

FREE STATE GROUP, L.L.C.
FREE STATE HOLDINGS, INC.
110 McDonald Drive, Suite 192
Lawrence, Kansas 66044

October 6, 2008

VIA REGULAR MAIL AND E-MAIL

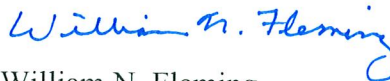
Mr. David Corliss
City Manager – City of Lawrence
City Hall, 6 E. 6th Street
Lawrence, Kansas 66044

*Re: Bauer Farms Petition for Special Benefit District
Waiver of Public Bid and Design Requirements*

Dear Dave:

Pursuant to your request, this letter is written on behalf of Free State Group, L.L.C. and Free State Holdings, Inc. (collectively the “**Applicants**”), in connection with the Petition filed on September 15, 2008 to form a special benefit district related to the Bauer Farms project. Please accept this letter as the Applicants’ formal request that the City waive the public bidding and design requirements that are normally applicable to districts formed pursuant to K.S.A. 12-6a01 *et seq.* The Applicants represent 100% of the owners in the proposed benefit district, as shown on the Petition.

Very truly yours,



William N. Fleming
General Counsel