

The liability of Wells Gaming Research, a Nevada corporation, (hereinafter referred to as WGR) and its employees, is limited to the named Client only. No obligation or liability to any third party is foreseen. If this report is disseminated to anyone other than the Client, the Client shall make each party aware of all of the limiting conditions, assumptions, and related discussions of the assignment. If any of this data are used for limited partnerships, syndication offerings, stock offerings, or debt offerings, the Client agrees that if any legal action (including arbitration) is initiated by any lender, partner, part owner in any form of ownership, tenant, or any other person or entity against WGR or its employees, then the Client shall hold WGR and its employees completely harmless in any such action from any and all awards or settlements of any type (including but not limited to the attorney's fees and costs), regardless of the outcome(s).

Litigation Expenses

In the event that Wells Gaming Research (WGR), Richard H Wells, or any WGR staff members are named as parties to a law suit or are compelled by a court to provide testimony and documents relating to WGR's work for the Kansas Lottery Gaming Facility Review Board, Client agrees to reimburse WGR for all out-of-pocket expenses including attorney fees, deposition expenses, travel, and document production expenses required to comply with a court order or other litigation requirements. If WGR is compelled to be a witness in litigation arising from this assignment, Client will reimburse WGR at one-half (1/2) WGR's customary billing rate for staff time required to comply with the court order.

Copies, Publication, Distribution, & Use of Report

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended limited purpose. The physical report(s) remain the property of WGR for use by the Client. The fee, which the Client has paid, was only for the **Kansas Casino Market Study & Gaming Revenue Projections**, the accompanying analytical services, and the project reporting that was provided.

This report is to be used only in its entirety. No part is to be used or displayed without the whole report.

Except as hereinafter provided, the Client may only distribute copies of this report in its entirety to such third parties as he may select on the conditions stated herein. Selected portions of this report shall not be given to third parties without the prior written consent of WGR. Neither this report nor any part of this report may be disseminated to the public by the use of the advertising media, public relations, news, sales, or other media for public communication without the prior written consent of WGR.

Information Used

No warranty is made for the accuracy of information furnished by others, the Client, his designee, or public records. The data relied upon in this report has been confirmed and/or sources thought reliable have been used. All sources and data are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification of all data in all instances.

ACCEPTANCE AND/OR USE OF THE RESULTS AND ANALYSES CONTAINED IN THIS REPORT BY THE CLIENT OR ANY THIRD PARTY CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS. WGR'S LIABILITY EXTENDS ONLY TO THE STATED CLIENT AND NOT TO SUBSEQUENT PARTIES OR USERS. THESE STUDY RESULTS AND ANALYSES ARE NOT REPRESENTATIONS OR GUARANTEES OF ANY SPECIFIC LEVEL OF PERFORMANCE THAT MIGHT RESULT FROM THE ADDITION OR EXPANSION OF CASINOS IN THE KANSAS GAMING MARKET.

Section 2

Summary of the Trade Area for the Northeast Gaming Zone

Highlights of the market for the northeast trade area follow (refer to pages 2-7 through 2-32 for the corresponding detailed analyses and discussions).

Trade Area

The northeast trade area covers the approximate 100-mile radius surrounding Kansas City. The boundaries extend to the Iowa border on the north; to Crawford County, Kansas and Vernon County, Missouri on the south; Riley County, Kansas on the west; and Saline and Cooper Counties, Missouri on the east (refer to the map on page 2-2).

Demographic Statistics

The population and median household income statistics included in this report are limited to those counties included in the northeast gaming zone trade area and are not representative of the entire states of Kansas, Missouri, and Nebraska.

Exhibit 2-1 shows that the trade area for the northeast zone includes 71 counties (32 in Kansas, 36 in Missouri, and three in Nebraska). In 2007, these counties had an adult population of approximately 2.17 million. Median household incomes (MHI) ranged from a little over $40 thousand in Nebraska, to $48 thousand in Kansas, and approximately $50 thousand in Missouri.

Exhibit 2-1 Adult Population & Median Household Income (MHI)

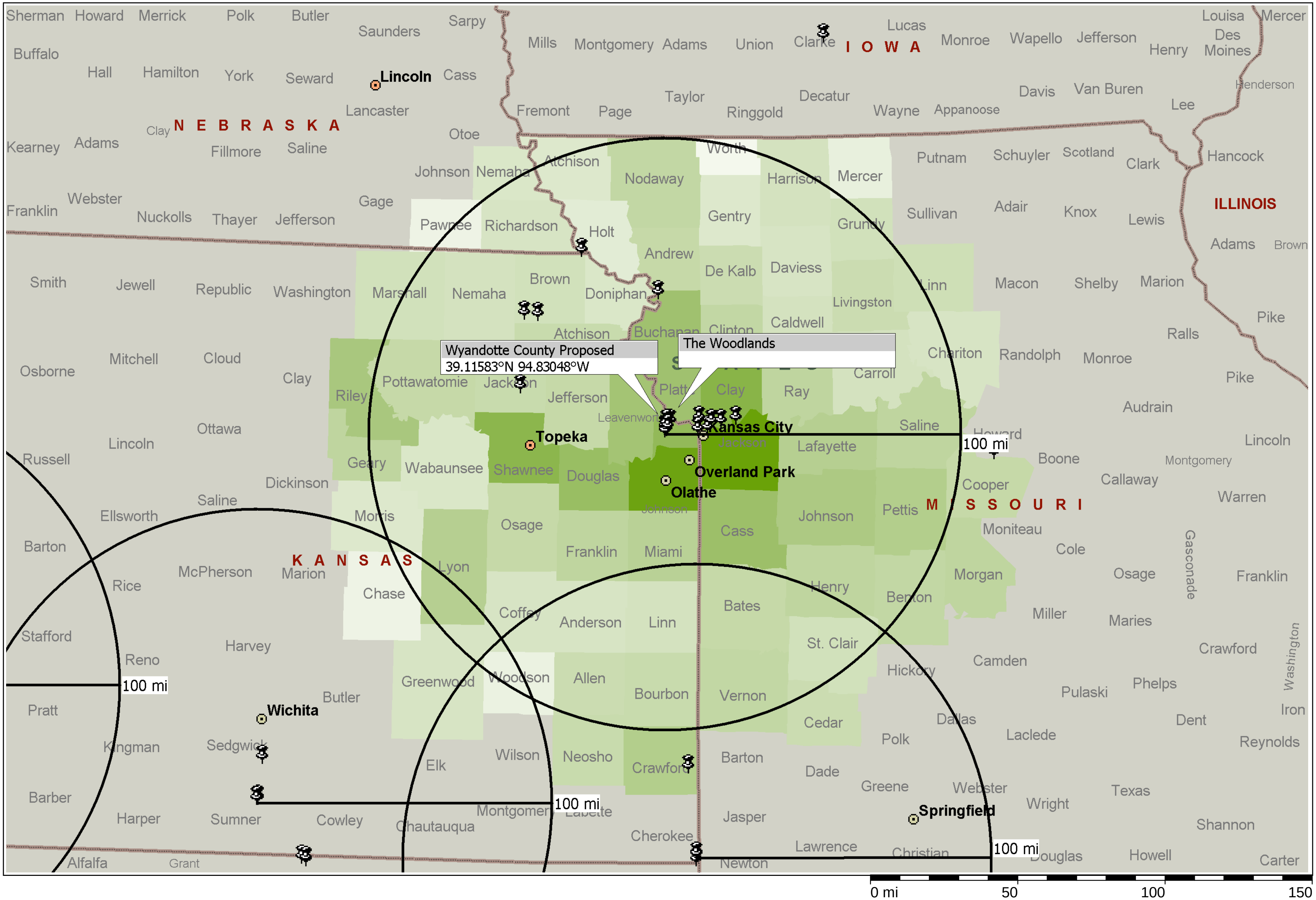
2007		2007		2012		ACGR	
State	# of Counties	Adult Population	MHI	Adult Population	MHI	Adult Population 07 to 12	MHI 07 to 12
KS	32	1,014,311	$47,985	1,051,085	$56,417	0.71%	3.29%
MO	36	1,146,430	$49,660	1,174,840	$56,720	0.49%	2.69%
NE	3	13,311	$40,160	13,051	$49,079	-0.39%	4.09%
Total	**71**	**2,174,051**	**NA**	**2,238,976**	**NA**	**0.59%**	**NA**

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

The adult population forecasts increase from 2.17 million in 2007 to 2.24 million by 2012, or by approximately 70 thousand. The average compound growth rate for the adult population was 0.59% between 2007 and 2012. The average compound growth rate for adult population ranged from a negative 0.39% (three small counties) in Nebraska, to 0.49% in Missouri, and 0.71% in Kansas.

The median household income levels for 2012 have been forecasted at a little over $49 thousand for Nebraska, $56.4 thousand for Kansas, and $56.7 thousand in Missouri.

Northeast Kansas Zone



Between 2007 and 2012, the average compound growth rate for median household incomes ranged 2.69% in Missouri, to 3.29% in Kansas, to 4.09% in Nebraska.

Primary Market

The primary market for the northeast trade area of Kansas is made-up of the six counties surrounding the casino in Wyandotte County. Exhibit 2-2 shows that the adult population was approximately 1.2 million in 2007, 55% of the total adult population in the subject trade area. Combined, the six counties located in the primary market have been projected to have an average compound growth rate of 0.7% between 2007 and 2012.

The total adult population has been forecasted at slightly over 2.2 million for 2012 (for yearly adult population details, refer Exhibit 2-7, page 2-9).

Exhibit 2-2 Adult Population for the Primary Market

# of Counties	List of Counties	2007	2012	ACGR 07 to 12	% 2012
	Johnson County, Kansas	364,462	395,339	1.6%	32%
	Leavenworth, County, Kansas	49,948	51,318	0.5%	4%
	Wyandotte County, Kansas	101,401	98,159	-0.6%	8%
	Clay County, Missouri	147,253	154,829	1.0%	13%
	Jackson County Missouri	467,495	470,818	0.1%	38%
	Platte County, Missouri	59,691	64,189	1.5%	5%
6	**Total of Wyandotte & Surrounding Counties**	**1,190,250**	**1,234,652**	**0.7%**	**100%**
29	**Total Kansas Counties -*Excluding Counties Surrounding Wyandotte***	**498,500**	**506,269**	**0.3%**	
33	**Total Missouri Counties -*Excluding Counties Surrounding Wyandotte***	**471,990**	**485,004**	**0.5%**	
3	**Total Nebraska**	**13,311**	**13,051**	**-0.4%**	
71	**Total Adult Population for Trade Area**	**2,174,051**	**2,238,976**	**0.6%**	

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

Capacity Statistics & Competition

Capacity statistics are a key component of gaming competition. Exhibit 2-3 shows the existing capacity, and illustrates the increases that are anticipated in the northeast trade area. The current capacity includes 18 gaming locations equipped with 16,914 slot machines, 440 table games (pit and poker), and 718 thousand square feet of casino space. Other visitor amenities include 107 thousand square feet of convention space, 1,331 hotel rooms, 52 restaurants, 17 entertainment venues, and 19,150 parking spaces.

Following is a profile of the casino capacity located within a 150-mile radius of the Wyandotte County casino site.

Exhibit 2-3 Capacity Statistics for Casinos Located within an Approximate 150 Miles Radius

Capacity	Existing Casinos	Expansions KS	New (Proposed) Casinos KS	OK	MO	Total Capacity	% Change Above Existing
# of Loc	18	1	5	1	1	**25** [1]	**39%**
# of Slots	16,914	500	6,050	2,000	1,200	**26,664**	**58%**
# of Tables	440	0	140	45	30	**655**	**49%**
Casino S.F.	717,691	0	20,000	70,000	40,000	**847,691**	**18%**
Convention S.F.	106,520	0	110,000	10,000	12,000	**238,520**	**124%**
# of Rooms	1,331	0	750	240	200	**2,521**	**89%**
# of Restaurants	52	0	16	2	3	**73**	**40%**
Entertainment	17	0	7	0	2	**26**	**53%**
Parking	19,150	0	11,000	2,700	2,200	**35,050**	**83%**

Footnote (1): The total number of locations is 25 (one is an expansion at an existing casino).

Data Source: Wells Gaming Research, May 2008.

The statistics show that the combined impact of casino growth within a 150-mile radius will result in a significant escalation in player capacity. Some key changes include a 44% increase in the number of gaming locations, from 18 up to 25 (one is an expansion only). The slot machine inventory will increase by 58%, from approximately 17 thousand to 27 thousand. The number of table games will increase by 49%, going from 440 to 655. The supply of hotel rooms will surge by 89%, from 1,331 to 2521, and the number of restaurants will increase by 40%, from 52 to 73.

Gaming Revenues

Exhibit 2-4 profiles the revenue flows corresponding to the current status (2007), as well as to scenarios 1 through 3A (2012). These scenarios were developed to analyze the gaming revenue impacts of the expansions and the new casinos. The column captions *from* and *to* indicate the flow of gaming revenues. The current status reflects estimated total gaming revenues of $923 million for the northeast trade area as of 2007. The net gaming revenue loss for Kansas was $326 million. The majority, $275 million, went to Missouri, while $52 million went to Oklahoma.

The gaming revenues forecasted in scenarios 1 through 3A for 2012 were based on the assumptions set forth in each scenario. The addition of the casino in Wyandotte County is the key assumption of scenario 1. Total gaming revenues from Kansas increased from an estimated $414 million (2007) to $445 million (2012). The net impact of adding Wyandotte County increased the amount of gaming revenues retained by Kansas from $88 million to $277 million, thereby reducing the Kansas gaming revenue deficit by $158 million.

Exhibit 2-4 Summary of the 2012 Flow of Gaming Revenues
(Dollars in Millions)

	Current 2007			S-1 2012			S-2 2012			S-3 2012			S-3-A 2012		
ST	**From**	**To**	**Dif**	**From**	**To**	**Dif**	**From**	**To**	**Dif**	**From**	**To**	**Dif**	**From**	**To**	**Dif**
IA	$0	$3	$3	$0	$3	$3	$0	$3	$3	$0	$3	$3	$0	$3	$3
KS	$414	$88	-$326	$445	$277	-$168	$445	$277	-$168	$458	$312	-$146	$458	$325	-$133
MO	$504	$779	$275	$516	$641	$126	$516	$638	$123	$527	$621	$94	$523	$601	$79
NE	$5	$0	-$5	$5	$0	-$5	$5	$0	-$5	$5	$0	-$5	$5	$0	-$5
OK	$0	$52	$52	$0	$45	$45	$0	$48	$48	$0	$54	$54	$0	$57	$57
Total	**$923**	**$923**	**$0**	**$966**	**$966**	**$0**	**$966**	**$966**	**$0**	**$990**	**$990**	**$0**	**$985**	**$985**	**$0**

Data Source: Wells Gaming Research, May 2008.

Scenario 2, shown above in Exhibit 2-4, includes the existing casinos, as well as the new casino in Wyandotte County discussed in scenario 1. Scenario 2 also includes six casino expansions: one at the Sac & Fox Casino in Powhattan, Kansas, tentatively scheduled to open in March of 2008; and five expansions that are targeted to open at Oklahoma Tribal casinos between 2008 and 2009. Included are the Creek Nation Casino in Tulsa, the Cherokee Casino Resort in Catoosa, Kickapoo Casino in McLoud, the Osage Million Dollar Elm in Ponca City, and the Cherokee Casino West Siloam Springs in Watts. These Oklahoma casino expansions are too far away to trigger much change in gaming revenues for the trade area of the northeast gaming zone. No changes are projected for the gaming revenues coming from or going to Kansas. The net loss to Kansas remains at $168 million in scenario 2. However, the net gaming revenues flowing to Missouri decline by $3 million (down from

$126 million to $123 million), while the gaming revenues flowing to Oklahoma increase by $3 million (up from $45 million to $48 million).

Scenario 3 includes the casino additions and expansions included in scenarios 1 and 2, plus 18 new proposed casinos, including the Wyandotte 7th Street Casino located in Kansas City, Kansas, a new casino in nearby Sugar Creek, Missouri, and 800 slot machines at the Woodlands Racetrack. The Wyandotte 7th Street Casino and the 18 proposed casinos are assumed to be in operation between 2008 and 2010 (refer to page 2-19 for a detailed listing). Total gaming revenues for scenario 3 have been projected at $990 million. Of the total, $458 million would come from Kansas with $312 million staying in Kansas. The net loss for Kansas would decline from $326 million (2007 current status) to $146 million (Scenario 3), or by $180 million.

Scenario 3A included scenario 3 with the exception of the Wild Rose Entertainment Casino planned for Sugar Creek, Missouri. Exhibit 2-4, page 2-5, shows the overall gaming revenues decline from $990 million (scenario 3) to $985 in (scenario 3A) reflecting the loss of the Wild Rose. However, the picture improves for Kansas. The total gaming revenues remain constant at $458 million, but the revenues staying in Kansas increase from $312 to $325 million (up $13 million without the Wild Rose, Sugar Creek casino).

Detailed Report For
Northeast Gaming Zone Trade Area

Population statistics are one of the key variables used in WGR's gravity model. WGR compiled statistics for both the total and adult segments of the population for the northeast trade area. However, due to the age restrictions on casino gaming, only the adult statistics were used in the gravity model's gaming revenue projections**.**

Total & Adult Population Statistics

Exhibit 2-5 shows that the total population for the northeast trade area was approximately 3 million in 2007. Of this, 2.2 million (69.6%) were adults. The statistics show 1.0 million adults in Kansas (68.9% of the total), approximately 1.1 million in Missouri (70.3%), and over 13 thousand adults in Nebraska (71.4% of the total population included in the northeast trade area).

The total population is projected to be 3.2 million in 2012. Of the total, 2.2 million (69.6%) are adults. The split between total and adult shows over 1.1 million adults in Kansas (69.0% of the total), approximately 1.2 million in Missouri (70.2%), and over 13 thousand adults in Nebraska (71.4%).

Exhibit 2-5 Total & Adult Population Statistics

		2000 Total & Adult				2007 Total & Adult				2012 Total & Adult			
ST	**# of CO**	**Total**	**Adult**	**Adult as a % of Total**	**Adult % of Adult Total**	**Total**	**Adult**	**Adult as a % of Total**	**Adult % of Adult Total**	**Total**	**Adult**	**Adult as a % of Total**	**Adult % of Adult Total**
KS	32	1,389,813	957,425	68.9%	46.3%	1,471,327	1,014,311	68.9%	46.7%	1,524,101	1,051,085	69.0%	46.9%
MO	36	1,561,199	1,096,996	70.3%	53.0%	1,631,872	1,146,430	70.3%	52.7%	1,672,508	1,174,840	70.2%	52.5%
NE	3	20,194	14,433	71.5%	0.7%	18,630	13,311	71.4%	0.6%	18,267	13,051	71.4%	0.6%
TOT	**71**	**2,971,206**	**2,068,854**	**69.6%**	**100.0%**	**3,121,829**	**2,174,051**	**69.6%**	**100.0%**	**3,214,876**	**2,238,976**	**69.6%**	**100.0%**

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research.

Exhibit 2-6 illustrates that the total population for the six counties surrounding the casino in Wyandotte County was 1.7 million in 2007. Projections show an increase to approximately 1.8 million by 2012. Of the total, 32% would be located in Johnson County, Kansas, while 38% would be located in Jackson, Missouri. The trade area total for 2007 was 3.1 million with projections for 3.2 million by 2012. Overall, the average compound growth rate has been projected at 0.6% for the 2007 to 2012 period.

Exhibit 2-6 Total Population Statistics

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Johnson KS	451,086	514,020	522,451	531,013	539,727	548,578	557,579	566,720	1.6%	32%
	Leavenworth KS	68,691	71,413	71,803	72,193	72,585	72,979	73,378	73,775	0.5%	4%
	Wyandotte KS	157,882	152,385	151,399	150,413	149,441	148,470	147,512	146,556	-0.6%	8%
	Clay MO	184,006	206,957	209,136	211,339	213,564	215,813	217,845	219,896	1.0%	12%
	Jackson MO	654,880	664,078	664,994	665,910	666,828	667,748	668,733	669,720	0.1%	38%
	Platte MO	73,781	83,061	84,340	85,638	86,956	88,295	89,488	90,696	1.5%	5%
6	**Total Surrounding Counties**	**1,590,326**	**1,691,914**	**1,704,123**	**1,716,506**	**1,729,101**	**1,741,883**	**1,754,535**	**1,767,363**	**0.7%**	**100%**
29	**Total Kansas Counties - *Excluding Surrounding Counties***	**712,154**	**723,577**	**725,674**	**727,822**	**730,024**	**732,308**	**734,645**	**737,050**	**0.3%**	
33	**Total Missouri Counties - *Excluding Surrounding Counties***	**648,532**	**669,632**	**673,402**	**677,228**	**681,107**	**685,048**	**688,599**	**692,196**	**0.6%**	
3	**Total Nebraska**	**20,194**	**18,707**	**18,630**	**18,553**	**18,477**	**18,401**	**18,334**	**18,267**	**-0.4%**	
71	**Total Trade Area Pop**	**2,971,206**	**3,103,830**	**3,121,829**	**3,140,109**	**3,158,709**	**3,177,640**	**3,196,113**	**3,214,876**	**0.6%**	

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research.

The adult population was approximately 1.2 million in 2007 for the counties surrounding the casino in Wyandotte County (refer to Exhibit 2-7). Projections for 2012 indicate a minor increase to 1.23 million with 38% in Jackson County Missouri and 32% in Johnson County, Kansas. The total adult population of 2.2 million in 2007 is expected to increase to 2.24 million by 2012. Overall, the average compound growth rate has been projected at 0.6% between 2007 and 2012.

Exhibit 2-7 Adult Population Statistics

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Johnson KS	314,676	358,581	364,462	370,431	376,520	382,689	388,966	395,339	1.6%	32%
	Leavenworth KS	47,782	49,676	49,948	50,217	50,490	50,764	51,042	51,318	0.5%	4%
	Wyandotte KS	105,745	102,067	101,401	100,741	100,090	99,447	98,798	98,159	-0.6%	8%
	Clay MO	129,559	145,719	147,253	148,804	150,371	151,954	153,385	154,829	1.0%	13%
	Jackson MO	460,385	466,851	467,495	468,139	468,784	469,431	470,124	470,818	0.1%	38%
	Platte MO	52,218	58,786	59,691	60,610	61,543	62,490	63,335	64,189	1.5%	5%
6	**Total Surrounding Counties**	**1,110,365**	**1,181,680**	**1,190,250**	**1,198,942**	**1,207,798**	**1,216,776**	**1,225,649**	**1,234,652**	**0.7%**	**100%**
29	**Total Kansas Counties - *Excluding Surrounding Counties***	**489,222**	**497,072**	**498,500**	**499,970**	**501,471**	**503,032**	**504,631**	**506,269**	**0.3%**	
33	**Total Missouri Counties - *Excluding Surrounding Counties***	**454,834**	**469,377**	**471,990**	**474,642**	**477,330**	**480,061**	**482,516**	**485,004**	**0.5%**	
3	**Total Nebraska**	**14,433**	**13,366**	**13,311**	**13,256**	**13,201**	**13,146**	**13,098**	**13,051**	**-0.4%**	
71	**Total Trade Area Population**	**2,068,854**	**2,161,496**	**2,174,051**	**2,186,809**	**2,199,800**	**2,213,015**	**2,225,895**	**2,238,976**	**0.6%**	

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research.

Average Median Household Income

Exhibit 2-8 shows that average median household income statistics for 2007 show approximately $48 thousand for Kansas, $50 thousand for Missouri, and $40 thousand for Nebraska. The median household income projections for 2012 include approximately $56 thousand for Kansas (ACGR of 3.3%), $57 thousand for Missouri (ACGR of 2.7%), and $49 thousand for Nebraska (ACGR of 4.1%).

Exhibit 2-8 Average Median Household Income Statistics

# of Co	State	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12
32	KS	$38,336	$46,466	$47,985	$49,557	$51,184	$52,868	$54,612	$56,417	3.3%
36	MO	$41,111	$48,359	$49,660	$50,998	$52,372	$53,783	$55,232	$56,720	2.7%
3	NE	$30,331	$38,586	$40,160	$41,801	$43,510	$45,290	$47,145	$49,079	4.1%

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research.

Status Quo for the Northeast Trade Area

Status Quo Casino Revenues

Exhibit 2-9 shows that the status quo casino gaming revenues were $923 million for 2007 ($759 million within a 50 mile radius and approximately $164 million for other competing casinos). Without any casino expansions or additions, gaming revenues in the northeast trade area could be expected to increase to approximately $940.5 million by 2010, and to $952.2 million by 2012.

Exhibit 2-9 Revenues – 2007 Status Quo Northeast trade area

Revenue	2007	2008	2009	2010	2011	2012
Casinos w/in 50 miles	$759,348,000	$764,333,000	$769,402,000	$774,557,000	$779,590,000	$784,703,000
Other Casinos Competing w/in Trade Area	$163,641,400	$164,384,900	$165,140,600	$165,919,200	$166,696,800	$167,492,500
Total	**$922,989,400**	**$928,717,900**	**$934,542,600**	**$940,476,200**	**$946,286,800**	**$952,195,500**

Data Sources: Wells Gaming Research, April 2008.

Status Quo Visitors

Exhibit 2-10 illustrates that the status quo casino visitors for 2007 totaled approximately 14 million (11.8 million within a 50 mile radius, and approximately 2.2 million for other competing casinos). Absent any casino expansions or additions, the casino visitor counts could be expected to increase to approximately 14.4 million by 2012.

Exhibit 2-10 Casino Visitors – 2007 Status Quo Northeast trade area

Visitors	2007	2008	2009	2010	2011	2012
Casinos w/in 50 miles	11,782,925	11,858,085	11,934,550	12,012,280	12,088,190	12,165,341
Other Casinos	2,162,247	2,172,745	2,183,478	2,194,525	2,205,619	2,217,065
Total	**13,945,172**	**14,030,830**	**14,118,028**	**14,206,805**	**14,293,809**	**14,382,406**

Data Sources: Wells Gaming Research, April 2008.

Status Quo Gaming Revenue Flows

The status quo flow of casino revenues showing what could be expected if no new casino developments occurred are profiled in Exhibit 2-11. Focusing on 2007, an estimated $923 million in gaming revenues was generated in the northeast trade area. Of this amount, an estimated $414 million came from Kansas; however, Kansas only retained $88 million, a loss of $326 million.

If there were no casinos expansions or new casinos added, WGR estimates that $952 million could be generated in the northeast trade area by 2012. Of this amount, $431 million would come from Kansas. However, only an estimated $91 million would flow back to Kansas (a loss of over $340 million).

Exhibit 2-11 2007 Status Quo Estimates of the Casino Revenue Flows, Northeast Trade Area
Illustrates Where the Gaming Revenues Originated & Where They Went

Revenues Coming From								
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**ACGR**	**% 2012 Total**
KS	$414,186,842	$417,457,538	$420,805,847	$424,221,045	$427,702,492	$431,254,327	0.81%	45%
MO	$503,538,602	$506,015,208	$508,514,591	$511,053,330	$513,397,492	$515,774,822	0.48%	54%
NE	$5,264,895	$5,243,332	$5,222,491	$5,200,061	$5,183,145	$5,165,162	-0.38%	1%
Total	**$922,990,339**	**$928,716,078**	**$934,542,929**	**$940,474,436**	**$946,283,129**	**$952,194,311**	**0.62%**	**100%**

Revenues Going To								
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**ACGR**	**% Total**
IA	$3,431,000	$3,442,000	$3,452,000	$3,463,000	$3,473,000	$3,484,000	0.31%	0%
KS	$88,459,000	$88,869,000	$89,294,000	$89,733,000	$90,185,000	$90,653,000	0.49%	10%
MO	$778,840,000	$783,919,000	$789,082,000	$794,332,000	$799,456,000	$804,662,000	0.65%	85%
OK	$52,259,400	$52,487,900	$52,714,600	$52,948,200	$53,172,800	$53,396,500	0.43%	6%
Total	**$922,989,400**	**$928,717,900**	**$934,542,600**	**$940,476,200**	**$946,286,800**	**$952,195,500**	**0.62%**	**100%**

Data Sources: Wells Gaming Research, April 2008.

Status Quo Gaming Capacity

Gaming Capacity

Exhibit 2-12 shows that 18 casinos are currently located within approximately 150 miles of the proposed casino site for the northeast zone. The combined gaming capacities is 16,914 slot machines, 367 pit table games, 73 poker tables, 868 bingo seats, one race book, and 717,691 square feet of casino space. Other amenities located at existing casinos include 106,520 square feet of convention/meeting space, 1,331 hotel rooms, 52 restaurants, 17 entertainment venues, and 19,150 parking spaces.

Exhibit 2-12 Status Quo Casino Capacity Statistics

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Iowa:												
1	Terrible's Lakeside Casino	1,100	22	3	25	0	0	37,480	8,000	60	2	2	1,500
	Subtotal of Iowa	**1,100**	**22**	**3**	**25**	**0**	**0**	**37,480**	**8,000**	**60**	**2**	**2**	**1,500**
	Kansas:												
1	Casino White Cloud	350	6	3	9	500	0	21,000	0	0	1	0	500
2	Golden Eagle Casino	786	13	6	19	368	0	45,000	15,000	0	2	1	700
3	Prairie Band Casino & Resort	1,154	26	4	30	0	0	34,878	12,000	297	3	1	1,000
4	Sac & Fox Casino	500	7	0	7	0	0	53,000	0	0	4	0	400
	Subtotal of Kansas	**2,790**	**52**	**13**	**65**	**868**	**0**	**153,878**	**27,000**	**297**	**10**	**2**	**2,600**
	Missouri:												
1	Ameristar Casino Hotel - Kansas City	3,016	90	15	105	0	0	140,000	14,520	184	11	3	2,660
2	Argosy Riverside Casino Hotel & Spa	1,924	39	8	47	0	0	62,000	18,000	258	5	3	2,700
3	Harrah's North Kansas City Casino & Hotel	1,793	60	12	72	0	0	60,133	10,000	392	6	1	3,122
4	Isle of Capri Casino - Boonville	905	27	6	33	0	0	28,000	12,000	140	3	1	1,102
5	Isle of Capri Casino - Kansas City	1,525	26	6	32	0	0	40,000	0	0	5	1	1,618
6	Terrible's St. Jo Frontier Casino	585	11	0	11	0	0	32,000	7,000	0	1	2	663
	Subtotal of Missouri	**9,748**	**253**	**47**	**300**	**0**	**0**	**362,133**	**61,520**	**974**	**31**	**11**	**11,865**
	Oklahoma:												
1	Buffalo Run Casino	1,300	20	9	29	0	0	70,000	10,000	0	3	1	1,300
2	Eastern Shawnee Travel Plaza	186	0	0	0	0	0	3,000	0	0	0	0	150
3	High Winds Casino	500	8	0	8	0	0	35,000	0	0	2	0	450
4	Miami Tribe Entertainment	107	0	0	0	0	0	0	0	0	0	0	75
5	Peoria Gaming Center	200	0	0	0	0	0	4,200	0	0	1	0	250
6	Quapaw Casino	483	8	1	9	0	0	27,000	0	0	1	1	700
7	The Stables Casino	500	4	0	4	0	1	25,000	0	0	2	0	260
	Subtotal of Oklahoma	**3,276**	**40**	**10**	**50**	**0**	**1**	**164,200**	**10,000**	**0**	**9**	**2**	**3,185**
18	**Totals for Existing 18 Casinos**	**16,914**	**367**	**73**	**440**	**868**	**1**	**717,691**	**106,520**	**1,331**	**52**	**17**	**19,150**

Data Sources: Wells Gaming Research, April 2008.

Analyses of the Gaming Revenue Scenarios

WGR developed six scenarios for the northeast trade area. To project a range of potential gaming revenue outcomes, WGR developed three cases (low, mid, and high) for each scenario. The focus of the discussions that follow is on WGR's mid case results. The mid case was selected because it represents the most likely outcome.

Scenario 1

Scenario 1 includes the casinos currently competing for business within the northeast trade area, together with the addition of the proposed generic casino to be located in Wyandotte County.

The Wyandotte Casino has been projected to start operations in 2010 with a gaming capacity that includes 3,000 slot machines and 100 table games. Other assumed amenities include 100,000 square feet of convention/meeting space, 500 hotel rooms, six restaurants, and five entertainment venues (three small and two large).

Revenue Projections

The gaming revenue projections shown in Exhibit 2-13 include WGR's low, mid, and high case forecasts for 2010, and 2012. The mid case projections show casino gaming revenues of $954 million for 2010, increasing to $966 million by 2012. The percentage increases in gaming revenues over 2007 is 3.36% for 2010 and 4.7% for 2012. The mid case gaming revenue projections for Wyandotte County are $198 million for 2010 increasing to $201 million for 2012.

Exhibit 2-13 Revenues for Scenario 1
Includes all Existing Casinos + Wyandotte County Proposed for 2010

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	$156,720,000	$159,175,000	$198,369,000	$201,491,000	$262,328,000	$266,433,000
Casinos w/in 50 miles	$759,348,000	$650,898,000	$659,018,000	$615,982,000	$623,502,000	$562,857,000	$569,496,000
All Other Casinos	$163,641,400	$146,440,700	$147,815,700	$139,713,600	$141,015,600	$128,879,600	$130,082,700
Total Scenario 1	$922,989,400	**$954,058,700**	**$966,008,700**	**$954,064,600**	**$966,008,600**	**$954,064,600**	**$966,011,700**

Data Sources: Wells Gaming Research, April 2008.

Gaming Revenue Impacts

Exhibit 2-14 shows that the major gaming revenue impact of adding Wyandotte County would be a $159 million reduction in the category captioned *casinos located within 50 miles*. WGR anticipates that this impact could increase to more than $161 million by 2012.

Exhibit 2-14 Revenue Impacts for Scenario 1
Includes all Existing Casinos + the Casino in Wyandotte County Proposed for 2010

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Wyandotte County Proposed	$0	$156,720,000	$159,175,000	$198,369,000	$201,491,000	$262,328,000	$266,433,000
Casinos w/in 50 miles	$0	-$123,659,000	-$125,685,000	-$158,575,000	-$161,201,000	-$211,700,000	-$215,207,000
All Other Casinos	$0	-$19,478,500	-$19,676,800	-$26,205,600	-$26,476,900	-$37,039,600	-$37,409,800
Total Scenario 1	**$0**	**$13,582,500**	**$13,813,200**	**$13,588,400**	**$13,813,100**	**$13,588,400**	**$13,816,200**

Data Sources: Wells Gaming Research, April 2008.

Forecasted Flow Funds

Scenario 1 shows that the northeast trade area generated an estimated $923 million in gaming revenues in 2007 (refer to the first section of Exhibit 2-15 captioned *Scenario 1 Revenues Coming From*). Of this amount, more than $414 million was generated in Kansas. Of the $414 million, an estimated $88.5 million stayed in Kansas (a loss of $326 million). Refer to the third section of Exhibit 2-15 captioned *Scenario 1 Mid Case - Revenues Going To*.

Conversely, $504 million of the $923 million was generated in Missouri in 2007, while $779 million went to Missouri (a $275 million gain).

WGR's projections of the anticipated shifts in casino revenue flows indicate that of the $438 million projected to be generated in Kansas in 2010, $273 million would stay in Kansas. The net loss would decline from the 2007 level of $326 million to $165 million by 2010.

Exhibit 2-15 Flows of Gaming Revenue Funds for Scenario 1
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 1 Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$414,186,842	44.9%	$417,457,538	$420,805,847	$437,796,175	45.9%	$441,390,943	$445,057,329	46.1%
MO	$503,538,602	54.6%	$506,015,208	$508,514,591	$511,064,763	53.6%	$513,409,080	$515,786,564	53.4%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.5%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$928,716,078**	**$934,542,929**	**$954,060,999**	**100.0%**	**$959,983,168**	**$966,009,055**	**100.0%**
Scenario 1 Low Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,442,000	$3,452,000	$3,033,000	0.3%	$3,042,000	$3,050,000	0.3%
KS	$88,459,000	9.6%	$88,869,000	$89,294,000	$235,128,000	24.6%	$236,747,000	$238,403,000	24.7%
MO	$778,840,000	84.4%	$783,919,000	$789,082,000	$669,200,000	70.1%	$673,311,000	$677,488,000	70.1%
OK	$52,259,400	5.7%	$52,487,900	$52,714,600	$46,697,700	4.9%	$46,883,200	$47,067,700	4.9%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$934,542,600**	**$954,058,700**	**100.0%**	**$959,983,200**	**$966,008,700**	**100.0%**
Scenario 1 Mid Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,442,000	$3,452,000	$2,888,000	0.3%	$2,895,000	$2,903,000	0.3%
KS	$88,459,000	9.6%	$88,869,000	$89,294,000	$272,905,000	28.6%	$274,838,000	$276,813,000	28.7%
MO	$778,840,000	84.4%	$783,919,000	$789,082,000	$633,767,000	66.4%	$637,578,000	$641,449,000	66.4%
OK	$52,259,400	5.7%	$52,487,900	$52,714,600	$44,504,600	4.7%	$44,671,900	$44,843,600	4.6%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$934,542,600**	**$954,064,600**	**100.0%**	**$959,982,900**	**$966,008,600**	**100.0%**
Scenario 1 High Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,442,000	$3,452,000	$2,651,000	0.3%	$2,658,000	$2,665,000	0.3%
KS	$88,459,000	9.6%	$88,869,000	$89,294,000	$330,654,000	34.7%	$333,050,000	$335,494,000	34.7%
MO	$778,840,000	84.4%	$783,919,000	$789,082,000	$579,773,000	60.8%	$583,143,000	$586,565,000	60.7%
OK	$52,259,400	5.7%	$52,487,900	$52,714,600	$40,986,600	4.3%	$41,133,300	$41,287,700	4.3%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$934,542,600**	**$954,064,600**	**100.0%**	**$959,984,300**	**$966,011,700**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 2

Scenario 2 incorporates scenario 1 and the following casino expansions:

Kansas

1. Sac & Fox Casino in Powhattan, KS (March 2008)

Oklahoma

1. Creek Nation Casino in Tulsa, OK (September 2008)
2. Cherokee Casino Resort in Catoosa, OK (January 2009)
3. Cherokee Casino West Siloam Springs in Watts, OK (July 2009)
4. Kickapoo Casino in McLoud, OK (January 2009)
5. Osage Million Dollar Elm in Ponca City, OK (January 2009)

Revenue Forecasts

Exhibit 2-16 shows total gaming revenue projections of $954 million for scenario 2 for the 2010 mid case. Included were $197 flowing to Wyandotte County, $613 million going to *other casinos located within a 50-miles*, and $144 million going to *all other casinos* located in the northeast trade area. Total gaming revenue projections for the mid-case are close to the forecasts developed for scenario 1. However, with the expansions listed above, gaming revenues for Wyandotte County are expected to decrease from $198.4 million to $197.1 (a $1.3 million decline) in 2010, and from $201.5 million to $200.2 million in 2012 (a $1.3 million decrease).

Exhibit 2-16 Revenues for Scenario 2
Includes Scenario 1 + the Expansions Listed Above

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	$155,714,000	$158,159,000	$197,138,000	$200,247,000	$260,796,000	$264,885,000
Casinos w/in 50 miles	$759,348,000	$647,663,000	$655,753,000	$613,087,000	$620,580,000	$560,453,000	$567,069,000
All Other Casinos	$163,641,400	$150,686,600	$152,095,700	$143,836,700	$145,180,600	$132,812,900	$134,053,100
Total Scenario 2	**$922,989,400**	**$954,063,600**	**$966,007,700**	**$954,061,700**	**$966,007,600**	**$954,061,900**	**$966,007,100**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 2-17 illustrates that the gaming revenue impacts triggered by the casino expansions proposed in scenario 2 could result in the following revenue shifts when scenario 2 is compared with scenario 1. Shown are a loss of $1.2 million in 2010 for Wyandotte County, and a loss of $2.9 million for *casinos located within a 50-mile*s. The *all other casinos* category could expect an approximate gain of $4.1 million.

Exhibit 2-17 Includes the Revenue Impacts for Scenario 2
Scenario 2 Includes Scenario 1 + the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Wyandotte County Proposed	$0	-$1,006,000	-$1,016,000	-$1,231,000	-$1,244,000	-$1,532,000	-$1,548,000
Casinos w/in 50 miles	$0	-$3,235,000	-$3,265,000	-$2,895,000	-$2,922,000	-$2,404,000	-$2,427,000
All Other Casinos	$0	$4,245,900	$4,280,000	$4,123,100	$4,165,000	$3,933,300	$3,970,400
Total Scenario 2	**$0**	**$4,900**	**-$1,000**	**-$2,900**	**-$1,000**	**-$2,700**	**-$4,600**

Data Sources: Wells Gaming Research, April 2008.

Revenue Flows

The addition of Wyandotte County (scenario 1), together with the expansions at the casinos listed on page 2-16 (scenario 2), trigger the shifts in casino revenue flows that are shown in Exhibit 2-18. Out of the $438 million generated in Kansas in 2010 (refer to the first section of Exhibit 2-18 captioned *Scenario 2 Revenues Coming From*), an estimated $273 million would stay in Kansas in the 2010 mid case (refer to the third section of Exhibit 2-18 captioned *Scenario 2 Mid Case - Revenues Going To*). With the addition of the casino in Wyandotte County and the casino expansions included in scenario 2, the net loss would decline from $326 million (2007) to $165 million (2010).

Given the scenario 2 assumptions, Missouri would continue to be the biggest recipient of the gaming revenues generated in the northeast trade area. The net difference between what could be generated in Missouri and what could flow back to Missouri (scenario 2 mid case) has been estimated at $120 million.

Exhibit 2-18 Flows of Gaming Revenue Funds for Scenario 2
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 2 Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$414,186,842	44.9%	$417,457,538	$420,805,847	$437,796,175	45.9%	$441,390,943	$445,057,329	46.1%
MO	$503,538,602	54.6%	$506,015,208	$508,514,591	$511,064,763	53.6%	$513,409,080	$515,786,564	53.4%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.5%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$928,716,078**	**$934,542,929**	**$954,060,999**	**100.0%**	**$959,983,168**	**$966,009,055**	**100.0%**
Scenario 2 Low Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,379,000	$2,974,000	0.3%	$2,982,000	$2,991,000	0.3%
KS	$88,459,000	9.6%	$91,076,000	$90,919,000	$235,742,000	24.7%	$237,364,000	$239,021,000	24.7%
MO	$778,840,000	84.4%	$781,122,000	$784,324,000	$665,741,000	69.8%	$669,834,000	$673,996,000	69.8%
OK	$52,259,400	5.7%	$53,121,900	$55,920,800	$49,606,600	5.2%	$49,805,100	$49,999,700	5.2%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$934,542,800**	**$954,063,600**	**100.0%**	**$959,985,100**	**$966,007,700**	**100.0%**
Scenario 2 Mid Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,379,000	$2,833,000	0.3%	$2,841,000	$2,849,000	0.3%
KS	$88,459,000	9.6%	$91,076,000	$90,919,000	$273,277,000	28.6%	$275,212,000	$277,186,000	28.7%
MO	$778,840,000	84.4%	$781,122,000	$784,324,000	$630,663,000	66.1%	$634,460,000	$638,316,000	66.1%
OK	$52,259,400	5.7%	$53,121,900	$55,920,800	$47,288,700	5.0%	$47,472,200	$47,656,600	4.9%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$934,542,800**	**$954,061,700**	**100.0%**	**$959,985,200**	**$966,007,600**	**100.0%**
Scenario 2 High Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,379,000	$2,604,000	0.3%	$2,611,000	$2,618,000	0.3%
KS	$88,459,000	9.6%	$91,076,000	$90,919,000	$330,696,000	34.7%	$333,089,000	$335,533,000	34.7%
MO	$778,840,000	84.4%	$781,122,000	$784,324,000	$577,184,000	60.5%	$580,540,000	$583,951,000	60.4%
OK	$52,259,400	5.7%	$53,121,900	$55,920,800	$43,577,900	4.6%	$43,743,600	$43,905,100	4.5%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$934,542,800**	**$954,061,900**	**100.0%**	**$959,983,600**	**$966,007,100**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 3

Scenario 3 includes scenario 2, plus the other proposed casinos listed below:

Kansas
1. Wyandotte 7th Street Casino in Kansas City, KS (January 2008)
2. The Woodlands in Kansas City, KS (January 2009)
3. Camptown Greyhound Park planned for in Frontenac, KS (January 2009)
4. Cherokee County planned in Baxter Springs, KS (January 2010)
5. Sumner County planned in Wellington, KS (January 2010)

Missouri
1. Barden Development, Inc. planned in Branson, MO (targeted for 2010)
2. Wild Rose Entertainment casino planned for Sugar Creek, MO (January 2010)

Oklahoma
1. Downstream Casino Resort in Ottawa, OK (July 2008)
2. First Council Casino in for Newkirk, OK (March 2008)
3. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (July 2008)
4. Ioway Casino Resort in Lincoln, OK (January 2009)
5. Muscogee Creek Nation planned in Eufaula, OK (planned for 2010)
6. Pawnee Nation Planned in Chilocco, OK (targeted or 2010)
7. Ponca Tribe Oklahoma planned in Ponca City, OK (proposed for 2010)
8. Poteau Travel and Smoke Shop in Poteau, OK (planned for 2010)
9. Shawnee Tribe Oklahoma planned in Oklahoma City, OK (targeted for 2010)
10. Wichita & Affiliated Tribes planned in Hinton, OK (proposed for 2010)
11. Wilburton Travel and Smoke Shop in Wilburton, OK (planned for 2010)

Revenue Forecasts

Exhibit 2-19 illustrates that the scenario 3 forecasts for total gaming revenues were $978 million for the 2010 mid case. Allocations include $173 million for *Wyandotte County*, $27.5 million for the *Woodlands Race Track*, $76.5 million for *proposed casinos within a 50-mile radius*, $35.5 million for *other proposed casinos*, $539 for *casinos located within 50 miles*, and $127 million for *all other casinos* located within the northeast trade area.

Exhibit 2-19 Revenues for Scenario 3
Scenario 3 Includes Scenario 2 + the Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	$134,597,000	$136,729,000	$173,005,000	$175,752,000	$233,277,000	$236,958,000
*The Woodlands	$0	$30,067,000	$30,496,000	$27,472,000	$27,865,000	$23,834,000	$24,174,000
*Proposed Casinos w/in 50 miles	$0	$80,019,000	$80,915,000	$76,456,000	$77,293,000	$70,814,000	$71,561,000
*Other Proposed Casinos	$0	$36,530,700	$36,780,900	$35,441,200	$35,677,300	$33,648,300	$33,863,400
Casinos w/in 50 miles	$759,348,000	$564,779,000	$571,879,000	$538,786,000	$545,431,000	$498,096,000	$504,051,000
All Other Casinos	$163,641,400	$131,705,800	$132,964,100	$126,539,500	$127,740,700	$118,029,300	$119,150,300
Total Scenario 3	**$922,989,400**	**$977,698,500**	**$989,764,000**	**$977,699,700**	**$989,759,000**	**$977,698,600**	**$989,757,700**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 2-20 indicates that a large share of the gaming revenue impacts in the 2010 mid case have been forecasted to go to proposed *casinos located within 50 miles* ($76.5 million), as well as the *other proposed casinos* ($35.4 million). The biggest losses are forecasted for *casinos within 50 miles* ($74 million), and the *Wyandotte County* ($24 million).

Exhibit 2-20 Revenue Impacts of Scenario 3
Scenario 3 Includes Scenario 2 + Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	-$21,117,000	-$21,430,000	-$24,133,000	-$24,495,000	-$27,519,000	-$27,927,000
*The Woodlands	$0	$30,067,000	$30,496,000	$27,472,000	$27,865,000	$23,834,000	$24,174,000
*Proposed Casinos w/in 50 miles	$0	$80,019,000	$80,915,000	$76,456,000	$77,293,000	$70,814,000	$71,561,000
*Other Proposed Casinos	$0	$36,530,700	$36,780,900	$35,441,200	$35,677,300	$33,648,300	$33,863,400
Casinos w/in 50 miles	$0	-$82,884,000	-$83,874,000	-$74,301,000	-$75,149,000	-$62,357,000	-$63,018,000
All Other Casinos	$0	-$18,980,800	-$19,131,600	-$17,297,200	-$17,439,900	-$14,783,600	-$14,902,800
Total Scenario 3	**$0**	**$23,634,900**	**$23,756,300**	**$23,638,000**	**$23,751,400**	**$23,636,700**	**$23,750,600**

Data Sources: Wells Gaming Research, April 2008.

Revenue Flows

Exhibit 2-21 illustrates the impact of the proposed casinos in Kansas, Missouri, and Oklahoma listed under scenario 3. Kansas would generate $450 million in gaming revenues for 2010 in scenario 3 (refer to the first section of Exhibit 2-21 captioned *Scenario 3 Revenues Coming From).* Of this amount, the mid case shows that $308 million would stay in Kansas. The net loss would be $142 million (refer to the third section of Exhibit 2-21 captioned *Scenario 3 Mid Case - Revenues Going To).* This compares with the net loss sustained in 2007 of $326 million without the casino additions or expansions.

Given the scenario 3 assumptions, Missouri could generate $522 million in the 2010. Of this amount, $614 million should stay in Missouri for an estimated gain of $92 million in the 2010 mid case.

Exhibit 2-21 Flow of Gaming Revenue Funds for Scenario 3
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 3 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$414,186,842	44.9%	$423,652,322	$443,800,724	$450,309,623	46.1%	$453,908,437	$457,579,439	46.2%
MO	$503,538,602	54.6%	$507,231,917	$515,228,137	$522,188,007	53.4%	$524,584,410	$527,014,529	53.2%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.5%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$936,127,571**	**$964,251,352**	**$977,697,691**	**100.0%**	**$983,675,992**	**$989,759,130**	**100.0%**

Scenario 3 Low Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,592,000	0.3%	$2,599,000	$2,606,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$276,469,000	28.3%	$278,278,000	$280,127,000	28.3%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$642,410,000	65.7%	$646,357,000	$650,365,000	65.7%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$56,227,500	5.8%	$56,445,200	$56,666,000	5.7%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$977,698,500**	**100.0%**	**$983,679,200**	**$989,764,000**	**100.0%**

Scenario 3 Mid Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,487,000	0.3%	$2,493,000	$2,500,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$307,684,000	31.5%	$309,754,000	$311,871,000	31.5%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$613,558,000	62.8%	$617,256,000	$621,013,000	62.7%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$53,970,700	5.5%	$54,171,400	$54,375,000	5.5%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$977,699,700**	**100.0%**	**$983,674,400**	**$989,759,000**	**100.0%**

Scenario 3 High Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,312,000	0.2%	$2,318,000	$2,324,000	0.2%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$356,873,000	36.5%	$359,345,000	$361,864,000	36.6%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$568,240,000	58.1%	$571,560,000	$574,933,000	58.1%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$50,273,600	5.1%	$50,455,200	$50,636,700	5.1%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$977,698,600**	**100.0%**	**$983,678,200**	**$989,757,700**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 3A

The data shown in Exhibit 2-22 for scenario 3A is the same as scenario 3, but without the Wild Rose Entertainment Casino that is planned for Sugar Creek, Missouri.

Revenue Forecasts

Overall, the mid case revenue projections for scenario 3A for 2010 are $5 million lower than in scenario 3 ($978 versus $973). The biggest difference would be *for proposed casinos located within a 50-mile radius*. The scenario 3 total was $76.5 million. In scenario 3A, revenues for this group slip to $20 million reflecting, in part, the loss of the Wild Rose.

Exhibit 2-22 Revenues for Scenario 3A
Scenario 3A Includes Scenario 3 w/o the Wild Rose Sugar Creek Casino

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	$141,099,000	$143,341,000	$180,935,000	$183,813,000	$243,089,000	$246,923,000
*The Woodlands	$0	$31,529,000	$31,980,000	$28,742,000	$29,155,000	$24,850,000	$25,205,000
*Proposed Casinos w/in 50 miles	$0	$21,049,000	$21,265,000	$19,818,000	$20,014,000	$17,934,000	$18,102,000
*Other Proposed Casinos	$0	$37,669,300	$37,928,500	$36,479,700	$36,725,900	$34,534,800	$34,758,900
Existing Casinos w/in 50 miles	$759,348,000	$605,441,000	$612,987,000	$576,408,000	$583,448,000	$531,134,000	$537,416,000
All Other Existing Casinos	$163,641,400	$136,522,300	$137,816,600	$130,925,500	$132,165,600	$121,762,300	$122,918,500
Total Scenario 3A	**$922,989,400**	**$973,309,600**	**$985,318,100**	**$973,308,200**	**$985,321,500**	**$973,304,100**	**$985,323,400**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

The gaming revenue impacts linked to scenario 3A show an overall net gain of $19 million (refer to Exhibit 2-23). The major gains are in the category captioned *other proposed casinos* ($36.5 million) and *the Woodlands* ($29 million). The *casinos located within 50 miles* ($37 million) and *Wyandotte County* ($16 million) are the most likely to sustain the major losses.

Exhibit 2-23 Revenue Impacts for Scenario 3A
Scenario 3A Includes Scenario 3 w/o the Wild Rose Sugar Creek Casino

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Wyandotte County Proposed	$0	-$14,615,000	-$14,818,000	-$16,203,000	-$16,434,000	-$17,707,000	-$17,962,000
*The Woodlands	$0	$31,529,000	$31,980,000	$28,742,000	$29,155,000	$24,850,000	$25,205,000
*Proposed Casinos w/in 50 miles	$0	$21,049,000	$21,265,000	$19,818,000	$20,014,000	$17,934,000	$18,102,000
*Other Proposed Casinos	$0	$37,669,300	$37,928,500	$36,479,700	$36,725,900	$34,534,800	$34,758,900
Existing Casinos w/in 50 miles	$0	-$42,222,000	-$42,766,000	-$36,679,000	-$37,132,000	-$29,319,000	-$29,653,000
All Other Existing Casinos	$0	-$14,164,300	-$14,279,100	-$12,911,200	-$13,015,000	-$11,050,600	-$11,134,600
Total Scenario 3A	**$0**	**$19,246,000**	**$19,310,400**	**$19,246,500**	**$19,313,900**	**$19,242,200**	**$19,316,300**

Data Sources: Wells Gaming Research, April 2008.

Revenue Flows

Exhibit 2-24 shows the gaming revenue flows for scenario 3A (excludes the Wild Rose). Kansas has been projected to generate more than $450 million in gaming revenues in 2010 (refer to the first section of Exhibit 2-24 captioned *Scenario 3A Revenues Coming From).* Approximately $320 would go to Kansas in the mid case, a net loss of $130 million (refer to the third section of Exhibit 2-24 captioned *Scenario 3A Mid Case - Revenues Going To)*.

Missouri has been forecasted to generate $518 million in gaming revenues in 2010. In the 2010 mid case, $594 million has been projected to stay in Missouri (a net gain of $76 million). This compares with scenario 3 (includes the Wild Rose), wherein Missouri generated $522 million in gaming revenues and retained approximately $614 million (a net gain of $92 million).

Exhibit 2-24 Flows of Gaming Revenue Funds for Scenario 3A
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 3A Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$414,186,842	44.9%	$423,652,322	$443,800,724	$450,309,623	46.3%	$453,908,437	$457,579,439	46.4%
MO	$503,538,602	54.6%	$507,231,917	$515,228,137	$517,799,515	53.2%	$520,172,606	$522,579,323	53.0%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.5%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$936,127,571**	**$964,251,352**	**$973,309,199**	**100.0%**	**$979,264,188**	**$985,323,924**	**100.0%**
Scenario 3A Low Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,724,000	0.3%	$2,731,000	$2,739,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$288,238,000	29.6%	$290,128,000	$292,063,000	29.6%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$623,778,000	64.1%	$627,608,000	$631,492,000	64.1%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$58,569,600	6.0%	$58,794,100	$59,024,100	6.0%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$973,309,600**	**100.0%**	**$979,261,100**	**$985,318,100**	**100.0%**
Scenario 3A Mid Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,607,000	0.3%	$2,614,000	$2,621,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$320,330,000	32.9%	$322,491,000	$324,699,000	33.0%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$594,273,000	61.1%	$597,846,000	$601,475,000	61.0%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$56,098,200	5.8%	$56,308,700	$56,526,500	5.7%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$973,308,200**	**100.0%**	**$979,259,700**	**$985,321,500**	**100.0%**
Scenario 3A High Case - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,415,000	0.2%	$2,421,000	$2,427,000	0.2%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$370,617,000	38.1%	$373,183,000	$375,801,000	38.1%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$548,197,000	56.3%	$551,389,000	$554,634,000	56.3%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$52,075,100	5.4%	$52,270,700	$52,461,400	5.3%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$973,304,100**	**100.0%**	**$979,263,700**	**$985,323,400**	**100.0%**

Data Sources: Wells Gaming Research, April 2008.

Scenario 4

Scenario 4 was developed to evaluate the impact of the Woodlands Race Track on the gaming revenue forecasts.

Scenario 4 includes the casinos currently in operation (same as in scenario 1), and the mid case for the Woodlands Race Track. The gaming capacity additions are limited to the Woodlands Racetrack and include approximately 800 slot machines and a race book. Other amenities proposed for the Woodlands Race Track include four restaurants.

Revenue Forecasts

The total gaming revenues profiled in Exhibit 2-25 are within $3 million of scenario 1, $954 million for scenario 1 versus $951 million for scenario 4 with the Woodlands Race Track. The allocation of projected gaming revenues would be approximately $47 million for the category captioned *the Woodlands*, $741 million for *casinos located within 50 miles*, and $162 million for *all other casinos*.

Exhibit 2-25 Revenues for Scenario 4
Scenario 4 Includes the Current Casinos + the Woodlands Race Track

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*The Woodlands	$0	$25,878,000	$26,179,000	$47,329,000	$47,934,000	$66,491,000	$67,384,000
Casinos w/in 50 Miles	$759,348,000	$759,991,000	$769,988,000	$741,444,000	$751,167,000	$724,998,000	$734,461,000
All Other Casinos	$163,641,400	$164,709,400	$166,271,700	$161,806,700	$163,341,900	$159,091,300	$160,596,300
Total Scenario 4	**$922,989,400**	**$950,578,400**	**$962,438,700**	**$950,579,700**	**$962,442,900**	**$950,580,300**	**$962,441,300**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 2-26 illustrates the changes in gaming revenue allocations that may be expected when the Woodlands Race Track is added to the current situation without any other casino additions or expansions.

Exhibit 2-26 Revenue Impacts for Scenario 4
Scenario 4 Includes the Current Casinos + the Woodlands Race Track

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*The Woodlands	$0	$25,878,000	$26,179,000	$47,329,000	$47,934,000	$66,491,000	$67,384,000
Casinos w/in 50 Miles	$0	-$14,566,000	-$14,715,000	-$33,113,000	-$33,536,000	-$49,559,000	-$50,242,000
All Other Casinos	$0	-$1,209,800	-$1,220,800	-$4,112,500	-$4,150,600	-$6,827,900	-$6,896,200
Total Scenario 4	**$0**	**$10,102,200**	**$10,243,200**	**$10,103,500**	**$10,247,400**	**$10,104,100**	**$10,245,800**

Data Sources: Wells Gaming Research, April 2008.

Revenue Flows

Exhibit 2-27 shows the scenario 4 forecasts with the Woodlands Race Track. The anticipated shifts in casino revenue flows indicate that $434 million was projected to be generated in Kansas in the 2010 (refer to the first section of Exhibit 2-27 captioned *Scenario 4 Revenues Coming From).* An estimated $135 million would stay in Kansas (refer to the third section of Exhibit 2-27 captioned *Scenario 4 Mid - Revenues Going To).* The net loss to Kansas would be $299 million.

Given the scenario 4 assumptions, Missouri would generate $511 million in 2010. In the 2010 mid case forecasts, $761 million in gaming revenue has been forecasted to stay in Missouri, for a gain of $250 million.

Exhibit 2-27 Flows of Gaming Revenue Funds for Scenario 4
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 4 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2007	2011	2012	% 2012
KS	$414,186,842	44.9%	$417,457,538	$430,761,089	$434,246,063	47.0%	$437,798,317	$441,421,637	45.9%
MO	$503,538,602	54.6%	$506,015,208	$508,591,673	$511,131,612	55.4%	$513,476,830	$515,855,222	53.6%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.6%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$928,716,078**	**$944,575,253**	**$950,577,736**	**103.0%**	**$956,458,292**	**$962,442,021**	**100.0%**

Scenario 4 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2007	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,442,000	$3,415,000	$3,426,000	0.4%	$3,436,000	$3,446,000	0.4%
KS	$88,459,000	9.6%	$88,869,000	$114,299,000	$114,886,000	12.4%	$115,486,000	$116,105,000	12.1%
MO	$778,840,000	84.4%	$783,919,000	$774,438,000	$779,612,000	84.5%	$784,662,000	$789,791,000	82.1%
OK	$52,259,400	5.7%	$52,487,900	$52,420,600	$52,654,400	5.7%	$52,875,000	$53,096,700	5.5%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$944,572,600**	**$950,578,400**	**103.0%**	**$956,459,000**	**$962,438,700**	**100.0%**

Scenario 4 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2007	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,442,000	$3,352,000	$3,362,000	0.4%	$3,372,000	$3,382,000	0.4%
KS	$88,459,000	9.6%	$88,869,000	$133,912,000	$134,645,000	14.6%	$135,388,000	$136,152,000	14.1%
MO	$778,840,000	84.4%	$783,919,000	$755,827,000	$760,863,000	82.4%	$765,775,000	$770,766,000	80.1%
OK	$52,259,400	5.7%	$52,487,900	$51,488,200	$51,709,700	5.6%	$51,923,200	$52,142,900	5.4%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$944,579,200**	**$950,579,700**	**103.0%**	**$956,458,200**	**$962,442,900**	**100.0%**

Scenario 4 - High Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2007	2011	2012	% 2012
IA	$3,431,000	0.4%	$3,442,000	$3,293,000	$3,303,000	0.4%	$3,312,000	$3,322,000	0.3%
KS	$88,459,000	9.6%	$88,869,000	$151,355,000	$152,225,000	16.5%	$153,104,000	$154,007,000	16.0%
MO	$778,840,000	84.4%	$783,919,000	$739,320,000	$744,224,000	80.6%	$749,005,000	$753,864,000	78.3%
OK	$52,259,400	5.7%	$52,487,900	$50,603,600	$50,828,300	5.5%	$51,037,800	$51,248,300	5.3%
Total	**$922,989,400**	**100.0%**	**$928,717,900**	**$944,571,600**	**$950,580,300**	**103.0%**	**$956,458,800**	**$962,441,300**	**100.0%**

Data Sources: Wells Gaming Research, April 2008.

Scenario 5

Scenario 5 includes scenario 4 (the casinos currently in operation plus the Woodlands Race Track), as well as the following casino expansions:

Kansas

1. Sac & Fox Casino in Powhattan, KS (March 2008)

Oklahoma

1. Creek Nation Casino in Tulsa, OK (September 2008)
2. Cherokee Casino Resort in Catoosa, OK (January 2009)
3. Cherokee Casino West Siloam Springs in Watts, OK (July 2009)
4. Kickapoo Casino in McLoud, OK (January 2009)
5. Osage Million Dollar Elm in Ponca City, OK (January 2009)

Revenue Forecasts

Exhibit 2-28 shows total gaming revenue estimates of $951 million for scenario 5 (2010 mid case). Of the total, approximately $47 million went to the *Woodlands*, $737 million to *casinos located within 50 miles*, and $166 to *all other casinos* located in the northeast trade area.

Exhibit 2-28 Revenues for Scenario 5
Includes Scenario 4 (Current Casinos + the Woodlands Race Track) & the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*The Woodlands	$0	$25,702,000	$26,000,000	$47,002,000	$47,603,000	$66,032,000	$66,919,000
Casinos w/in 50 Miles	$759,348,000	$755,617,000	$765,569,000	$737,270,000	$746,950,000	$721,005,000	$730,424,000
All Other Casinos	$163,641,400	$169,257,500	$170,872,700	$166,303,100	$167,889,300	$163,542,700	$165,096,800
Total Scenario 5	**$922,989,400**	**$950,578,400**	**$962,438,700**	**$950,579,700**	**$962,442,900**	**$950,579,700**	**$962,439,800**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

The total revenue impacts show a negligible decrease of $4,600 in overall gaming revenues for the 2010 mid case of the scenario 5 (refer to Exhibit 2-29). The category referred to as *all other casinos* is the only one showing a gain ($4.5 million). Negative impacts have been projected for the *Woodlands* ($327 thousand) and *for casinos located within 50 mile*s ($4.2 million).

Exhibit 2-29 Revenue Impacts for Scenario 5
Includes Scenario 4 (Current Casinos + the Woodlands Race Track) & the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*The Woodlands	$0	-$176,000	-$179,000	-$327,000	-$331,000	-$459,000	-$465,000
Casinos w/in 50 Miles	$0	-$4,374,000	-$4,419,000	-$4,174,000	-$4,217,000	-$3,993,000	-$4,037,000
All Other Casinos	$0	$4,548,100	$4,601,000	$4,496,400	$4,547,400	$4,451,400	$4,500,500
Total Scenario 5	**$0**	**-$1,900**	**$3,000**	**-$4,600**	**-$600**	**-$600**	**-$1,500**

Data Sources: Wells Gaming Research, April 2008.

Revenue Flows

Exhibit 2-30 shows 2010 gaming revenues of $951 million (refer to the first section of Exhibit 2-30 captioned *Scenario 5 Revenues Coming From)*. These revenues have been estimated to have been generated in Kansas ($434 million), Missouri ($511 million), and Nebraska ($5 million).

The 2010 mid case allocations of the $951 million show Iowa ($3.3 million), Kansas ($136 million), Missouri ($756 million), and Oklahoma ($55 million). Refer to the third section of Exhibit 2-30 captioned *Scenario 5 Mid - Revenues Going To.* The difference for Kansas between the $434 million projected to be generated in 2010 and the $136 million expected to be retained in Kansas (2010 mid case) is an outflow of $298 million. Missouri, on the other hand, has been estimated to produce $511 million in 2010 and enjoy inflows of $756 million for a positive difference of $245 million in the 2010 mid case. Inflows to Oklahoma from the Tribal casino additions have been estimated at $55 million in the 2010 mid case.

Exhibit 2-30 Flow of Gaming Revenue Funds for Scenario 5
Illustrates Where the Gaming Revenues Originated & Were They Went

Scenario 5 Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2007**	**2011**	**2012**	**% 2012**
KS	$414,186,842	44.9%	$417,457,538	$430,761,089	$434,246,063	47.0%	$437,798,317	$441,421,637	45.9%
MO	$503,538,602	54.6%	$506,015,208	$508,591,673	$511,131,612	55.4%	$513,476,830	$515,855,222	53.6%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.6%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$928,716,078**	**$944,575,253**	**$950,577,736**	**103.0%**	**$956,458,292**	**$962,442,021**	**100.0%**
Scenario 5 Low - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2007**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,343,000	$3,354,000	0.4%	$3,363,000	$3,374,000	0.4%
KS	$88,459,000	9.6%	$91,076,000	$115,775,000	$116,369,000	12.6%	$116,976,000	$117,602,000	12.2%
MO	$778,840,000	84.4%	$781,122,000	$769,827,000	$774,973,000	84.0%	$779,999,000	$785,105,000	81.6%
OK	$52,259,400	5.7%	$53,121,900	$55,632,000	$55,880,500	6.1%	$56,116,200	$56,360,700	5.9%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$944,577,000**	**$950,576,500**	**103.0%**	**$956,454,200**	**$962,441,700**	**100.0%**
Scenario 5 Mid - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2007**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,282,000	$3,292,000	0.4%	$3,302,000	$3,312,000	0.3%
KS	$88,459,000	9.6%	$91,076,000	$135,230,000	$135,970,000	14.7%	$136,718,000	$137,489,000	14.3%
MO	$778,840,000	84.4%	$781,122,000	$751,421,000	$756,430,000	82.0%	$761,321,000	$766,288,000	79.6%
OK	$52,259,400	5.7%	$53,121,900	$54,639,500	$54,883,100	5.9%	$55,117,600	$55,353,300	5.8%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$944,572,500**	**$950,575,100**	**103.0%**	**$956,458,600**	**$962,442,300**	**100.0%**
Scenario 5 High - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2007**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,395,000	$3,225,000	$3,235,000	0.4%	$3,244,000	$3,254,000	0.3%
KS	$88,459,000	9.6%	$91,076,000	$152,537,000	$153,411,000	16.6%	$154,296,000	$155,204,000	16.1%
MO	$778,840,000	84.4%	$781,122,000	$735,096,000	$739,978,000	80.2%	$744,738,000	$749,573,000	77.9%
OK	$52,259,400	5.7%	$53,121,900	$53,715,000	$53,955,700	5.8%	$54,180,200	$54,408,800	5.7%
Total	**$922,989,400**	**100.0%**	**$928,714,900**	**$944,573,000**	**$950,579,700**	**103.0%**	**$956,458,200**	**$962,439,800**	**100.0%**

Data Sources: Wells Gaming Research, April 2008.

Scenario 6

Results for scenario 6 are equal to scenario 5 plus the following other proposed casinos:

Kansas

1. Camptown Greyhound Park in Frontenac, KS (January 2009)
2. Cherokee County planned in Baxter Springs, KS (January 2010)
3. Wyandotte 7th Street Casino in Kansas City, KS (January 2008)
4. Wyandotte County planned in Kansas City, KS (January 2010)
5. Sumner County planned in Wellington, KS (January 2010)

Missouri

1. Barden Development, Inc. planned in Branson, MO
2. Wild Rose Entertainment planned in Sugar Creek, MO (January 2010)

Oklahoma

1. Downstream Casino Resort in Ottawa, OK (July 2008)
2. First Council Casino in Newkirk, OK (March 2008)
3. Iowa Casino Resort in Lincoln, OK
4. Muscogee Creek Nation planned in Eufaula, OK
5. Pawnee Nation planned in Chilocco, OK
6. Ponca Tribe Oklahoma planned in Ponca City, OK
7. Poteau Travel and Smoke Shop in Poteau, OK
8. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (July 2008)
9. Shawnee Tribe Oklahoma planned in Oklahoma City, OK
10. Wichita & Affiliated Tribes planned in Hinton, OK
11. Wilburton Travel and Smoke Shop in Wilburton, OK

Revenue Projections

The following 2010 mid case gaming revenue estimates shown in Exhibit 2-31 for scenario 6 include a total of $978 million (incorporates scenario 5 and the proposed new casinos listed on page 2-29). Wells Gaming Research's estimates show $27 million going to *the Woodlands*, $173 million to *Wyandotte County*, $76.5 million to *proposed casinos located within 50 miles*, $36 million to *other proposed casinos*, $539 million to *casinos located within 50 miles*, and $127 million to *all other casinos* located within the northeast trade area.

Exhibit 2-31 Revenues for Scenario 6
Includes Scenario 5 + Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*The Woodlands	$0	$14,102,000	$14,302,000	$27,472,000	$27,865,000	$40,214,000	$40,793,000
*Wyandotte County Planned	$0	$177,067,000	$179,870,000	$173,005,000	$175,752,000	$169,223,000	$171,916,000
*Proposed Casinos w/in 50 Miles	$0	$77,373,000	$78,223,000	$76,456,000	$77,293,000	$75,572,000	$76,396,000
*Other Proposed Casinos	$0	$35,729,300	$35,965,500	$35,441,200	$35,677,300	$35,163,100	$35,396,200
Existing Casinos w/i 50 Miles	$759,348,000	$545,506,000	$552,259,000	$538,786,000	$545,431,000	$532,332,000	$538,872,000
All Other Existing Casinos	$163,641,400	$127,922,300	$129,138,300	$126,539,500	$127,740,700	$125,196,000	$126,386,000
Total Scenario 6	**$922,989,400**	**$977,699,600**	**$989,757,800**	**$977,699,700**	**$989,759,000**	**$977,700,100**	**$989,759,200**

Data Sources: Wells Gaming Research, April 2008.

Revenue Impacts

The major revenue impacts illustrated in Exhibit 2-32 for the scenario 6 mid case for 2010 reflect a net impact of $27 million. The projected impacts include a negative $19.5 million *for the Woodlands*. Other projected impacts include positive impacts for *Wyandotte County* ($173 million), *proposed casinos located within 50 miles* ($76.5 million), and *other proposed casinos* ($35 million). Losses have been forecasted *for casinos located within 50 miles* ($198.5 million) and for *all other casinos* ($40 million).

Exhibit 2-32 Revenue Impacts for Scenario 6
Includes Scenario 5 + Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*The Woodlands	$0	-11,600,000	-11,698,000	-$19,530,000	-$19,738,000	-$25,818,000	-$26,126,000
*Wyandotte County Planned	$0	177,067,000	179,870,000	$173,005,000	$175,752,000	$169,223,000	$171,916,000
*Proposed Casinos w/in 50 Miles	$0	77,373,000	78,223,000	$76,456,000	$77,293,000	$75,572,000	$76,396,000
*Other Proposed Casinos	$0	35,729,300	35,965,500	$35,441,200	$35,677,300	$35,163,100	$35,396,200
Existing Casinos w/i 50 Miles	$0	-210,111,000	-213,310,000	-$198,484,000	-$201,519,000	-$188,673,000	-$191,552,000
All Other Existing Casinos	$0	-41,335,200	-41,734,400	-$39,763,600	-$40,148,600	-$38,346,700	-$38,710,800
Total Scenario 6	**$0**	**$27,123,100**	**$27,316,100**	**$27,124,600**	**$27,316,700**	**$27,120,400**	**$27,319,400**

Data Sources: Wells Gaming Research, April 2008.

Flow of Revenues

Exhibit 2-33 shows that the $978 million in total gaming revenues would come from Kansas ($450 million), Missouri ($522 million), and Nebraska ($5.2 million) in scenario 6 the 2010 (refer to the first section of Exhibit 2-33 captioned *Scenario 6 Revenues Coming From)*. The $978 million in gaming revenues forecasted to be generated in the 2010 scenario 6 mid case has been allocated to Iowa ($2.5 million), Kansas ($308 million), Missouri ($614 million), and Oklahoma ($54 million) in the 2010 mid case. The net result for Kansas would be a loss of $142 million. The net loss for Kansas would be approximately $143 million (refer to the third section of Exhibit 2-33 captioned *Scenario 6 Mid - Revenues Going To).*

Exhibit 2-33 Flows of Gaming Revenue Funds for Scenario 6
Illustrates Where the Gaming Revenues Originated & Where They Went

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
Scenario 6 Revenues Coming From									
KS	$414,186,842	44.9%	$423,652,322	$443,800,724	$450,309,623	46.1%	$453,908,437	$457,579,439	46.2%
MO	$503,538,602	54.6%	$507,231,917	$515,228,137	$522,188,007	53.4%	$524,584,410	$527,014,529	53.2%
NE	$5,264,895	0.6%	$5,243,332	$5,222,491	$5,200,061	0.5%	$5,183,145	$5,165,162	0.5%
Total	**$922,990,339**	**100.0%**	**$936,127,571**	**$964,251,352**	**$977,697,691**	**100.0%**	**$983,675,992**	**$989,759,130**	**100.0%**
Scenario 6 Low - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,241,000	$2,516,000	0.3%	$2,522,000	$2,529,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$151,483,000	$299,591,000	30.6%	$301,599,000	$303,651,000	30.7%
MO	$778,840,000	84.4%	$755,543,000	$743,857,000	$621,030,000	63.5%	$624,787,000	$628,603,000	63.5%
OK	$52,259,400	5.7%	$61,628,400	$65,672,900	$54,562,600	5.6%	$54,764,200	$54,974,800	5.6%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,253,900**	**$977,699,600**	**100.0%**	**$983,672,200**	**$989,757,800**	**100.0%**
Scenario 6 Mid - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,184,000	$2,487,000	0.3%	$2,493,000	$2,500,000	0.3%
KS	$88,459,000	9.6%	$115,665,000	$169,575,000	$307,684,000	31.5%	$309,754,000	$311,871,000	31.5%
MO	$778,840,000	84.4%	$755,543,000	$726,933,000	$613,558,000	62.8%	$617,256,000	$621,013,000	62.7%
OK	$52,259,400	5.7%	$61,628,400	$64,557,700	$53,970,700	5.5%	$54,171,400	$54,375,000	5.5%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,249,700**	**$977,699,700**	**100.0%**	**$983,674,400**	**$989,759,000**	**100.0%**
Scenario 6 High - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$3,431,000	0.4%	$3,288,000	$3,131,000	$2,458,000	0.3%	$2,465,000	$2,471,000	0.2%
KS	$88,459,000	9.6%	$115,665,000	$185,730,000	$315,469,000	32.3%	$317,600,000	$319,775,000	32.3%
MO	$778,840,000	84.4%	$755,543,000	$711,872,000	$606,377,000	62.0%	$610,019,000	$613,716,000	62.0%
OK	$52,259,400	5.7%	$61,628,400	$63,514,300	$53,396,100	5.5%	$53,592,700	$53,797,200	5.4%
Total	**$922,989,400**	**100.0%**	**$936,124,400**	**$964,247,300**	**$977,700,100**	**100.0%**	**$983,676,700**	**$989,759,200**	**100.0%**

Data Sources: Wells Gaming Research, April 2008.

Gaming Capacity with Casino Growth

A casino capacity recap showing the impact of the proposed casino expansions and the additions of new casinos is listed in Exhibit 2-34. The bottom line illustrates that slot machines would increase by 58%, pit table games by 54%, poker tables by 21%, total tables by 49%, race book by 200%, and casino square footage by 18%. Other amenities including convention/meeting space would go up by 124%, the number of hotel rooms by 89%, the number of restaurants by 40%, entertainment venues by 53%, and parking capacity by 83%.

Exhibit 2-34 Capacity Listing w/ Casino Growth (Includes the 6 Scenarios)

# of Loc	Casinos	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Capacities for the Existing 18 Casinos	**16,914**	**367**	**73**	**440**	**868**	**1**	**717,691**	**106,520**	**1,331**	**52**	**17**	**19,150**
	Scenario 1 - Wyandotte County Proposed												
1	Wyandotte County Proposed	3,000	100	0	100	0	0	0	100,000	500	6	5	7,000
	Subtotal of Scenario 1	**3,000**	**100**	**0**	**100**	**0**	**0**	**0**	**100,000**	**500**	**6**	**5**	**7,000**
	Scenario 2 - Expansions												
1	Sac & Fox Casino	500	0	0	0	0	0	0	0	0	0	0	0
	Subtotal of Scenario 2	**500**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Scenario 3 - Other Proposed												
1	Camptown Greyhound Park	600	0	0	0	0	1	0	0	0	2	0	700
2	Cherokee County Planned	1,200	40	0	0	0	0	0	10,000	250	3	2	2,500
3	Downstream Casino Resort	2,000	30	15	45	0	0	70,000	10,000	240	2	0	2,700
4	The Woodlands	800	0	0	0	0	1	0	0	0	4	0	700
5	Wild Rose Entertainment - Sugar Creek	1,200	30	0	30	0	0	40,000	12,000	200	3	2	2,200
6	Wyandotte 7th Street Casino	450	0	0	0	0	0	20,000	0	0	1	0	100
	Subtotal of Scenario 3	**6,250**	**100**	**15**	**75**	**0**	**2**	**130,000**	**32,000**	**690**	**15**	**4**	**8,900**
	Total Expansions & New Casinos	**9,750**	**200**	**15**	**175**	**0**	**2**	**130,000**	**132,000**	**1,190**	**21**	**9**	**15,900**
	Total Existing, Expansions & New	**26,664**	**567**	**88**	**615**	**868**	**3**	**847,691**	**238,520**	**2,521**	**73**	**26**	**35,050**
	Scenario 4 - The Woodlands												
1	The Woodlands	800	0	0	0	0	1	0	0	0	4	0	700
	Subtotal of Scenario 4	**800**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**4**	**0**	**700**
	Scenario 5 - Expansions												
1	Sac & Fox Casino	500	0	0	0	0	0	0	0	0	0	0	0
	Subtotal of Scenario 5	**500**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Scenario 6 - Other Proposed												
1	Camptown Greyhound Park	600	0	0	0	0	1	0	0	0	2	0	700
2	Cherokee County Planned	1,200	40	0	0	0	0	0	10,000	250	3	2	2,500
3	Downstream Casino Resort	2,000	30	15	45	0	0	70,000	10,000	240	2	0	2,700
4	Wild Rose Entertainment - Sugar Creek	1,200	30	0	30	0	0	40,000	12,000	200	3	2	2,200
5	Wyandotte 7th Street Casino	450	0	0	0	0	0	20,000	0	0	1	0	100
6	Wyandotte County Proposed	3,000	100	0	100	0	0	0	100,000	500	6	5	7,000
	Subtotal of Scenario 6	**8,450**	**200**	**15**	**215**	**0**	**1**	**130,000**	**132,000**	**1,190**	**17**	**9**	**15,200**
	Total Expansions & New Casinos	**9,750**	**200**	**15**	**215**	**0**	**2**	**130,000**	**132,000**	**1,190**	**21**	**9**	**15,900**
16	**Total Existing, Expansions & New**	**26,664**	**567**	**88**	**655**	**868**	**3**	**847,691**	**238,520**	**2,521**	**73**	**26**	**35,050**
	Percent Change Over Current	**58%**	**54%**	**21%**	**49%**	**0%**	**200%**	**18%**	**124%**	**89%**	**40%**	**53%**	**83%**

Data Sources: Wells Gaming Research, April 2008.

Section 3

Summary for the Trade Area
For the Southeast Gaming Zone

Highlights of the gaming market for the southeast trade area follow (refer to pages 3-8 through 3-32 for the corresponding detailed analyses and discussions).

Trade Area

The southeast trade area includes the approximate 100-mile radius of the intersection of Kansas, Missouri, and Oklahoma. Included are 65 counties located in southeast Kansas, southwest Missouri, northeast Oklahoma, and northwest Arkansas. The boundaries extend from Miami County, Kansas on the north; to Sequoyah County, Oklahoma on the south; to Osage County, Oklahoma on the west; and to Douglas County, Missouri on the east (refer to the map on page 3-3).

Demographic Statistics

The population and median household income statistics that are included in this report are limited to those counties within the gaming zone's specific trade area, and not for the entire state.

Exhibit 3-1 shows that the southeast trade area includes 65 counties (18 in Kansas, 24 in Missouri, 15 in Oklahoma, and eight in Arkansas). In 2007, these counties had a total adult population of 2.1 million. Median household incomes (MHI) for 2007 ranged from a low of $42.5 thousand in Oklahoma to a high of $47.1 thousand in Arkansas. Kansas came in at $43.1 thousand.

Exhibit 3-1 Adult Population & Median Household Income (MHI)

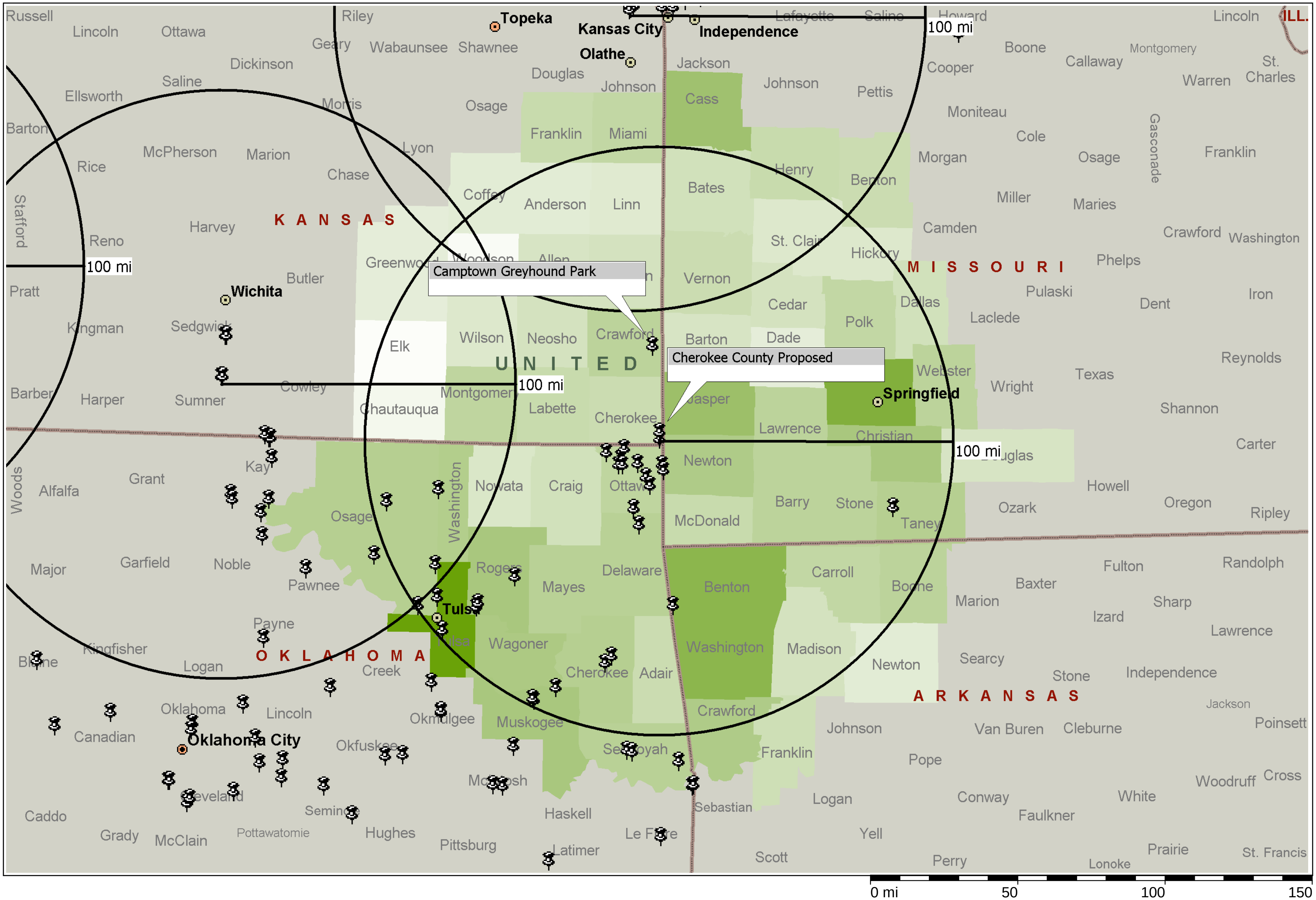
2007		2007		2012		ACGR	
State	**# of Counties**	**Adult Population**	**MHI**	**2012**	**MHI**	**Adult Population 07 to 12**	**MHI 07 to 12**
KS	18	190,263	$43,094	189,538	$51,650	-0.1%	3.7%
MO	24	704,244	$42,508	746,615	$49,083	1.2%	2.9%
OK	15	797,857	$47,008	829,285	$54,558	0.8%	3.0%
AR	8	380,290	$47,140	432,831	$57,492	2.6%	4.1%
Totals	**65**	**2,072,654**	**NA**	**2,198,269**	**NA**	**1.2%**	**NA**

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

The adult population forecast shows an increase from 2.1 million in 2007 to 2.2 million in 2012, an increase of approximately 124 thousand. The resulting average compound growth rate is 1.2%.

The average median household income levels for 2012 are forecasted to range from a low of $49.1 thousand in Missouri to a high of $57.5 thousand in Arkansas. The corresponding average compound growth rates range from a low of 2.9% in Missouri to a high of 4.1% in Arkansas for the 2007 to 2012 period. The average median household income for Kansas was forecasted to average $51.7 thousand, reflecting a 3.7% average compound growth rate.

Southeast Kansas Zone



Primary Market

Exhibit 3-2 shows that the southeast trade area is made up of 65 counties. The combined adult population was 2.1 million in 2007. Projections for 2012 show an increase to 2.2 million, with an average compound growth rate of 1.2%.

The primary segment of the southeast trade area is comprised of 11 counties that are contiguous with the intersection of the states of Kansas, Missouri, and Oklahoma. The adult population in the primary market was approximately 255 thousand in 2007 (12% of the total adult population of 2.1 million). By 2012, the adult population for the primary market should reach approximately 262 thousand and continue to represent 12% of the total adult population of 2.2 million. As a group, the 11 counties in the primary market are projected to have an average compound growth rate of 0.5% between 2007 and 2012.

Exhibit 3-2 Adult Population for Primary Market

# of Counties	List of Counties	2007	2012	ACGR 07 to 12	% Pop/ Co 2012
	Bourbon KS	10,509	10,472	-0.1%	4%
	Cherokee KS	14,770	14,553	-0.3%	6%
	Crawford KS	26,803	27,117	0.2%	10%
	Labette KS	15,482	15,396	-0.1%	6%
	Neosho KS	10,971	10,560	-0.8%	4%
	Barton MO	8,972	9,285	0.7%	4%
	Jasper MO	78,643	82,187	0.9%	31%
	Newton MO	39,270	41,064	0.9%	16%
	Vernon MO	14,058	14,260	0.3%	5%
	Craig OK	11,622	12,213	1.0%	5%
	Ottawa OK	23,768	24,399	0.5%	9%
11	**Total Contiguous Counties**	**254,869**	**261,506**	0.5%	100%
13	**Total Kansas Counties - *Excluding Contiguous Counties***	**111,728**	**111,440**	-0.1%	
20	**Total Missouri Counties - *Excluding Contiguous Counties***	**563,300**	**599,818**	1.3%	
13	**Total Oklahoma Counties - *Excluding Contiguous Counties***	**762,467**	**792,673**	0.8%	
8	**Total Arkansas Counties**	**380,290**	**432,831**	2.6%	
65	**Total Trade Area Population**	**2,072,654**	**2,198,269**	1.2%	

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

Capacity Statistics & Gaming Competition

Following in Exhibit 3-3 is a profile of the casino capacity located within a 150-mile radius of the southeast casino site. The existing capacity includes 53 gaming locations equipped with 30,846 slot machines, 591 table games (pit and poker) and 1.4 million square feet of casino space. Other amenities include 75 thousand square feet of convention space, 1,619 hotel rooms, 87 restaurants, 21 entertainment venues, and 35,573 parking spaces.

Exhibit 3-3 Capacity Statistics for 150-Mile Radius from Southeast Zone Casino

Capacity	Existing Casinos	Expansions OK	New (Proposed) Casinos KA	New (Proposed) Casinos OK	New (Proposed) Casinos MO	Total Capacity	% Change Above Existing
# of Loc	53	4	5	9	2	**69** [1]	**30%**
# of Slots	30,846	2,774	7,600	7,740	2,500	**51,460**	**67%**
# of Tables	591	44	190	169	71	**1,065**	**80%**
Casino S.F.	1,401,874	10,000	0	260,000	97,000	**1,768,874**	**26%**
Convention S.F.	74,620	20,000	140,000	30,000	12,000	**276,620**	**271%**
# of Rooms	1,619	140	1,025	865	200	**3,849**	**138%**
# of Restaurants	87	2	19	16	5	**129**	**48%**
Entertainment	21	1	10	5	2	**39**	**86%**
Parking	35,573	0	14,600	11,074	3,400	**64,647**	**82%**

Footnote 1. The four expansions in Oklahoma have not been added into the total number of locations.

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

The statistics show that the impact of casino growth within a 150-mile radius will result in a significant escalation in player capacity. Some key capacity changes include the number of gaming locations, up from 53 to 69 (30%). The slot inventory will surge from approximately 31 thousand to 51.5 thousand (67%). The number of table games will increase from 591 to 1,065 (80%). The supply of hotel rooms will go from 1,619 to 3,849 (138%), and the number of restaurants will increase from 87 to 129 (48%).

Gaming Revenues

Exhibit 3-4 shows a summary of the revenue flows that correspond to the current status, as well as with three of WGR's scenarios developed to analyze the potential impacts of the proposed new casinos and expansions on gaming revenues in the southeast trade area. Shown are the states indicating where the gaming revenues come from and where they go. The current status reflects a net loss of $60 million in gaming revenues that flowed out of Kansas into neighboring states in 2007.

Scenarios 1 through 3 illustrate the gaming revenues that have been forecasted for 2012 based on the assumptions set forth in each scenario. The key assumption of scenario 1 is the addition of the Cherokee County Casino. The gaming revenue shows that the Cherokee County Casino has been projected to stem the flow of gaming revenues from Kansas and replace the $60 million loss experienced in 2007 with an $8 million gain.

Exhibit 3-4 Summary of the 2012 Flow of Gaming Revenues
(Dollars in Millions)

	Current Status 2007			Scenario-1 2012			Scenario-2 2012			Scenario-3 2012		
State	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**
AR	$172	$0	-$172	$196	$0	-$196	$196	$0	-$196	$207	$0	-$207
IA	$0	$1	$1	$0	$1	$1	$0	$1	$1	$0	$1	$1
KA	$72	$12	-$60	$73	$81	$8	$73	$77	$4	$80	$112	$31
MO	$219	$96	-$122	$238	$96	-$141	$238	$92	-$146	$324	$142	-$182
OK	$418	$771	$352	$435	$762	$328	$435	$771	$337	$435	$792	$357
Total	**$880**	**$880**	**$0**	**$941**	**$941**	**$0**	**$941**	**$941**	**$0**	**$1,046**	**$1,046**	**$0**

Data Source: Wells Gaming Research, May 2008.

Scenario 2 includes the existing casinos, plus the new Cherokee County Casino discussed in scenario 1 (refer to Exhibit 3-4). In addition, scenario 2 includes six casino expansions: one at the Sac & Fox Casino in Powhattan, Kansas, tentatively scheduled to open in March of 2008; and five expansions that are targeted to open at Oklahoma Tribal casinos between 2008 and 2009. Included are the Creek Nation Casino in Tulsa, Cherokee Casino Resort in Catoosa, Kickapoo Casino in McLoud, Osage Million Dollar Elm in Ponca City, and the Cherokee Casino West Siloam Springs in Watts. Combined, these casino expansions have been forecasted to reduce the difference between the gaming revenues coming from Kansas versus those going to Kansas by $4 million (down from $8 million in Scenario 1 to $4 in Scenario 2).

Scenario 3 includes the casino additions and expansions included in both scenarios 1 and 2, plus 18 new proposed casinos, including the Wyandotte County casino in Kansas City, Kansas and the Sumner County casino south of Wichita. The 18 other proposed casinos have been assumed to be in operation between 2008 and 2010. The gaming revenue estimates developed in scenario 3, based on 2012 mid cases, show that the addition of the Sumner and

Wyandotte County casinos plus the other proposed casinos could increase the net flow of gaming revenues into Kansas by approximately $31 million (an estimated $80 million would come from Kansas while $112 million should stay in Kansas).

Oklahoma is projected to gain revenues in scenario 3 due to the large number of new casinos under construction or planned. Even though Oklahoma's net gains of $328 million and $337 million in scenarios 1 and 2, respectively, would lag behind the 2007 level of $352 million, the net would increase to $357 million in scenario 3 for a $5 million gain over 2007. However, gaming revenues remaining in Oklahoma would increase by $21 million from $771 in scenario 2 to $792 million in scenario 3.

Detailed Analyses for the Trade Area For the Southeast Gaming Zone

Population statistics were one of the key variables used in the gross gaming revenue projections developed by WGR's gravity model. The population projections summarized in Exhibit 3-5 show both the total and the adult statistics for the southeast gaming zone.

Exhibit 3-5 Total & Adult Population Statistics

		2000 Total & Adult				2007 Total & Adult				2012 Total & Adult			
ST	# of CO	Total	Adult	Adult as a % of Total	Adult % of Adult Total	Total	Adult	Adult as a % of Total	Adult % of Adult Total	Total	Adult	Adult as a % of Total	Adult % of Adult Total
KS	18	275,788	192,501	69.8%	10.1%	272,691	190,263	69.8%	9.2%	271,725	189,538	69.8%	8.6%
MO	24	909,201	639,536	70.3%	33.6%	1,001,878	704,244	70.3%	34.0%	1,062,383	746,615	70.3%	34.0%
OK	15	1,091,005	755,367	69.2%	39.7%	1,152,626	797,857	69.2%	38.5%	1,198,196	829,285	69.2%	37.7%
AR	8	455,687	315,597	69.3%	16.6%	549,285	380,290	69.2%	18.3%	625,250	432,831	69.2%	19.7%
TOT	**65**	**2,731,681**	**1,903,001**	**69.7%**	**100.0%**	**2,976,480**	**2,072,654**	**69.6%**	**100.0%**	**3,157,554**	**2,198,269**	**69.6%**	**100.0%**

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research, May 2008

In 2007, the total population for the southeast trade area was approximately 3.0 million. Of this amount, 2.1 million (69.6%) were adults. State-by-state the adult statistics show 190 thousand for Kansas (9.2% of the adult total), 704 thousand (34.0%) for Missouri, 798 thousand for Oklahoma (38.5%), and 380 thousand for Arkansas (18.3%).

By 2012, the total adult population for the southeast trade area has been forecasted to increase to 2.2 million, approximately 300 thousand above the 2007 level. The statistics show a slight decline in adult population for Kansas, down from 190.3 thousand in 2007 to 189.5 thousand in 2012. Adult population increases between 2007 and 2012 for the other states located within the trade area include Missouri, up from 704 thousand to 736 thousand; Oklahoma, up from 798 thousand to 829 thousand; and Arkansas, up from 380 thousand to 433 thousand.

Due to the age restrictions on casino gaming, only the adult population statistics were used in developing the gross gaming revenue projections in WGR's gravity model.

Total Population for Surrounding Counties

Exhibit 3-6 shows that, as a group, the counties surrounding the southeast casino site had a total population 367 thousand in 2007. Projections for 2012 show an increase to approximately 377 thousand. Jasper County, Missouri had the highest population (114 thousand in 2007, with projections for 119 thousand by 2012). The average compound growth rate for population within the surrounding counties is 0.5%.

The total population for the southeast trade area was approximately 3 million in 2007 with forecasted increases to 3.2 million by 2012. This reflects an average compound growth rate of 1.2%.

Exhibit 3-6 Total Population Statistics

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Bourbon KS	15,379	15,234	15,222	15,211	15,201	15,189	15,180	15,169	-0.1%	4%
	Cherokee KS	22,605	21,320	21,257	21,194	21,130	21,067	21,005	20,942	-0.3%	6%
	Crawford KS	38,242	38,470	38,559	38,649	38,738	38,832	38,920	39,010	0.2%	10%
	Labette KS	22,835	22,199	22,175	22,148	22,123	22,099	22,075	22,050	-0.1%	6%
	Neosho KS	16,997	15,905	15,784	15,665	15,544	15,426	15,311	15,193	-0.8%	4%
	Barton MO	12,541	13,015	13,107	13,199	13,291	13,385	13,474	13,564	0.7%	4%
	Jasper MO	104,686	112,505	113,538	114,580	115,631	116,693	117,669	118,654	0.9%	32%
	Newton MO	52,636	56,047	56,560	57,077	57,599	58,126	58,632	59,143	0.9%	16%
	Vernon MO	20,454	20,455	20,515	20,576	20,636	20,697	20,754	20,810	0.3%	6%
	Craig OK	14,950	15,856	16,016	16,176	16,338	16,500	16,665	16,832	1.0%	4%
	Ottawa OK	33,194	34,177	34,356	34,537	34,719	34,900	35,084	35,267	0.5%	9%
11	**Total Surrounding Counties**	**354,519**	**365,183**	**367,089**	**369,012**	**370,950**	**372,914**	**374,769**	**376,634**	**0.5%**	**100%**
13	**Total Kansas Counties - *Excluding Surrounding Counties***	**159,730**	**159,794**	**159,694**	**159,601**	**159,519**	**159,458**	**159,403**	**159,361**	**0.0%**	
20	**Total Missouri Counties - *Excluding Surrounding Counties***	**718,884**	**787,633**	**798,158**	**808,872**	**819,769**	**830,864**	**840,466**	**850,212**	**1.3%**	
13	**Total Oklahoma Counties - *Excluding Surrounding Counties***	**1,042,861**	**1,093,736**	**1,102,254**	**1,110,848**	**1,119,538**	**1,128,298**	**1,137,161**	**1,146,097**	**0.8%**	
8	**Total Arkansas Counties**	**455,687**	**535,413**	**549,285**	**563,576**	**578,307**	**593,478**	**609,126**	**625,250**	**2.6%**	
65	**Total Trade Area Population**	**2,731,681**	**2,941,759**	**2,976,480**	**3,011,909**	**3,048,083**	**3,085,012**	**3,120,925**	**3,157,554**	**1.2%**	

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research, May 2008.

Adult Population for Surrounding Counties

Exhibit 3-7 shows that in 2007 the adult population was 255 thousand for the counties surrounding the casino site. Projections for 2012 indicate an increase to approximately 262 thousand. Jasper County, Missouri, had the highest adult population for a nearby county (79 thousand in 2007 with projections for 82 thousand by 2012). The average compound growth rate for population within the surrounding counties as a group is 0.5%.

Overall, the adult population for the southeast trade area was approximately 2 million for 2007 with projections for 2.2 million by 2012. The resulting average compound growth rate is 1.2%.

Exhibit 3-7 Adult Population Statistics

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Bourbon KS	10,617	10,516	10,509	10,501	10,495	10,486	10,479	10,472	-0.1%	4%
	Cherokee KS	15,708	14,815	14,770	14,729	14,683	14,640	14,595	14,553	-0.3%	6%
	Crawford KS	26,583	26,741	26,803	26,868	26,927	26,993	27,054	27,117	0.2%	10%
	Labette KS	15,943	15,497	15,482	15,464	15,445	15,430	15,413	15,396	-0.1%	6%
	Neosho KS	11,814	11,055	10,971	10,887	10,804	10,722	10,643	10,560	-0.8%	4%
	Barton MO	8,585	8,909	8,972	9,035	9,098	9,163	9,224	9,285	0.7%	4%
	Jasper MO	72,512	77,928	78,643	79,365	80,093	80,829	81,505	82,187	0.9%	31%
	Newton MO	36,546	38,914	39,270	39,629	39,992	40,358	40,709	41,064	0.9%	16%
	Vernon MO	14,016	14,017	14,058	14,100	14,141	14,183	14,222	14,260	0.3%	5%
	Craig OK	10,848	11,505	11,622	11,737	11,855	11,973	12,091	12,213	1.0%	5%
	Ottawa OK	22,965	23,644	23,768	23,895	24,020	24,146	24,272	24,399	0.5%	9%
11	**Total Surrounding Counties**	**246,137**	**253,541**	**254,869**	**256,211**	**257,553**	**258,922**	**260,206**	**261,506**	**0.5%**	**100%**
13	**Total Kansas Counties - *Excluding Surrounding Counties***	**111,836**	**111,808**	**111,728**	**111,653**	**111,585**	**111,529**	**111,485**	**111,440**	**-0.1%**	
20	**Total Missouri Counties - *Excluding Surrounding Counties***	**507,877**	**555,911**	**563,300**	**570,821**	**578,470**	**586,258**	**592,988**	**599,818**	**1.3%**	
13	**Total Oklahoma Counties - *Excluding Surrounding Counties***	**721,554**	**756,598**	**762,467**	**768,379**	**774,374**	**780,394**	**786,508**	**792,673**	**0.8%**	
8	**Total Arkansas Counties**	**315,597**	**370,689**	**380,290**	**390,175**	**400,370**	**410,853**	**421,680**	**432,831**	**2.6%**	
65	**Total Trade Area Population**	**1,903,001**	**2,048,547**	**2,072,654**	**2,097,239**	**2,122,352**	**2,147,956**	**2,172,867**	**2,198,269**	**1.2%**	

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research, May 2008.

Average Median Household Income

Exhibit 3-8 shows the average median household income (AMHI) statistics for the southeast trade area. State-by-state, the 2007 statistics show $43 thousand for Kansas, $42.5 thousand for Missouri, $47 thousand for Oklahoma, and $47 thousand for Arkansas. Assuming an average compound growth rate of 3.7% for Kansas, the average median household income would increase to approximately $52 thousand by 2012. The average median household income for Missouri would increase to $49 thousand with an average compound growth rate of 2.9%, Oklahoma would move up to $55 thousand with an average compound growth rate of 3.0%, and Arkansas would go up to $57.5 thousand with an average compound growth rate of 4.1%.

Exhibit 3-8 Average Median Household Income Statistics

# of Co	State	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12
18	Kansas	$33,525	$41,572	$43,094	$44,676	$46,319	$48,028	$49,804	$51,650	3.7%
24	Missouri	$34,628	$41,304	$42,508	$43,748	$45,024	$46,338	$47,691	$49,083	2.9%
15	Oklahoma	$38,298	$45,640	$47,008	$48,420	$49,880	$51,388	$52,947	$54,558	3.0%
8	Arkansas	$35,686	$45,304	$47,140	$49,049	$51,036	$53,103	$55,254	$57,492	4.1%

Data Sources: Bureau of Business & Economics, University of Nevada, Reno & Wells Gaming Research, May 2008.

2007 Status Quo for the Southeast Trade Area

Status Quo Casino Revenues

Exhibit 3-9 shows that the status quo casino gaming revenues were $880 million ($199 million for the *Oklahoma Tribal casinos located within 50 miles*, and approximately $681 million for *other casinos competing within the southeast trade area*). Without any casino expansions or additions, gaming revenues could be expected to increase to an estimated $912 million by 2010 and to $934 million by 2012.

Exhibit 3-9 Status Quo (2007 to 2012) Revenues for the Southeast Trade Area

Revenue	2007	2008	2009	2010	2011	2012
Ok Tribal Casinos w/I 50 Miles	$199,094,000	$201,741,000	$204,446,000	$207,214,000	$209,938,000	$212,725,000
Other Casinos Competing Within Trade Area	$681,208,000	$689,000,000	$696,962,000	$705,061,000	$713,103,000	$721,294,000
Grand Total	**$880,302,000**	**$890,741,000**	**$901,408,000**	**$912,275,000**	**$923,041,000**	**$934,019,000**

Data Source: Wells Gaming Research, April 2008.

Status Quo for Visitors

The status quo casino visitor counts for 2007 were approximately 14 million (three million *within a 50 mile radius* and approximately 11 million for *other competing casinos*). Without any casino expansions or additions, the gaming visitors counts have been projected to increase to 14.4 million by 2012.

Exhibit 3-10 Status Quo Visitors (2007 to 2012) for the Southeast Trade Area

Visitors	2007	2008	2009	2010	2011	2012
Ok Tribal Casinos w/I 50 Miles	2,896,293	2,934,676	2,973,877	3,014,050	3,053,784	3,094,416
Other Casinos Competing Within Trade Area	10,723,310	10,843,085	10,965,502	11,089,906	11,214,226	11,340,834
Total	**13,619,603**	**13,777,761**	**13,939,379**	**14,103,956**	**14,268,010**	**14,435,250**

Data Source: Wells Gaming Research, April 2008.

Status Quo Gaming Revenue Flows

Exhibit 3-11, upper section, profiles where the $880 million in gaming revenues for 2007 was generated. Included were $172 million for Arkansas, $72 million for Kansas, $219 million for Missouri, and $418 million for Oklahoma.

Of the $880 million total, an estimated $1.4 million went to Iowa, $11.9 million to Kansas, $96 million to Missouri, and $771 million to Oklahoma Tribal casinos (refer to the lower section of Exhibit 3-11).

Exhibit 3-11 Status Quo (2007 to 2012) Revenue Flows for the Southeast Trade Area

Current Scenario Revenues Coming From						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
AR	$171,607,994	$176,210,374	$180,958,899	$185,844,546	$190,891,448	$196,093,017
KS	$71,888,705	$71,834,865	$71,779,428	$71,734,110	$71,691,363	$71,649,578
MO	$218,630,803	$221,308,664	$224,026,905	$226,787,792	$229,230,335	$231,699,727
OK	$418,175,692	$421,387,294	$424,642,871	$427,911,797	$431,229,530	$434,576,446
Total	**$880,303,194**	**$890,741,197**	**$901,408,103**	**$912,278,245**	**$923,042,676**	**$934,018,768**

Current Scenario Revenues Going To						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
IA	$1,427,000	$1,444,000	$1,461,000	$1,479,000	$1,496,000	$1,513,000
KS	$11,943,000	$12,064,000	$12,187,000	$12,313,000	$12,431,000	$12,550,000
MO	$96,292,000	$97,464,000	$98,656,000	$99,870,000	$100,977,000	$102,100,000
OK	$770,640,000	$779,769,000	$789,104,000	$798,613,000	$808,137,000	$817,856,000
Total	**$880,302,000**	**$890,741,000**	**$901,408,000**	**$912,275,000**	**$923,041,000**	**$934,019,000**

Data Source: Wells Gaming Research, April 2008.

Without any new casino development in Kansas, the current trends are likely to continue. The status quo flow for casino revenue for 2012 shows what could be expected. Of the $72 million in gaming revenues forecasted for the southeast Kansas trade area, only $12 million would stay in Kansas, resulting in a $60 million net loss.

Status Quo Casino Capacity

Exhibit 3-12 shows that 53 casinos are currently located within approximately 150 miles of the southeast zone casino site. Total gaming capacity includes 30,846 slots, 409 pit table games, 182 poker tables, 3,180 bingo seats, 6 race books, and 1,401,874 square feet of casino space. Other amenities include 74,620 square feet of convention/meeting space, 1,619 hotel rooms, 87 restaurants, 21 entertainment venues, and 35,573 parking spaces.

Exhibit 3-12 Status Quo (2007) Casino Capacity Statistics

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Missouri:												
1	Ameristar Casino Hotel - Kansas City	3,016	90	15	105	0	0	140,000	14,520	184	11	3	2,660
2	Argosy Riverside Casino Hotel & Spa	1,924	39	8	47	0	0	62,000	18,000	258	5	3	2,700
3	Harrah's North Kansas City Casino & Hotel	1,793	60	12	72	0	0	60,133	10,000	392	6	1	3,122
4	Isle of Capri Casino - Kansas City	1,525	26	6	32	0	0	40,000	0	0	5	1	1,618
	Subtotal of Missouri	**8,258**	**215**	**41**	**256**	**0**	**0**	**302,133**	**42,520**	**834**	**27**	**8**	**10,100**
	Oklahoma:												
1	7 Clans Paradise Casino	700	8	6	14	0	0	30,000	0	0	2	0	500
2	Blue Ribbon Downs	250	0	0	0	0	1	7,150	2,000	0	1	1	1,640
3	Blue Star Gaming and Casino	228	0	0	0	300	0	20,000	0	0	1	0	500
4	Bordertown Bingo & Casino	886	11	10	21	650	1	73,000	0	0	2	0	400
5	Buffalo Run Casino	1,300	20	9	29	0	0	70,000	10,000	0	3	1	1,300
6	Catoosa Smoke Shop	75	0	0	0	0	0	1,728	0	0	0	0	42
7	Checotah Indian Community Bingo	158	0	0	0	400	0	9,000	0	0	1	0	250
8	Cherokee Casino - Fort Gibson	295	0	0	0	0	0	7,430	0	0	0	0	182
9	Cherokee Casino - Roland	614	6	6	12	0	0	34,375	0	44	1	0	594
10	Cherokee Casino - Sallisaw	251	4	2	6	0	0	27,500	0	0	1	1	250
11	Cherokee Casino - Tahlequah	405	6	3	9	0	0	20,000	0	0	1	0	433
12	Cherokee Casino - West Siloam Springs	1,014	12	12	24	0	0	50,000	0	0	2	1	1,174
13	Cherokee Casino - Will Rogers Downs	250	0	0	0	0	1	18,277	11,000	450	1	1	150
14	Cherokee Casino Resort	1,522	37	35	72	0	0	95,000	7,500	263	8	3	3,100
15	Choctaw Casino - Pocola	1,152	9	0	9	0	1	87,573	0	0	3	1	890
16	Cimarron Bingo Casino	363	0	0	0	0	1	9,600	0	0	1	0	400
17	Creek Nation Casino Eufaula	240	0	0	0	0	0	7,400	0	0	0	0	200
18	Creek Nation Casino Muscogee	584	7	10	17	300	0	30,000	0	0	1	1	800
19	Creek Nation Casino Okemah	132	0	3	3	110	0	1,800	0	0	0	0	200
20	Creek Nation Casino Okmulgee	334	2	3	5	0	0	11,000	0	0	1	0	600
21	Creek Nation Casino Tulsa	1,512		11	11	0	0	38,000	0	0	1	0	2,000
22	Creek Nation Travel Plaza	43	0	0	0	0	0	920	0	0	1	0	50
23	Duck Creek Casino	268	0	0	0	120	0	5,000	0	0	1	0	300
24	Eastern Shawnee Travel Plaza	186	0	0	0	0	0	3,000	0	0	0	0	150
25	Golden Pony Casino	400	0	0	0	0	0	10,000	0	0	1	0	500
26	Grand Lake Casino	879	10	6	16	0	0	45,000	0	0	1	1	1,000
27	High Winds Casino	500	8	0	8	0	0	35,000	0	0	2	0	450
28	Kaw Southwind Casino	1,078	3	4	7	700	0	55,000	0	0	2	0	1,000
29	Keetoowah Cherokee Casino	500	0	0	0	0	0	18,000	0	0	1	0	300
30	Lucky Turtle Casino	101	0	0	0	0	0	3,000	0	0	1	0	200
31	Miami Tribe Entertainment	107	0	0	0	0	0	0	0	0	0	0	75
32	Muscogee Travel Plaza	129	0	0	0	0	0	3,000	0	0	0	0	50
33	Native Lights Casino	612	6	0	6	0	0	22,500	0	0	2	0	405

Exhibit 3-12 Key Casino Capacity Statistics (Continued)

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
34	Osage Million Dollar Elm Casino - Bartlesville	575	6	6	12	0	0	42,000	0	0	0	0	700
35	Osage Million Dollar Elm Casino - Hominy	273	1	2	3	0	0	0	0	0	1	0	250
36	Osage Million Dollar Elm Casino - Pawhuska	135	0	0	0	0	0	0	0	0	1	0	50
37	Osage Million Dollar Elm Casino - Ponca City	222	0	0	0	0	0	7,700	0	0	0	0	150
38	Osage Million Dollar Elm Casino - Sand Springs	601	4	0	4	0	0	25,000	0	0	1	0	500
39	Osage Million Dollar Elm Casino - Skiatook	152	0	0	0	0	0	0	0	28	1	0	200
40	Osage Million Dollar Elm Casino - Tulsa	1,267	10	7	17	600	0	47,000	1,600	0	3	1	800
41	Pawnee Trading Post	130	0	0	0	0	0	3,500	0	0	2	0	250
42	Peoria Gaming Center	200	0	0	0	0	0	4,200	0	0	1	0	250
43	Pocola Travel and Smoke Shop	15	0	0	0	0	0	1,666	0	0	0	0	6
44	Quapaw Casino	483	8	1	9	0	0	27,000	0	0	1	1	700
45	Sac and Fox Casino - Stroud	49	0	0	0	0	0	825	0	0	0	0	34
46	The Stables Casino	500	4	0	4	0	1	25,000	0	0	2	0	260
47	Tonkawa Casino	374	4	0	4	0	0	14,437	0	0	1	0	400
48	West Siloam Springs Smoke Shop	44	0	0	0	0	0	2,160	0	0	0	0	88
49	Wyandotte Nation Casino	500	8	5	13	0	0	50,000	0	0	3	0	750
Total	**Subtotal of Oklahoma**	**22,588**	**194**	**141**	**335**	**3,180**	**6**	**1,099,741**	**32,100**	**785**	**60**	**13**	**25,473**
53	**Total Existing Casinos**	**30,846**	**409**	**182**	**591**	**3,180**	**6**	**1,401,874**	**74,620**	**1,619**	**87**	**21**	**35,573**

Data Source: Wells Gaming Research, April 2008.

Scenario Results for the Southeast Casino Zone Trade Area

WGR developed six scenarios for the southeast trade area. Summaries of the components of the scenarios, together with the results of WGR's research and analyses follow.

Scenario 1

Scenario 1 includes the existing casinos in the southeast trade area, together with the proposed generic casino located in Cherokee County that is proposed to commence operations in January of 2010. As proposed, key gaming capacity assumptions for the Cherokee County mid case scenario include 1,200 slot machines and 40 table games. Other amenities include 10,000 square feet of convention/meeting space, 250 hotel rooms, three restaurants, and two entertainment venues (one small and one large). This scenario assumes that no new casino competition in the form of expanded or new casinos will come online, including the slot machines at Camptown Race Track.

Revenue Projections

The casino gaming revenue projections shown in Exhibit 3-13 include WGR's low, mid, and high case forecasts for 2010 and 2012. The mid case projections show total gaming revenues of $919.5 million in 2010 increasing to $941 million by 2012. The *Cherokee Casino Resort* has been estimated to attract $68 million in gaming revenues in the 2010 mid case, and approximately $69.5 million in the 2012 mid case. Low case estimates are in the $41 to $42 million range while high case estimates are in the $89 to $91 million range.

Exhibit 3-13 Scenario 1 Revenues
Scenario 1 Includes Existing Casinos + Other OK + Cherokee County Proposed for 2009

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Cherokee County (Proposed)	$0	$41,117,000	$41,940,000	$67,962,000	$69,404,000	$89,316,000	$91,283,000
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$186,017,000	$191,146,000	$172,159,000	$177,006,000	$162,019,000	$166,646,000
All Other Casinos	$681,208,000	$692,335,000	$708,210,000	$679,348,000	$694,889,000	$668,135,000	$683,371,000
Total Scenario 1	**$880,302,000**	**$919,469,000**	**$941,296,000**	**$919,469,000**	**$941,299,000**	**$919,470,000**	**$941,300,000**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 3-14 profiles the casino gaming revenue impacts anticipated from adding the Cherokee to the southeast trade area. The category captioned *Cherokee County Proposed* could generate $68 million in 2010 gaming revenues and $69.4 million in 2012. The offset would be felt by *other Oklahoma casinos* ($35 million in the 2010 mid case), and *all other existing casinos* (approximately $26 million in 2010). The net gain to the southeast trade area has been estimated at $7.2 million.

Exhibit 3-14 Scenario 1 Revenue Impacts
Includes Existing Casinos + Other OK + Cherokee County Proposed for 2009

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Cherokee County (Proposed)	$0	$41,117,000	$41,940,000	$67,962,000	$69,404,000	$89,316,000	$91,283,000
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$21,197,000	-$21,579,000	-$35,055,000	-$35,719,000	-$45,195,000	-$46,079,000
All Other Casinos	$0	-$12,726,000	-$13,084,000	-$25,713,000	-$26,405,000	-$36,926,000	-$37,923,000
Total Scenario 1	**$0**	**$7,194,000**	**$7,277,000**	**$7,194,000**	**$7,280,000**	**$7,195,000**	**$7,281,000**

Data Source: Wells Gaming Research, April 2008.

Forecasted Flow Funds

The southeast trade area produced $880 million in gaming revenues in 2007 (refer to the first section of Exhibit 3-15 captioned *Scenario 1 Revenues Coming From*). Of this amount, an estimated $72 million was generated in Kansas, while only $12 million stayed in Kansas. This represents a loss of $60 million (refer to the third section of Exhibit 3-15 captioned *Scenario 1 Mid – Revenues Going To*). Oklahoma generated $418 million in 2007; however, $771 million flowed back to Oklahoma for a net gain of $353 million. WGR's 2010 mid case projections for scenario 1 show that the addition of Cherokee County could increase the flow of gaming revenues for Kansas to $79 million, or $67 million over 2007. Even though Oklahoma's gaming revenues would decrease from $789 million to $744.5 million (mid case 2009 versus 2010), Oklahoma would continue to be the big winner, generating $428 million in 2010 with $744 million flowing to Oklahoma in the mid case, for a net gain $316 million.

Exhibit 3-15 Flows of Gaming Revenue Funds – Coming From & Going To

Scenario 1 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$185,844,546	20.2%	$190,891,448	$196,093,017	20.8%
KS	$71,888,705	8.2%	$71,834,865	$71,779,428	$72,877,762	7.9%	$72,835,751	$72,794,759	7.7%
MO	$218,630,803	24.8%	$221,308,664	$224,026,905	$232,833,198	25.3%	$235,320,506	$237,835,066	25.3%
OK	$418,175,692	47.5%	$421,387,294	$424,642,871	$427,911,797	46.5%	$431,229,530	$434,576,446	46.2%
Total	**$880,303,194**	**100.0%**	**$890,741,197**	**$901,408,103**	**$919,467,303**	**100.0%**	**$930,277,235**	**$941,299,288**	**100.0%**

Scenario 1 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,444,000	$1,461,000	$1,425,000	0.2%	$1,441,000	$1,457,000	0.2%
KS	$11,943,000	1.4%	$12,064,000	$12,187,000	$53,003,000	5.8%	$53,524,000	$54,055,000	5.7%
MO	$96,292,000	10.9%	$97,464,000	$98,656,000	$97,450,000	10.6%	$98,533,000	$99,630,000	10.6%
OK	$770,640,000	87.5%	$779,769,000	$789,104,000	$767,591,000	83.5%	$776,780,000	$786,154,000	83.5%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$901,408,000**	**$919,469,000**	**100.0%**	**$930,278,000**	**$941,296,000**	**100.0%**

Scenario 1 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,444,000	$1,461,000	$1,358,000	0.1%	$1,374,000	$1,389,000	0.1%
KS	$11,943,000	1.4%	$12,064,000	$12,187,000	$79,343,000	8.6%	$80,165,000	$81,006,000	8.6%
MO	$96,292,000	10.9%	$97,464,000	$98,656,000	$94,290,000	10.3%	$95,343,000	$96,412,000	10.2%
OK	$770,640,000	87.5%	$779,769,000	$789,104,000	$744,478,000	81.0%	$753,398,000	$762,492,000	81.0%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$901,408,000**	**$919,469,000**	**100.0%**	**$930,280,000**	**$941,299,000**	**100.0%**

Scenario 1 High - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,444,000	$1,461,000	$1,302,000	0.1%	$1,316,000	$1,331,000	0.1%
KS	$11,943,000	1.4%	$12,064,000	$12,187,000	$100,270,000	10.9%	$101,349,000	$102,450,000	10.9%
MO	$96,292,000	10.9%	$97,464,000	$98,656,000	$91,585,000	10.0%	$92,614,000	$93,658,000	9.9%
OK	$770,640,000	87.5%	$779,769,000	$789,104,000	$726,313,000	79.0%	$734,997,000	$743,861,000	79.0%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$901,408,000**	**$919,470,000**	**100.0%**	**$930,276,000**	**$941,300,000**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 2

Scenario 2 includes scenario 1, and the proposed expansions at the following casinos located in Kansas and Oklahoma (southeast trade area). The projected start-up dates for the casino expansions are also shown:

Kansas

1. Sac & Fox Casino in Powhattan, KS (March 2008)

Oklahoma

1. Creek Nation Casino in Tulsa, OK (September 2008)
2. Cherokee Casino Resort in Catoosa, OK (January 2009)
3. Kickapoo Casino in McLoud, OK (January 2009)
4. Osage Million Dollar Elm in Ponca City, OK (January 2009)
5. Cherokee Casino West Siloam Springs in Watts, OK (July 2009)

Revenue Projections

Exhibit 3-16 shows casino gaming revenue projections for WGR's low, mid, and high case forecasts for 2010 and 2012. The mid case projections reflect total gaming revenues of $919.5 million in 2010, increasing to $941.3 million by 2012.

Exhibit 3-16 Scenario 2 Revenues Include Scenario 1 + the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Cherokee County Proposed	$0	$38,832,000	$39,578,000	$64,069,000	$65,372,000	$84,107,000	$85,882,000
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$170,250,000	$174,731,000	$157,697,000	$161,942,000	$148,585,000	$152,648,000
All Other Casinos	$681,208,000	$710,381,000	$726,986,000	$697,699,000	$713,985,000	$686,775,000	$702,772,000
Total Scenario 2	**$880,302,000**	**$919,463,000**	**$941,295,000**	**$919,465,000**	**$941,299,000**	**$919,467,000**	**$941,302,000**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

Overall, the casino gaming revenue impacts to Cherokee County caused by adding expansions at the competing casinos listed on page 3-18 would be limited to a loss of approximately $4 million in the Scenario 2 mid case. The category captioned *other existing casinos* would most likely pick up approximately $18 to $19 million between 2010 and 2012. The majority of the estimated losses ($14 to $15 million in the mid-case for 2010 and 2012) would be sustained by *other Oklahoma casinos* and by *Oklahoma Tribal casinos* (approximately $4 million in both of the subject years).

Exhibit 3-17 Scenario 2 Revenue Impacts include Scenario 1 + Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Cherokee County Proposed	$0	-$2,285,000	-$2,362,000	-$3,893,000	-$4,032,000	-$5,209,000	-$5,401,000
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$15,767,000	-$16,415,000	-$14,462,000	-$15,064,000	-$13,434,000	-$13,998,000
All Other Casinos	$0	$18,046,000	$18,776,000	$18,351,000	$19,096,000	$18,640,000	$19,401,000
Total Scenario 2	**$0**	**-$6,000**	**-$1,000**	**-$4,000**	**$0**	**-$3,000**	**$2,000**

Data Source: Wells Gaming Research, April 2008.

Forecasted Flow Funds

Exhibit 3-18 shows WGR's projections for the 2010 shifts in casino revenue flows. The results indicate that Kansas would generate $73 million (refer to the first section captioned *Scenario 2 Revenues Coming From*). However, $75 million could flow back to Kansas for a net gain of approximately $2 million in the 2010 (refer to the third section of Exhibit 3-18 captioned *Scenario 2 Mid - Revenues Going To).*

Oklahoma would remain the big winner after the addition of Cherokee County. Oklahoma is estimated to generate $428 million, but receive $753 million in gaming revenues.

Exhibit 3-18 Flows of Gaming Revenue Funds for Scenario 2
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 2 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$185,844,546	20.2%	$190,891,448	$196,093,017	20.8%
KS	$71,888,705	8.2%	$71,834,865	$71,779,428	$72,877,762	7.9%	$72,835,751	$72,794,759	7.7%
MO	$218,630,803	24.8%	$221,308,664	$224,026,905	$232,833,198	25.3%	$235,320,506	$237,835,066	25.3%
OK	$418,175,692	47.5%	$421,387,294	$424,642,871	$427,911,797	46.5%	$431,229,530	$434,576,446	46.2%
Total	**$880,303,194**	**100.0%**	**$890,741,197**	**$901,408,103**	**$919,467,303**	**100.0%**	**$930,277,235**	**$941,299,288**	**100.0%**

Scenario 2 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,417,000	$1,345,000	$1,315,000	0.1%	$1,330,000	$1,344,000	0.1%
KS	$11,943,000	1.4%	$12,573,000	$12,028,000	$50,594,000	5.5%	$51,072,000	$51,560,000	5.5%
MO	$96,292,000	10.9%	$96,200,000	$93,737,000	$92,812,000	10.1%	$93,831,000	$94,864,000	10.1%
OK	$770,640,000	87.5%	$780,553,000	$794,296,000	$774,742,000	84.3%	$784,040,000	$793,527,000	84.3%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$901,406,000**	**$919,463,000**	**100.0%**	**$930,273,000**	**$941,295,000**	**100.0%**

Scenario 2 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,417,000	$1,345,000	$1,257,000	0.1%	$1,271,000	$1,285,000	0.1%
KS	$11,943,000	1.4%	$12,573,000	$12,028,000	$75,358,000	8.2%	$76,108,000	$76,872,000	8.2%
MO	$96,292,000	10.9%	$96,200,000	$93,737,000	$89,995,000	9.8%	$90,990,000	$91,999,000	9.8%
OK	$770,640,000	87.5%	$780,553,000	$794,296,000	$752,855,000	81.9%	$761,907,000	$771,143,000	81.9%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$901,406,000**	**$919,465,000**	**100.0%**	**$930,276,000**	**$941,299,000**	**100.0%**

Scenario 2 High - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,417,000	$1,345,000	$1,207,000	0.1%	$1,221,000	$1,234,000	0.1%
KS	$11,943,000	1.4%	$12,573,000	$12,028,000	$94,994,000	10.3%	$95,975,000	$96,975,000	10.3%
MO	$96,292,000	10.9%	$96,200,000	$93,737,000	$87,578,000	9.5%	$88,552,000	$89,540,000	9.5%
OK	$770,640,000	87.5%	$780,553,000	$794,296,000	$735,688,000	80.0%	$744,531,000	$753,553,000	80.1%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$901,406,000**	**$919,467,000**	**100.0%**	**$930,279,000**	**$941,302,000**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

Scenario 3

Scenario 3 includes Scenario 2, as well as the 18 other proposed casinos listed below:

Kansas

1. Camptown Greyhound Park in Frontenac, KS (Jan 2009)
2. The Woodlands in Kansas City, KS (Jan 2009)
3. Sumner County planned in Wellington, KS (Jan 2010)
4. Wyandotte 7th Street Casino in Kansas City, KS (Jan 2008)
5. Wyandotte County planned in Kansas City, KS (Jan 2010)

Missouri

1. Barden Development, Inc. planned in Branson, MO

Oklahoma

1. Downstream Casino Resort in Ottawa, OK (July 2008)
2. First Council Casino in Newkirk, OK (March 2008)
3. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (July 2008)
4. Ioway Casino Resort in Lincoln, OK (January 2009)
5. Wild Rose Entertainment planned in Sugar Creek, MO (proposed for January 2010)
6. Muscogee Creek Nation planned in Eufaula, OK (proposed for 2010)
7. Pawnee Nation planned in Chilocco, OK (planned for 2010)
8. Ponca Tribe Oklahoma planned in Ponca City, OK (planned for 2010)
9. Poteau Travel and Smoke Shop in Poteau, OK (planned for 2010)
10. Shawnee Tribe Oklahoma planned in Oklahoma City, OK (planned for 2010)
11. Wichita & Affiliated Tribes planned in Hinton, OK (planned for 2010)
12. Wilburton Travel and Smoke Shop in Wilburton, OK (planned for 2010)

Revenue Projections

WGR's mid case casino gaming revenue projections for scenario 3 are profiled in Exhibit 3-19. Total gaming revenues for 2010 are forecasted at approximately $1.0 billion with minor increases through 2012.

Exhibit 3-19 Scenario 3 Revenues Include Scenario 2 + Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Cherokee County Proposed	$0	$26,031,000	$26,567,000	$46,957,000	$47,955,000	$64,926,000	$66,338,000
*Camptown Greyhound Park	$0	$18,453,000	$18,655,000	$17,768,000	$17,962,000	$17,171,000	$17,358,000
*Proposed Casinos w/i 50 Miles	$0	$79,488,000	$81,547,000	$74,230,000	$76,194,000	$70,208,000	$72,096,000
*All Other Proposed Casinos	$0	$127,169,300	$130,418,700	$124,552,300	$127,740,700	$122,133,400	$125,265,800
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$131,980,000	$135,525,000	$126,520,000	$129,951,000	$121,968,000	$125,299,000
All Other Casinos	$681,208,000	$638,647,000	$653,158,000	$631,745,000	$646,062,000	$625,369,000	$639,505,000
Total Scenario 3	**$880,302,000**	**$1,021,768,300**	**$1,045,870,700**	**$1,021,772,300**	**$1,045,864,700**	**$1,021,775,400**	**$1,045,861,800**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

Scenario 3 incorporates the addition of the new casino in Cherokee County (scenario 1), the casino expansions (scenario 2), and the 18 new casinos listed in scenario 3 that include slot machines at the Camptown Race Track. The result is a $102 million addition in gaming revenue projections for the southeast trade area. The $125 million in positive impacts flowing to the category called *all other proposed casinos* is by far the most significant. The proposed new casinos have been estimated to reduce annual gaming revenues at *Cherokee County* by amounts ranging from $13 million in the low case, to $17 million in the mid case, and $19 million in the high case.

Exhibit 3-20 Scenario 3 Revenue Impacts Include Scenario 2 + Other Proposed Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Cherokee County Proposed	$0	-$12,801,000	-$13,011,000	-$17,112,000	-$17,417,000	-$19,181,000	-$19,544,000
*Camptown Greyhound Park	$0	$18,453,000	$18,655,000	$17,768,000	$17,962,000	$17,171,000	$17,358,000
*Proposed Casinos w/i 50 Miles	$0	$79,488,000	$81,547,000	$74,230,000	$76,194,000	$70,208,000	$72,096,000
*All Other Proposed Casinos	$0	$127,169,300	$130,418,700	$124,552,300	$127,740,700	$122,133,400	$125,265,800
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$38,270,000	-$39,206,000	-$31,177,000	-$31,991,000	-$26,617,000	-$27,349,000
All Other Casinos	$0	-$71,734,000	-$73,828,000	-$65,954,000	-$67,923,000	-$61,406,000	-$63,267,000
Total Scenario 3	**$0**	**$102,305,300**	**$104,575,700**	**$102,307,300**	**$104,565,700**	**$102,308,400**	**$104,559,800**

Data Source: Wells Gaming Research, April 2008.

Forecasted Flow of Funds

Exhibit 3-21 shows that the mid case projections for Kansas include the generation of $80 million in gaming revenues for 2010 (refer to the first section captioned *Scenario 3 Revenues Coming From*). However, due to the expanded gaming activity, as much as $109.5 million could flow back to Kansas (refer to the third section captioned *Scenario 3 Mid - Revenues Going To*). The result would be a net gain of approximately $29.5 million. Nonetheless, Oklahoma casinos would continue to be the big winner. The Oklahoma portion of the trade area has been projected to generate an estimated $428 million, while Oklahoma casinos receive $773 million in revenues flowing back from the southeast trade area.

Exhibit 3-21 Flows of Gaming Revenue Funds for Scenario 3
Illustrate Where the Gaming Revenues Originated & Where They Went

Scenario 3 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$196,942,472	19.3%	$202,113,354	$207,439,752	19.8%
KS	$71,888,705	8.2%	$73,069,960	$79,814,361	$80,258,196	7.9%	$80,208,273	$80,159,359	7.7%
MO	$218,630,803	24.8%	$226,164,686	$235,119,161	$316,601,315	31.0%	$320,093,085	$323,627,194	30.9%
OK	$418,175,692	47.5%	$421,447,526	$424,703,647	$427,973,116	41.9%	$431,291,392	$434,638,878	41.6%
Total	**$880,303,194**	**100.0%**	**$896,892,546**	**$920,596,068**	**$1,021,775,099**	**100.0%**	**$1,033,706,104**	**$1,045,865,183**	**100.0%**

Scenario 3 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,221,000	$1,149,000	$1,129,000	0.1%	$1,141,000	$1,154,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$36,838,000	$90,207,000	8.8%	$91,026,000	$91,860,000	8.8%
MO	$96,292,000	10.9%	$86,540,000	$83,026,000	$140,856,000	13.8%	$142,640,000	$144,450,000	13.8%
OK	$770,640,000	87.5%	$795,926,000	$799,585,000	$789,576,300	77.3%	$798,897,000	$808,406,700	77.3%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,598,000**	**$1,021,768,300**	**100.0%**	**$1,033,704,000**	**$1,045,870,700**	**100.0%**

Scenario 3 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,221,000	$1,149,000	$1,098,000	0.1%	$1,110,000	$1,123,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$36,838,000	$109,471,000	10.7%	$110,507,000	$111,560,000	10.7%
MO	$96,292,000	10.9%	$86,540,000	$83,026,000	$138,047,000	13.5%	$139,796,000	$141,578,000	13.5%
OK	$770,640,000	87.5%	$795,926,000	$799,585,000	$773,156,300	75.7%	$782,294,000	$791,603,700	75.7%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,598,000**	**$1,021,772,300**	**100.0%**	**$1,033,707,000**	**$1,045,864,700**	**100.0%**

Scenario 3 - High Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,427,000	0.2%	$1,221,000	$1,149,000	$1,071,000	0.1%	$1,082,000	$1,094,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$36,838,000	$125,949,000	12.3%	$127,179,000	$128,429,000	12.3%
MO	$96,292,000	10.9%	$86,540,000	$83,026,000	$135,441,000	13.3%	$137,167,000	$138,917,000	13.3%
OK	$770,640,000	87.5%	$795,926,000	$799,585,000	$759,314,400	74.3%	$768,276,100	$777,421,800	74.3%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,598,000**	**$1,021,775,400**	**100.0%**	**$1,033,704,100**	**$1,045,861,800**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 4 – Camptown Greyhound Park

Scenario 4 includes the current casinos competing within the southeast trade area, together with the mid case projections for Camptown Greyhound Park. Added gaming capacities include 600 slot machines and a race book. Other assumed customer amenities include two restaurants. With the exception of the Camptown Greyhound Park, scenario 4 does not include any new or expanded competition.

Revenue Projections

The addition of *Camptown Greyhound Park* has been projected to generate approximately $24 million in gaming revenues in the mid case. Overall gaming revenues have been projected to increase from $880 million (2007 total) to $928 million in 2010, and to $950 million by 2012.

Exhibit 3-22 Scenario 4 Revenues Include Existing Casinos + Camptown Greyhound Park

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Camptown Greyhound Park	$0	$16,200,000	$16,364,000	$24,611,000	$24,901,000	$31,753,000	$32,160,000
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$204,284,000	$209,753,000	$200,456,000	$205,869,000	$197,302,000	$202,669,000
All Other Casinos	$681,208,000	$707,544,000	$723,752,000	$702,966,000	$719,100,000	$698,976,000	$715,040,000
Total Scenario 4	**$880,302,000**	**$928,028,000**	**$949,869,000**	**$928,033,000**	**$949,870,000**	**$928,031,000**	**$949,869,000**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

In the 2010 mid-case, the addition of Camptown Greyhound Park has been estimated to add approximately $16 million to the overall southeast trade area. An estimated $25 million would flow to *Camptown Greyhound Park*. Market losses would be sustained by *Oklahoma Tribal casinos located within 50 miles* and *all other casinos* located in the market.

Exhibit 3-23 Scenario 4 Revenue Impacts
Include the Existing Casinos + Camptown Greyhound Park

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Camptown Greyhound Park	$0	$16,200,000	$16,364,000	$24,611,000	$24,901,000	$31,753,000	$32,160,000
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$2,930,000	-$2,972,000	-$6,758,000	-$6,856,000	-$9,912,000	-$10,056,000
All Other Casinos	$0	$2,483,000	$2,458,000	-$2,095,000	-$2,194,000	-$6,085,000	-$6,254,000
Total Scenario 4	**$0**	**$15,753,000**	**$15,850,000**	**$15,758,000**	**$15,851,000**	**$15,756,000**	**$15,850,000**

Data Source: Wells Gaming Research, May 2008.

Forecasted Flow Funds

Exhibit 3-24 illustrates potential revenue flows for scenario 4. The statistics show that Kansas could produce $79 million in gaming revenues (refer to the first section captioned *Scenario 4 Revenues Coming From*). However, gaming revenue flowing back to Kansas would be limited to approximately $37 million in 2010 (refer to the third section of Exhibit 3-24 captioned *Scenario 4 Mid - Revenues Going To*). Revenue flows with Camptown Greyhound Park being the only addition to the market would remain relatively proportional for the other states between 2007 and 2010.

Exhibit 3-24 Flows of Gaming Revenue Funds for Scenario 4
Illustrate Where the Gaming Revenues Originated & Where They Went

Scenario 4 Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$185,844,546	20.0%	$190,891,448	$196,093,017	20.6%
KS	$71,888,705	8.2%	$71,834,865	$78,858,604	$78,803,487	8.5%	$78,750,400	$78,698,535	8.3%
MO	$218,630,803	24.8%	$221,308,664	$232,640,653	$235,468,603	25.4%	$237,970,967	$240,500,783	25.3%
OK	$418,175,692	47.5%	$421,387,294	$424,642,871	$427,911,797	46.1%	$431,229,530	$434,576,446	45.8%
Total	**$880,303,194**	**100.0%**	**$890,741,197**	**$917,101,027**	**$928,028,433**	**100.0%**	**$938,842,345**	**$949,868,781**	**100.0%**
Scenario 4 Low - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,444,000	$1,494,000	$1,512,000	0.2%	$1,529,000	$1,546,000	0.2%
KS	$11,943,000	1.4%	$12,064,000	$28,623,000	$28,835,000	3.1%	$29,034,000	$29,237,000	3.1%
MO	$96,292,000	10.9%	$97,464,000	$101,036,000	$102,258,000	11.0%	$103,368,000	$104,498,000	11.0%
OK	$770,640,000	87.5%	$779,769,000	$785,951,000	$795,423,000	85.7%	$804,908,000	$814,588,000	85.8%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$917,104,000**	**$928,028,000**	**100.0%**	**$938,839,000**	**$949,869,000**	**100.0%**
Scenario 4 Mid - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,444,000	$1,466,000	$1,484,000	0.2%	$1,501,000	$1,518,000	0.2%
KS	$11,943,000	1.4%	$12,064,000	$36,723,000	$37,002,000	4.0%	$37,263,000	$37,527,000	4.0%
MO	$96,292,000	10.9%	$97,464,000	$99,475,000	$100,687,000	10.8%	$101,787,000	$102,910,000	10.8%
OK	$770,640,000	87.5%	$779,769,000	$779,433,000	$788,860,000	85.0%	$798,286,000	$807,915,000	85.1%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$917,097,000**	**$928,033,000**	**100.0%**	**$938,837,000**	**$949,870,000**	**100.0%**
Scenario 4 - High Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,444,000	$1,442,000	$1,460,000	0.2%	$1,476,000	$1,493,000	0.2%
KS	$11,943,000	1.4%	$12,064,000	$43,597,000	$43,936,000	4.7%	$44,254,000	$44,578,000	4.7%
MO	$96,292,000	10.9%	$97,464,000	$98,127,000	$99,330,000	10.7%	$100,424,000	$101,536,000	10.7%
OK	$770,640,000	87.5%	$779,769,000	$773,929,000	$783,305,000	84.4%	$792,687,000	$802,262,000	84.5%
Total	**$880,302,000**	**100.0%**	**$890,741,000**	**$917,095,000**	**$928,031,000**	**100.0%**	**$938,841,000**	**$949,869,000**	**100.0%**

Data Source: Wells Gaming Research, April 2008.

Scenario 5 – Camptown + Expansions

Scenario 5 includes the scenario 4 plus expansions at the following casinos:

Kansas

1. Sac & Fox Casino in Powhattan, KS (Mar 2008)

Oklahoma

1. Cherokee Casino Resort in Catoosa, OK (January 2009)
2. Kickapoo Casino in McLoud, OK (January 2009)
3. Osage Million Dollar Elm in Ponca City, OK (January 2009)
4. Cherokee Casino West Siloam Springs in Watts, OK (July 2009)
5. Creek Nation Casino in Tulsa, OK (September 2008)

Revenue Projections

Exhibit 3-25 profiles gaming revenue projections for scenario 5. Included is scenario 4 plus the casino expansions listed above. WGR's mid case forecasts show that total gaming revenues for the southeast trade area are projected at $928 million and $950 million in 2010 and 2012, respectively. This compares with an estimated $880 million in 2007.

Exhibit 3-25 Scenario 5 Gaming Revenues Include Scenario 4 + the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Camptown Greyhound Park	$0	$15,585,000	$15,736,000	$23,576,000	$23,841,000	$30,331,000	$30,701,000
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$187,005,000	$191,778,000	$183,534,000	$188,263,000	$180,693,000	$185,382,000
All Other Casinos	$681,208,000	$725,441,000	$742,353,000	$720,919,000	$737,765,000	$717,004,000	$733,787,000
Total Scenario 5	**$880,302,000**	**$928,031,000**	**$949,867,000**	**$928,029,000**	**$949,869,000**	**$928,028,000**	**$949,870,000**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 2-26 illustrates that the scenario 5 mid case for 2010 results in a minor negative change of $4 thousand. *Camptown Greyhound Park* shows a loss of $1 million, while *Oklahoma Tribal casinos located within 50 miles* reflect projected losses of $17 million. *All other casinos* have been forecasted to pick up approximately $18 million in gaming revenues.

Exhibit 3-26 Scenario 5 Gaming Revenues Include Scenario 4 + the Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Camptown Greyhound Park	$0	-$615,000	-$628,000	-$1,035,000	-$1,060,000	-$1,422,000	-$1,459,000
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$17,279,000	-$17,975,000	-$16,922,000	-$17,606,000	-$16,609,000	-$17,287,000
All Other Casinos	$0	$17,897,000	$18,601,000	$17,953,000	$18,665,000	$18,028,000	$18,747,000
Total Scenario 5	**$0**	**$3,000**	**-$2,000**	**-$4,000**	**-$1,000**	**-$3,000**	**$1,000**

Data Source: Wells Gaming Research, April 2008.

Forecasted Flow of Funds

Exhibit 3-27 summarizes the gaming revenue flows for scenario 5. The data shows that Kansas could produce $79 million in gaming revenues (refer to the first section captioned *Scenario 5 Revenues Coming From*). However, only $36 million is likely to flow back to Kansas (refer to the third section captioned *Scenario 5 Mid - Revenues Going To*). Even though the forecasted losses to Kansas are substantial, the Scenario 5 results do represent an estimated improvement of approximately $24 million over 2007. In general, revenue flows for scenario 5 remain relatively proportional for the other states between 2007 and 2010.

Exhibit 3-27 Flow of Gaming Revenue Funds for Scenario 5
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 5 Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2010
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$185,844,546	20.0%	$190,891,448	$196,093,017	21.1%
KS	$71,888,705	8.2%	$71,834,865	$78,858,604	$78,803,487	8.5%	$78,750,400	$78,698,535	8.5%
MO	$218,630,803	24.8%	$221,308,664	$232,640,653	$235,468,603	25.4%	$237,970,967	$240,500,783	25.9%
OK	$418,175,692	47.5%	$421,387,294	$424,642,871	$427,911,797	46.1%	$431,229,530	$434,576,446	46.8%
Total	**$880,303,194**	**100.0%**	**$890,741,197**	**$917,101,027**	**$928,028,433**	**100.0%**	**$938,842,345**	**$949,868,781**	**102.4%**

Scenario 5 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2010
IA	$1,427,000	0.2%	$1,417,000	$1,378,000	$1,395,000	0.2%	$1,410,000	$1,425,000	0.2%
KS	$11,943,000	1.4%	$12,573,000	$27,874,000	$28,076,000	3.0%	$28,263,000	$28,454,000	3.1%
MO	$96,292,000	10.9%	$96,200,000	$96,091,000	$97,241,000	10.5%	$98,287,000	$99,347,000	10.7%
OK	$770,640,000	87.5%	$780,553,000	$791,759,000	$801,319,000	86.3%	$810,881,000	$820,641,000	88.4%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$917,102,000**	**$928,031,000**	**100.0%**	**$938,841,000**	**$949,867,000**	**102.4%**

Scenario 5 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2010
IA	$1,427,000	0.2%	$1,417,000	$1,353,000	$1,369,000	0.1%	$1,384,000	$1,399,000	0.2%
KS	$11,943,000	1.4%	$12,573,000	$35,572,000	$35,832,000	3.9%	$36,076,000	$36,322,000	3.9%
MO	$96,292,000	10.9%	$96,200,000	$94,671,000	$95,813,000	10.3%	$96,850,000	$97,902,000	10.5%
OK	$770,640,000	87.5%	$780,553,000	$785,505,000	$795,015,000	85.7%	$804,531,000	$814,246,000	87.7%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$917,101,000**	**$928,029,000**	**100.0%**	**$938,841,000**	**$949,869,000**	**102.4%**

Scenario 5 - High Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2010
IA	$1,427,000	0.2%	$1,417,000	$1,331,000	$1,347,000	0.1%	$1,362,000	$1,377,000	0.1%
KS	$11,943,000	1.4%	$12,573,000	$42,072,000	$42,389,000	4.6%	$42,682,000	$42,981,000	4.6%
MO	$96,292,000	10.9%	$96,200,000	$93,447,000	$94,579,000	10.2%	$95,609,000	$96,654,000	10.4%
OK	$770,640,000	87.5%	$780,553,000	$780,249,000	$789,713,000	85.1%	$799,187,000	$808,858,000	87.2%
Total	**$880,302,000**	**100.0%**	**$890,743,000**	**$917,099,000**	**$928,028,000**	**100.0%**	**$938,840,000**	**$949,870,000**	**102.4%**

Data Source: Wells Gaming Research, April 2008.

Scenario 6 – Camptown + Expansions + New Casinos

Scenario 6 includes scenario 3 and scenario 5, as well as the following other proposed casinos:

Kansas

1. The Woodlands in Kansas City, KS (January 2009)
2. Cherokee County Planned in Baxter Springs, KS (January 2010)
3. Sumner County Planned in Wellington, KS (January 2010)

Missouri

1. Barden Development, Inc. planned in Branson, MO (planned for 2010)

Oklahoma

1. Downstream Casino Resort in Ottawa, OK (July 2008)
2. First Council Casino in Newkirk, OK (March 2008)
3. Ioway Casino Resort in Lincoln, OK (planned for 2910)
4. Muscogee Creek Nation planned in Eufaula, OK (planned for 2010)
5. Pawnee Nation Planned in Chilocco, OK (planned for 2010)
6. Ponca Tribe Oklahoma planned in Ponca City, OK (planned for 2010)
7. Poteau Travel and Smoke Shop in Poteau, OK (planned or 2010)
8. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (July 2008)
9. Shawnee Tribe Oklahoma planned in Oklahoma City, OK
10. Wichita & Affiliated Tribes planned in Hinton, OK
11. Wilburton Travel and Smoke Shop in Wilburton, OK
12. Wild Rose Entertainment planned in Sugar Creek, MO (January 2010)
13. Wyandotte 7th Street Casino in Kansas City, KS (January 2008)
14. Wyandotte County planned in Kansas City, KS (January 2010)

Revenue Projections

Exhibit 3-28 profiles the gaming revenue projections for scenario 6. The 2010 and 2012 mid case projections show overall gaming revenue estimates of over $1.0 billion. This represents an increase of approximately $120 million over the 2007 level of $880 million.

Exhibit 3-28 Scenario 6 Revenues Include Scenario 5 + the Other Proposed

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Camptown Greyhound Park	$0	$11,626,000	$11,736,000	$17,768,000	$17,962,000	$22,917,000	$23,190,000
*Cherokee County Proposed	$0	$47,701,000	$48,706,000	$46,957,000	$47,955,000	$46,380,000	$47,371,000
*Proposed Casinos w/i 50 Miles	$0	$75,156,000	$77,131,000	$74,230,000	$76,194,000	$73,493,000	$75,446,000
*All Other Proposed Casinos	$0	$125,461,600	$128,664,000	$124,552,300	$127,740,700	$123,740,100	$126,915,400
Oklahoma Tribal Casinos w/i 50 Miles	$199,094,000	$127,902,000	$131,349,000	$126,520,000	$129,951,000	$125,418,000	$128,833,000
All Other Casinos	$681,208,000	$633,930,000	$648,278,000	$631,745,000	$646,062,000	$629,830,000	$644,109,000
Total Scenario 6	**$880,302,000**	**$1,021,776,600**	**$1,045,864,000**	**$1,021,772,300**	**$1,045,864,700**	**$1,021,778,100**	**$1,045,864,400**

Data Source: Wells Gaming Research, April 2008.

Revenue Impacts

Exhibit 3-29 shows the casino gaming revenue impacts anticipated with the casino additions included in scenario 6. Of the $1.0 billion in total gross gaming revenues projected for 2010, the major distributions would go to the categories captioned *all other proposed casinos* ($124.6 million) and *proposed casinos located within 50 miles* ($74 million). Losses of $5.8 million to $5.9 million have been estimated for *Camptown Greyhound Park* for 2010 and 2012 in the mid case.

Exhibit 3-29 Scenario 6 Revenue Impacts Include Scenario 5 + Other Proposed

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Camptown Greyhound Park	$0	-$3,959,000	-$4,000,000	-$5,808,000	-$5,879,000	-$7,414,000	-$7,511,000
*Cherokee County Proposed	$0	$47,701,000	$48,706,000	$46,957,000	$47,955,000	$46,380,000	$47,371,000
*Proposed Casinos w/i 50 Miles	$0	$75,156,000	$77,131,000	$74,230,000	$76,194,000	$73,493,000	$75,446,000
*All Other Proposed Casinos	$0	$125,461,600	$128,664,000	$124,552,300	$127,740,700	$123,740,100	$126,915,400
Oklahoma Tribal Casinos w/i 50 Miles	$0	-$59,103,000	-$60,429,000	-$57,014,000	-$58,312,000	-$55,275,000	-$56,549,000
All Other Casinos	$0	-$91,511,000	-$94,075,000	-$89,174,000	-$91,703,000	-$87,174,000	-$89,678,000
Total Scenario 6	**$0**	**$93,745,600**	**$95,997,000**	**$93,743,300**	**$95,995,700**	**$93,750,100**	**$95,994,400**

Data Source: Wells Gaming Research, April 2008.

Forecasted Flow Funds

Exhibit 3-30 profiles the flow of gaming revenues for scenario 6. Projections for 2010 show that Kansas could produce $80 million in gaming revenues (refer to the first section captioned *Scenario 6 Revenues Coming From*). An estimated $109.5 million could flow backs in the 2010 mid case for a gain of approximately $30 million (refer to the third section captioned *Scenario 6 Mid - Revenues Going To*). The $109.5 million in flow backs would be approximately $98 million higher than the 2007 level of $12 million. Oklahoma has been projected to generate $428 million in gaming revenues with flow backs of $773 million, a positive difference of $345 million. Missouri has been forecasted to generate an estimated $317 million in 2010 gaming revenues with flow backs limited to $138 million.

Exhibit 3-30 Flows of Gaming Revenue Funds for Scenario 6
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 6 Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
AR	$171,607,994	19.5%	$176,210,374	$180,958,899	$196,942,472	19.3%	$202,113,354	$207,439,752	20.3%
KS	$71,888,705	8.2%	$73,069,960	$79,814,361	$80,258,196	7.9%	$80,208,273	$80,159,359	7.8%
MO	$218,630,803	24.8%	$226,164,686	$235,119,161	$316,601,315	31.0%	$320,093,085	$323,627,194	31.7%
OK	$418,175,692	47.5%	$421,447,526	$424,703,647	$427,973,116	41.9%	$431,291,392	$434,638,878	42.5%
Total	**$880,303,194**	**100.0%**	**$896,892,546**	**$920,596,068**	**$1,021,775,099**	**100.0%**	**$1,033,706,104**	**$1,045,865,183**	**102.4%**
Scenario 6 Low - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,221,000	$1,167,000	$1,111,000	0.1%	$1,123,000	$1,135,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$30,417,000	$104,531,000	10.2%	$105,530,000	$106,547,000	10.4%
MO	$96,292,000	10.9%	$86,540,000	$84,020,000	$139,091,000	13.6%	$140,850,000	$142,638,000	14.0%
OK	$770,640,000	87.5%	$795,926,000	$804,996,000	$777,043,600	76.0%	$786,200,300	$795,544,000	77.9%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,600,000**	**$1,021,776,600**	**100.0%**	**$1,033,703,300**	**$1,045,864,000**	**102.4%**
Scenario 6 Mid - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,221,000	$1,149,000	$1,098,000	0.1%	$1,110,000	$1,123,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$36,838,000	$109,471,000	10.7%	$110,507,000	$111,560,000	10.9%
MO	$96,292,000	10.9%	$86,540,000	$83,026,000	$138,047,000	13.5%	$139,796,000	$141,578,000	13.9%
OK	$770,640,000	87.5%	$795,926,000	$799,585,000	$773,156,300	75.7%	$782,294,000	$791,603,700	77.5%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,598,000**	**$1,021,772,300**	**100.0%**	**$1,033,707,000**	**$1,045,864,700**	**102.4%**
Scenario 6 High - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2010**
IA	$1,427,000	0.2%	$1,221,000	$1,135,000	$1,088,000	0.1%	$1,100,000	$1,112,000	0.1%
KS	$11,943,000	1.4%	$13,207,000	$42,200,000	$113,650,000	11.1%	$114,719,000	$115,806,000	11.3%
MO	$96,292,000	10.9%	$86,540,000	$82,158,000	$137,108,000	13.4%	$138,852,000	$140,624,000	13.8%
OK	$770,640,000	87.5%	$795,926,000	$795,100,000	$769,932,100	75.4%	$779,035,700	$788,322,400	77.2%
Total	**$880,302,000**	**100.0%**	**$896,894,000**	**$920,593,000**	**$1,021,778,100**	**100.0%**	**$1,033,706,700**	**$1,045,864,400**	**102.4%**

Data Source: Wells Gaming Research, April 2008.

Gaming Capacity with Casino Growth in the Southeast Trade Area

Exhibit 3-31 recaps the current capacity and shows the impacts of adding new casinos and casino expansions. For ease of reference, the data has been categorized by state.

Exhibit 3-31 Casino Capacity Statistics with Growth

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Convention S.F.	# of Rooms	# of Restaurants	Entertainment	Parking
	Current Capacity for Existing Casinos												
	Existing 53 Casinos	**30,846**	**409**	**182**	**591**	**3,180**	**6**	**1,401,874**	**74,620**	**1,619**	**87**	**21**	**35,573**
	Casino Expansions in Oklahoma												
1	Cherokee Casino- West Siloam Springs	486	10	0	**10**	0	0	10,000	20,000	140	1	1	0
2	Cherokee Nation Casino - Tulsa	1,788	34	0	**34**	0	0	0	0	0	0	0	0
3	Osage Million Dollar Elm - Ponca City	0	0	0	**0**	0	0	0	0	0	1	0	0
4	Sac & Fox Casino	500	0	0	**0**	0	0	0	0	0	0	0	0
	Total Expansions	**2,774**	**44**	**0**	**44**	**0**	**0**	**10,000**	**20,000**	**140**	**2**	**1**	**0**
	Kansas Proposed Casinos												
1	Camptown Greyhound Park	600	0	0	**0**	0	1	0	0	0	2	0	700
2	Cherokee County Planned	1,200	40	0	**40**	0	0		10,000	250	3	2	2,500
3	Sumner County Planned	2,000	50	0	**50**	0	0	0	30,000	275	4	3	3,700
4	The Woodlands	800	0	0	**0**	0	1	0	0	0	4	0	700
5	Wyandotte County Planned	3,000	100	0	**100**	0	0		100,000	500	6	5	7,000
	Total Kansas Proposed Casinos	**7,600**	**190**	**0**	**190**	**0**	**2**	**0**	**140,000**	**1,025**	**19**	**10**	**14,600**
	Oklahoma Proposed Casinos												
1	Downstream Casino Resort	2,000	30	15	**45**	0	0	70,000	10,000	240	2	0	2,700
2	First Council Casino	900	8	8	**16**	0	0	40,000	0	0	2	1	950
3	Ioway Casino Resort	1,500	50	0	**50**	0	0	0	0	250	3	2	2,500
4	Muscogee Creek Nation	400	6	0	**6**	0	0	0	0	0	1	0	400
5	Pawnee Nation Chilocco	1,200	24	0	**24**	0	0	0	0	150	3	1	1,500
6	Ponca Tribe Oklahoma Planned	500	10	0	**10**	0	0	50,000	20,000	100	2	0	1,200
7	Poteau Travel & Smoke Shop	20	0	0	**0**	0	0	0	0	0	0	0	12
8	Seneca-Cayuga Tribes of Oklahoma	1,200	18	0	**18**	0	0	100,000	0	125	3	1	1,800
9	Wilburton Travel & Smoke Shop	20	0	0	**0**	0	0		0	0	0	0	12
	Total Oklahoma Proposed Casinos	**7,740**	**146**	**23**	**169**	**0**	**0**	**260,000**	**30,000**	**865**	**16**	**5**	**11,074**
	Missouri Proposed Casinos												
1	Barden Development	1,300	41	0	**41**	0	0	57,000	0	0	2	0	1,200
2	Wild Rose Entertainment - Sugar Creek	1,200	30	0	**30**	0	0	40,000	12,000	200	3	2	2,200
	Total Missouri Proposed Casinos	**2,500**	**71**	**0**	**71**	**0**	**0**	**97,000**	**12,000**	**200**	**5**	**2**	**3,400**
	Grand Total	**51,460**	**860**	**205**	**1,065**	**3,180**	**8**	**1,768,874**	**276,620**	**3,849**	**129**	**39**	**64,647**
	Percent Increase Over Current	**67%**	**110%**	**13%**	**80%**	**0%**	**33%**	**26%**	**271%**	**138%**	**48%**	**86%**	**82%**

Data Source: Wells Gaming Research, April 2008.

The bottom line of Exhibit 3-31 shows that slot machines would increase by 67%, pit table games by 110%, poker tables by 13%, number of total tables by 80%, race books by 33%, casino square footage by 26%, convention/meeting space by 271%, the number of hotel rooms by 138%, the number of restaurants by 48%, entertainment venues by 86%, and parking capacity by 82%.

Section 4

Summary of the Trade Area
for the South Central Gaming Zone

Highlights of the market for the south central trade area follow (refer to pages 4-6 though 4-22 for the corresponding detailed analyses and discussions).

Trade Area

The south central trade area covers portions of Kansas and Oklahoma located within the approximate 100-mile radius surrounding Wellington, Kansas. The boundaries extend to Saline and Dickinson Counties, Kansas on the North; Logan and Lincoln Counties, Oklahoma on the South; Kiowa and Comanche Counties, Kansas on the West; and Labette County, Kansas on the East (refer to the map on page 4-2).

Demographic Statistics

The population and median household income statistics included in this report section are limited to those counties located in the south central trade area and do not include the entire states of Kansas and Oklahoma.

Exhibit 4-1 shows that the south central trade area includes 53 counties (34 in Kansas and 19 in Oklahoma). In 2007, these counties had a total adult population of approximately 1.5 million. The corresponding median Household Income (MHI) was approximately $50 thousand in Kansas and $47 thousand in Oklahoma.

Exhibit 4-1 Adult Population & Median Household Income (MHI)

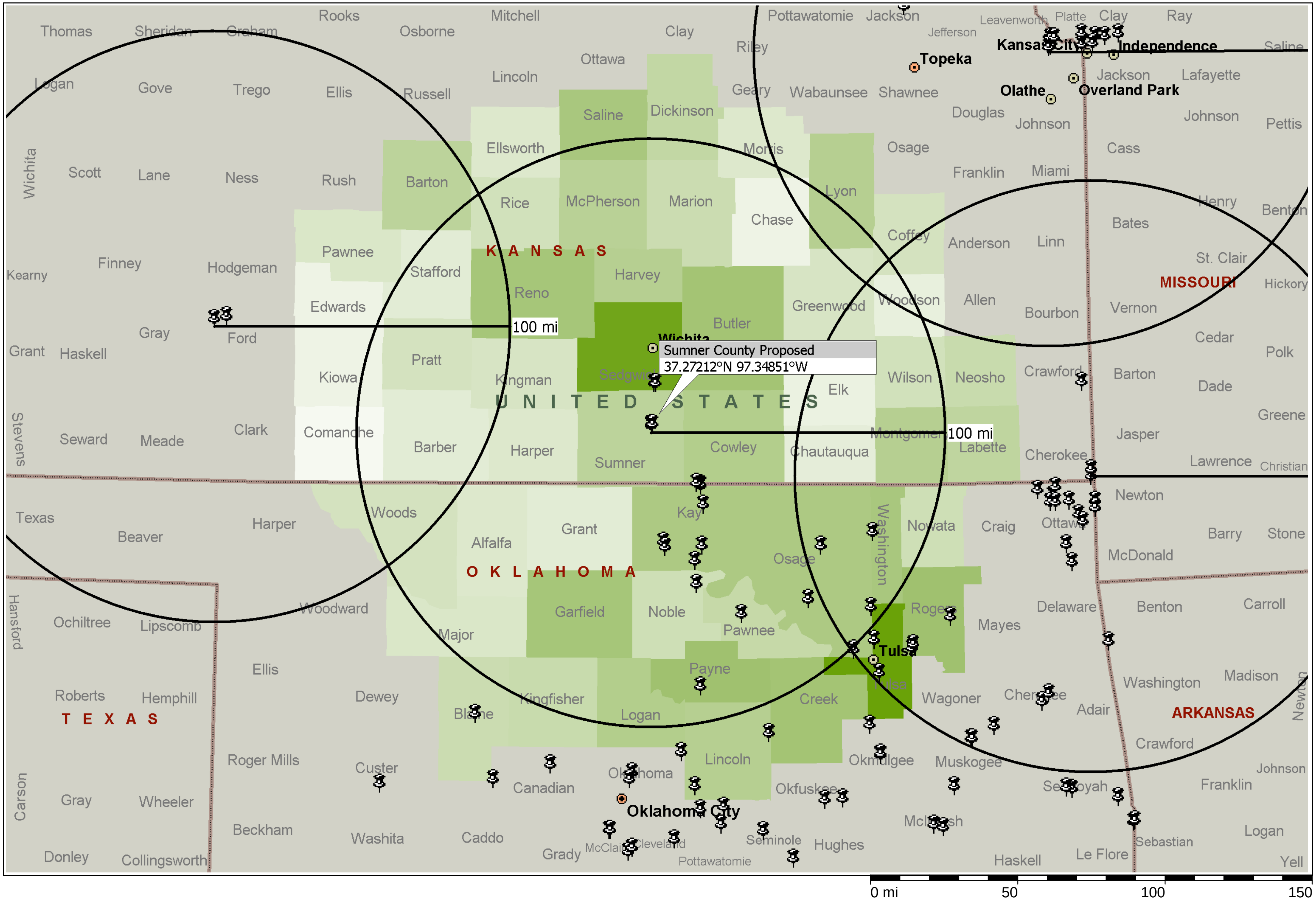
2007		2007		2012		ACGR	
State	# of Counties	Adult Population	MHI	Adult Population	MHI	Adult Population 07 to 12	MHI 07 to 12
KS	34	729,120	$50,429	737,115	$58,998	0.22%	3.2%
OK	19	820,137	$47,237	847,642	$54,561	0.66%	2.9%
Total	**53**	**1,549,257**	**N/A**	**1,584,757**	**N/A**	0.45%	**N/A**

Data Sources: Bureau of Business & Economics Research, UNR Reno & Wells Gaming Research, May 2008.

The adult population forecasts include a minor increase of approximately 35 thousand between 2007 and 2012, up from 1.5 million to 1.6 million. The corresponding average compound growth rate for the adult population would be 0.45% between 2007 and 2012.

The median household income levels for 2012 have been forecasted at approximately $59 thousand for Kansas and $55 thousand for Oklahoma. This reflects average compound growth rates between 2007 and 2012 of 3.2% for Kansas and 2.9% for Oklahoma.

South Central Kansas Zone



Primary Market

The primary market for the south central trade area of Kansas is made up of 10 counties surrounding the proposed casino site in Sumner County. Exhibit 4-2 shows adult population of approximately 500 thousand for the primary market in 2007. The 10 counties combined have been projected to have an average compound growth rate of 0.5% between 2007 and 2012. One-third of the south central zone trade area adult population lives within these ten counties and within 50 miles or less from the assumed generic casino site.

The total adult population has been forecasted at slightly over 1.5 million for 2012 reflecting an average compound growth rate of 0.1% (refer to Exhibit 4-7, page 4-8 for a detailed year by year population statistic from 2006 through 2012).

Exhibit 4-2 Adult Population for the Primary Market

# of Counties	List of Counties	2007	2012	ACGR 07 to 12	% 2012
	Butler KS	46,781	52,348	2.3%	3%
	Cowley KS	24,502	23,838	-0.5%	2%
	Harper KS	4,259	4,025	-1.1%	0%
	Harvey KS	23,641	24,185	0.5%	2%
	Kingman KS	5,848	5,811	-0.1%	0%
	Reno KS	42,425	40,200	-1.1%	3%
	Sedgwick KS	321,246	329,963	0.5%	22%
	Sumner KS	17,169	16,964	-0.2%	1%
	Grant OK	3,637	3,637	0.0%	0%
	Kay OK	10,546	10,675	0.2%	1%
10	**Total Surrounding Counties**	**500,054**	**511,646**	**0.5%**	**34%**
26	**Total Kansas Counties -** ***Excluding Surrounding Counties***	**243,249**	**239,781**	**-0.3%**	**16%**
17	**Total Oklahoma Counties -** ***Excluding Surrounding Counties***	**768,657**	**768,657**	**0.0%**	**51%**
53	**Total Trade Area Population**	**1,511,960**	**1,520,084**	**0.1%**	**100%**

Data Sources: Bureau of Business & Economics Research, UNR Reno & Wells Gaming Research, May 2008.

Capacity Statistics & Competition

Exhibit 4-3 shows the existing casino capacity and illustrates the increases that are anticipated for the south central trade area. The current capacity includes 54 gaming locations equipped with 28,532 slot machines, 467 table games (pit and poker) and 1.3 million square feet of casino space. Other amenities include 57 thousand square feet of convention space, 741 hotel rooms, 79 restaurants, 15 entertainment venues, and 39,912 thousand parking spaces.

Capacity increases include the expansions at the Sac & Fox Casino in Kansas, and the five casino expansions in Oklahoma. Also included are the 12 new casinos (four in Kansas and eight in Oklahoma).

Exhibit 4-3 Capacity Statistics with Proposed Casino Growth

	Existing	Expansions		New (Proposed) Casinos		Total	% Change
Capacity	Casinos	KS	OK	KS	OK	Capacity	Above Existing
# of Loc	54	1	5	4	8	72	33%
# of Slots	28,532	500	3,681	4600	9,650	46,963	65%
# of Tables	467	0	75	110	243	895	92%
Casino S.F.	1,318,784	0	252,000	0	260,000	1,830,784	39%
Convention S.F.	57,350	0	20,000	45,000	30,000	152,350	166%
# of Rooms	741	0	140	625	1,265	2,771	274%
# of Restaurants	79	0	6	12	19	116	47%
Entertainment	15	0	3	8	11	37	147%
Parking	39,912	0	0	8,600	15,800	64,312	61%

Data Source: Wells Gaming Research, May 2008.

The combined impact of the proposed expansions at six casinos and the addition of 12 new casinos will result in substantial increases in casino capacity in the south central trade area. Notable capacity changes shown in Exhibit 4-3 include a 33% increase in the number of gaming locations (up from 54 to 72), a 65% increase in the number of slot machines (up from 29 thousand to 47 thousand), and a 92% increase in the number of table games (up from 467 to 895). In addition, the number of hotel rooms are forecasted to increase by 274% (up from 741 to 2,771), the number of restaurant are estimated to increase by 47% (up from 79 to 116), the number of entertainment venues have been projected to increase by 147% (up from 15 to 37), and parking capacity should increase by 61% (up from 39,912 spaces to 64,312).

Gaming Revenues

Exhibit 4-4 shows the revenue flows that correspond to the current status (2007), as well as to the 2012 projections for scenarios 1 through 3. The scenarios were developed to analyze the impact of the expansions and new casinos. Exhibit 4-4 shows, by state, where the revenues came from and where they went. The current status indicates that Kansas suffered a net loss of $224 million in 2007. Of this amount, $1 million went to Iowa, $42 million to Missouri, and $181 million to Oklahoma.

The key assumption of scenario 1 is the addition of Sumner County near the I-35 exit at Wellington. No other new or expanded casinos have been assumed. With Sumner County added in, the net loss for Kansas has been forecasted to decline from $224 million (2007) to $153 million for scenario 1 in 2012. Out of the $153 million, $1 million has been forecasted to go to Iowa, $34 million to Missouri, and $118 million to Oklahoma.

Exhibit 4-4 Summary of the 2012 Flow of Gaming Revenues
(Dollars in Millions)

	Current Status 2007			**Scenario-1 2012**			**Scenario-2 2012**			**Scenario-3 2012**		
State	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**
IA	$0	$1	$1	$0	$1	$1	$0	$1	$1	$0	$1	$1
KS	$242	$18	-$224	$294	$141	-$153	$294	$137	-$157	$299	$128	-$171
MO	$0	$42	$42	$0	$34	$34	$0	$32	$32	$0	$28	$28
OK	$424	$605	$181	$438	$556	$118	$438	$562	$124	$438	$580	$142
Total	**$666**	**$666**	**$0**	**$732**	**$732**	**$0**	**$732**	**$732**	**$0**	**$737**	**$737**	**$0**

Data Source: Wells Gaming Research, May 2008.

Scenario 2 includes all existing casinos competing in the south central trade area, Sumner County, plus six expansions. Five of these expansions are in Oklahoma (refer to page 4-16 for a list) and one is in Kansas (the Sac & Fox Casino). The Oklahoma expansions have been projected to substantially overshadow the impact of the expansion at the Sac & Fox Casino. As a result, the net loss for Kansas has been projected to be $157 million, $4 million higher than the $153 million loss projected in scenario-1. In contrast, Oklahoma's net gain is expected to go up to $124 million, $6 million above the $118 million projected in scenario 1.

Scenario 3 includes all of the casino additions and expansions incorporated into scenarios 1 and 2, plus six new casinos proposed for Kansas, two for Missouri, and 11 for Oklahoma (refer to page 4-19 for a list by state). With all of the projected growth in new casinos, the net loss for Kansas has been projected to increase to $171 million in scenario 3, an increase of $14 million in losses over scenario 2. Even so, the scenario 3 losses of $171 million are $53 million less than the $224 million loss sustained in 2007. On the other hand, Oklahoma's net gain has been projected to increase to $18 million in scenario 3 by absorbing $14 million from Kansas and another $4 million from Missouri.

Detailed Analysis of the Trade Area for the South Central Gaming Zone

Population statistics were one of the key variables used in the gross gaming revenue (GGR) projections developed for the south central gravity model. WGR compiled statistics for the total population, and for the adult population segment located within the 100-mile trade area surrounding Sumner County. Because of the age restrictions on casino gaming, only the adult population statistics were used in the Wells Gaming Research's gravity model to project gaming revenues.

Total & Adult Population Statistics

The total population for the south central trade area was 2.2 million in 2007, with 1.5 million adults (69% of the total). This market included a total population of approximately 1.0 million in Kansas and 1.1 million in Oklahoma.

Exhibit 4-5 Total & Adult Population Statistics

		2000 Total & Adult				2007 Total & Adult				2012 Total & Adult			
ST	# of CO	Total	Adult	Adult as a % of Total	Adult % of Adult Total	Total	Adult	Adult as a % of Total	Adult % of Adult Total	Total	Adult	Adult as a % of Total	Adult % of Adult Total
KS	34	1,043,904	718,267	68.8%	47.9%	1,060,641	729,120	68.7%	47.1%	1,072,849	737,115	68.7%	46.5%
OK	19	1,127,204	782,730	69.4%	52.1%	1,181,390	820,137	69.4%	52.9%	1,221,225	847,642	69.4%	53.5%
TOT	**53**	**2,171,108**	**1,500,997**	**69.1%**	**100.0%**	**2,242,031**	**1,549,257**	**69.1%**	**100.0%**	**2,294,074**	**1,584,757**	**69.1%**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

The adult population in the south central trade area has been projected to increase from 1.5 million in 2007 to 1.6 million by the year 2012, with 737 thousand adults (46.5%) living in Kansas and 848 thousand (53.5%) in Oklahoma.

Total Population

Exhibit 4-6 shows that the population located in the ten counties surrounding Sumner Country totaled 733 thousand in 2007. The corresponding population for 2012 has been forecasted at 750 thousand, reflecting an average annual compound growth rate of 0.5%.

Exhibit 4-6 Total Population Statistics for 2000 and 2006-2012

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Butler KS	59,482	68,152	69,701	71,285	72,908	74,566	76,262	77,994	2.3%	10%
	Cowley KS	36,291	35,907	35,709	35,514	35,320	35,127	34,935	34,744	-0.5%	5%
	Harper KS	6,536	5,965	5,899	5,833	5,767	5,703	5,639	5,576	-1.1%	1%
	Harvey KS	32,869	33,915	34,070	34,225	34,382	34,537	34,696	34,854	0.5%	5%
	Kingman KS	8,673	8,403	8,392	8,381	8,370	8,361	8,350	8,339	-0.1%	1%
	Reno KS	64,790	60,430	59,778	59,138	58,505	57,877	57,256	56,644	-1.1%	8%
	Sedgwick KS	452,869	471,520	474,057	476,602	479,161	481,729	484,318	486,917	0.5%	65%
	Sumner KS	25,946	25,441	25,379	25,319	25,258	25,196	25,136	25,076	-0.2%	3%
	Grant OK	5,144	5,100	5,100	5,100	5,100	5,100	5,100	5,100	0.0%	1%
	Kay OK	14,833	14,998	15,037	15,074	15,110	15,148	15,185	15,221	0.2%	2%
10	**Total Surrounding Co**	**707,433**	**729,831**	**733,122**	**736,471**	**739,881**	**743,344**	**746,877**	**750,465**	**0.5%**	**100%**
26	**Total Kansas Counties - *Excluding Surrounding Counties***	**356,448**	**348,684**	**347,656**	**346,639**	**345,632**	**344,643**	**343,676**	**342,705**	**-0.3%**	
17	**Total Oklahoma Counties - *Excluding Surrounding Counties***	**1,107,227**	**1,153,518**	**1,161,253**	**1,169,059**	**1,176,927**	**1,184,852**	**1,192,852**	**1,200,904**	**0.7%**	
53	**Total Trade Area Pop**	**2,171,108**	**2,232,033**	**2,242,031**	**2,252,169**	**2,262,440**	**2,272,839**	**2,283,405**	**2,294,074**	**0.5%**	

Data Source: Wells Gaming Research, May 2008.

The total population for the south central trade area was approximately 2.2 million in 2007 with forecasted increases to 2.9 million by 2012. This reflects an average compound growth rate of 0.5%.

Adult Population

The adult population for the ten contiguous counties was 500,054 in 2007. Projections indicate that the adult population could reach 511,646 by 2012, thereby reflecting an average compound growth rate of 0.5% per year. The total adult population for the south central trade area was 1.51 million in 2007. With an average compound growth rate of 0.1%, the 2012 adult population would be 1.52 million.

Exhibit 4-7Adult Population Statistics for 2000 and 2006 to 2012

# of Co	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Butler KS	39,923	45,743	46,781	47,844	48,936	50,048	51,185	52,348	2.3%	10%
	Cowley KS	24,901	24,638	24,502	24,370	24,236	24,104	23,971	23,838	-0.5%	5%
	Harper KS	4,719	4,307	4,259	4,211	4,164	4,118	4,071	4,025	-1.1%	1%
	Harvey KS	22,808	23,534	23,641	23,749	23,858	23,965	24,076	24,185	0.5%	5%
	Kingman KS	6,044	5,855	5,848	5,841	5,834	5,826	5,818	5,811	-0.1%	1%
	Reno KS	45,980	42,885	42,425	41,970	41,519	41,074	40,634	40,200	-1.1%	8%
	Sedgwick KS	306,890	319,528	321,246	322,973	324,706	326,445	328,201	329,963	0.5%	64%
	Sumner KS	17,554	17,213	17,169	17,129	17,088	17,047	17,006	16,964	-0.2%	3%
	Grant OK	3,669	3,637	3,637	3,637	3,637	3,637	3,637	3,637	0.0%	1%
	Kay OK	10,404	10,520	10,546	10,574	10,598	10,625	10,651	10,675	0.2%	2%
10	**Total Surrounding Counties**	**482,892**	**497,860**	**500,054**	**502,298**	**504,576**	**506,889**	**509,250**	**511,646**	**0.5%**	**100%**
26	**Total Kansas Counties - *Excluding Surrounding Counties***	**249,448**	**243,966**	**243,249**	**242,533**	**241,828**	**241,138**	**240,465**	**239,781**	**-0.3%**	
17	**Total Oklahoma Counties - *Excluding Surrounding Counties***	**768,657**	**768,657**	**768,657**	**768,657**	**768,657**	**768,657**	**768,657**	**768,657**	**0.0%**	
53	**Total Trade Area Population**	**1,500,997**	**1,510,483**	**1,511,960**	**1,513,488**	**1,515,061**	**1,516,684**	**1,518,372**	**1,520,084**	**0.1%**	

Data Source: Wells Gaming Research, May 2008.

Average Median Household Income

The average median household income statistics for 2007 show $50 thousand and $47 thousand, respectively, for counties located in Kansas and Oklahoma that fall within the south central trade area. Based on an average compound growth rate of 3.2%, Kansas would have an average median household income of $59 thousand in 2012. With an average compound growth rate of 2.9%, Oklahoma would have an average median household income of $55 thousand.

Exhibit 4-8 Average Median Household Income Statistics for 2000 and 2006 to 2012

# of Co	State	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12
34	KS	$40,552	$48,880	$50,429	$52,031	$53,687	$55,398	$57,168	$58,998	3.2%
19	OK	$38,736	$45,906	$47,237	$48,610	$50,028	$51,491	$53,002	$54,561	2.9%

Data Source: Wells Gaming Research, May 2008.

Status Quo
for the South Central Trade Area

Gaming Revenues

The status quo assumes that there will not be any new casinos or casino expansions. The status quo (2007) gaming revenues totaled approximately $666 million for the south central trade area. Over $82 million of the total was generated by *Oklahoma Tribal casinos located within 50 miles*. Without any casino expansions or additions in the south central trade area, gaming revenues could increase to approximately $684 million by 2012, for a 2.7% change over 2007.

Exhibit 4-9 2007 to 2012 Status Quo Revenues for the South Central Zone

Revenue	2007	2008	2009	2010	2011	2012
Oklahoma Tribal Casinos w/i 50 Miles	$82,203,000	$82,497,000	$82,790,000	$83,090,000	$83,395,000	$83,702,000
All Other Casinos	$583,803,000	$587,038,100	$590,322,200	$593,636,300	$596,995,400	$600,378,500
Total	**$666,006,000**	**$669,535,100**	**$673,112,200**	**$676,726,300**	**$680,390,400**	**$684,080,500**

Data Source: Wells Gaming Research, May 2008.

Visitors

The status quo (2007) casino visitors totaled approximately 10.4 million. Absent any casino expansions or additions, casino visitor counts could increase to approximately 10.7 million by 2012, a 2.9% change over 2007.

Exhibit 4-10 2007 to 2012 Status Quo Visitors for the South Central Zone

Visitors	2007	2008	2009	2010	2011	2012
Oklahoma Tribal Casinos w/i 50 Miles	1,184,502	1,188,497	1,192,510	1,196,630	1,200,776	1,204,953
All Other Casinos	9,215,264	9,269,027	9,323,456	9,378,336	9,433,911	9,489,892
Total	**10,399,766**	**10,457,524**	**10,515,966**	**10,574,966**	**10,634,687**	**10,694,845**

Data Source: Wells Gaming Research, May 2008.

Estimates of Casino Revenue Flows

The status quo for casino revenue shows what could be expected if no new casino development occurred in the south central trade area. In 2007, an estimated $666 million was generated in total gaming revenues. Of the $666 million, an estimated $242 million (36%) was generated in Kansas and $424 million (64%) in Oklahoma. However, the vast majority of the $666 million, approximately $605 million (91%), flowed back to Oklahoma leaving $1.3 million (0.2%) for Iowa, $17.9 million (3%) for Kansas, $42.3 million (6%) for Missouri.

Exhibit 4-11 Status Quo Flow of Gaming Revenue Funds
for the Southeast Trade Area for 2007 to 2012

Current Scenario Revenues Coming From						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
KS	$242,053,193	$242,771,774	$243,508,022	$244,259,946	$245,031,932	$245,814,353
OK	$423,949,380	$426,764,405	$429,605,224	$432,467,142	$435,357,292	$438,265,147
Total	**$666,002,573**	**$669,536,179**	**$673,113,246**	**$676,727,088**	**$680,389,224**	**$684,079,500**

Current Scenarios Revenues Going To						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
IA	$1,278,000	$1,282,000	$1,287,000	$1,292,000	$1,297,000	$1,302,000
KS	$17,915,000	$17,978,000	$18,041,000	$18,106,000	$18,173,000	$18,240,000
MO	$42,293,000	$42,439,000	$42,590,000	$42,744,000	$42,900,000	$43,058,000
OK	$604,520,000	$607,836,100	$611,194,200	$614,584,300	$618,020,400	$621,480,500
Total	**$666,006,000**	**$669,535,100**	**$673,112,200**	**$676,726,300**	**$680,390,400**	**$684,080,500**

Data Source: Wells Gaming Research, May 2008.

Total gaming revenues for the south central trade area have been projected to increase to $677 million by 2010 and to $684 million by 2012, an approximate increase of $18 million between 2007 and 2012. The projected allocations for 2010 and 2012 relative to 2007 show that the distribution could be expected to remain fairly constant.

Current Casino Gaming Capacity
For the South Central Trade Area

A compilation of the current casino gaming capacity located within approximately 150 miles of the casino site in the south central zone is shown in Exhibit 4-12. The results indicate that 54 casinos are currently in operation. All are located in Oklahoma.

Exhibit 4-12 Status Quo Casino Capacity Statistics

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Oklahoma:												
1	7 Clans Paradise Casino	700	8	6	14	0	0	30,000	0	0	2	0	500
2	Blue Star Gaming and Casino	228	0	0	0	300	0	20,000	0	0	1	0	500
3	Bordertown Bingo & Casino	886	11	10	21	650	1	73,000	0	0	2	0	400
4	Buffalo Run Casino	1,300	20	9	29	0	0	70,000	10,000	0	3	1	1,300
5	Catoosa Smoke Shop	75	0	0	0	0	0	1,728	0	0	0	0	42
6	Cherokee Casino - Fort Gibson	295	0	0	0	0	0	7,430	0	0	0	0	182
7	Cherokee Casino - Will Rogers Downs	250	0	0	0	0	1	18,277	11,000	450	1	1	150
8	Cherokee Casino Resort	1,522	37	35	72	0	0	95,000	7,500	263	8	3	3,100
9	Cimarron Bingo Casino	363	0	0	0	0	1	9,600	0	0	1	0	400
10	Creek Nation Casino Muscogee	584	7	10	17	300	0	30,000	0	0	1	1	800
11	Creek Nation Casino Okemah	132	0	3	3	110	0	1,800	0	0	0	0	200
12	Creek Nation Casino Okmulgee	334	2	3	5	0	0	11,000	0	0	1	0	600
13	Creek Nation Casino Tulsa	1,512	0	11	11	0	0	38,000	0	0	1	0	2,000
14	Creek Nation Travel Plaza	43	0	0	0	0	0	920	0	0	1	0	50
15	Duck Creek Casino	268	0	0	0	120	0	5,000	0	0	1	0	300
16	Eastern Shawnee Travel Plaza	186	0	0	0	0	0	3,000	0	0	0	0	150
17	Feather Warrior Casino	89	0	0	0	0	0	2,200	0	0	0	0	59
18	FireLake Casino	800	7	2	9	500	0	50,000	5,000	0	3	0	800
19	FireLake Grand Casino	1,800	23	19	42	0	0	125,000	0	0	5	2	4,000
20	Golden Pony Casino	400	0	0	0	0	0	10,000	0	0	1	0	500
21	Goldsby Gaming Center	182	0	0	0	300	1	15,462	0	0	1	0	300
22	Grand Lake Casino	879	10	6	16	0	0	45,000	0	0	1	1	1,000
23	High Winds Casino	500	8	0	8	0	0	35,000	0	0	2	0	450
24	Kaw Southwind Casino	1,078	3	4	7	700	0	55,000	0	0	2	0	1,000
25	Kickapoo Casino	525	9	0	9	0	0	12,000	0	0	1	0	600
26	Kickapoo Conoco Station	52	0	0	0	0	0	900	0	0	0	0	30
27	Lucky Star Casino - Clinton	423	5	4	9	0	0	13,000	0	0	1	0	400
28	Lucky Star Casino - Concho	930	13	11	24	0	0	40,000	0	0	1	0	1,000
29	Lucky Turtle Casino	101	0	0	0	0	0	3,000	0	0	1	0	200
30	Miami Tribe Entertainment	107	0	0	0	0	0	0	0	0	0	0	75
31	Muscogee Travel Plaza	129	0	0	0	0	0	3,000	0	0	0	0	50
32	Mystic Winds Casino	354	0	0	0	0	0	0	0	0	0	0	50
33	Native Lights Casino	612	6	0	6	0	0	22,500	0	0	2	0	405
34	Newcastle Gaming Center I	1,199	0	0	0	0	0	10,452	0	0	1	0	900
35	Newcastle Gaming Center II	0	14	14	28	0	0	10,521	0	0	0	0	150
36	Osage Million Dollar Elm Casino - Bartlesville	575	6	6	12	0	0	42,000	0	0	0	0	700

Exhibit 4-12 Status Quo Casino Capacity Statistics (Continued)

# of Loc	Casino	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Oklahoma:												
37	Osage Million Dollar Elm Casino - Hominy	273	1	2	3	0	0	0	0	0	1	0	250
38	Osage Million Dollar Elm Casino - Pawhuska	135	0	0	0	0	0	0	0	0	1	0	50
39	Osage Million Dollar Elm Casino - Ponca City	222	0	0	0	0	0	7,700	0	0	0	0	150
40	Osage Million Dollar Elm Casino - Sand Springs	601	4	0	4	0	0	25,000	0	0	1	0	500
41	Osage Million Dollar Elm Casino - Skiatook	152	0	0	0	0	0	0	0	28	1	0	200
42	Osage Million Dollar Elm Casino - Tulsa	1,267	10	7	17	600	0	47,000	1,600	0	3	1	800
43	Pawnee Trading Post	130	0	0	0	0	0	3,500	0	0	2	0	250
44	Peoria Gaming Center	200	0	0	0	0	0	4,200	0	0	1	0	250
45	Quapaw Casino	483	8	1	9	0	0	27,000	0	0	1	1	700
46	Remington Park	650	0	0	0	0	1	55,000	0	0	3	0	6,700
47	Riverwind Casino	2,317	32	21	53	0	1	76,308	14,000	0	10	3	4,000
48	Sac and Fox Casino - Shawnee	466	5	5	10	0	0	8,600	0	0	1	0	550
49	Sac and Fox Casino - Stroud	49	0	0	0	0	0	825	0	0	0	0	34
50	Seminole Nation Trading Post	200	0	0	0	0	0	3,424	0	0	0	0	125
51	The Stables Casino	500	4	0	4	0	1	25,000	0	0	2	0	260
52	Thunderbird Casino	600	6	2	8	0	1	61,000	8,250	0	3	1	600
53	Tonkawa Casino	374	4	0	4	0	0	14,437	0	0	1	0	400
54	Wyandotte Nation Casino	500	8	5	13	0	0	50,000	0	0	3	0	750
	54 Total Existing Casinos	**28,532**	**271**	**196**	**467**	**3,580**	**8**	**1,318,784**	**57,350**	**741**	**79**	**15**	**39,912**

Data Source: Wells Gaming Research, May 2008.

The foregoing data shows that there are currently a total of 54 casinos located in the south central trade area All are located in Oklahoma. Combined capacities for the 54 casinos include 28,532 slot machines, 271 pit table games, and 196 poker tables (467 total table games), 3,580 bingo seats, 8 race books, and 1.3 million square feet of gaming space. Other amenities include over 57 thousand square feet of convention/meeting space, 741 hotel rooms, 79 restaurants, 15 entertainment venues, and approximately 40 thousand parking spaces.

Analyses of the Gaming Revenue Scenarios

Scenario 1

Assumptions

Scenario 1 includes the existing casinos, as well as the generic casino proposed for Sumner County. The mid case scenario for the proposed new Sumner County casino includes projected gaming capacity of 2,000 slot machines and 50 table games. Other amenities include 30,000 square feet of convention/meeting space, 275 hotel rooms, four restaurants, and three entertainment venues (two small and one large). The location assumed for this generic casino was near the I-35 exit at Wellington.

Revenue Projections for Scenario 1

Exhibit 4-13 shows the current gaming revenues (2007) for the south central trade area, together with projections for WGR's low, mid, and high case forecasts for scenario 1. Total gaming revenues have been forecasted at $666 million for 2007. With Sumner County added in, total gaming revenues in the mid case could increase to $724 million for 2010, and again to $732 million for 2012. It should be noted that the same size casino located near the I-35 exit at Mulvane would generate more revenue due to proximity to the more heavily populated Wichita area.

WGR's projected allocations include $126 million for 2010 and $127 million for 2012 for the category captioned *Summer County Proposed*. Projections for the category *Oklahoma casinos located within 50 miles* of the proposed casino site are approximately $61 million in both 2010 and 2012. Projected allocations for *all other casinos* located in the south central trade area are forecasted to generate approximately $538 million in 2010 increasing to $544 million in 2012.

Exhibit 4-13 Scenario 1 Gaming Revenues
Includes Existing Casinos + Sumner County Proposed for 2008

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Sumner County Proposed	$0	$84,285,000	$85,053,000	$125,566,000	$126,721,000	$152,419,000	$153,813,000
Oklahoma Tribal Casinos w/in 50 Miles	$82,203,000	$70,919,000	$71,430,000	$60,809,000	$61,231,000	$54,436,000	$54,807,000
All Other Casinos	$583,803,000	$568,981,500	$575,311,700	$537,810,200	$543,840,400	$517,326,800	$523,176,900
Total Scenario 1	**$666,006,000**	**$724,185,500**	**$731,794,700**	**$724,185,200**	**$731,792,400**	**$724,181,800**	**$731,796,900**

Data Source: Wells Gaming Research, May 2008.

Revenue Impacts

The category captioned *Sumner County Proposed* has projected gaming revenue allocations for 2010 of $126 million, increasing to $127 million by 2012. Projected decreases include $22 million for *Oklahoma Tribes located within 50 miles*, and a $55.8 million decrease in gaming revenues currently flowing to a*ll other casinos* located in the south central trade area.

Exhibit 4-14 Scenario 1 Revenue Impacts Includes the Existing Casinos + Sumner County Proposed for 2008

	Current	**Low Case**		**Mid Case**		**High Case**	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Sumner County Proposed	$0	$84,285,000	$85,053,000	$125,566,000	$126,721,000	$152,419,000	$153,813,000
Oklahoma Tribal Casinos w/in 50 Miles	$0	-$12,171,000	-$12,272,000	-$22,281,000	-$22,471,000	-$28,654,000	-$28,895,000
All Other Casinos	$0	-$24,654,800	-$25,066,800	-$55,826,100	-$56,538,100	-$76,309,500	-$77,201,600
Total Scenario 1	**$0**	**$47,459,200**	**$47,714,200**	**$47,458,900**	**$47,711,900**	**$47,455,500**	**$47,716,400**

Data Source: Wells Gaming Research, May 2008.

Forecasted Flow Funds

Exhibit 4-15 shows that, of the total $666 million in gaming revenues for 2007, $242 million (36.3%) was generated by people from Kansas who frequented Oklahoma Tribal casinos located near the southern border of Kansas (refer to the first section of Exhibit 4-15 captioned *Scenario 1 Revenues Coming From).*

The scenario 1 mid case shows that in 2007 only $18 million of the $666 million stayed in Kansas, $605 million went to Oklahoma Tribal casinos, $42.3 million went to Missouri, and $1.3 million went to Iowa (refer to the mid section of Exhibit 4-15). Refer to the third section of Exhibit 4-15 captioned *Scenario 1 Mid - Revenues Going To.*

The addition of Sumner County (scenario 1) in the 2010 mid case could result in an important shift in the flow of casino revenues. Of the $292 million projected to be generated in Kansas, $140 million could stay in Kansas. As forecasted, an estimated $550 million would continue to flow to Oklahoma, $34 million to Missouri, and $1 million to Iowa. Assuming no additional competition enters the market, this trend could be expected to continue through 2012.

Exhibit 4-15 Flows of Gaming Revenue Funds for Scenario 1
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 1 - Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$242,053,193	**36.3%**	$242,771,774	$243,508,022	$291,715,359	**40.3%**	$292,616,176	$293,530,157	**40.1%**
OK	$423,949,380	**63.7%**	$426,764,405	$429,605,224	$432,467,142	**59.7%**	$435,357,292	$438,265,147	**59.9%**
Total	**$666,002,573**	**100.0%**	**$669,536,179**	**$673,113,246**	**$724,182,501**	**100.0%**	**$727,973,468**	**$731,795,304**	**100.0%**
Scenario 1 Low - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$1,278,000	**0.2%**	$1,282,000	$1,287,000	$1,195,000	**0.2%**	$1,198,000	$1,202,000	**0.2%**
KS	$17,915,000	**2.7%**	$17,978,000	$18,041,000	$101,094,000	**14.0%**	$101,526,000	$101,961,000	**13.9%**
MO	$42,293,000	**6.4%**	$42,439,000	$42,590,000	$39,223,000	**5.4%**	$39,339,000	$39,459,000	**5.4%**
OK	$604,520,000	**90.8%**	$607,836,100	$611,194,200	$582,673,500	**80.5%**	$585,905,600	$589,172,700	**80.5%**
Total	**$666,006,000**	**100.0%**	**$669,535,100**	**$673,112,200**	**$724,185,500**	**100.0%**	**$727,968,600**	**$731,794,700**	**100.0%**
Scenario 1 Mid - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$1,278,000	**0.2%**	$1,282,000	$1,287,000	$1,014,000	**0.1%**	$1,017,000	$1,020,000	**0.1%**
KS	$17,915,000	**2.7%**	$17,978,000	$18,041,000	$139,943,000	**19.3%**	$140,557,000	$141,176,000	**19.3%**
MO	$42,293,000	**6.4%**	$42,439,000	$42,590,000	$33,528,000	**4.6%**	$33,618,000	$33,710,000	**4.6%**
OK	$604,520,000	**90.8%**	$607,836,100	$611,194,200	$549,700,200	**75.9%**	$552,784,300	$555,886,400	**76.0%**
Total	**$666,006,000**	**100.0%**	**$669,535,100**	**$673,112,200**	**$724,185,200**	**100.0%**	**$727,976,300**	**$731,792,400**	**100.0%**
Scenario 1 High - Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
IA	$1,278,000	**0.2%**	$1,282,000	$1,287,000	$897,000	**0.1%**	$900,000	$902,000	**0.1%**
KS	$17,915,000	**2.7%**	$17,978,000	$18,041,000	$165,202,000	**22.8%**	$165,927,000	$166,661,000	**22.8%**
MO	$42,293,000	**6.4%**	$42,439,000	$42,590,000	$29,835,000	**4.1%**	$29,911,000	$29,988,000	**4.1%**
OK	$604,520,000	**90.8%**	$607,836,100	$611,194,200	$528,247,800	**72.9%**	$531,236,800	$534,245,900	**73.0%**
Total	**$666,006,000**	**100.0%**	**$669,535,100**	**$673,112,200**	**$724,181,800**	**100.0%**	**$727,974,800**	**$731,796,900**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

Scenario 2

Assumptions
Scenario 2 includes scenario 1 (existing casinos plus the new generic casino in Sumner County), as well as expansions at the following casinos located in Kansas and Oklahoma:

Kansas
1. Sac & Fox Casino in Powhattan, KS (March 2008)

Oklahoma
1. Cherokee Casino Resort in Catoosa, OK (January 2009)
2. Kickapoo Casino in McLoud, OK (January 2009)
3. Osage Million Dollar Elm in Ponca City, OK (January 2009)
4. Cherokee Casino West Siloam Springs in Watts, OK (July 2009)
5. Creek Nation Casino in Tulsa, OK (September 2008)

Revenue Projections
The following casino revenue projections include WGR's low, mid, and high case forecasts for scenario 2 (includes the addition Sumner County plus the expansions listed in scenario 2). Of the total $724 million forecasted in the mid case for 2010, an estimated $121.2 million would go to the category captioned *Sumner County Proposed*, increasing slightly to $122.3 million by 2012; $59.4 million would likely go to *Oklahoma casinos located within 50 miles*; and, $544 million would go to *all of the other casinos* located in the south central trade area. The combined gaming revenues have been estimated to increase from an estimated $724 million in 2010 to $732 million by 2012, or by 1.1%.

Exhibit 4-16 Scenario 2 Gaming Revenues Include Scenario 1 + Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Sumner County Proposed	$0	$80,747,000	$81,479,000	$121,210,000	$122,323,000	$147,766,000	$149,116,000
Oklahoma Tribal Casinos w/in 50 Miles	$82,203,000	$68,964,000	$69,455,000	$59,447,000	$59,856,000	$53,378,000	$53,738,000
All Other Casinos	$583,803,000	$574,473,800	$580,855,900	$543,525,700	$549,623,800	$523,035,300	$528,941,400
Total Scenario 2	**$666,006,000**	**$724,184,800**	**$731,789,900**	**$724,182,700**	**$731,802,800**	**$724,179,300**	**$731,795,400**

Data Source: Wells Gaming Research, May 2008.

Revenue Impacts

The net gaming revenue impacts between scenarios 1 and 2 show losses for *Sumner County Proposed* of $4.4 million and for *Oklahoma tribes located within 50 miles* of $1.4 million. The *all other casinos* category has been forecasted to go up by an additional $5.7 million in gaming revenues. The bottom line differences between scenarios 1 and 2 are minor, $2.5 thousand in 2010 and $10.4 thousand in 2012.

Exhibit 4-17 Revenue Impacts – Scenario 2 – Scenario 1 + Expansions

	Current	Low Case		Mid Case		High Case	
	2007	**2010**	**2012**	**2010**	**2012**	**2010**	**2012**
*Sumner County Proposed	$0	-$3,538,000	-$3,574,000	-$4,356,000	-$4,398,000	-$4,653,000	-$4,697,000
Oklahoma Tribal Casinos w/in 50 Miles	$0	-$1,955,000	-$1,975,000	-$1,362,000	-$1,375,000	-$1,058,000	-$1,069,000
All Other Casinos	$0	$5,492,300	$5,544,200	$5,715,500	$5,783,400	$5,708,500	$5,764,500
Total Scenario 2	**$0**	**-$700**	**-$4,800**	**-$2,500**	**$10,400**	**-$2,500**	**-$1,500**

Data Source: Wells Gaming Research, May 2008.

Forecasted Flow Funds

The addition of the scenario 2 casino expansions and Sumner County (scenario 1) could trigger the following casino revenue flows. Kansas has been projected to generate $292 million in the 2010 (refer to the first section of Exhibit 4-18 captioned *Scenario 2 Revenues Coming From)*. The mid case results show that an estimated $136 million has been forecasted to stay in Kansas), while $556 million could flow to Oklahoma, $32 million to Missouri, and $1 million to Iowa (refer to the third section of Exhibit 4-18 captioned *Scenario 2 Mid - Revenues Going To)*. Absent other market changes, this trend could continue through 2012.

Exhibit 4-18 Flow of Gaming Revenue Funds for Scenario 2
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 2 - Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$242,053,193	**36.3%**	$242,771,774	$243,508,022	$291,715,359	**40.3%**	$292,616,176	$293,530,157	**40.1%**
OK	$423,949,380	**63.7%**	$426,764,405	$429,605,224	$432,467,142	**59.7%**	$435,357,292	$438,265,147	**59.9%**
Total	**$666,002,573**	**100.0%**	**$669,536,179**	**$673,113,246**	**$724,182,501**	**100.0%**	**$727,973,468**	**$731,795,304**	**100.0%**

Scenario 2 Low - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,246,000	$1,199,000	$1,127,000	**0.2%**	$1,130,000	$1,134,000	**0.2%**
KS	$17,915,000	**2.7%**	$18,595,000	$17,940,000	$97,661,000	**13.5%**	$98,074,000	$98,493,000	**13.5%**
MO	$42,293,000	**6.4%**	$41,245,000	$39,727,000	$37,013,000	**5.1%**	$37,125,000	$37,236,000	**5.1%**
OK	$604,520,000	**90.8%**	$608,456,000	$614,251,100	$588,383,800	**81.2%**	$591,647,800	$594,926,900	**81.3%**
Total	**$666,006,000**	**100.0%**	**$669,542,000**	**$673,117,100**	**$724,184,800**	**100.0%**	**$727,976,800**	**$731,789,900**	**100.0%**

Scenario 2 Mid - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,246,000	$1,199,000	$961,000	**0.1%**	$964,000	$966,000	**0.1%**
KS	$17,915,000	**2.7%**	$18,595,000	$17,940,000	$135,746,000	**18.7%**	$136,339,000	$136,938,000	**18.7%**
MO	$42,293,000	**6.4%**	$41,245,000	$39,727,000	$31,776,000	**4.4%**	$31,863,000	$31,951,000	**4.4%**
OK	$604,520,000	**90.8%**	$608,456,000	$614,251,100	$555,699,700	**76.7%**	$558,811,700	$561,947,800	**76.8%**
Total	**$666,006,000**	**100.0%**	**$669,542,000**	**$673,117,100**	**$724,182,700**	**100.0%**	**$727,977,700**	**$731,802,800**	**100.0%**

Scenario 2 High - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,246,000	$1,199,000	$852,000	**0.1%**	$855,000	$857,000	**0.1%**
KS	$17,915,000	**2.7%**	$18,595,000	$17,940,000	$160,725,000	**22.2%**	$161,430,000	$162,142,000	**22.2%**
MO	$42,293,000	**6.4%**	$41,245,000	$39,727,000	$28,343,000	**3.9%**	$28,414,000	$28,486,000	**3.9%**
OK	$604,520,000	**90.8%**	$608,456,000	$614,251,100	$534,259,300	**73.8%**	$537,274,400	$540,310,400	**73.8%**
Total	**$666,006,000**	**100.0%**	**$669,542,000**	**$673,117,100**	**$724,179,300**	**100.0%**	**$727,973,400**	**$731,795,400**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

Scenario 3

Scenario 3 includes scenario 2 and the following new casinos that have been proposed for Kansas, Missouri, and Oklahoma:

Kansas

1. Wyandotte 7th Street Casino in Kansas City, KS (January 2008)
2. Camptown Greyhound Park in Frontenac, KS (January 2009)
3. The Woodlands in Kansas City, KS (January 2009)
4. Cherokee County planned in Baxter Springs, KS (January 2010)
5. Wyandotte County planned in Kansas City, KS (January 2010)
6. Ford County planned in Dodge City, KS (proposed for 2010)

Missouri

1. Barden Development, Inc. planned in Branson, MO
2. Wild Rose Entertainment planned in Sugar Creek, MO (Jan 2010)

Oklahoma

1. First Council Casino in Newkirk, OK (March 2008)
2. Downstream Casino Resort in Ottawa, OK (July 2008)
3. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (July 2008)
4. Ioway Casino Resort in Lincoln, OK (January 2009)
5. Muscogee Creek Nation planned in Eufaula, OK (proposed for 2010)
6. Pawnee Nation Planned in Chilocco, OK (proposed for 2010)
7. Ponca Tribe Oklahoma planned in Ponca City, OK (proposed for 2010
8. Poteau Travel and Smoke Shop in Poteau, OK (proposed for 2010)
9. Shawnee Tribe Oklahoma planned in Oklahoma City, OK (proposed for 2010)
10. Wichita & Affiliated Tribes planned in Hinton, OK (proposed for 2010)
11. Wilburton Travel and Smoke Shop in Wilburton, OK (proposed for 2010)

Revenue Projections

The mid case estimates for scenario 3 with the opening of the 19 new casinos shown on page 4-19 totaled $730.4 million in 2010 increasing to $738 million in 2012. The mid case projections include $93.2 million for *Sumner County Proposed*, $46.7 million for the *casinos proposed within 50 miles*, $79.7 million for *all other proposed casinos*, $42.3 million for *Oklahoma casinos located within 50 miles*, and $468.6 million for *all other casinos* in the south central zone. Gaming revenue estimates for *Sumner County Proposed* (Wellington location) totaled $93 to $94 million in the mid case. The Mulvane location would most likely generates $50 to $60 million more than the Wellington location.

Exhibit 4-19 Revenues – Scenario 3 – Scenario 2 + Other Proposed

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Sumner County Proposed	$0	$58,549,000	$59,071,000	$93,228,000	$94,080,000	$117,931,000	$119,012,000
*Proposed Casinos w/in 50 Miles	$0	$53,308,000	$53,689,000	$46,679,000	$46,999,000	$42,122,000	$42,401,000
*All Other Proposed Casinos	$0	$86,007,900	$86,788,200	$79,673,700	$80,396,100	$75,086,500	$75,767,800
Oklahoma Tribal Casinos w/in 50 Miles	$82,203,000	$47,235,000	$47,604,000	$42,287,000	$42,608,000	$38,853,000	$39,141,000
All Other Casinos	$583,803,000	$485,335,300	$490,804,400	$468,572,100	$473,871,200	$456,446,300	$461,634,400
Total Scenario 3	**$666,006,000**	**$730,435,200**	**$737,956,600**	**$730,439,800**	**$737,954,300**	**$730,438,800**	**$737,956,200**

Data Source: Wells Gaming Research, May 2008.

Revenue Impacts

Overall, the net gaming revenue impact of adding the casinos proposed in scenario 3 to would result in $6.3 loss in gaming revenues. Negative impacts of scenario 3 over those profiled in scenario 2 include a $28 million decrease for Sumner County in 2010 and 2012, an approximate decline of $17 million for Oklahoma casinos located within 50 miles, and a loss of $74 million in gaming revenues for all other casinos located in the south central trade area. *All other proposed casinos* have been forecasted to pick up approximately $80 million in gaming revenues.

Exhibit 4-20 Scenario 3 Revenue Impacts Include Scenario 2 + Other Proposed

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Sumner County Proposed	$0	-$22,198,000	-$22,408,000	-$27,982,000	-$28,243,000	-$29,835,000	-$30,104,000
*Proposed Casinos w/in 50 Miles	$0	$53,308,000	$53,689,000	$46,679,000	$46,999,000	$42,122,000	$42,401,000
*All Other Proposed Casinos	$0	$86,007,900	$86,788,200	$79,673,700	$80,396,100	$75,086,500	$75,767,800
Oklahoma Tribal Casinos w/in 50 Miles	$0	-$21,729,000	-$21,851,000	-$17,160,000	-$17,248,000	-$14,525,000	-$14,597,000
All Other Casinos	$0	-$89,138,500	-$90,051,500	-$74,953,600	-$75,752,600	-$66,589,000	-$67,307,000
Total Scenario 3	**$0**	**$6,250,400**	**$6,166,700**	**$6,257,100**	**$6,151,500**	**$6,259,500**	**$6,160,800**

Data Sources: Wells Gaming Research, May 2008.

Forecasted Flow Funds

Exhibit 4-21 illustrates that the addition of the proposed casinos included in scenario 3 (incorporates the expansions and additions outlined in scenarios 1 and 2) resulted in the following forecasted flow of casino revenues. Out of a total of $730 million in 2010, $298 million has been forecasted to be generated in Kansas and $433 million in Oklahoma (refer to the first section of Exhibit 4-21 captioned *Scenario 3 Revenues Coming From).* The mid case forecasts shows that only $129 million would stay in Kansas, while $573 million would flow into Oklahoma (refer to the third section of Exhibit 4-21 captioned *Scenario 3 Mid - Revenues Going To).* Other mid case results include an estimated $28 million flowing to Missouri, and $727 thousand to Iowa. Without any significant changes in the south central trade area, this trend could continue through 2012.

Exhibit 4-21 Flow of Gaming Revenue Funds for Scenario 3
Illustrates Where the Gaming Revenues Came From & Where They Went

Scenario 3 - Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$242,053,193	**36.3%**	$243,429,855	$244,971,726	$297,764,725	**40.8%**	$298,616,770	$299,481,888	**40.6%**
OK	$423,949,380	**63.7%**	$426,764,405	$429,708,105	$432,672,430	**59.2%**	$435,564,475	$438,474,269	**59.4%**
Total	**$666,002,573**	**100.0%**	**$670,194,260**	**$674,679,831**	**$730,437,155**	**100.0%**	**$734,181,245**	**$737,956,157**	**100.0%**

Scenario 3 Low - Revenues Going To

State	2007		2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,107,000	$1,018,000	$817,000	**0.1%**	$819,000	$821,000	**0.1%**
KS	$17,915,000	**2.7%**	$17,479,000	$21,279,000	$97,952,000	**13.4%**	$98,302,000	$98,650,000	**13.4%**
MO	$42,293,000	**6.4%**	$36,592,000	$33,744,000	$31,106,000	**4.3%**	$31,197,000	$31,287,000	**4.2%**
OK	$604,520,000	**90.8%**	$615,018,100	$618,643,400	$600,560,200	**82.2%**	$603,864,400	$607,198,600	**82.3%**
Total	**$666,006,000**	**100.0%**	**$670,196,100**	**$674,684,400**	**$730,435,200**	**100.0%**	**$734,182,400**	**$737,956,600**	**100.0%**

Scenario 3 Mid - Revenues Going To

State	2007		2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,107,000	$1,018,000	$727,000	**0.1%**	$729,000	$731,000	**0.1%**
KS	$17,915,000	**2.7%**	$17,479,000	$21,279,000	$128,731,000	**17.6%**	$129,224,000	$129,724,000	**17.6%**
MO	$42,293,000	**6.4%**	$36,592,000	$33,744,000	$27,816,000	**3.8%**	$27,890,000	$27,965,000	**3.8%**
OK	$604,520,000	**90.8%**	$615,018,100	$618,643,400	$573,165,800	**78.5%**	$576,340,100	$579,534,300	**78.5%**
Total	**$666,006,000**	**100.0%**	**$670,196,100**	**$674,684,400**	**$730,439,800**	**100.0%**	**$734,183,100**	**$737,954,300**	**100.0%**

Scenario 3 High - Revenues Going To

State	2007		2008	2009	2010	% 2010	2011	2012	% 2012
IA	$1,278,000	**0.2%**	$1,107,000	$1,018,000	$662,000	**0.1%**	$664,000	$666,000	**0.1%**
KS	$17,915,000	**2.7%**	$17,479,000	$21,279,000	$150,612,000	**20.6%**	$151,207,000	$151,808,000	**20.6%**
MO	$42,293,000	**6.4%**	$36,592,000	$33,744,000	$25,453,000	**3.5%**	$25,517,000	$25,581,000	**3.5%**
OK	$604,520,000	**90.8%**	$615,018,100	$618,643,400	$553,711,800	**75.8%**	$556,789,000	$559,901,200	**75.9%**
Total	**$666,006,000**	**100.0%**	**$670,196,100**	**$674,684,400**	**$730,438,800**	**100.0%**	**$734,177,000**	**$737,956,200**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

Current & Proposed Casino Capacity

Exhibit 4-22 recaps casino capacity and illustrates what could be expected with the proposed casino additions and expansions.

Exhibit 4-22 Casino Capacity Including Proposed Growth

# Of Loc	Casinos	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter-tain-ment	Park-ing
	Current Capacity for Existing Casinos												
54	**Existing Casinos**	**28,532**	**271**	**196**	**467**	**3,580**	**8**	**1,318,784**	**57,350**	**741**	**79**	**15**	**39,912**
	Casino Expansions in Kansas												
1	Sac & Fox Casino - Powhattan	500	0	0	0	0	0	0	0	0	0	0	0
	Total Kansas Expansions	**500**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Casino Expansions in Oklahoma												
1	Cherokee Casino- West Siloam Springs	486	10	0	10	0	0	10,000	20,000	140	1	1	0
2	Cherokee Nation Casino - Tulsa	1,788	34	0	34	0	0	0	0	0	0	0	0
3	Kickapoo Casino - McLoud	675	31	0	31	0	0	0	0	0	2	0	0
4	Osage Million Dollar Elm - Ponca City	0	0	0	0	0	0	0	0	0	1	0	0
5	Cherokee Casino Resort-Catoosa	732	0	0	0		0	242,000	0	0	2	2	0
	Total Oklahoma Expansions	**3,681**	**75**	**0**	**75**	**0**	**0**	**252,000**	**20,000**	**140**	**6**	**3**	**0**
	Kansas Proposed Casinos												
1	Sumner County Planned	2,000	50	0	50	0	0	0	30,000	275	4	3	3,700
2	Camptown Greyhound Park	600	0	0	0	0	1	0	0	0	2	0	700
3	Cherokee County Planned	1,200	40	0	40	0	0	0	10,000	250	3	2	2,500
4	Ford County Planned	800	20	0	20	0	0		5,000	100	3	3	1,700
	Total Kansas Proposed Cassinos	**4,600**	**110**	**0**	**110**	**0**	**1**	**0**	**45,000**	**625**	**12**	**8**	**8,600**
	Oklahoma Proposed Casinos												
1	Downstream Casino Resort	2,000	30	15	45	0	0	70,000	10,000	240	2	0	2,700
2	First Council Casino	900	8	8	16	0	0	40,000	0	0	2	1	950
3	Ioway Casino Resort	1,500	50	0	50	0	0	0	0	250	3	2	2,500
4	Pawnee Nation Chilocco	1,200	24	0	24	0	0	0	0	150	3	1	1,500
5	Ponca Tribe Oklahoma Planned	500	10	0	10	0	0	50,000	20,000	100	2	0	1,200
6	Seneca-Cayuga Tribes of Oklahoma	1,200	18	0	18	0	0	100,000	0	125	3	1	1,800
7	Shawnee Tribe Oklahoma Planned	2,000	75	0	75	0	0		0	400	3	6	4,800
8	Wichita & Affiliated Tribes Planned	350	5	0	5	0	0	0	0	0	1	0	350
	Total Kansas Proposed Cassinos	**9,650**	**220**	**23**	**243**	**0**	**0**	**260,000**	**30,000**	**1,265**	**19**	**11**	**15,800**
72	**Grand Total**	**46,963**	**676**	**219**	**895**	**3,580**	**9**	**1,830,784**	**152,350**	**2,771**	**116**	**37**	**64,312**
	Percent Increase Over Current	**65%**	**149%**	**12%**	**92%**	**0%**	**13%**	**39%**	**166%**	**274%**	**47%**	**147%**	**61%**

Data Source: Wells Gaming Research, May 2008.

The grand total and the percent increase lines reflect the capacity increases that could be anticipated if all of the proposed casino additions and expansions take place. The number of casino locations would increase from 54 to 72. Key gaming capacity changes include a 65% increase in slot machines, a 92% increase in the total number of table games, and a 39% expansion in casino square footage. Other amenities include a 166% expansion in convention/meeting space, a 274% escalation in hotel rooms, a 47 % increase in the number of restaurants, a 147% increase in the number of entertainment venues, and a 61% increase in parking capacity.

Section 5

Summary of the Trade Area For the Southwest Gaming Zone

Highlights of WGR's study on the southwest trade area (Ford County) are presented directly below (refer to pages 5-6 through 5-17 for the corresponding detailed analyses and discussions).

Trade Area

The southwest trade area includes an approximate 100-mile radius of Dodge City, Kansas. It extends to Sheridan and Graham Counties, Kansas on the north; the Texas panhandle on the south taking in parts of Ochiltree and Lipscomb Counties, Texas, as well as Ellis County, Oklahoma on the south; Hamilton, Stanton, and Morton Counties in Kansas on the west (near the Colorado border); and Reno County, Kansas on the east. (For reference, refer to the map on page 5-2).

Demographic Statistics

The population and median household income statistics included in this report are limited to those counties included in the southwest trade area and are not representative of the entire states of Kansas, Oklahoma, or Texas.

Exhibit 5-1 shows that the southwest trade area includes 60 counties (51 in Kansas, seven in Oklahoma, and two in Texas). In 2007, these counties had a total adult population of 343 thousand. Median household incomes (MHI) ranged from a little over $38 thousand in Oklahoma, to approximately $44 thousand in Kansas, and $45 thousand in Texas.

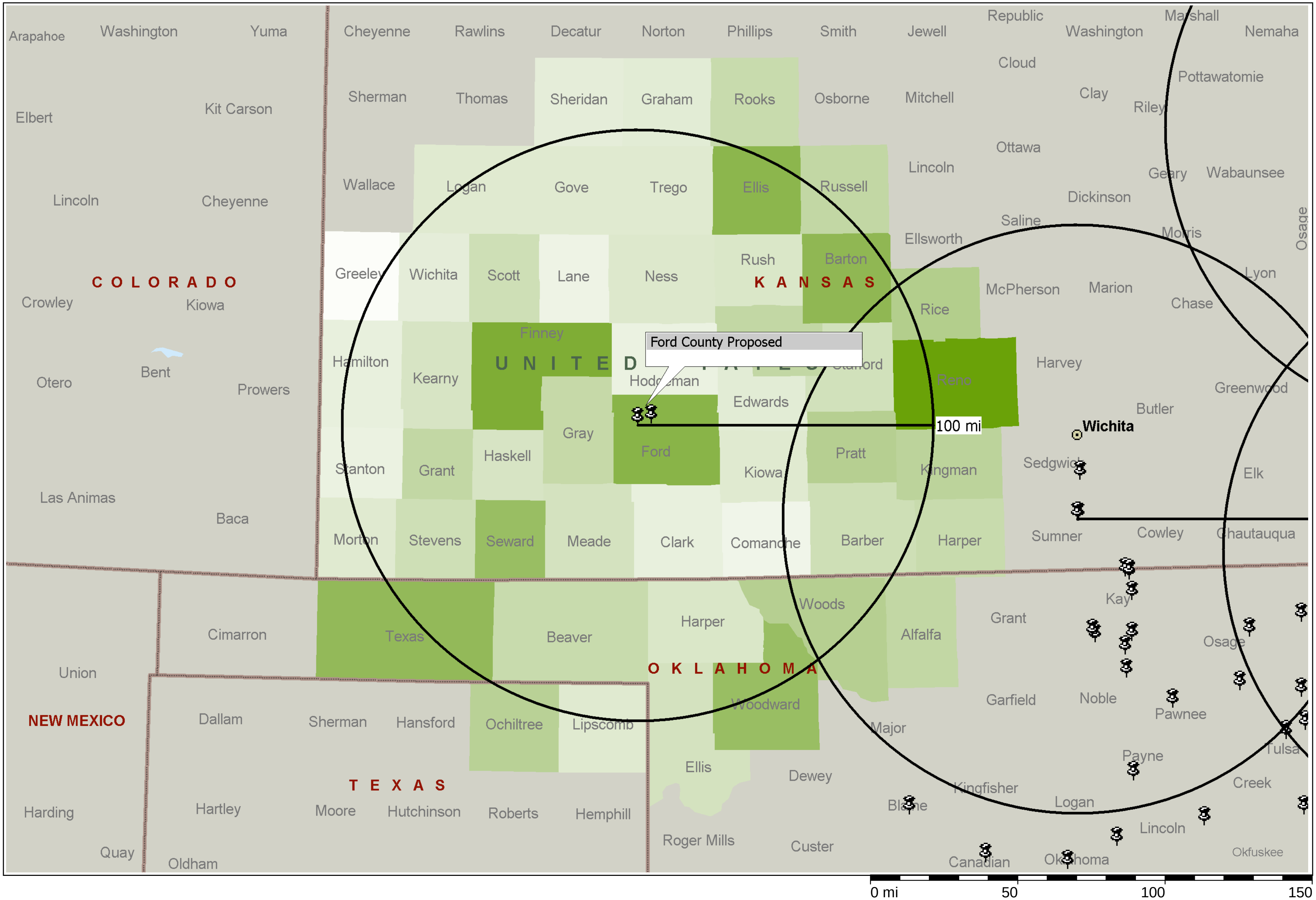
Exhibit 5-1 Adult Population & Median Household Income (MHI)

2007		2007		2012		ACGR	
State	# of Counties	Adult Population	MHI	Adult Population	MHI	Adult Population 07 to 12	MHI 07 to 12
KS	51	284,463	$43,822	280,482	$50,930	-0.3%	3.1%
OK	7	50,021	$38,196	52,359	$42,358	0.9%	2.1%
TX	2	8,518	$44,958	8,919	$52,000	0.9%	3.0%
Total	**60**	**343,002**	**NA**	**341,760**	**NA**	**-0.1%**	**NA**

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

Adult population forecasts for 2012 were slightly lower than 2007, approximately 342 thousand (the minor decline is expected in Kansas). The resulting average compound growth rate (ACGR) for adult population is slightly negative (0.1%) for the 2007 and 2012 period. The median household income levels for 2012 are forecasted at $42 thousand in Oklahoma, $51 thousand in Kansas, and $52 thousand in Texas. The average compound growth rate for

Southwest Kansas Zone



median household income ranged from 2.1% in Oklahoma, 3.0% in Texas, and to 3.1% in Kansas for the 2007 to 2012 period.

Primary Market

The primary market for the southwest trade area is made up of the eight counties surrounding the proposed casino in Ford County. Exhibit 5-2 shows that the adult population for the primary market was approximately 61 thousand in 2007, which represented 18% of the total adult population in the subject trade area. This adult population segment has been forecasted to be approximately 62 thousand by 2012. As a group, the eight counties making up the primary market are projected to have an average compound growth rate of 0.5% between 2007 and 2012.

Exhibit 5-2 Adult Population for Counties Surrounding Ford County Casino

# of Counties	County Names	2007	2012	ACGR 07 to 12	% Pop/ Co 2012
	Clark KS	1,723	1,760	0.4%	1%
	Edwards KS	1,999	1,777	-2.3%	1%
	Ford KS	20,948	21,370	0.4%	6%
	Gray KS	4,413	4,904	2.1%	1%
	Hodgeman KS	1,589	1,709	1.5%	1%
	Kiowa KS	2,238	2,228	-0.1%	1%
	Meade KS	3,047	3,014	-0.2%	1%
	Finney KS	24,810	25,482	0.5%	7%
8	**Total Surrounding Counties**	**60,767**	**62,244**	**0.5%**	**18%**
43	**Total Kansas Counties - *Excluding Surrounding Counties***	**223,696**	**218,238**	**-0.5%**	**64%**
7	**Total Oklahoma Counties**	**50,021**	**52,359**	**0.9%**	**15%**
2	**Total Texas Counties**	**8,518**	**8,919**	**0.9%**	**3%**
60	**Total Trade Area Population**	**343,002**	**341,760**	**-0.1%**	**100%**

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008.

Gaming Capacity & Competition

Casino gaming capacity for the approximate 150-mile radius of the Ford County casino site is summarized in Exhibit 5-3. Currently, there is no gaming capacity within this area. The casino proposed for Ford County (scenario 1 below) would introduce 800 slots and 20 table games. Other amenities would include 100 hotel rooms.

Scenario 2 shows expansions that are planned at four northern Oklahoma casinos. These expansions are located beyond the 150-mile radius. They would not be close enough to add their capacity to the southwest trade area's total. Nonetheless, the gaming facilities could compete with casinos located in the southwest trade area for casino players.

Exhibit 5-3 Capacity Statistics for the Southwest Trade Area

Casinos	# of Slots	# of Tables	# of Rooms	Parking
Existing Capacity - Southwest Gaming Zone	0	0	0	0
Scenario 1 - Capacity for Ford County Casino (Planned)	800	20	100	1,700
Scenario 2 - Expansions in Northern Oklahoma	0	0	0	0
Scenario 3 - Other Proposed (11 Casinos including Sumner County)	2,000	50	275	3,700
Total Existing, Expansions, & New Casinos	**2,800**	**70**	**375**	**5,400**

Data Source: Wells Gaming Research, May 2008.

Eleven new casinos have been incorporated into scenario 3. However, gaming capacity shown in this schedule reflects only the new Sumner County casino with 2,000 slot machines and 50 table games. Assumed amenities include 275 hotel rooms and 3,700 parking spaces. The remaining new casinos are beyond the 150-mile radius, but are in the gravity model and compete to a limited extent for business within the southwest trade area.

The total casino capacities include 2,800 slot machines and 70 table games. Other amenities include 375 hotel rooms and 5,400 parking spaces.

Gaming Revenues

The forecasted gaming revenues that correspond with the foregoing scenarios are summarized in Exhibit 5-4. The dollar flows shows where the gaming revenue came from and where they went. The current status reflects a loss of $57 million that flowed out of Kansas into Oklahoma. Texas also lost $3 million to Oklahoma. Scenarios 1 through 3 illustrate the gaming revenue that has been forecasted for 2012 given the assumptions of each scenario.

Exhibit 5-4 Summary of the 2012 Flow of Gaming Revenues
(Dollars in Millions)

	Current Status 2007			Scenario-1 2012			Scenario-2 2012			Scenario-3 2012		
State	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**	**Coming From**	**Going To**	**Dif**
KS	$57	$0	-$57	$102	$44	-$58	$102	$43	-$60	$106	$51	-$55
OK	$18	$78	$60	$22	$83	$61	$22	$84	$63	$22	$80	$58
TX	$3	$0	-$3	$3	$0	-$3	$3	$0	-$3	$3	$0	-$3
Total	**$78**	**$78**	**$0**	**$127**	**$127**	**$0**	**$127**	**$127**	**$0**	**$130**	**$130**	**$0**

Data Source: Wells Gaming Research, May 2008.

The key assumption of scenario 1 is the addition of the new generic casino in Ford County, which serves to increase the gaming revenues for Kansas from the current level of $57 million to $102 million. Given the competition, Kansas is only able to retain $44 million. The revenues flowing into Oklahoma increase to $83 million.

Scenario 2 includes the new casino in Ford County and the expansions at Oklahoma casinos. The revenue data shows that Kansas continues to generate $102 million, but only retains $43 million for a net loss of $59 million. Oklahoma continues to generate $22 million, but receives $84 million for a net gain of $62 million. Thus, Oklahoma enjoys $60 million flowing out from Kansas plus another $3 million flowing from Texas. The bottom line totals for scenarios 1 and 2 are the same, suggesting that the casino expansions in Oklahoma had very little impact on bottom line gaming revenues.

The casino is Sumner County, as well as other new casinos in Oklahoma, are added to the mix in scenario 3. Overall, gaming revenues increase by $3 million, from $127 million to $130 million. Total gaming revenues generated in Kansas increase to $106 million, up by $4 million. Revenues going to Kansas increased by $8 million, from $43 to $51, thereby cutting the loss from $60 million to $55 million.

Detailed Analyses for the Trade Area For the Southwest Gaming Zone

Population Statistics

For background reference, WGR compiled both total and adult population statistics for the 100-mile trade area surrounding Ford County. However, due to the age restrictions on casino gaming, only the adult population statistics were used to forecast gross gaming revenues.

The total population for the southwest trade area was 504,936 in 2007. Included were 420,547 in Kansas, 71,610 in Oklahoma, and 12,779 in Texas.

The corresponding adult population totaled 343,002 (68% of the total) in 2007. The adult population has been projected to decline to 341,760 by 2012, reflecting a negative annual growth rate of .04%.

Exhibit 5-5 Total & Adult Population Statistics

		2000 Total & Adult				2007 Total & Adult				2012 Total & Adult			
ST	# of CO	Total	Adult	Adult % of Total	Adult % of Adult Total	Total	Adult	Adult % of Total	Adult % of Adult Total	Total	Adult	Adult % of Total	Adult % of Adult Total
KS	51	435,574	295,274	67.8%	84.2%	420,547	284,463	67.6%	82.9%	415,219	280,482	67.6%	82.1%
OK	7	67,281	47,201	70.2%	13.5%	71,610	50,021	69.9%	14.6%	75,178	52,359	69.6%	15.3%
TX	2	12,063	8,045	66.7%	2.3%	12,779	8,518	66.7%	2.5%	13,385	8,919	66.6%	2.6%
TOT	**60**	**514,918**	**350,520**	**68.1%**	**100.0%**	**504,936**	**343,002**	**67.9%**	**100.0%**	**503,782**	**341,760**	**67.8%**	**100.0%**

Data Source: Wells Gaming Research, May 2008.

In 2007, the total population of the eight counties surrounding Ford County was 96,059. The 2012 projections increased to 98,219, reflecting an annual growth rate of 0.5%.

Exhibit 5-6 Total Population Statistics for 2000 and 2006-2012

# of CO	Counties/Parishes	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Clark KS	2,390	2,430	2,441	2,451	2,462	2,472	2,483	2,493	0.5%	3%
	Edwards KS	3,449	2,860	2,793	2,728	2,664	2,602	2,542	2,482	-2.8%	3%
	Ford KS	32,458	32,666	32,797	32,928	33,059	33,191	33,322	33,456	0.5%	34%
	Gray KS	5,904	6,669	6,810	6,956	7,104	7,255	7,410	7,567	2.6%	8%
	Hodgeman KS	2,085	2,289	2,323	2,357	2,392	2,427	2,463	2,499	1.8%	3%
	Kiowa KS	3,278	3,128	3,125	3,123	3,120	3,117	3,114	3,111	-0.1%	3%
	Meade KS	4,631	4,536	4,526	4,516	4,505	4,496	4,486	4,476	-0.3%	5%
	Finney KS	40,523	41,024	41,244	41,464	41,687	41,911	42,135	42,135	0.5%	43%
8	**Total Surrounding Counties**	**94,718**	**95,602**	**96,059**	**96,523**	**96,993**	**97,471**	**97,955**	**98,219**	**0.5%**	**100%**
43	**Total Kansas Counties - *Excluding Surrounding Counties***	**340,856**	**326,077**	**324,488**	**322,917**	**321,356**	**319,810**	**318,279**	**317,000**	**-0.6%**	
7	**Total Oklahoma Counties**	**67,281**	**70,946**	**71,610**	**72,293**	**72,987**	**73,701**	**74,431**	**75,178**	**1.2%**	
2	**Total Texas Counties**	**12,063**	**12,664**	**12,779**	**12,896**	**13,014**	**13,132**	**13,257**	**13,385**	**1.1%**	
60	**Total Trade Area Population**	**514,918**	**505,289**	**504,936**	**504,629**	**504,350**	**504,114**	**503,922**	**503,782**	**-0.1%**	

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008

In 2007, the adult population in the eight surrounding counties was 60,767. The adult population has been projected to grow at an average compound growth rate of 0.6% per year to 62,244 by 2012.

Exhibit 5-7 Adult Population Statistics for 2000 and 2006-2012

# of CO	Counties	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12	% Pop/ Co 2012
	Clark KS	1,687	1,715	1,723	1,730	1,738	1,745	1,753	1,760	0.5%	3%
	Edwards KS	2,469	2,047	1,999	1,953	1,907	1,863	1,820	1,777	-2.8%	3%
	Ford KS	20,731	20,864	20,948	21,031	21,114	21,199	21,283	21,370	0.5%	34%
	Gray KS	3,826	4,322	4,413	4,508	4,604	4,702	4,802	4,904	2.6%	8%
	Hodgeman KS	1,426	1,566	1,589	1,612	1,636	1,660	1,685	1,709	1.8%	3%
	Kiowa KS	2,348	2,241	2,238	2,237	2,235	2,233	2,231	2,228	-0.1%	4%
	Meade KS	3,118	3,054	3,047	3,040	3,033	3,027	3,021	3,014	-0.3%	5%
	Finney KS	24,507	24,679	24,810	24,944	25,077	25,211	25,346	25,482	0.6%	41%
8	**Total Surrounding Counties**	**60,112**	**60,488**	**60,767**	**61,055**	**61,344**	**61,640**	**61,941**	**62,244**	**0.6%**	100%
43	**Total Kansas Counties - *Excluding Surrounding Counties***	**235,162**	**224,812**	**223,696**	**222,580**	**221,482**	**220,381**	**219,296**	**218,238**	**-0.6%**	
7	**Total Oklahoma Counties**	**47,201**	**49,582**	**50,021**	**50,469**	**50,920**	**51,391**	**51,870**	**52,359**	**1.1%**	
2	**Total Texas Counties**	**8,045**	**8,442**	**8,518**	**8,595**	**8,673**	**8,751**	**8,834**	**8,919**	**1.1%**	
60	**Total Trade Area Population**	**350,520**	**343,324**	**343,002**	**342,699**	**342,419**	**342,163**	**341,941**	**341,760**	**-0.1%**	

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008

Average Median Household Income

The average median household income (AMHI) statistics in 2007 for counties located within the three states in the southwest trade area were approximately $44,000 (Kansas), $38,000 (Oklahoma), and $45,000 (Texas). Based on the stated average compound growth rates for 2012, the median household incomes have been forecasted at approximately $51,000, $42,000, and $52,000, respectively for the three states.

Exhibit 5-8 Average Median Household Income Statistics for 2000 and 2006-2012

# of CO	State	2000	2006	2007	2008	2009	2010	2011	2012	ACGR 07 to 12
51	KS	$35,628	$42,537	$43,822	$45,151	$46,524	$47,944	$49,412	$50,930	3.7%
7	OK	$33,023	$37,413	$38,196	$38,995	$39,811	$40,643	$41,492	$42,358	2.5%
2	TX	$36,765	$43,675	$44,958	$46,281	$47,646	$49,055	$50,505	$52,000	3.6%

Data Sources: Bureau of Business & Economic Research, UNR & Wells Gaming Research, May 2008

Status Quo Casino Revenues & Visitors for the Southwest Zone's Trade Area

Status Quo Casino Revenues

The status quo (2007) gaming revenues totaled approximately $78.7 million for the southwest trade area. Casino players from Kansas who visit Oklahoma Tribal casinos located near the southern Kansas border generated over $58 million of this revenue. Without any casino expansions or additions in the southwest trade area, gaming revenues would most likely decline slightly to $77.97 million by 2012.

Exhibit 5-9 Status Quo Gaming Revenues (2007-2012) for the Southwest Trade Area

Revenue	2007	2008	2009	2010	2011	2012
All Existing Casinos	$78,668,000	$78,512,000	$78,363,000	$78,224,000	$78,093,000	$77,966,000
Total	**$78,668,000**	**$78,512,000**	**$78,363,000**	**$78,224,000**	**$78,093,000**	**$77,966,000**

Data Source: Wells Gaming Research, May 2008

Status Quo Visitors

The status quo casino visitors totaled approximately 912 thousand. Absent casino expansions or additions, visitor counts could also be expected to decrease to approximately 902 thousand by 2012.

Exhibit 5-10 Status Quo Visitors for the Southwest Trade Area

Visitors	2007	2008	2009	2010	2011	2012
All Existing Casinos	911,608	909,430	907,306	905,290	903,368	901,512
Total	**911,608**	**909,430**	**907,306**	**905,290**	**903,368**	**901,512**

Data Source: Wells Gaming Research, May 2008

Status Quo Estimates of Casino Revenue Flows

The status quo for casino revenue shows what could be expected if no new casino development occurred in the southwest trade area. Focusing on 2007, the southwest trade area generated an estimated $79 million in total gaming revenues. Of the total, an estimated $58 million was generated by Kansas residents. Another $18 million came from Oklahoma, and approximately $3 million flowed in from Texas. However, the total amount ($78.7 million) flowed back to Oklahoma.

Exhibit 5-11 Status Quo Casino Revenue Flows (2007-2012) for the Southwest Trade Area

Current Scenario Revenues Coming From						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
KS Total	$58,101,210	$57,818,892	$57,540,952	$57,267,051	$56,998,266	$56,733,601
OK Total	$17,727,675	$17,830,255	$17,932,721	$18,040,946	$18,149,847	$18,261,236
TX Total	$2,840,656	$2,865,391	$2,891,123	$2,916,051	$2,943,580	$2,971,027
Total	**$78,669,541**	**$78,514,538**	**$78,364,796**	**$78,224,048**	**$78,091,693**	**$77,965,864**
Current Scenario Revenues Going To						
State	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
OK Total	$78,668,000	$78,512,000	$78,363,000	$78,224,000	$78,093,000	$77,966,000
Total	**$78,668,000**	**$78,512,000**	**$78,363,000**	**$78,224,000**	**$78,093,000**	**$77,966,000**

Data Source: Wells Gaming Research, May 2008

Status Quo Southwest Trade Area Capacity

The following list of gaming capacity illustrates that there are currently no casinos (gaming capacity) operating within approximately 150 miles of the casino site in the southwest zone.

Exhibit 5-12 Current Casino Capacity Statistics

Casinos	# of Slots	# of Pit Tables	# of Poker Tables	# of Total Tables	# of Bingo Seats	Race Book	Casino S.F.	Con-vention S.F.	# of Rooms	# of Restau-rants	Enter tain ment	Park-ing
Current Capacity for Existing Casinos												
Existing Casinos	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Scenario 1 - Ford County Proposed												
Ford County Planned	800	20	0	**20**	0	0		10,000	100	3	3	1,700
Subtotal Of Scenario 1	**800**	**20**	**0**	**20**	**0**	**0**	**0**	**10,000**	**100**	**3**	**3**	**1,700**
Scenario 2 - Expansions												
Subtotal of Scenario 2	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Scenario 3 - Other Proposed												
Sumner County Planned	2,000	50	0	**50**	0	0		30,000	275	4	3	3,700
Subtotal of Scenario 3	**2,000**	**50**	**0**	**50**	**0**	**0**	**0**	**30,000**	**275**	**4**	**3**	**3,700**
Total Expansions & New Casinos	**2,800**	**70**	**0**	**70**	**0**	**0**	**0**	**40,000**	**375**	**7**	**6**	**5,400**
Total Existing, Expansions & New	**2,800**	**70**	**0**	**70**	**0**	**0**	**0**	**40,000**	**375**	**7**	**6**	**5,400**

Data Source: Wells Gaming Research, May 2008

Future Capacity with Casino Growth

Casino capacity is being proposed for the future. Scenario 1, above, includes the new casino to be located in Ford County, which will be equipped with 800 slot machines and 20 table games. Other amenities will include 10,000 square feet of convention/meeting space, 100 hotel rooms, three restaurants, and three entertainment venues, and 1,700 parking spaces.

Even though scenario 2 includes expansions at four casinos located in northern Oklahoma, the subject casinos are located beyond the 150-radius and are not included in this schedule. Thus, scenario 2 has been acknowledged above, but does not add any new capacity to the southwest trade area.

Scenario 3 includes the gaming capacity projected for a casino in Sumner County, which will be equipped with 2,000 slot machines and 50 gaming tables. Other amenities include 30,000 square feet of convention/meeting space, 275 hotel rooms, four restaurants, and three entertainment venues, and 3,700 parking spaces.

Combined, scenarios 1 through 3 would add 2,800 slot machines and 70 table games. Other proposed amenities include 40,000 square feet of convention/meeting square footage, 375 hotel rooms, seven restaurants, six entertainment venues, and 5,400 parking spaces.

Scenario Analyses for the Southwest Trade Area

Scenario 1

Assumptions
Scenario 1 includes the addition of a casino located at the western edge of Dodge City in Ford County, Kansas. The mid case projections are for a casino equipped with 800 slot machines and 20 table games. Other proposed amenities include 10,000 square feet of convention/meeting space, three restaurants, 100 hotel rooms, three entertainment venues (two small and one large), and 1,700 parking spaces.

Revenue Projections
The following gaming revenue projections include WGR's 2010 and 2012 low, mid, and high case forecasts for scenario 1. The mid case projections show casino gaming revenues of $127 million in 2010 and 2012. An estimated $44 million would come from the casino in *Ford County* and $83 million would come from *all existing casinos*.

Exhibit 5-13 Revenue Forecasts for Scenario 1

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	$32,263,000	$32,464,000	$44,022,000	$44,239,000	$52,167,000	$52,385,000
All Existing Casinos	$78,668,000	$94,991,000	$94,719,000	$83,233,000	$82,950,000	$75,088,000	$74,800,000
Total Scenario 1	**$78,668,000**	**$127,254,000**	**$127,183,000**	**$127,255,000**	**$127,189,000**	**$127,255,000**	**$127,185,000**

Data Source: Wells Gaming Research, May 2008

Revenue Impacts
Currently, there is no gaming activity in the southwest trade area of Kansas. The revenue impacts for the mid case include a total of $49 million. Minor increases have been projected for the 2012 gaming revenues.

Exhibit 5-14 Revenue Impacts for Scenario 1

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	$32,263,000	$32,464,000	$44,022,000	$44,239,000	$52,167,000	$52,385,000
All Existing Casinos	$0	$16,767,000	$16,753,000	$5,009,000	$4,984,000	-$3,136,000	-$3,166,000
Total Scenario 1	**$0**	**$49,030,000**	**$49,217,000**	**$49,031,000**	**$49,223,000**	**$49,031,000**	**$49,219,000**

Data Source: Wells Gaming Research, May 2008

Forecasted Flow of Funds

Scenario 1 shows that in 2007 the southwest trade area generated $79 million in total gaming revenues (refer to the first section of Exhibit 5-15 captioned *Scenario 1 Revenues Coming From)*. Of the total, an estimated $58 million (74%), was generated by casino players in Kansas. As shown in the scenario 1 mid case for 2007, none of the $58 million stayed in Kansas. Rather, it all went to Tribal casinos in Oklahoma (refer to the third section of Exhibit 5-15 captioned *Scenario 1 Mid Case - Revenues Going To).*

Kansas has been projected to generated $103 million in 2010; however, the 2010 mid case shows that Kansas would only retain $44 million, a net loss of $59 million. An estimated $83 million would flow back to Oklahoma (the $24 million coming from Oklahoma and Texas plus the $59 million coming from Kansas). Assuming no additional competition enters the market, this trend could be expected to continue through 2012.

Exhibit 5-15 Flows of Gaming Revenue Funds for Scenario 1
Illustrates Where the Gaming Revenues Originated & Where They Went

Scenario 1 - Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$58,101,210	74%	$57,818,892	$57,540,952	$102,869,150	81%	$102,624,581	$102,388,917	81%
OK	$17,727,675	23%	$17,830,255	$17,932,721	$21,208,264	17%	$21,382,157	$21,559,736	17%
TX	$2,840,656	4%	$2,865,391	$2,891,123	$3,176,700	2%	$3,206,939	$3,237,134	3%
Total	**$78,669,541**	**100%**	**$78,514,538**	**$78,364,796**	**$127,254,114**	**100%**	**$127,213,677**	**$127,185,787**	**100%**

Scenario 1 Low Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$32,263,000	25%	$32,362,000	$32,464,000	26%
OK	$78,668,000	100%	$78,512,000	$78,363,000	$94,991,000	75%	$94,851,000	$94,719,000	74%
Total	**$78,668,000**	**100%**	**$78,512,000**	**$78,363,000**	**$127,254,000**	**100%**	**$127,213,000**	**$127,183,000**	**100%**

Scenario 1 Mid Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$44,022,000	35%	$44,129,000	$44,239,000	35%
OK	$78,668,000	100%	$78,512,000	$78,363,000	$83,233,000	65%	$83,085,000	$82,950,000	65%
Total	**$78,668,000**	**100%**	**$78,512,000**	**$78,363,000**	**$127,255,000**	**100%**	**$127,214,000**	**$127,189,000**	**100%**

Scenario 1 High Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$52,167,000	41%	$52,273,000	$52,385,000	41%
OK	$78,668,000	100%	$78,512,000	$78,363,000	$75,088,000	59%	$74,939,000	$74,800,000	59%
Total	**$78,668,000**	**100%**	**$78,512,000**	**$78,363,000**	**$127,255,000**	**100%**	**$127,212,000**	**$127,185,000**	**100%**

Data Source: Wells Gaming Research, May 2008

Scenario 2

Assumptions
Scenario 2 incorporates the casino in Ford County included in scenario 1, as well as the following proposed expansions at Oklahoma casinos:

Oklahoma
1. Cherokee Casino Resort in Catoosa, OK (January 2009)
2. Kickapoo Casino in McLoud, OK (January 2009)
3. Osage Million Dollar Elm in Ponca City, OK (January 2009)
4. Creek Nation Casino in Tulsa, OK (September 2008

Revenue Projections
The following casino gaming revenue projections include WGR's low, mid, and high case forecasts for 2010 and 2012. The mid case projections show total casino gaming revenues of approximately $127 million for the 2010 to 2012 period, almost identical to that of scenario 1. The added competition of the Oklahoma expansions simply shifts the distribution between the two revenue categories.

Exhibit 5-16 Gaming Revenues Projections for Scenario 2
Includes Scenario 1 Plus the Proposed Expansions

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	$31,126,000	$31,325,000	$42,551,000	$42,767,000	$50,540,000	$50,759,000
All Existing Casinos	$78,668,000	$96,128,000	$95,860,000	$84,702,000	$84,419,000	$76,714,000	$76,430,000
Total Scenario 1	**$78,668,000**	**$127,254,000**	**$127,185,000**	**$127,253,000**	**$127,186,000**	**$127,254,000**	**$127,189,000**

Data Source: Wells Gaming Research, May 2008

Revenue Impacts
The gaming revenue impacts show that the addition of the Oklahoma expansions results in a negative difference of $ 2,000 between scenarios 1 and 2.

Exhibit 5-17 Revenue Impacts of Scenario 2

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	-$1,137,000	-$1,139,000	-$1,471,000	-$1,472,000	-$1,627,000	-$1,626,000
All Existing Casinos	$0	$1,137,000	$1,141,000	$1,469,000	$1,469,000	$1,626,000	$1,630,000
Total Scenario 1	**$0**	**$0**	**$2,000**	**-$2,000**	**-$3,000**	**-$1,000**	**$4,000**

Data Source: Wells Gaming Research, May 2008

Forecasted Flow of Funds

The addition of the casino in Ford County, together with the expansions at Oklahoma Tribal casinos, would trigger changes in the following revenue flows. Kansas has been forecasted to generate approximately $103 million in 2010 (refer to the first section of Exhibit 5-18 captioned *Scenario 2 Revenues Coming From).* However, in the 2010 mid case, Kansas has been projected to retain $43 million (a net loss of $60.5 million). Refer to the third section of Exhibit 5-18 captioned *Scenario 2 Mid Case - Revenues Going To.* Absent additional competition, the foregoing revenue flows would most likely remain constant through 2012.

Exhibit 5-18 Flows of Gaming Revenue Funds for Scenario 2
Illustrates Where the Gaming Revenues Originated & When They Went

Scenario 2 - Revenues Coming From

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$58,101,210	74%	$57,818,892	$57,540,952	$102,869,150	81%	$102,624,581	$102,388,917	81%
OK	$17,727,675	23%	$17,830,255	$17,932,721	$21,208,264	17%	$21,382,157	$21,559,736	17%
TX	$2,840,656	4%	$2,865,391	$2,891,123	$3,176,700	2%	$3,206,939	$3,237,134	3%
Total	**$78,669,541**	**100%**	**$78,514,538**	**$78,364,796**	**$127,254,114**	**100%**	**$127,213,677**	**$127,185,787**	**100%**

Scenario 2 Low Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$31,126,000	24%	$31,224,000	$31,325,000	25%
OK	$78,668,000	100%	$78,517,000	$78,362,000	$96,128,000	76%	$95,988,000	$95,860,000	75%
Total	**$78,668,000**	**100%**	**$78,517,000**	**$78,362,000**	**$127,254,000**	**100%**	**$127,212,000**	**$127,185,000**	**100%**

Scenario 2 Mid Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$42,551,000	33%	$42,657,000	$42,767,000	34%
OK	$78,668,000	100%	$78,517,000	$78,362,000	$84,702,000	67%	$84,556,000	$84,419,000	66%
Total	**$78,668,000**	**100%**	**$78,517,000**	**$78,362,000**	**$127,253,000**	**100%**	**$127,213,000**	**$127,186,000**	**100%**

Scenario 3 High Case - Revenues Going To

State	2007	% 2007	2008	2009	2010	% 2010	2011	2012	% 2012
KS	$0	0%	$0	$0	$50,540,000	40%	$50,647,000	$50,759,000	40%
OK	$78,668,000	100%	$78,517,000	$78,362,000	$76,714,000	60%	$76,568,000	$76,430,000	60%
Total	**$78,668,000**	**100%**	**$78,517,000**	**$78,362,000**	**$127,254,000**	**100%**	**$127,215,000**	**$127,189,000**	**100%**

Data Source: Wells Gaming Research, May 2008

Scenario 3

Assumptions

Scenario 3 includes the assumptions in scenarios 1 and 2, as well as the following casinos that are proposed for the southwest trade area:

Kansas

1. Camptown Greyhound Park in Frontenac, KS (January 2009)
2. Sumner County planned in Wellington, KS (January 2010)
3. Cherokee County planned in Baxter Springs, KS (January 2010)

Oklahoma

1. Downstream Casino Resort in Ottawa, OK (Jul 2008)
2. First Council Casino in Newkirk, OK (Mar 2008)
3. Ioway Casino Resort in Lincoln, OK (Jan 2009)
4. Pawnee Nation planned in Chilocco, OK
5. Ponca Tribe Oklahoma planned in Ponca City, OK
6. Seneca-Cayuga Tribes of Oklahoma planned in Grove, OK (Jul 2008)
7. Shawnee Tribe Oklahoma planned in Oklahoma City, OK
8. Wichita & Affiliated Tribes planned in Hinton, OK

Revenue Projections

Following in Exhibit 5-19 are WGR's low, mid, and high case casino revenue forecasts for scenario 3, 2010 and 2012. The mid case projections show gaming revenues of more than $130 million for 2010 and 2012. The estimated revenue allocations project a reduction going to *Ford County,* approximately $34 million (down from the $42 to $44 million range projected in scenarios 2 and 1, respectively). Other revenue allocations include $41.5 million allocated to *other proposed casinos*, and $55 million allocated to *all existing casinos.*

Exhibit 5-19 Revenues Forecasts for Scenario 3

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	$24,801,000	$24,985,000	$33,969,000	$34,181,000	$40,733,000	$40,957,000
Other Proposed Casinos	$0	$45,112,000	$44,903,000	$41,477,000	$41,261,000	$38,779,000	$38,561,000
All Existing Casinos	$78,668,000	$60,531,000	$60,432,000	$54,998,000	$54,877,900	$50,933,300	$50,804,100
Total Scenario 3	**$78,668,000**	**$130,444,000**	**$130,320,000**	**$130,444,000**	**$130,319,900**	**$130,445,300**	**$130,322,100**

Data Source: Wells Gaming Research, May 2008

Revenue Impacts

Following are the combined gaming revenue impacts of scenarios 1 and 2, together with the expansions proposed in scenario 3. These include the three casinos in Kansas and the eight casinos in Oklahoma. Overall, the changes in gaming revenue would be limited to an increase of approximately $3.2 million over the totals for scenarios 1 and 2.

Exhibit 5-20 Revenue Impacts for Scenario 3
Includes Scenario 1, the OK Expansions, & Three KS Casinos

	Current	Low Case		Mid Case		High Case	
	2007	2010	2012	2010	2012	2010	2012
*Ford County (Proposed)	$0	-$6,325,000	-$6,340,000	-$8,582,000	-$8,586,000	-$9,807,000	-$9,802,000
*Other Proposed Casinos	$0	$45,112,000	$44,903,000	$41,477,000	$41,261,000	$38,779,000	$38,561,000
All Existing Casinos	$0	-$35,597,000	-$35,428,000	-$29,704,000	-$29,541,100	-$25,780,700	-$25,625,900
Total Scenario 3	**$0**	**$3,190,000**	**$3,135,000**	**$3,191,000**	**$3,133,900**	**$3,191,300**	**$3,133,100**

Data Source: Wells Gaming Research, May 2008

Forecasted Flow of Funds

WGR's projections for shifts in casino revenue flows, given the assumptions of scenario 3, are summarized in Exhibit 5-21. Projections for Kansas include $106 million 2010 (refer to the first section of Exhibit 5-21 captioned *Scenario 3 Revenues Coming From).* In the 2010 mid case estimates, less than one-half ($51 million) would go to Kansas. The net loss to Kansas has been estimated at $55 million (refer to the third section of Exhibit 5-21 captioned *Scenario 3 Mid Case - Revenues Going To).* Oklahoma and Texas combined are projected to generate $24.3 million in 2010. However, nearly $80 million would flow back to Oklahoma in the mid case. Without additional changes in the southwest trade area's gaming market, the 2010 forecasts could be expected to remain constant through 2012.

Exhibit 5-21 Flows of Gaming Revenue Funds for Scenario 3
Illustrates Where the Gaming Revenue Originated & Where They Went

Scenario 3 - Revenues Coming From									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$58,101,210	74%	$57,917,795	$57,639,207	$106,059,235	81%	$105,785,654	$105,521,431	81%
OK	$17,727,675	23%	$17,832,355	$17,934,814	$21,210,349	16%	$21,384,236	$21,561,807	17%
TX	$2,840,656	4%	$2,865,391	$2,891,123	$3,176,700	2%	$3,206,939	$3,237,134	2%
Total	**$78,669,541**	**100%**	**$78,615,541**	**$78,465,144**	**$130,446,284**	**100%**	**$130,376,829**	**$130,320,372**	**100%**
Scenario 3 - Low Case Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$0	0%	$0	$645,000	$42,730,000	33%	$42,751,000	$42,774,000	33%
OK	$78,668,000	100%	$78,617,000	$77,820,000	$87,714,000	67%	$87,628,000	$87,546,000	67%
Total	**$78,668,000**	**100%**	**$78,617,000**	**$78,465,000**	**$130,444,000**	**100%**	**$130,379,000**	**$130,320,000**	**100%**
Scenario 3 - Mid Case Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$0	0%	$0	$645,000	$50,634,000	39%	$50,668,000	$50,706,000	39%
OK	$78,668,000	100%	$78,617,000	$77,820,000	$79,810,000	61%	$79,712,000	$79,613,900	61%
Total	**$78,668,000**	**100%**	**$78,617,000**	**$78,465,000**	**$130,444,000**	**100%**	**$130,380,000**	**$130,319,900**	**100%**
Scenario 3 - High Case Revenues Going To									
State	**2007**	**% 2007**	**2008**	**2009**	**2010**	**% 2010**	**2011**	**2012**	**% 2012**
KS	$0	0%	$0	$645,000	$56,446,000	43%	$56,485,000	$56,531,000	43%
OK	$78,668,000	100%	$78,617,000	$77,820,000	$73,999,300	57%	$73,888,300	$73,791,100	57%
Total	**$78,668,000**	**100%**	**$78,617,000**	**$78,465,000**	**$130,445,300**	**100%**	**$130,373,300**	**$130,322,100**	**100%**

Data Source: Wells Gaming Research, May 2008

Section 6

Information on Wells Gaming Research & Richard H. Wells

Following is detailed information regarding Wells Gaming Research's many services, as well as personal information about Richard H. Wells, WGR's president:

Professional Services Offered:

Wells Gaming Research (hereinafter referred to as WGR) is a highly respected provider of a wide-range of research and advisory services for the casino gaming industry.

Casino Player Count Service™:
WGR's Casino Player Count Service™ has become the standard for measuring relative player count performance within the casino gaming industry. Our player count service is widely used by casinos, as well as by equity analysts who track public gaming companies. WGR's weekly online player count reports are accompanied by a host of powerful, user friendly analytical tools that make it quick and easy for a client casino to monitor the competition. Client casinos can log on to WGR's website and evaluate their competitors using the following performance criteria:

- Casino rankings based on player count volume
- Number of table game and/or slot machine players
- Percent distribution of players
- Gaming capacity inventory for both table games and slot machines
- Percent distribution of market capacity
- Percent of capacity utilized
- User defined market fair share percentages

Fair Share Goal Setting Targets for User Defined Markets
One of the newest and most exciting features of WGR's Casino Player Count Service™ is fair share goal setting for user-defined markets. WGR's online player count service automatically calculates the number of players required for a casino to reach a series of fair market share targets (for example, 100%, 105%, and 110%).

Gaming Capacity Inventories
WGR updates the gaming capacity inventory statistics for the player count service on a quarterly basis. Client casinos can easily monitor capacity adjustments for both table games and slot machines for their casino, as well as for their competitors. WGR's website also provides a capacity trend analysis feature.

Equity Analysts
Equity analysts use WGR's Casino Player Count Service™ reports to monitor player counts for individual casinos owned by public companies, and to track entire market areas. WGR's player count statistics are also given consideration by equity analysts when forecasting quarterly casino revenues.

Data Collection for WGR's Casino Player Count Service
WGR's field representatives physically count casino players five or more times per week in 164 casinos located throughout the U.S. WGR's current player count service areas include California, Louisiana, Mississippi, Nevada, and New Mexico.

Casino Feasibility Studies

WGR's databases contain a detailed history of casino player counts collected in eleven major gaming markets located throughout the U.S. This exclusive player count information provides WGR with a proprietary resource that is unmatched for projecting player volume, which is a key variable in the revenue function.

WGR has conducted casino feasibility studies and financial projections for a number of new casinos, including those proposed in:

- **Mississippi** – Tunica.
- **Nevada** - Las Vegas (the Strip, the Offstrip, and North Las Vegas), as well as for Reno, Henderson, and Jackpot.
- **Nova Scotia** - Halifax and Sydney.

Casino Gaming Market Studies

WGR's databases contain over 350,000 casino player counts collected between 1990 and 2007. Capacity information is collected and updated regularly on each casino's inventory capacity mix of slot machines and table games. The player count data allows WGR to track individual casinos, groups of casinos, and casino markets more closely and accurately than any other organization except the state gaming regulatory authorities.

WGR has developed a custom casino gravity modeling system designed to forecast casino revenues while taking into account the impacts that new or expanded competing casinos could have on the project. The model is customized to include the appropriate trade area and competitive casinos for each project.

Major market studies include:

- Las Vegas, Nevada area (Strip, Offstrip, North Las Vegas, & Henderson)
- Reno & Sparks, Nevada
- Minden/Gardnerville, Nevada
- Carson City, Nevada
- Northern California
- South Lake Tahoe
- Mississippi (Tunica, Natchez, & Vicksburg)
- Shreveport, Louisiana
- Iowa (Spencer, Ottumwa, Emmetsburg, Waterloo, Davenport, & Bettendorf)
- Sugar Creek, Missouri
- Southern Kansas
- Southern Indiana
- North-East Kentucky

Competitive Gaming Equipment Inventories

WGR conducts capacity inventories of slot machines, electronic player tracking systems, and other gaming equipment located in casinos throughout the U.S. The client selects the casinos to be inventoried. Then, WGR conducts the equipment inventories and does the comparative analyses. WGR's clients include both casinos and major slot machine manufacturers. Slot machine inventory projects include:

- 38 Tribal casinos in California.
- 108,000 slot machines located in 50 U.S. casinos, as well as five Canadian casinos (inventories are conducted twice each year).
- 18,000 slot machines located in eight large Las Vegas casinos.

Litigation & Legislative Support

WGR provides a host of gaming related services to attorneys in the form of:

- Financial and market analyses
- Expert testimony and depositions
- Analyses of opposing expert reports
- Development of questions for depositions
- Development of exhibits for use in court
- Competitive analyses for anti-trust issues
- Exhibits, documents, and expert testimony for legislative issues

Marketing Research

WGR has conducted a wide variety of gaming related marketing research studies for casino clients, as well as for proprietary internal use. For example, WGR has analyzed:

- The demographics and gambling characteristics of golfers on a nationwide basis.

- The gambling and demographic characteristics of local residents in both Reno and Las Vegas.

- The growth of various forms of gaming in Reno's four major feeder markets (California, Oregon, Washington, and British Columbia).

Marketing Surveys

Recent market research surveys include:

- 600 Las Vegas Strip visitors for a casino client
- 465 slot directors for a slot manufacturer
- 900 gaming establishments for a slot manufacturer
- 600 telephone inquiries to casino slot departments regarding online slot machine systems

Market & Financial Due Diligence

WGR is well positioned to assist casino buyers in evaluating gaming markets in terms of:

- Competition
- Financial and operating performance
- Improvement potential of casino acquisition candidates

Financial Benchmark Studies

WGR conducts financial benchmark studies for existing casinos. Both revenue and expense line items are compared with a casino's peer group of competitors. Differences are flagged. One such study greatly aided the Client in improving its financial performance and in turning losses into profits.

Special Projects

WGR conducts special projects on an ongoing basis. Some examples include:

- Casino market supply and demand analyses
- Slot and table game trends
- Casino player trend analyses
- Utilization analyses (table games including Caribbean Stud and Let-It-Ride, as well as slot machines and automatic shuffler)
- Competitive analyses of slot machine inventories and utilization
- Table game instruction programs
- Average bets by table minimums for blackjack and craps
- Player counts by ethnic groups

Other Casino Gaming Services

Slot Payback Certification

WGR provides verification and certification of win percentages for slot machines and video poker machines. Casinos have successfully used the win percentages in advertising campaigns.

Pedestrian Traffic Counts

WGR has conducted pedestrian traffic studies to determine pedestrian volumes, directions, and other characteristics of pedestrian traffic behavior in targeted areas in Las Vegas and Reno. Two specific locations were the intersection of Las Vegas Boulevard and Tropicana Avenue in Las Vegas and on Virginia Street in downtown Reno.

Special Event Attendance

WGR conducts attendance counts at special events, primarily in Nevada (Reno, Las Vegas, and Laughlin) for convention authorities and other clients. WGR has conducted attendance counts at most of Reno's special events.

Corporate Background

WGR was established in 1990. In 1995, WGR was incorporated under the laws of the State of Nevada.

WGR is a privately held corporation. The principal officers include Richard H. Wells, President and Peggy P. Wells, Vice President and Secretary/Treasurer.

WGR's president, Richard H. Wells, has over thirty years of experience in conducting financial and market feasibility studies for the casino, hotel, banking, and oil and gas industries. Wells is supported by a well-trained staff with experience and expertise in computer programming, finance, economics, and market analyses.

In addition to the staff, WGR subcontracts, on an as-needed basis, with highly qualified and respected professionals who specialize in a wide-range of technical disciplines including marketing research, statistics, demographic statistics and data analyses, economic and social impact analyses, and legal counsel.

Online Casino Player Count Service™

WGR has converted its player count reporting system from a weekly hard copy report to a suite of powerful, online, easy-to-use reporting and analysis tools. The Internet now makes it possible for WGR to share these tools with our clients.

WGR is not only providing its Casino Player Count Service™ Reports online via the Internet, we are also providing our clients with a host of online analytical tools. For example, WGR's clients can now select a specific set of competitive casinos and time periods to conduct custom analyses.

A total of seven (7) online reporting menu options are offered:

1. Monthly
2. Weekly
3. Daily
4. Multi-Month Trend Analysis
5. User Defined Two-Period Comparisons
6. Capacity Trend Analysis
7. Average Counts by Day-of-Week or Time-of-Day

Four (4) options are provided for viewing, downloading, and printing the user defined reports:

1. Web Browser,
2. Tab Delimited Download (Excel or other spreadsheet compatible)
3. PDF file uncompressed
4. PDF file compressed (ZIP)

Weekend player counts are now available to our clients by Monday afternoon, 5PM Pacific Time. All weekly player count data is audited and finalized by Thursday afternoon, 5PM Pacific Time. This puts the player count data in the clients' hands several days earlier than the hard copy reports.

Online Access & Client Training:
Each person in our Client's organization who needs access to WGR online service will be assigned a username and password for secure website access. WGR's clients are allowed an unlimited number of users, at no additional cost.

WGR will conduct a training session to acquaint Client users with the new online system. WGR's new online reporting system is easy-to-use and quick at creating user defined custom player count reports. A half-hour training/orientation session is all that is needed for a user to get started with WGR's new online reporting system.

Richard H. Wells, Experience & Qualifications

Wells is founder and president of **Wells Gaming Research**, a Nevada Corporation that provides Casino Player Count Service™, a market share tracking service, to over 160 casino clients in Nevada, Mississippi, Louisiana, New Mexico, and California.

Wells Gaming Research also performs a wide range of consulting and gaming research assignments including casino market studies, financial feasibility studies, financial projections, due diligence, litigation support, legislative issue support, and gaming industry expert witness services for the gaming industry.

Wells has fifteen years experience as a senior executive in the casino-hotel industry with Holiday Inns, Harrah's, and Bally's. Wells has also held positions in management, planning, and financial analysis for a large regional bank and a major international oil company.

Wells has a B.S. degree in business from Oklahoma State University and completed a post-graduate program in Systems Dynamics at M.I.T. Wells has participated in a wide range of community service activities and is listed in Marquis Who's Who in Finance and Industry and Marquis Who's Who in America.

Wells Gaming Research Client List
(Current and/or Prior Customers)

Aladdin Gaming, LLC:
- Aladdin Resort & Casino ~ Las Vegas, Nevada

Ameristar Casinos, Inc. ~ Las Vegas, Nevada
Alamo Travel Center ~ Sparks, Nevada
Aristocrat Technologies, Inc. ~ Las Vegas, Nevada
Arizona Charlie's Casino Hotel ~ Las Vegas, Nevada
Arizona Charlie's East Casino Hotel ~ Las Vegas, Nevada
Avi Resort & Casino ~ Laughlin, Nevada
Baldini's Sports Casino ~ Reno, Nevada
Bear Stearns Companies, Inc.
Binion's Horseshoe ~ Tunica, Mississippi
Boyd Gaming Corporation:
- California Hotel & Casino ~ Las Vegas, Nevada
- Fremont Hotel & Casino ~ Las Vegas, Nevada
- Main Street Station Hotel Casino ~ Las Vegas, Nevada
- Sam's Town Hotel & Gambling Hall ~ Las Vegas, NV
- Sam's Town Tunica Hotel & Gambling Hall ~ Tunica, MS
- Stardust Resort & Casino ~ Las Vegas, Nevada

Bronco Billy's Sports Bar & Casino ~ Cripple Creek, CO
Caesars Palace Hotel & Casino ~ Las Vegas, Nevada
Cannery Casino Hotel ~ Las Vegas, Nevada
Clay County Gaming Initiative, Inc. ~ Clay Co, Iowa
Club Cal-Neva/Virginian Hotel Casino ~ Reno, Nevada
Coast Hotel & Casinos, Inc.:
- Gold Coast Hotel Casino ~ Las Vegas, Nevada
- Suncoast Hotel & Casino ~ Las Vegas, Nevada
- The Orleans Hotel & Casino ~ Las Vegas, Nevada

Copa Casino ~ Gulfport, Mississippi
DRKW - Grantchester, Inc. ~ New York, New York
Eldorado Hotel Casino ~ Reno, Nevada
Fallon Paiute-Shoshone Tribe ~ Fallon, Nevada
Fidelity Investments ~ Boston
Fitzgeralds Hotel Casino ~ Reno, Nevada
Four Queens Hotel Casino ~ Las Vegas, Nevada
Greenspun Corporation ~ Las Vegas, Nevada
Guild, Russell, Gallagher, & Fuller, LTD ~ Reno, Nevada
Galleria Associates ~ Henderson, Nevada
Golden Phoenix Hotel Casino ~ Reno, Nevada
GEM, LLC ~ Reno, Nevada
Harrah's Casino Hotel ~ Lake Tahoe, Nevada
Harrah's Casino Hotel ~ Laughlin, Nevada
Harrah's Hotel Casino ~ Reno, Nevada
Harrah's Hotel Casino ~ Tunica, Mississippi
Hollywood Casino ~ Tunica, Mississippi
Horseshoe Casino & Hotel ~ Bossier City, Louisiana
Innovative Gaming Corporation of America
International Gaming Technology
Isle of Capri Casinos, Inc.:
- Isle of Capri Casino ~ Bossier City, Louisiana
- Isle of Capri Casino ~ Biloxi, Mississippi
- Isle of Capri Casino - Lula, Mississippi
- Isle of Capri Casino - Vicksburg, Mississippi

Isleta Casino & Resort - Albuquerque, New Mexico
ITT Sheraton Gaming Division
John Ascuaga's Nugget ~ Reno, Nevada
Lady Luck Hotel Casino ~ Las Vegas, Nevada
Little Creek Casino ~ Shelton, Washington
Majestic Star Casinos:
- Fitzgeralds Hotel Casino ~ Las Vegas, Nevada
- Fitzgeralds Hotel Casino ~ Tunica, Mississippi

Mandalay Resort Group:
- Circus Circus Hotel Casino ~ Reno, Nevada
- Circus Circus Hotel Resort & Casino ~ Las Vegas, NV
- Colorado Belle Hotel & Casino ~ Laughlin, Nevada
- Edgewater Hotel & Casino ~ Laughlin, Nevada
- Excalibur Resort Hotel & Casino ~ Las Vegas, Nevada
- Gold Strike Casino & Resort ~ Tunica, Mississippi
- Luxor Resort Hotel & Casino ~ Las Vegas, Nevada
- Mandalay Bay Resort & Casino ~ Las Vegas, Nevada
- Monte Carlo Resort & Casino ~ Las Vegas, Nevada
- Silver City ~ Las Vegas, Nevada
- Silver Legacy Resort & Casino ~ Reno, Nevada
- Slots-A-Fun ~ Las Vegas, Nevada

Monarch Casino & Resort, Inc.:
- Atlantis Casino Resort ~ Reno, Nevada

Wells Gaming Research Client List (Continued)
(Current and/or Prior Customers)

Mikhon Gaming Corporation

Nevada Resort Association ~ Las Vegas, Nevada

MGM • Mirage:

- Beau Rivage Hotel & Casino ~ Biloxi, Mississippi
- Bellagio Hotel & Casino ~ Las Vegas, Nevada
- Golden Nugget Hotel & Casino ~ Laughlin, Nevada
- MGM Grand Hotel Casino ~ Las Vegas, Nevada
- New York New York Hotel & Casino ~ Las Vegas, NV
- The Mirage Hotel & Casino ~ Las Vegas, Nevada
- Treasure Island at the Mirage ~ Las Vegas, Nevada

Palms Casino Hotel ~ Las Vegas, Nevada

Park Place Entertainment:

- Bally's Casino Las Vegas ~ Las Vegas, Nevada
- Bally's Casino Tunica ~ Tunica, Mississippi
- Flamingo Las Vegas ~ Las Vegas, Nevada
- Flamingo Laughlin ~ Laughlin, Nevada
- Grand Casino Biloxi ~ Biloxi, Mississippi
- Grand Casino Gulfport ~ Gulfport, Mississippi
- Grand Casino Tunica ~ Tunica, Mississippi
- Las Vegas Hilton ~ Las Vegas, Nevada
- Oshea's ~ Las Vegas, Nevada
- Paris Las Vegas ~ Las Vegas, Nevada
- Reno Hilton ~ Reno, Nevada
- Sheraton Casino ~ Tunica, Mississippi

Peppermill, Inc.:

- Peppermill Hotel Casino ~ Reno, Nevada
- Western Village Inn & Casino ~ Sparks, Nevada

Penn National Gaming, Inc.

- Boomtown Casino ~ Biloxi, Mississippi
- Casino Magic ~ Bay St. Louis, Mississippi

Pinnacle Entertainment, Inc.:

- Boomtown Hotel • Casino • RV Park ~ Reno, Nevada
- Casino Magic ~ Biloxi, Mississippi
- Boomtown Casino ~ Bossier City, Louisiana

R&R Advertising

Rail City Casino ~ Sparks

Ramada Express Hotel & Casino ~ Laughlin, Nevada

Ramada Inn Speakeasy Casino ~ Reno, Nevada

Rampart Casino ~ Las Vegas, Nevada

Reno/Sparks Convention & Visitor’s Authority

Rio Suite Hotel Casino ~ Las Vegas, Nevada

River Palms Resort Casino ~ Laughlin, Nevada

Riverside Resort Hotel Casino ~ Laughlin, Nevada

Riviera Hotel & Casino ~ Las Vegas, Nevada

Sands Regency Hotel Casino ~ Reno, Nevada

Seven Circle Resorts, Inc.

Sheraton Casino ~ Halifax, Novia Scotia

Sheraton Hotel Casino ~ Tunica, Mississippi

Showboat Hotel Casino ~ Las Vegas, Nevada

Si Redd's Oasis Hotel & Casino ~ Mesquite, Nevada

Silicon Gaming, Inc.

Silver Club Hotel Casino ~ Sparks, Nevada

Silverton Hotel & Casino ~ Las Vegas, Nevada

Station Casinos, Inc.:

- Boulder Station Hotel & Casino ~ Las Vegas, NV
- Fiesta Henderson ~ Las Vegas, Nevada
- Fiesta Rancho Casino Hotel ~ Las Vegas, Nevada
- Green Valley Ranch Resort & Spa ~ Las Vegas, NV
- Palace Station Hotel & Casino ~ Las Vegas, Nevada
- Santa Fe Station Hotel Casino ~ Las Vegas, Nevada
- Sunset Station Hotel & Casino ~ Las Vegas, Nevada
- Texas Station Gambling Hall & Hotel ~ Las Vegas, NV

Stratosphere Casino Hotel & Tower ~ Las Vegas, Nevada

Terrible's Casino Hotel ~ Las Vegas, Nevada

Thunder Valley Casino ~ Lincoln, California

Treasure Bay Casino Resort ~ Biloxi, Mississippi

Tropicana Hotel Casino ~ Las Vegas, Nevada

Tuscany Hotel & Casino ~ Las Vegas, Nevada

Venetian Resort Hotel Casino ~ Las Vegas, Nevada

WMS Gaming Inc. ~ Waukegan, Illinois

Wild Game NG:

- Siena Hotel Spa & Casino ~ Reno, Nevada

Wynne Resorts, LTD ~ Las Vegas, Nevada

Zeh Saint-Aubin Spoo ~ Reno, Nevada