



APR 10 2007

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Re: Revised Agreements Between the Kiowa Tribe of Oklahoma, the Kiowa Casino Operations Authority, Casino Development Group-Kiowa I LLC and TS Ventures LLC

Dear Sirs:

On September 27, 2006, the National Indian Gaming Commission's (NIGC) Office of General Counsel advised the parties that the Amended and Restated Development Agreement between the Kiowa Tribe of Oklahoma (Tribe), the Kiowa Casino Operations Authority (KCOA), Casino Development Group-Kiowa I LLC (CDG) and TS Ventures LLC and the Amended and Restated Senior Secured Credit Agreement between KCOA, the Tribe TS Ventures, L.L.C., and Red River Gaming, L.L.C. (together "Agreements") constituted a management contract based on the presence of several key provisions that bestowed management control on CDG. In addition, we found that the Amended and Restated Senior Secured Credit Agreement (SSCA) bestows a proprietary interest in the gaming activity upon TS Ventures LLC in violation of the Indian Gaming Regulatory Act (IGRA). 25 U.S.C. § 2710(b)(2)(A).

In response to our September 27, 2006 letter, the parties submitted revised Agreements. We have reviewed those Agreements, and find that the parties have removed any indicia of management control. We therefore find that the Agreements do not constitute a management contract.

b4 With respect to the sole proprietary interest issue, we advised the Tribe and TS Ventures, LLC. that the compensation package amounted to excessive compensation and accorded TS Ventures, LLC. a fractional ownership interest in the Tribe's gaming activity and its related operations for [] years. TS Ventures loaned the Tribe [] b4

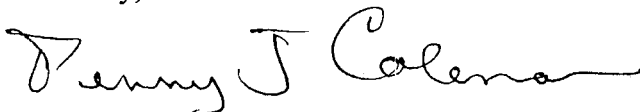
by the Tribe showed that, over the course of the [] Financial projections provided [] years, []

In response to our concerns, the Tribe and TS Ventures LLC. have executed a Relinquishment Agreement. Pursuant to the Relinquishment Agreement, [] b4

In light of this change to the compensation package, and in particular the fixed nature of the payment rather than a stake in the casino profits, we find there is no sole proprietary interest violation. While we believe that an almost [] return for a [] we do recognize the many risks TS Ventures, LLC. assumed when it invested in the Tribe's future gaming activities. At the time the loan was made, the Tribe's gaming operations were the subject of a closure order issued by the Chairman of the NIGC; there had been no determination made as to whether the land for the project was eligible for gaming; a feasibility study had not been completed; and the Tribe had been plagued by tremendous political instability for many years. Furthermore, the loan was made on a non-recourse basis. These risks were substantial, and they do mitigate in favor of a high return. Therefore, [] b4 we do not find it violates the IGRA.

Please contact Maria Getoff, staff attorney, if you have any questions about this letter.

Sincerely,



Penny J. Coleman
Acting General Counsel