

E-Filed 3/1/10

1 GORDON SILVER  
GERALD M. GORDON, ESQ.  
2 Nevada Bar No. 229  
E-mail: ggordon@gordonsilver.com  
3 GREGORY E. GARMAN, ESQ.  
Nevada Bar No. 6654  
4 E-mail: ggarman@gordonsilver.com  
TALITHA B. GRAY, ESQ.  
5 Nevada Bar No. 9040  
Email: tgray@gordonsilver.com  
6 3960 Howard Hughes Pkwy., 9th Floor  
Las Vegas, Nevada 89169  
7 Telephone (702) 796-5555  
Facsimile (702) 369-2666  
8 [Proposed] Attorneys for Debtors

9 **UNITED STATES BANKRUPTCY COURT**  
10 **FOR THE DISTRICT OF NEVADA**

11 In re:  
12 BLACK GAMING, LLC  
 Affects this Debtor.  
13  Affects all Debtors.  
 Affects VIRGIN RIVER CASINO CORPORATION  
14  Affects B & BB, INC.  
 Affects R. BLACK, INC.  
15  Affects RBG, LLC  
 Affects CASABLANCA RESORTS, LLC  
16  Affects OASIS INTERVAL OWNERSHIP, LLC  
 Affects OASIS INTERVAL MANAGEMENT, LLC  
17  Affects OASIS RECREATIONAL PROPERTIES, INC.

**Case No.: BK-10-13301-BAM; Chapter 11**  
**Jointly Administered with:**  
10-13303 Virgin River Casino Corporation  
10-13305 B & BB, Inc.  
10-13306 R. Black, Inc.  
10-13307 RBG, LLC  
10-13309 Casablanca Resorts, LLC  
10-13310 Oasis Interval Ownership, LLC  
10-13311 Oasis Interval Management, LLC  
10-13312 Oasis Recreational Properties, Inc.  
Date: March 3, 2010  
Time: 9:30 a.m.  
Courtroom #3

18 **STIPULATION AUTHORIZING USE OF CASH COLLATERAL BY THE DEBTORS**  
19 **AND GRANTING ADEQUATE PROTECTION**

20 Black Gaming, LLC, a Nevada limited liability company ("Black Gaming"), Virgin River  
21 Casino Corporation, a Nevada corporation ("Virgin River"), B & BB, Inc. d/b/a Virgin River  
22 Hotel Casino & Bingo, a Nevada corporation ("BBB"), R. Black, Inc., a Nevada corporation  
23 ("Black Inc."), RBG, LLC d/b/a CasaBlanca Resort & Casino, a Nevada limited liability  
24 company ("RBG"), CasaBlanca Resorts, LLC d/b/a Oasis Hotel, Casino, Spa and Golf, a Nevada  
25 limited liability company ("CasaBlanca Resorts"), Oasis Interval Ownership, LLC, a Nevada  
26 limited liability company ("Oasis Own"), Oasis Interval Management, LLC, a Nevada limited  
27 liability company ("Oasis Mgmt"), and Oasis Recreational Properties, Inc., a Nevada corporation  
28 ("Oasis Rec," and together with Black Gaming, Virgin River, BBB, Black Inc., RBG,

1 CasaBlanca Resorts, Oasis Own, and Oasis Mgmt, the “Debtors”), by and through their proposed  
 2 counsel, the law firm of Gordon Silver, Wells Fargo Capital Finance, Inc., f/k/a Wells Fargo  
 3 Foothill, Inc. (“Wells Fargo”),<sup>1</sup> as the arranger and administrative agent for the Lender Group  
 4 and Bank Product Provider (each such term as defined in the Credit Agreement (as defined  
 5 herein)), by and through its counsel Paul, Hastings, Janofsky & Walker LLP (“Paul Hastings”)  
 6 and Kolesar & Leatham, Chtd. (“K&L”) and the Consenting Senior Secured Noteholders (as  
 7 defined herein), by and through their counsel, the law firms of Cadwalader, Wickersham & Taft,  
 8 LLP (“CWT”) and Santoro, Driggs, Walch, Kearney, Holley & Thompson (“Santoro Driggs”)  
 9 hereby stipulate and agree to the Debtors’ use of Cash Collateral and Disputed Cash Collateral  
 10 (as defined herein) on the terms and subject to the conditions contained herein.<sup>2</sup> This stipulation  
 11 (the “Stipulation”) is made with respect to the following recitals:

### RECITALS

12  
 13 A. Petition Date. The Debtors filed voluntary petitions under chapter 11 of title 11  
 14 of the United States Code (the “Bankruptcy Code”) on February 23, 2010 (the “Petition Date”),  
 15 thereby commencing the above-captioned bankruptcy cases (the “Chapter 11 Cases”).  
 16 Contemporaneously herewith, the Debtors have filed a motion with the above-captioned  
 17 Bankruptcy Court (the “Court”) seeking joint administration of the Chapter 11 Cases for  
 18 procedural purposes only, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy  
 19 Procedure (the “Bankruptcy Rules”).

20 B. Debtors-in-Possession. Pursuant to Sections 1107 and 1108 of the Bankruptcy  
 21 Code, each of the Debtors have retained possession of their assets and are authorized, as debtors  
 22 and debtors-in-possession, to continue the operation and management of their businesses.

23 C. Jurisdiction. The Court’s consideration of this Stipulation is a core proceeding as  
 24 defined in 28 U.S.C. §§ 157(b)(2)(A) and (M). The statutory predicates for the relief sought  
 25 herein are Sections 361 and 363 of the Bankruptcy Code, Bankruptcy Rule 4001(b), and Rule

26 <sup>1</sup> Unless otherwise expressly stated herein, the term Wells Fargo shall solely refer to Wells Fargo in its capacity as  
 27 the arranger and administrative agent for the Lender Group and the Bank Product Provider (as defined herein).

28 <sup>2</sup> Terms not otherwise defined herein shall have the meaning ascribed to them in the Omnibus Declaration Of Sean P. McKay In Support Of The Debtors’ First Day Motions filed on the Petition Date.

1 4001 of the Local Rules of Bankruptcy Practice of the United States District Court for the  
2 District of Nevada.

3 D. Credit Agreement. On December 20, 2004, BBB, CasaBlanca Resorts, RBG,  
4 Virgin River, Oasis Mgmt, Oasis Own, and Oasis Rec, as borrowers (the "Borrowers"), entered  
5 into that certain Credit Agreement with the lenders party thereto (such lenders, together with  
6 their respective successors and permitted assigns, are referred to hereinafter each individually as  
7 a "Senior Lender" and collectively as the "Senior Lenders"), and Wells Fargo Capital Finance,  
8 Inc. (f/k/a Wells Fargo Foothill, Inc.), for itself as a Senior Lender, and as the arranger and  
9 administrative agent for the Senior Lenders, which agreement was initially amended on or about  
10 December 31, 2006 to include Black Gaming and Black Inc. as obligors and guarantors under the  
11 Credit Agreement (together with all additional amendments, supplements, or modifications, the  
12 "Credit Agreement" and, the credit facility evidenced thereby, the "Senior Credit Facility"),  
13 which provides for, among other things, a revolving credit facility of up to a maximum of  
14 \$15,000,000. As of the Petition Date, the Debtors' principal obligations outstanding under the  
15 Senior Credit Facility were approximately \$14,851,588 plus any accrued and unpaid interest,  
16 fees, costs and expenses under the Credit Agreement (the "Prepetition First Lien Obligations").

17 E. Senior Secured Indenture. Pursuant to that certain Indenture dated as of  
18 December 20, 2004 (as amended, supplemented, and otherwise modified from time to time, the  
19 "Senior Secured Indenture"), Virgin River, RBG, and BBB (in such capacity, collectively, the  
20 "Senior Secured Issuers") issued through a private placement \$125,000,000 of 9% notes due  
21 January 15, 2012 (the "Senior Secured Notes" and, the holders of the Senior Secured Notes, the  
22 "Senior Secured Noteholders"). The Bank Of New York Mellon Trust Company, N.A.  
23 ("BNY"), in its capacity as the Senior Secured Indenture Trustee, is the indenture trustee under  
24 the Senior Secured Notes (the "Senior Secured Indenture Trustee"). Each of the Debtors, other  
25 than the Senior Secured Issuers, are guarantors under the Senior Secured Notes.

26 F. Intercreditor Agreement. Contemporaneously with the execution of the Credit  
27 Agreement and the Senior Secured Indenture, Wells Fargo, the Senior Secured Indenture  
28 Trustee, and the Borrowers entered into that certain Intercreditor and Lien Subordination

1 Agreement (as amended, supplemented, and otherwise modified from time to time, the  
2 “Intercreditor Agreement”), which governs the respective rights, obligations and priorities of  
3 Wells Fargo and the Senior Secured Indenture Trustee with respect to their interests in the  
4 Collateral, and, after the 2006 amendment of the Credit Agreement, effected the subordination of  
5 all liens granted by the Debtors in favor of the Senior Secured Indenture Trustee to the liens  
6 granted in favor of Wells Fargo, in its capacity as Agent (as defined in the Credit Agreement).  
7 Wells Fargo, the Senior Secured Indenture Trustee, and the Borrowers (“Intercreditor Parties”)  
8 shall continue to be bound by and subject to the terms, provisions and restrictions of the  
9 Intercreditor Agreement, and the Intercreditor Agreement shall apply and govern the  
10 Intercreditor Parties in these Chapter 11 Cases. The Intercreditor Agreement shall apply and  
11 govern the respective rights of the Intercreditor Parties in the Prepetition Collateral and with  
12 respect to the Replacement Liens (as defined herein) and the Superpriority Claim (as defined  
13 herein) provided for herein. Nothing in this Stipulation is meant to or shall be deemed to alter or  
14 otherwise modify the rights contained in the Intercreditor Agreement as between the Intercreditor  
15 Parties.

16 G. Security Agreements Relating to Personal Property. The indebtedness under the  
17 Senior Credit Facility is secured in part by that certain Security Agreement dated as of December  
18 20, 2004 by and among the Borrowers and Wells Fargo, and amended on or about December 31,  
19 2006 to add Black Gaming and Black Inc. as guarantors thereunder (together with all additional  
20 amendments, supplements, or modifications, the “Senior Credit Facility Security Agreement”  
21 and, collectively, with all loan documents identified in the Credit Agreement and the Senior  
22 Credit Facility Security Agreement or pertaining thereto, the “Senior Credit Facility Loan  
23 Documents”). The Senior Credit Facility Security Agreement grants, in pertinent part, valid,  
24 binding, enforceable and perfected liens that have priority over any and all other security  
25 interests in the Prepetition Collateral except for certain Permitted Liens, as that term is used in  
26 the Credit Agreement, in substantially all of the Debtors’ existing and after-acquired personal  
27 property, including without limitation all present or future accounts, including deposit accounts;  
28 all books and records; all chattel paper; all equipment and fixtures; all general intangibles; all

1 inventory; all investment related property, including investment property relating to all pledged  
2 interests, pledged operating agreements, and pledged partnership agreements; all negotiable  
3 collateral, including letters of credit, letter of credit rights, instruments, promissory notes, drafts,  
4 and documents; all supporting obligations, including letters of credit and guarantees issued in  
5 support of accounts, chattel paper, documents, general intangibles, instruments, or investment-  
6 related property; all interests in commercial tort claims; all money, cash equivalents, or other  
7 assets that are or subsequently come into the possession, custody, or control of Wells Fargo; and  
8 all proceeds and products, whether tangible or intangible, in any of the foregoing (together with  
9 the additional encumbered personal property under the Senior Credit Facility Security  
10 Agreement, the “Encumbered General Personal Property”); (ii) that certain Collateral  
11 Assignment of Notes and Deeds Of Trust (the “Collateral Assignment”) dated as of December  
12 20, 2004, pursuant to which Oasis Own assigned to Wells Fargo its timeshare interest in and to  
13 those certain Short Form Deeds of Trust with Assignments of Rent, the Notes Secured by Deeds  
14 of Trust, and all similar documents enumerated in the Collateral Assignment (the “Encumbered  
15 Timeshare Interests”); (iii) that certain Trademark Security Agreement, as amended, pursuant to  
16 which the Debtors granted Wells Fargo a continuing first-priority security interest in all of the  
17 Debtors’ trademarks, trademark-related licenses, all related goodwill, and all products and  
18 proceeds of the foregoing (the “Encumbered Trademark Intellectual Property”); and (iv) that  
19 certain Parent Pledge Agreement, as amended, pursuant to which Wells Fargo received a first  
20 priority pledge of the following equity interests, as well as all proceeds and products therefrom  
21 (the “Pledged Interests” and, together with the Encumbered General Personal Property, the  
22 Encumbered Timeshare Interests, and the Encumbered Trademark Intellectual Property, the  
23 “Encumbered Personal Property”):<sup>3</sup>

24 \_\_\_\_\_  
25 <sup>3</sup> The Encumbered Personal Property expressly excludes the following assets: (1) all non-operating real property; (2)  
26 assets securing certain permitted furniture/fixtures/inventory financing, purchase money debt, or capitalized lease  
27 obligations; (3) leasehold estates in leasehold property, unless Wells Fargo requests a security interest in such  
28 leasehold estate; (4) minimum casino bankroll requirements; (5) any investment-related property constituting stock  
of the Borrowers’ subsidiaries that are controlled foreign corporations to the extent that such property is in excess of  
65% of the voting power of the stock of such controlled foreign corporation; and (6) all leases, permits, licenses,  
including gaming licenses, or other contracts, agreements, assets, or property to the extent that a grant of a lien  
thereon (i) is prohibited by law, would result in the abandonment or invalidation of the respective Borrower’s right

Pledgor	Issuer	Number of Shares or Other Interests	Class	Pledgor's % Ownership Represented By The Pledged Interest	Pledgor's Total % Ownership In Issuer
Black Gaming	Virgin River	100 shares	Common stock	100%	100%
Black Gaming	BBB	16.75 shares	Common stock	100%	100%
Black Inc.	RBG	N/A	Membership interest	100%	5.47%
Virgin River	RBG	N/A	Membership interest	100%	94.53%
Black Trust	Black Gaming	6602 units	Units	66 2/3%	99.03%
Virgin River	Black Inc.	100 shares	Common Stock	100%	100%

The indebtedness under the Senior Secured Indenture is likewise secured by that certain Security Agreement (the "Senior Secured Notes Security Agreement" and, together with the Senior Credit Facility Security Agreement, the "Security Agreements" and, such Senior Secured Notes Security Agreement, together with all loan documents identified therein or pertaining thereto, the "Senior Secured Notes Loan Documents", and together with the Senior Credit Facility Loan Documents, the "Senior Secured Loan Documents") dated as of December 20, 2004, as amended as of December 31, 2006 to include and bind Black Gaming and Black Inc. as guarantors. The Senior Secured Note Loan Documents grant the Senior Secured Notes a second-priority security interest in the Encumbered Personal Property.

The Debtors acknowledge and agree solely on their behalf and not on behalf of any third parties in interest; (a) that the liens granted pursuant to the Security Agreements are not subject to avoidance, recharacterization or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law; (b) the obligations evidenced by the Senior Secured Loan Documents (collectively, the "Prepetition Secured Obligations") constitute legal, valid, binding and non-avoidable obligations of the Debtors that, except for the stay of enforcement arising from section 362 of the Bankruptcy Code, are enforceable in accordance with the terms of the Senior Secured Loan Documents; (c) that no offsets, defenses, challenges, claims, or counterclaims of any kind or nature to any of the Prepetition Secured Obligations exist, and no portion of the Prepetition

(continued)

therein, or would render any Borrower's right therein unenforceable, (ii) would require the consent of third parties and such consent has not been obtained after a Borrower's commercially reasonable efforts to obtain such consent, or (iii) other than as a result of requiring the consent of third parties that has not been obtained, would result in a breach of the provisions thereof, or constitute a default under or result in a termination of such lease, permit, license, contract, or agreement (collectively, the "Excluded Assets").

1 Secured Obligations is subject to avoidance, recharacterization or subordination pursuant to the  
2 Bankruptcy Code or applicable non-bankruptcy law; and (d) that the Debtors have no offsets,  
3 defenses, claims, objections, challenges, causes of action, and/or choses in action, including,  
4 without limitation, any causes of action under Chapter 5 of the Bankruptcy Code (“Avoidance  
5 Actions”), against Wells Fargo, any Senior Lender, the Senior Secured Indenture Trustee, or the  
6 Senior Secured Noteholders.

7 H. Waiver. Subject to paragraphs I, J, and K below, the Debtors waive any and all  
8 rights under sections 105 and 363 of the Bankruptcy Code or otherwise to seek the use of Cash  
9 Collateral on any other terms except (i) as expressly provided for herein, (ii) as consented to by  
10 Wells Fargo and the Required Lenders under the Credit Agreement and the Senior Secured  
11 Indenture Trustee, or (iii) as otherwise ordered by the Court. Until such time as all Prepetition  
12 First Lien Obligations are indefeasibly paid in full in cash and completely satisfied and the  
13 Senior Secured Noteholders have received the consideration contemplated by the confirmed  
14 Plan, any attempt by Debtors to in any way prime or seek to prime or otherwise cause to be  
15 subordinate in any way, either the prepetition liens or Replacement Liens of Wells Fargo, on  
16 behalf of the Senior Lenders, or the Senior Secured Indenture Trustee, on behalf of the Senior  
17 Secured Noteholders, by offering a subsequent lender or any party-in-interest a superior or pari  
18 passu lien or claim pursuant to section 364(d) of the Bankruptcy Code shall be an immediate  
19 Event of Default as provided for in Section 10 below; provided however, the Debtors are  
20 authorized to obtain any replacement financing that satisfies and pays the Prepetition First Lien  
21 Obligations in full in cash at the closing of such replacement financing.

22 I. Perfection Of Security Interests In Encumbered Personal Property; Reservation  
23 With Respect to Cash and Cash Equivalents. Wells Fargo and the Senior Secured Indenture  
24 Trustee have sought to perfect their respective security interests in the Encumbered Personal  
25 Property by timely filing financing statements with the applicable authorities, as a result of  
26 which Wells Fargo, the Consenting Senior Secured Noteholders, and the Senior Secured  
27  
28

1 Indenture Trustee assert that the following represents Cash Collateral:<sup>4</sup> the Debtors' cash and  
 2 cash equivalents located on the premises of the various Debtors (including cash and cash  
 3 equivalents in casino cages, premises depositories, or vaults) as of the Petition Date (collectively,  
 4 the "Cash on Hand")<sup>5</sup>, the Debtors' bank accounts as of the Petition Date (collectively, the  
 5 "Deposit Accounts"), and cash generated or received by the Debtors from and after the Petition  
 6 Date (including from wagers, gaming devices, room, restaurant, and bar revenue) (collectively,  
 7 the "Post-Petition Cash").

8 The Debtors dispute any claim of Wells Fargo, the Senior Secured Indenture Trustee, and  
 9 the Consenting Senior Secured Noteholders to Cash on Hand, the Deposit Accounts, and the  
 10 Post-Petition Cash as Cash Collateral other than (a) cash proceeds that are or subsequently  
 11 become identifiable and traceable from the sale of Encumbered Personal Property or Proceeds  
 12 (as defined under section 552(b)(1) of the Bankruptcy Code) thereof, or (b) cash proceeds  
 13 identifiable and traceable solely from rents and hotel or recreational facilities revenues of the  
 14 Debtors.

15 J. Real Property Security And Perfection And Reservation With Regard To Cash  
 16 And Cash Equivalents. Those Debtors with interests in real property entered into leasehold and  
 17 fee interest deeds of trust with assignments of rents, security agreements, and fixture filings  
 18 (collectively, the "Deeds of Trust") in favor of Wells Fargo and the Senior Secured Noteholders  
 19 to further secure the indebtedness under the Senior Credit Facility and the Senior Secured  
 20 Indenture, respectively. Like the Security Agreements for Encumbered Personal Property, each  
 21 of the Deeds of Trust executed by a given Debtor secures substantially all of that Debtor's real  
 22 property. The security interests granted by the Deeds of Trust in favor of Wells Fargo maintain  
 23 priority over the interests granted by the Deeds of Trust executed in favor of the Senior Secured

24 \_\_\_\_\_  
 25 <sup>4</sup> The term "Cash Collateral" shall mean and include all "cash collateral," as defined by Section 363 of the  
 26 Bankruptcy Code, in which Wells Fargo and the Senior Secured Noteholders have an interest. The term "Disputed  
 27 Cash Collateral" shall mean and include all "cash collateral," as defined by Section 363 of the Bankruptcy Code,  
 28 which is in dispute as among the Debtors, on the one hand, and Wells Fargo, the Senior Secured Indenture Trustee,  
 and the Consenting Senior Secured Noteholders, on the other.

<sup>5</sup> Except with regard to Wells Fargo, Encumbered Personal Property specifically excludes the minimum casino  
 bankroll.



1 Notes.

2           The Deeds of Trust for each of the Debtors' respective realty includes, as more fully set  
3 forth in the Deeds of Trust, all rights, titles, and interests in the real property described in the  
4 Deeds of Trust; all improvements on the realty; all fixtures; all reserves, escrows, or impounds  
5 and all deposit accounts maintained with respect to the realty; all existing and future leases,  
6 subleases, licenses, concessions, occupancy agreements, lease guarantees, or other agreements  
7 together with all related security and other deposits; all of the rents, revenues, royalties, income,  
8 proceeds, and other benefits paid or payable for using, leasing, licensing, possessing, operating  
9 from, residing in, selling, or otherwise enjoying the realty or any part thereof; all other  
10 agreements in any way relating to the construction, use, occupancy, operation, maintenance,  
11 enjoyment or ownership of the realty; all rights, privileges, tenements, hereditaments, rights-of-  
12 way, easements, appendages, and appurtenances appertaining to the foregoing; all property tax  
13 refunds, utility refunds, and rebates; all accessions, replacements, and substitutions for any of the  
14 foregoing and all proceeds thereof; all insurance policies, unearned premiums therefore, and  
15 proceeds from such policies; any awards, damages, remunerations, reimbursements, settlements,  
16 or compensation heretofore made or hereafter to be made by any governmental authority  
17 pertaining to the realty or its improvements or fixtures; all rights to appear and defend any action  
18 or proceeding brought with respect to the realty and to commence any action or proceeding to  
19 protect the interest in the realty; all rights, powers, privileges, options and other benefits of the  
20 grantors as lessor; all water rights; all oil and gas and other mineral rights; and all right, title and  
21 interest of the grantors in and to all tangible property and intangible property (except, with  
22 respect to gaming licenses, as prohibited by applicable gaming laws) located on or appurtenant to  
23 the realty and used or useful in connection with the ownership, management, or operation of the  
24 realty (collectively, and including the additional secured real property listed under the Deeds of  
25 Trust, the "Encumbered Real Property," and together with the Encumbered Personal Property  
26 and any and all additional collateral offered pursuant to other security agreements, pledge  
27 agreements, or other documents not heretofore mentioned, the "Collateral").

28           To the extent Wells Fargo, the Senior Secured Indenture Trustee, or the Consenting

1 Senior Secured Noteholders assert that, under the Deeds of Trust, the Cash on Hand, Deposit  
2 Accounts, or Post-Petition Cash constitute Cash Collateral, the Debtors dispute these claims of  
3 Wells Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior Secured  
4 Noteholders on the grounds and to the same extent as set forth in Section H above. The disputes  
5 as to Cash Collateral set forth in Sections H and I are hereinafter referred to as the “Disputed  
6 Cash Collateral.”

7 K. Reservation of Rights. The Parties reserve any and all rights and remedies with  
8 respect to the Disputed Cash Collateral and nothing contained herein shall prejudice the rights of  
9 the Parties in the event this Stipulation is terminated for any reason whatsoever.

10 L. Prenegotiated Restructuring.

11 On December 22, 2009, an agreement, together with the Restructuring Term Sheet  
12 attached thereto (the “Lockup”), was entered into by the: (i) Debtors, (ii) the Black Trust, (iii)  
13 certain holders of a majority in amount of the Senior Secured Notes (the “Consenting Senior  
14 Secured Noteholders”), (iv) Michael Gaughan, on behalf of himself or his designee (“Gaughan”),  
15 (v) Anthony Toti (“Toti”), and (vi) Newport Global Advisors LP or its affiliates (“Newport,” and  
16 together with the Black Trust, Gaughan, and Toti, the “Investor Parties”). The Lockup provides  
17 for a restructuring of the Debtors to be effectuated pursuant to a plan of reorganization (the  
18 “Plan”), which, together with the proposed Disclosure Statement To Accompany Debtors’ Plan  
19 Of Reorganization (the “Disclosure Statement”), has been filed on the Petition Date.

20 Pursuant to the Lockup, the Debtors have filed the Plan that principally provides that:

21 (a) all existing memberships in Black Gaming will be extinguished and cancelled;

22 (b) a new entity, New Black Gaming, LLC, will be formed;

23 (b) each of the Senior Secured Noteholders receiving, in full satisfaction of their claims,  
24 their pro rata share of each of the following: (i) newly issued promissory notes of New Black  
25 Gaming under the New Loan Facility, which is a \$62,500,000 term loan with an interest rate of  
26 LIBOR plus 700 basis points due 5 years from the Substantial Consummation Date by Black  
27 Gaming, collateralized by substantially the same collateral presently securing the Senior Secured  
28 Notes, (ii) a Cash Contribution tendered by the Investor Parties of up to the maximum of

1 \$9,250,000, and (iii) the Cash Payment, which is the cash in the possession of the Debtors  
2 immediately prior to the Substantial Consummation Date plus the \$9,000,000 Cash Investment,  
3 minus the sum of (i) the \$10,000,000 Minimum Cash Amount, and (ii) the Senior Credit  
4 Payment;

5 (c) the Senior Subordinated Noteholders receiving, in full satisfaction of their claims,  
6 profit participation warrants for 5% of the fully-diluted new equity interests in New Black  
7 Gaming struck at the enterprise value of (x) \$140,000,000, plus (y) the aggregate amount as of  
8 the Effective Date of accrued and unpaid interest in respect of the notes issued pursuant to the  
9 new Senior Secured Note Facility less the Cash Payment;

10 (d) Wells Fargo receiving payment in full of its allowed claims under the Senior Credit  
11 Facility; and

12 (e) the Investor Parties making the Investors Parties' Contribution, which is an aggregate  
13 amount up to the maximum of \$18,250,000, consisting of the Cash Contribution and the Cash  
14 Investment, in exchange for 100% of the equity interests in New Black Gaming subject to  
15 dilution as a result of warrants issued to the Senior Subordinated Noteholders.

16 M. Debtors' Acknowledgment And Agreements. Without prejudice to other parties  
17 in interest, the Debtors admit, acknowledge, and agree (collectively, the "Debtors' Stipulations")  
18 as follows:

19 (1) that Wells Fargo has a valid, binding, enforceable, unavoidable, and  
20 perfected first priority security interest in and liens on the Collateral; *provided, however,*  
21 that the Debtors do not admit that Wells Fargo has a perfected security interest in the  
22 Debtors' Cash on Hand, Deposit Accounts, or Post-Petition Cash as described in  
23 Sections H and I above;

24 (2) that the Senior Secured Noteholders have a valid, binding, enforceable,  
25 unavoidable, and perfected second priority security interest in and liens on the Collateral;  
26 *provided, however,* that the Debtors do not admit that the Senior Secured Indenture  
27 Trustee and the holders of Senior Secured Notes have a perfected security interest in the  
28 Debtors' Cash on Hand, Deposit Accounts, or Post-Petition Cash as described in

1 Sections H and I above; and

2 (3) the obligations under the Senior Credit Facility Loan Documents and the  
3 Senior Secured Notes Loan Documents constitute legal, valid, binding, and non-  
4 avoidable obligations of the Debtors that, except for the stay of enforcement arising from  
5 Section 362 of the Bankruptcy Code, are enforceable in accordance with the terms of the  
6 Credit Agreement, the Senior Secured Indenture, and such other related loan documents.

7 N. Debtors' Need For Use of Cash On Hand, Deposit Accounts, and Post-Petition  
8 Cash. The Debtors cannot meet their ongoing postpetition obligations unless they use Cash on  
9 Hand, the Deposit Accounts, and Post-Petition Cash. The ability of the Debtors to finance their  
10 operations requires the immediate use of Cash on Hand, the Deposit Accounts, and Post-Petition  
11 Cash. In the absence of such use, immediate and irreparable harm will result to the Debtors,  
12 their Estates, and their creditors, and the inability to use such Cash on Hand, the Deposit  
13 Accounts, and Post-Petition Cash will render impossible an effective and orderly reorganization  
14 of the Debtors' businesses. In the absence of access to Cash on Hand, the Deposit Accounts, and  
15 Post-Petition Cash, the continued operation of the Debtors' businesses would not be possible. As  
16 such, subject to the terms of this Stipulation and the entry of an order approving this Stipulation,  
17 Wells Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior Secured  
18 Noteholders each consent to the use of both the Disputed Cash Collateral and the Cash  
19 Collateral. The relief requested in the Stipulation is therefore necessary, essential, and  
20 appropriate for the continued operation of the Debtors' businesses and the preservation of their  
21 Estates.

22 O. Adequate Protection. As a result of the use of the Cash Collateral and the  
23 Disputed Cash Collateral, the use, sale, or lease of other prepetition Collateral (the "Prepetition  
24 Collateral") consented to herein, and/or the imposition of the automatic stay, Wells Fargo, the  
25 Senior Secured Indenture Trustee, and the Consenting Senior Secured Noteholders assert, and  
26 the Debtors agree pursuant to the terms and conditions set forth herein, that Wells Fargo and the  
27 Senior Secured Noteholders are each entitled to receive adequate protection pursuant to Sections  
28 361 and 363 of the Bankruptcy Code, including but not limited to the extent of any diminution in

1 the value of their interests in the Cash Collateral and the Disputed Cash Collateral resulting from  
2 the Debtors' use, sale, or lease thereof during these Chapter 11 Cases and/or the imposition of  
3 the automatic stay.

4 P. Notice. Notice of hearing to consider the relief requested in this Stipulation and  
5 the actual relief requested in this Stipulation has been provided by the Debtors to certain parties  
6 in interest, including the following: (1) the Office of the United States Trustee; (2) the Securities  
7 and Exchange Commission; (3) the Internal Revenue Service; (4) the Nevada Attorney Generals'  
8 Offices; (5) the Nevada Gaming Control Board; (6) each of the Debtors' twenty largest  
9 unsecured creditors, or any official committee(s) of unsecured creditors, if any are appointed  
10 pursuant to Section 1102 of the Bankruptcy Code; (7) counsel to Wells Fargo; (8) counsel to the  
11 Consenting Senior Secured Noteholders; (9) counsel to the Senior Secured Indenture Trustee;  
12 (10) the indenture trustee under the Senior Subordinated Notes; and (11) any entity which files  
13 and serves on the Debtors a request for special notice (collectively, the "Noticed Parties") prior  
14 to the hearing for entry of an order approving this Stipulation. Under the circumstances, such  
15 notice of the hearing and the relief requested in the Stipulation constitutes due and sufficient  
16 notice and complies with Section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002  
17 and 4001(b).

18 **STIPULATION**

19 NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises  
20 herein contained, the Parties hereby stipulate and agree as follows:

21 1. Consent To Use Of Cash Collateral And Disputed Cash Collateral. Upon entry  
22 of an order (whether interim or final) approving this Stipulation, Wells Fargo, the Senior Secured  
23 Indenture Trustee, and the Consenting Senior Secured Noteholders hereby consent to the  
24 Debtors' use of the Cash Collateral and Disputed Cash Collateral, from the date of the entry of  
25 such order approving the terms of this Stipulation, on the terms and conditions set forth in this  
26 Stipulation, to and through the date (the "Termination Date") that is seven (7) days following  
27 notice to the Debtors that an Event of Default (as defined below) has occurred and is otherwise  
28 continuing or otherwise unresolved or the Substantial Consummation Date (as such term is

1 defined in the Plan), whichever occurs first. Subsequent to the Effective Date of the Plan, the  
2 operations of the Debtors' businesses and use of Cash will be in accordance with the Plan and  
3 the Court's order confirming the Plan (the "Confirmation Order") pending the substantial  
4 consummation of the Plan.

5 2. Ordinary Disbursements. The use of Cash Collateral and Disputed Cash  
6 Collateral authorized hereby during the term of this Stipulation shall be limited to payment of the  
7 ordinary, reasonable, and necessary expenses actually paid by the Debtors in connection with the  
8 operation of the Debtors' businesses, including but not limited to wages and related expenses and  
9 benefits, utility charges, trade payables, insurance, governmental fees and taxes, including  
10 gaming taxes and fees, maintenance capital expenditures, other budgeted capital expenditures,  
11 contract extension/renewal payments, and Chapter 11 administrative and other related costs, fees,  
12 and expenses attendant thereto in substantial conformance with the Budget (as defined below)  
13 (the "Ordinary Operating Disbursements"). For the avoidance of any doubt, the purchase or  
14 capital lease of gaming equipment or the financing of insurance premiums and the granting of a  
15 purchase money security interest or liens related thereto shall be deemed in the ordinary course  
16 of the Debtors' businesses, but only if such purchase, lease, financing or grant of security  
17 interests or lien is set forth in the Budget.

18 3. Budget. As used herein, the Budget shall mean the itemized cash-based  
19 operating budget for the Debtors as attached hereto as Exhibit "1," together with any  
20 modifications, amendments, extensions, or supplements as approved by the Debtors and with the  
21 consent of Wells Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior  
22 Secured Noteholders, which consent shall not be unreasonably withheld and the Debtors shall  
23 supply an updated Budget every four weeks.

24 4. Adequate Protection Liens. As adequate protection of Wells Fargo's and the  
25 Senior Secured Noteholders' interests in the Cash Collateral and the Disputed Cash Collateral  
26 against any diminution in the value as a result of the use, sale, or lease thereof, and/or the  
27 imposition of the automatic stay, Wells Fargo and the Senior Secured Noteholders shall each  
28 receive adequate protection pursuant to Sections 361, 363(c)(2), and 363(e) of the Bankruptcy

1 Code in the form of additional, replacement, continuing, valid, binding, enforceable, and  
2 automatically and properly perfected security interests in and liens (collectively, the  
3 “Replacement Liens”) on all Collateral and, except for causes of action under Chapter 5 of the  
4 Bankruptcy Code, the Cash on Hand, Deposit Accounts, and Post-Petition Cash (collectively, the  
5 “Postpetition Collateral”). The Replacement Liens shall be senior and prior to all other interests  
6 or liens whatsoever in or on the Postpetition Collateral, and the Replacement Lien granted to  
7 Wells Fargo shall be senior and prior to the Replacement Lien granted to the Senior Secured  
8 Noteholders.

9       5.     Superpriority Claim. As an additional form of adequate protection Wells Fargo  
10 and the Senior Secured Noteholders shall have respective allowed superpriority expense claims  
11 (the “Superpriority Claims”), which shall have priority in these Chapter 11 Cases and in any case  
12 under Chapter 7 of the Bankruptcy Code upon conversion of any of these Chapter 11 Cases or  
13 any other action, case, or proceeding related to or arising out of any of the foregoing  
14 (collectively, the “Successor Case”) under Sections 364(c)(1), 502(b), and 507(b) of the  
15 Bankruptcy Code and otherwise over all administrative expense claims and unsecured claims  
16 against the Debtors and their estates, now existing or hereafter arising, of any kind or nature  
17 whatsoever including, without limitation, administrative expenses of the kinds specified in or  
18 ordered pursuant to Sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c), 507(a), 507(b),  
19 546(c), 546(d), 726(b) (to the extent permitted by law), 1113, and 1114 of the Bankruptcy Code.  
20 No costs or expenses of administration including, without limitation, professional fees allowed  
21 and payable under Sections 328, 330, and 331 of the Bankruptcy Code, or otherwise, that have  
22 been or may be incurred in these cases or in any Successor Case, and no priority claims on the  
23 Prepetition Collateral or the Postpetition Collateral are, or will be senior to, prior to, or on parity  
24 with the Superpriority Claims.

25       6.     Post-Petition Lien Perfection. An Order approving this Stipulation shall be  
26 sufficient and conclusive evidence of the validity, perfection, and first priority of the  
27 Replacement Liens without the necessity of filing or recording any financing statement or other  
28 instrument or document (including, without limitation any mortgages or leasehold mortgages), or

1 the taking of any other action whatsoever which may otherwise be required under the law of any  
2 jurisdiction to validate or perfect the Replacement Liens or to entitle Wells Fargo and the Senior  
3 Secured Noteholders to the protections and first priorities granted herein. Notwithstanding the  
4 foregoing, Wells Fargo and the Senior Secured Noteholders or their representatives, respectively  
5 may, in their sole discretion, file such financing statements, mortgages, leasehold mortgages,  
6 notices of liens, and other similar documents, and are hereby granted relief from the automatic  
7 stay of Section 362 of the Bankruptcy Code in order to do so, and all such financing statements,  
8 mortgages, leasehold mortgages, notices, and other documents shall be deemed to have been  
9 filed or recorded at the time and on the Petition Date. The Debtors shall execute and deliver to  
10 Wells Fargo, the Senior Secured Indenture Trustee, or the Consenting Senior Secured  
11 Noteholders all such financing statements, mortgages, leasehold mortgages, notices, and other  
12 documents as Wells Fargo, the Senior Secured Indenture Trustee, or the Consenting Senior  
13 Secured Noteholders, respectively, may reasonably request to evidence, confirm, validate, or  
14 perfect, or to ensure the first priority of, the Replacement Liens granted pursuant hereto. Wells  
15 Fargo, the Senior Secured Indenture Trustee, or the Senior Secured Noteholders may file a copy  
16 of this Stipulation as a financing statement with any recording officer designated to file financing  
17 statements or with any registry of deeds or similar office in any jurisdiction in which the Debtors  
18 have real or personal property, and in such event, the subject filing or recording officer shall file  
19 or record such copy of this Stipulation.

20 7. Modification of the Automatic Stay. The automatic stay imposed by Bankruptcy  
21 Code Section 362(a) is hereby additionally modified to the extent necessary to permit the  
22 Debtors to grant the Adequate Protection Liens.

23 8. Payments. As an additional form of adequate protection, the Debtors shall pay  
24 Wells Fargo on a periodic basis cash payments in an amount corresponding to the amount of  
25 interest otherwise payable for such period at the non-default rate at the times provided for in the  
26 Senior Credit Facility. Wells Fargo reserves the right to seek payment of interest on the  
27 Prepetition First Lien Obligations at the default rate from the Petition Date until the Prepetition  
28 First Lien Obligations are paid in full in cash.



1           9.       Payment of Professional Fees. The Debtors shall pay in full in cash on an  
2 ongoing basis the current, reasonable and documented fees and expenses incurred after the  
3 Petition Date of: (1) CWT and Santoro Driggs as counsel to the Consenting Senior Secured  
4 Noteholders, (2) Morgan Joseph & Co. ("MJ") as financial advisor to the Consenting Senior  
5 Secured Noteholders pursuant to the terms of its engagement letter dated January 8, 2008,  
6 between MJ and CWT (whether or not such fees and costs are included in the Budget), (3) Paul  
7 Hastings and K&L as counsel to Wells Fargo; and (4) Emmett, Marvin & Martin, LLP. as  
8 counsel for the Senior Secured Indenture Trustee (for which fees and costs shall not exceed  
9 \$50,000 during the pendency of these Chapter11 Cases). All of the amounts to be paid to such  
10 professionals shall be paid without further motion, fee application or order of the Court twenty  
11 (20) days (if no written objection is received within such twenty (20) day period) after such  
12 professional has delivered concurrently to the Debtors, the OUST, and any official committee an  
13 invoice describing such fees and expenses substantially in the form provided to clients in the  
14 ordinary course of business and maintaining time records in accordance with ordinary course  
15 processes; provided, however, that any such invoice may be redacted to protect privileged,  
16 confidential or proprietary information. Any written objection to payment of the fees and  
17 expenses invoiced by or on behalf the Wells Fargo, the Senior Secured Indenture Trustee or the  
18 Consenting Senior Secured Noteholders must contain a specific basis for the objection and  
19 quantification of the undisputed amount of the fees and expenses invoiced; failure to object with  
20 specificity or to quantify the undisputed amount of the invoice subject to such objection will  
21 constitute a waiver of any objection to such invoice. If an objection to a professional's invoice  
22 is timely received, the Debtors shall only be required to pay the undisputed amount of the  
23 invoice and the Court shall have jurisdiction to determine the disputed portion of such invoice if  
24 the parties are unable to resolve the dispute.

25           10.       Debtors' Obligations and Covenants. In consideration for the use of the Cash  
26 Collateral and other Prepetition and Postpetition Collateral and as further adequate protection,  
27 until the termination of the Debtors' authorization to use Cash Collateral hereunder, the Debtors  
28 shall:

1 (a) use Cash Collateral in accordance with the Budget and permitted variances set  
2 forth in paragraphs 11(i) and 11(j) below;

3 (b) deliver to Wells Fargo, the Consenting Senior Secured Noteholders and the Senior  
4 Secured Indenture Trustee (and authorize delivery of such documents to the Senior Lenders and  
5 the Senior Secured Noteholders): copies of all financial and other reports, notices and other  
6 financial analyses required to be delivered to Wells Fargo and/or the Senior Secured Indenture  
7 Trustee under their respective Senior Secured Loan Documents or to the Consenting Senior  
8 Secured Noteholders under the Lockup, and such other financial statements, information and  
9 reports that Wells Fargo, the Consenting Senior Secured Noteholders and/or the Senior Secured  
10 Indenture Trustee shall reasonably request, in each case subject to any confidentiality provisions  
11 in the applicable Secured Financing Documents;

12 (c) deliver to Wells Fargo, the Consenting Senior Secured Noteholders and/or the  
13 Senior Secured Indenture Trustee or their counsel as may be more appropriate, on or before close  
14 of business on Wednesday of each week, in form and substance reasonably acceptable to Wells  
15 Fargo, the Consenting Senior Secured Noteholders and the Senior Secured Indenture Trustee, a  
16 report (the "Variance Report") detailing actual cash receipts and disbursements for the  
17 immediately preceding week, noting therein all variances, including, without limitation,  
18 variances to cash balance on a week to week basis, in each case, from values set forth for such a  
19 period in the Budget, and shall include explanations for all material variances;

20 (d) deliver to Wells Fargo, the Consenting Senior Secured Noteholders and/or the  
21 Senior Secured Indenture Trustee, or their counsel as may be more appropriate, all pleadings and  
22 documents filed with the court; and

23 (e) maintain all necessary insurance, including, without limitation, life, fire, hazard,  
24 comprehensive, public liability, and workmen's compensation as may be currently in effect,.

25 11. Cash Management. Unless and until new procedures are established as may be  
26 required by the U.S. Trustee or otherwise, the Debtors are authorized and directed to maintain  
27 their prepetition cash management system and bank account systems as were in effect on the date  
28 of this Stipulation.

1           12.    Events of Default. The occurrence of any of the following events, unless waived  
2 in writing by Wells Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior  
3 Secured Noteholders, shall constitute an “Event of Default” hereunder:

4           (a)    the failure by the Debtors, after at least 7 days’ prior written notice to the  
5 Debtors and any committee appointed pursuant to Section 1102 of the Bankruptcy Code  
6 specifying such failure, to perform, in any respect, any of the terms, provisions,  
7 conditions, covenants, or obligations under this Stipulation;

8           (b)    except as provided for or contemplated in the Plan, the obtaining of credit  
9 or the incurring of indebtedness out of the ordinary course of business that is: (i) secured  
10 by a security interest, mortgage, or other lien on all or any portion of the Postpetition  
11 Collateral which is equal or senior to any security interest, mortgage, or other lien of  
12 Wells Fargo or the Senior Secured Noteholders, or (ii) entitled to priority administrative  
13 status which is equal or senior to that granted to Wells Fargo or the Senior Secured  
14 Noteholders; for avoidance of any doubt, the granting of a purchase money security  
15 interest or lien related to the purchase or capital lease of gaming equipment or the  
16 financing of insurance premiums if such purchase, lease or financing is set forth in the  
17 Budget shall not be deemed an Event of Default nor shall the obtaining of any loans or  
18 other financing consistent with the terms of the Plan be deemed an Event of Default;

19           (c)    the institution of any judicial proceeding by the Debtors seeking to  
20 challenge the validity of any portion of the Senior Credit Facility Loan Documents or the  
21 Senior Secured Notes Loan Documents or the applicability or enforceability of the same  
22 or which seeks to void, avoid, limit, or otherwise adversely affect any security interest  
23 created by or in relation to the Security Agreements or any Deeds of Trust or any  
24 payment pursuant thereto;

25           (d)    any lien or security interest purported to be created under the Senior  
26 Credit Facility Loan Documents or the Senior Secured Notes Loan Documents shall  
27 cease to be, or shall be asserted by any Debtor not to be, a valid and perfected lien on or  
28 security interest in any of the Collateral but for the Disputed Cash Collateral, with the

1 priority required by the Senior Credit Facility Loan Documents or the Senior Secured  
2 Notes Loan Documents;

3 (e) the entry of an order by the Court granting relief from or modifying the  
4 automatic stay of Section 362 of the Bankruptcy Code: (i) to allow any creditor to  
5 execute upon or enforce a lien on or security interest in any Collateral, or (ii) with respect  
6 to any lien of or granting any lien on any Postpetition Collateral to any state or local  
7 environmental or regulatory agency or authority, which in either case would have  
8 material adverse effect on the business, operations, property, assets, or conditions,  
9 financial or otherwise of the Debtors;

10 (f) reversal, vacature, or modification (without the express prior written  
11 consent of Wells Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior  
12 Secured Noteholders) of this Stipulation or the order approving this Stipulation;

13 (g) dismissal of the Debtors' Chapter 11 Cases, conversion of the Debtors'  
14 Chapter 11 Cases to Chapter 7 cases, or the appointment of a Chapter 11 Trustee or  
15 examiner (with expanded powers) or other responsible person;

16 (h) the sale of any portion of the Debtors' assets outside the ordinary course  
17 of business without the prior written consent of Wells Fargo, the Senior Secured  
18 Indenture Trustee, and the Consenting Senior Secured Noteholders;

19 (i) the actual cumulative "Net Operating Cash Flows" (as such amount is  
20 identified and computed in the Budget) for the entire period covered by any Budget then  
21 in effect is materially lower than the projected Net Operating Cash Flows for the entire  
22 period covered by such Budget, provided the "materially lower" shall be a negative  
23 variance in the actual cumulative Net Operating Cash Flows generated for the entire  
24 period covered by the Budget then in effect of 25% or more as compared to the projected  
25 cumulative Net Operating Cash Flows presented in the Budget for the corresponding  
26 period;

27 (j) the Debtors' actual cumulative "Total Other Disbursements" (as such  
28 amount is identified and computed in the Budget) for the entire period covered by any

1 Budget then in effect exceeds the projected cumulative Total Other Disbursements as  
2 presented in the Budget for the corresponding period by more than 20%; provided,  
3 however, that in the event that the Debtors' actual cumulative Total Other Disbursements  
4 for the entire period covered by any Budget then in effect is less than the projected  
5 cumulative Total Other Disbursements for the corresponding period, the Debtors may  
6 carryover and include any such positive variance into the projected Total Other  
7 Disbursements as presented in subsequent Budget(s) generated by the Debtors for  
8 periods extending beyond that to which any such positive variance relates; and

9 (k) termination of the Lockup.

10 13. Remedies. Upon the occurrence of and continuation of an Event of Default and  
11 following 7 days' written notice (the "Remedies Notice Period") to all signatories to this  
12 Stipulation, Wells Fargo, the Senior Secured Indenture Trustee, or the Consenting Senior  
13 Secured Noteholders may terminate the Debtors' authorization to use Cash Collateral and  
14 Disputed Cash Collateral. In the event of such notice, Wells Fargo, the Senior Secured Indenture  
15 Trustee, and the Consenting Senior Secured Noteholders consent to the Debtors' obtaining a  
16 hearing before the Court upon shortened time within the Remedies Notice Period (or as soon as  
17 the matter can be heard by the Court) to contest and dispute the extent of Cash Collateral and  
18 right to seek authorization to use Cash Collateral and Disputed Cash Collateral. The noticing of  
19 an Event of Default does not authorize Wells Fargo, the Senior Secured Indenture Trustee, or the  
20 Senior Secured Noteholders to take any other acts against the Debtors as provided in the Senior  
21 Credit Facility Loan Documents, the Senior Secured Loan Documents, or applicable law without  
22 further order of the Bankruptcy Court.

23 14. Carve out. Notwithstanding anything to the contrary herein, the Replacement  
24 Liens granted to Wells Fargo and Senior Secured Indenture Trustee and all Cash Collateral and  
25 Disputed Cash Collateral shall be subject to a carve out for: (a) the payment of all allowed and  
26 unpaid professional fees and disbursements of the Debtors incurred from the Petition Date until  
27 the Termination Date in an aggregate amount not to exceed \$875,000, to the extent that such fees  
28 and disbursements are allowed by the Court, and regardless of whether they are allowed prior to

1 or subsequent to such Termination Date; provided, however, that such amounts shall not be used  
2 to pay any fees or disbursements of the Debtors relating to any contested matter, dispute, or  
3 adversary proceeding seeking to challenge, invalidate, avoid, or frustrate the security interests or  
4 liens of Wells Fargo, the Senior Secured Indenture Trustee, or the Consenting Senior Secured  
5 Noteholders in and on the Collateral and any analysis, research, or investigation in furtherance  
6 thereof; and (b) quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) and any  
7 fees payable to the Clerk of the Bankruptcy Court. As long as no Event of Default shall have  
8 occurred and be continuing, the Debtors shall be permitted to pay all compensation and  
9 reimbursement of expenses, allowed and payable under Sections 330 and 331 of the Bankruptcy  
10 Code, and any amounts so paid shall not reduce the amount that may be incurred subsequent to  
11 an Event of Default having occurred and be continuing.

12 15. No Additional Waivers/Consents. Except as expressly provided for herein or by  
13 the Bankruptcy Code, nothing herein shall:

14 (a) constitute a waiver by Wells Fargo, the Senior Secured Indenture Trustee,  
15 or the Senior Secured Noteholders of any rights which may exist under their respective  
16 Senior Credit Facility Loan Documents and Senior Secured Notes Loan Documents  
17 including, without limitation: (i) the right to exercise the rights and remedies of a secured  
18 party thereunder and under applicable law, or (ii) the right to seek additional adequate  
19 protection or to challenge any impairment of its claims or liens;

20 (b) obligate Wells Fargo, the Senior Secured Indenture Trustee, or the Senior  
21 Secured Noteholders to permit the use of Cash Collateral and Disputed Cash Collateral  
22 other than as specifically provided herein or to advance funds to the Debtors for any  
23 reason; or

24 (c) constitute a waiver by or bar to the Debtors contesting and disputing the  
25 extent of Cash Collateral and seeking to use Cash Collateral and Disputed Cash  
26 Collateral subsequent to an Event of Default or a waiver of Wells Fargo, the Senior  
27 Secured Indenture Trustee, or the Consenting Senior Secured Noteholders from  
28 contesting any such assertions or requests by the Debtors.

1           16.     Sections 506(c) and 552(b) of the Bankruptcy Code. Subject to the order  
2 approving this Stipulation becoming a final order, without the prior written consent of Wells  
3 Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior Secured Noteholders,  
4 which consent shall not be implied from any action, inaction, or acquiescence by Wells Fargo,  
5 the Senior Secured Indenture Trustee, or the Consenting Senior Secured Noteholders, no costs or  
6 expenses of administration that have been or may be incurred in these Chapter 11 Cases or any  
7 Successor Cases at any time shall be charged against Wells Fargo or the Senior Secured  
8 Noteholders or their claims pursuant to Sections 105, 506(c), or 552 of the Bankruptcy Code.  
9 Further, none of Wells Fargo, the Senior Lenders, the Senior Secured Indenture Trustee or the  
10 Senior Secured Noteholders shall be subject to the equitable doctrine of “marshaling” or any  
11 similar doctrine with respect to any Prepetition or Postpetition Collateral.

12           17.     Financial Reports, Notices, and Other Information. As further adequate  
13 protection, the Debtors shall furnish to Wells Fargo, the Senior Secured Indenture Trustee, and  
14 the Senior Secured Noteholders copies of all financial and other reports, notices, and other  
15 financial analyses required to be delivered under the Lock-up Agreement and weekly reports on  
16 actual performance compared to, and variances, from the Budget.

17           18.     No Modification or Stay of this Stipulation. The Debtors waive any right to seek  
18 any modification or extension of this Stipulation without the prior written consent of Wells  
19 Fargo, the Senior Secured Indenture Trustee, and the Consenting Senior Secured Noteholders,  
20 which consent shall not be unreasonably withheld. Notwithstanding the foregoing, this provision  
21 neither impairs the right of (i) the Debtors, as otherwise provided in this Stipulation, to contest  
22 the extent of Wells Fargo’s or the Senior Secured Noteholders’ lien on Cash Collateral and  
23 Disputed Cash Collateral and to seek authorization from the Court to use such Cash Collateral in  
24 the event of the termination of this Stipulation nor (ii) each of Wells Fargo, the Senior Secured  
25 Indenture Trustee, and the Consenting Senior Secured Noteholders to object to or defend against  
26 any such contest or proposed use of Cash Collateral.

27           19.     No Other Liens. Unless otherwise provided by further order of the Court, and  
28 except as otherwise expressly provided herein, the Debtors shall be enjoined and prohibited from

1 at any time during their Chapter 11 Cases or any Successor Cases from granting liens in the  
2 Postpetition Collateral or any portion thereof to any other parties pursuant to Section 364(d) of  
3 the Bankruptcy Code or otherwise; provided, however, the foregoing shall not limit the  
4 provisions of the Cash Management Order. For the avoidance of doubt, the prohibition in this  
5 paragraph shall not apply to the perfection of liens after the Petition Date that is excepted from  
6 the automatic stay pursuant to Sections 362(b) and 546(b) of the Bankruptcy Code or as  
7 otherwise provided for in the Plan filed on the Petition Date.

8 20. Other Liens. Notwithstanding anything to the contrary herein, nothing in this  
9 Stipulation shall alter the priority of any lien or security interest granted to or claimed by: (a) any  
10 mechanics' lien claimants, provided that the validity, perfection, and priority of such lien or  
11 security interest is determined by court order in accordance with applicable law; (b) any tax liens  
12 arising in favor of any applicable authority pursuant to NRS § 361.450, or other law in the  
13 applicable jurisdiction, to secure *ad valorem* real and personal property taxes assessed, or (c) any  
14 liens arising in favor of any applicable authority pursuant to NRS § 318.192, or other law in the  
15 applicable jurisdiction, to secure water or sewer service, inspection, and/or related fees.

16 21. Good Faith and Reasonableness. The adequate protection arrangements  
17 authorized hereunder have been negotiated in good faith and at arm's length, and the terms of  
18 such adequate protection arrangements are fair and reasonable under the circumstances and  
19 reflect the Debtors' exercise of prudent business judgment.

20 22. Further Assurances. The Parties hereby agree to execute all further documents  
21 and perform such further acts as may reasonably be required to effectuate the purpose and intent  
22 of this Stipulation.

23 23. Headings. Headings have been inserted in this Stipulation as a matter of  
24 convenience for reference only and it is agreed that such headings are not a part of this  
25 Stipulation and shall not be used in interpreting any provision of this Stipulation.

26 24. Binding Nature. Except as otherwise provided for herein, this Stipulation shall  
27 be binding upon the Debtors (including their respective Estates), any Chapter 11 or Chapter 7  
28 Trustee appointed herein, all creditors of the Debtors, and Wells Fargo, the Senior Secured



1 Indenture Trustee, and the Senior Secured Noteholders upon entry of a final order of the Court  
2 approving this Stipulation.

3 25. Successors and Assigns. This Stipulation, and any order entered authorizing and  
4 approving it, shall be binding upon and shall inure to the benefit of the parties hereto and their  
5 respective heirs, executors, administrators, successors, and assigns, including, without limitation,  
6 any Senior Secured Indenture Trustee who might be appointed in these cases or any Successor  
7 Case.

8 26. Counterparts. This Stipulation may be executed in counterparts, each of which  
9 shall be deemed an original, but all of which, together, shall constitute one and the same  
10 instrument.

11 **STIPULATED AND AGREED TO BY:**

12 DATED this \_\_\_\_ day of February, 2010  
13 GORDON SILVER

DATED this \_\_\_\_ day of February, 2010  
KOLESAR & LEATHAM, CHTD

14  
15 By: \_\_\_\_\_  
16 GERALD M. GORDON, ESQ.  
17 GREGORY E. GARMAN, ESQ.  
18 TALITHA B. GRAY, ESQ.  
[Proposed] counsel for Debtors

By: \_\_\_\_\_  
NILE LEATHAM, ESQ.  
Counsel for Wells Fargo

19 DATED this 28<sup>th</sup> day of February, 2010  
20 SANTORO, DRIGGS, WALCH, KEARNEY,  
21 HOLLEY & THOMPSON

DATED this \_\_\_\_ day of February, 2010  
PAUL, HASTINGS, JANOFSKY &  
WALKER, LLP

22 By: *Richard L. Holley*  
23 RICHARD HOLLEY, ESQ.  
24 Counsel for the Consenting Senior  
25 Secured Noteholders

By: \_\_\_\_\_  
JESSE H. AUSTIN, III, ESQ.  
Counsel for Wells Fargo

26  
27 DATED this \_\_\_\_ day of February, 2010  
28 CADWALADER, WICKERSHAM & TAFT,

1 Indenture Trustee, and the Senior Secured Noteholders upon entry of a final order of the Court  
2 approving this Stipulation.

3 25. Successors and Assigns. This Stipulation, and any order entered authorizing and  
4 approving it, shall be binding upon and shall inure to the benefit of the parties hereto and their  
5 respective heirs, executors, administrators, successors, and assigns, including, without limitation,  
6 any Senior Secured Indenture Trustee who might be appointed in these cases or any Successor  
7 Case.

8 26. Counterparts. This Stipulation may be executed in counterparts, each of which  
9 shall be deemed an original, but all of which, together, shall constitute one and the same  
10 instrument.

11 **STIPULATED AND AGREED TO BY:**

12 DATED this \_\_\_\_ day of February, 2010

13 GORDON SILVER

14

15 By: \_\_\_\_\_

16 GERALD M. GORDON, ESQ.  
17 GREGORY E. GARMAN, ESQ.  
18 TALITHA B. GRAY, ESQ.  
[Proposed] counsel for Debtors

DATED this 1st day of March, 2010

KOLESAR & LEATHAM, CHTD

By: \_\_\_\_\_

NILE LEATHAM, ESQ.  
Counsel for Wells Fargo

19 DATED this \_\_\_\_ day of February, 2010

20 SANTORO, DRIGGS, WALCH, KEARNEY,  
21 HOLLEY & THOMPSON

22

23 By: \_\_\_\_\_

RICHARD HOLLEY, ESQ.  
Counsel for the Consenting Senior  
Secured Noteholders

DATED this \_\_\_\_ day of February, 2010

PAUL, HASTINGS, JANOFSKY &  
WALKER, LLP

By: \_\_\_\_\_

JESSE H. AUSTIN, III, ESQ.  
Counsel for Wells Fargo

26 DATED this \_\_\_\_ day of February, 2010

27 CADWALADER, WICKERSHAM & TAFT,  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Indenture Trustee, and the Senior Secured Noteholders upon entry of a final order of the Court approving this Stipulation.

25. Successors and Assigns. This Stipulation, and any order entered authorizing and approving it, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns, including, without limitation, any Senior Secured Indenture Trustee who might be appointed in these cases or any Successor Case.

26. Counterparts. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

**STIPULATED AND AGREED TO BY:**

DATED this \_\_\_\_ day of February, 2010  
GORDON SILVER

DATED this \_\_\_\_ day of February, 2010  
KOLESAR & LEATHAM, CHTD

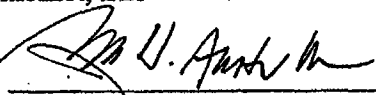
By: \_\_\_\_\_  
GERALD M. GORDON, ESQ.  
GREGORY E. GARMAN, ESQ.  
TALITHA B. GRAY, ESQ.  
[Proposed] counsel for Debtors

By: \_\_\_\_\_  
NILE LEATHAM, ESQ.  
Counsel for Wells Fargo

DATED this \_\_\_\_ day of February, 2010  
SANTORO, DRIGGS, WALCH, KEARNEY,  
HOLLEY & THOMPSON

DATED this 1st day of March ~~February~~, 2010  
PAUL, HASTINGS, JANOFSKY &  
WALKER, LLP

By: \_\_\_\_\_  
RICHARD HOLLEY, ESQ.  
Counsel for the Consenting Senior  
Secured Noteholders

By:  \_\_\_\_\_  
JESSE H. AUSTIN, III, ESQ.  
Counsel for Wells Fargo

DATED this \_\_\_\_ day of February, 2010  
CADWALADER, WICKERSHAM & TAFT,

1 LLP

2

3 By:



JOHN RAPISARDI, ESQ.  
SCOTT GREENBERG, ESQ.  
MICHAEL COHEN, ESQ.  
Counsel for the Consenting Senior  
Secured Noteholders

6

7

**CONSENTED TO:**

8

DATED THIS \_\_\_\_ day of February, 2010

9

EMMET, MARVIN & MARTIN, LLP

10

11

12

By:

EDWARD P. ZUJKOWSKI, ESQ.  
Counsel for the Senior Secured  
Indentured Trustee

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

**EXHIBIT "1"**

**Black Gaming, LLC (Consolidated)**  
**Projected Weekly Receipts and Disbursements Detail**  
*all values in 000's and represent "book" balance*

	1	2	3	4	5	6	7	8	9	10	11	12	13	13 Week
<i>Week Ending Friday</i>	03/05/10	03/12/10	03/19/10	03/26/10	04/02/10	04/09/10	04/16/10	04/23/10	04/30/10	05/07/10	05/14/10	05/21/10	05/28/10	Total
<b>Receipts:</b>														
Gaming Receipts	1,266	1,339	1,842	1,674	1,408	1,412	1,412	1,412	1,412	1,133	1,133	1,146	1,433	18,021
Non-Gaming Receipts	707	780	1,073	976	843	901	901	901	901	756	756	765	956	11,217
Other Receipts - Intercompany	129	125	125	125	126	129	129	129	129	125	125	125	125	1,643
<b>Total Receipts</b>	<b>\$ 2,102</b>	<b>\$ 2,245</b>	<b>\$ 3,040</b>	<b>\$ 2,775</b>	<b>\$ 2,377</b>	<b>\$ 2,442</b>	<b>\$ 2,442</b>	<b>\$ 2,442</b>	<b>\$ 2,442</b>	<b>\$ 2,013</b>	<b>\$ 2,013</b>	<b>\$ 2,036</b>	<b>\$ 2,514</b>	<b>\$ 30,882</b>
<b>Disbursements:</b>														
Payroll	1,245	437	1,270	437	1,477	496	1,413	496	1,413	500	1,383	500	1,337	12,408
<b>Payroll and Related Disbursements</b>	<b>\$ 1,245</b>	<b>\$ 437</b>	<b>\$ 1,270</b>	<b>\$ 437</b>	<b>\$ 1,477</b>	<b>\$ 496</b>	<b>\$ 1,413</b>	<b>\$ 496</b>	<b>\$ 1,413</b>	<b>\$ 500</b>	<b>\$ 1,383</b>	<b>\$ 500</b>	<b>\$ 1,337</b>	<b>\$ 12,408</b>
Costs of Sales	200	237	249	385	171	434	140	372	264	252	396	99	426	3,624
Departmental Expenses	217	258	271	419	187	472	153	404	287	273	430	107	466	3,944
Taxes and Licenses	104	123	130	200	89	209	68	179	127	127	199	136	167	1,859
Utilities	57	68	71	110	49	111	54	99	78	79	109	48	115	1,047
Insurance and Bonds	-	-	-	80	-	-	-	80	-	-	-	-	80	241
Rents and Leases	5	22	2	5	5	35	1	1	3	4	27	2	4	114
Rents and Leases - Intercompany	129	125	125	125	126	129	129	129	129	125	125	125	125	1,643
<b>Operating Disbursements</b>	<b>\$ 711</b>	<b>\$ 832</b>	<b>\$ 847</b>	<b>\$ 1,323</b>	<b>\$ 628</b>	<b>\$ 1,391</b>	<b>\$ 544</b>	<b>\$ 1,264</b>	<b>\$ 888</b>	<b>\$ 859</b>	<b>\$ 1,286</b>	<b>\$ 516</b>	<b>\$ 1,384</b>	<b>\$ 12,473</b>
<b>Net Operating Cash Flows</b>	<b>\$ 146</b>	<b>\$ 975</b>	<b>\$ 922</b>	<b>\$ 1,014</b>	<b>\$ 272</b>	<b>\$ 555</b>	<b>\$ 485</b>	<b>\$ 681</b>	<b>\$ 141</b>	<b>\$ 654</b>	<b>\$ (656)</b>	<b>\$ 1,020</b>	<b>\$ (208)</b>	<b>\$ 6,001</b>
<b>Other Disbursements</b>														
Capital Expenditures <sup>(1)</sup>	89	86	86	86	126	224	224	224	224	217	217	217	217	2,236
Oasis Demolition <sup>(2)</sup>	-	-	-	-	-	-	-	-	-	-	275	275	275	825
<b>Total Other Disbursements</b>	<b>\$ 89</b>	<b>\$ 86</b>	<b>\$ 86</b>	<b>\$ 86</b>	<b>\$ 126</b>	<b>\$ 224</b>	<b>\$ 224</b>	<b>\$ 224</b>	<b>\$ 224</b>	<b>\$ 217</b>	<b>\$ 492</b>	<b>\$ 492</b>	<b>\$ 492</b>	<b>\$ 3,061</b>
<b>Reorganization Related Disbursements</b>														
Restructuring/Professional Fees	-	-	-	-	-	-	-	-	831	-	-	-	693	1,524
<b>Total Reorganization Related Disbursements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 831</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 693</b>	<b>\$ 1,524</b>
<b>Net Cash Flow Before Financing Charges</b>	<b>\$ 57</b>	<b>\$ 889</b>	<b>\$ 836</b>	<b>\$ 928</b>	<b>\$ 146</b>	<b>\$ 331</b>	<b>\$ 261</b>	<b>\$ 457</b>	<b>\$ (913)</b>	<b>\$ 437</b>	<b>\$ (1,148)</b>	<b>\$ 529</b>	<b>\$ (1,392)</b>	<b>\$ 1,416</b>
<b>Financing Charges (Existing Indebtedness) <sup>(3)</sup></b>														
Disbursements Related to Financing Charges	120	-	-	-	120	-	-	-	120	-	-	-	120	480
<b>Disbursements Related to Financing Charges</b>	<b>\$ 120</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120</b>	<b>\$ 480</b>
<b>Net Cash Flow After Financing Charges</b>	<b>\$ (63)</b>	<b>\$ 889</b>	<b>\$ 836</b>	<b>\$ 928</b>	<b>\$ 26</b>	<b>\$ 331</b>	<b>\$ 261</b>	<b>\$ 457</b>	<b>\$ (1,033)</b>	<b>\$ 437</b>	<b>\$ (1,148)</b>	<b>\$ 529</b>	<b>\$ (1,512)</b>	<b>\$ 936</b>
<b>Beginning Cash <sup>(4)(5)</sup></b>	<b>\$ 12,004</b>	<b>\$ 11,940</b>	<b>\$ 12,829</b>	<b>\$ 13,665</b>	<b>\$ 14,593</b>	<b>\$ 14,619</b>	<b>\$ 14,949</b>	<b>\$ 15,210</b>	<b>\$ 15,668</b>	<b>\$ 14,634</b>	<b>\$ 15,072</b>	<b>\$ 13,924</b>	<b>\$ 14,452</b>	<b>\$ 12,004</b>
<b>Ending Cash <sup>(5)</sup></b>	<b>\$ 11,940</b>	<b>\$ 12,829</b>	<b>\$ 13,665</b>	<b>\$ 14,593</b>	<b>\$ 14,619</b>	<b>\$ 14,949</b>	<b>\$ 15,210</b>	<b>\$ 15,668</b>	<b>\$ 14,634</b>	<b>\$ 15,072</b>	<b>\$ 13,924</b>	<b>\$ 14,452</b>	<b>\$ 12,940</b>	<b>\$ 12,940</b>

- (1) Capital Expenditures excludes "non-cash" financing of gaming equipment.
- (2) Following court approval, it is projected that the demolition of the Oasis will commence in May and that the costs of such demolition will be paid in four equal weekly installments (~\$275k) starting in the week ending 5/14/10 and continuing through the week ending 6/4/10.
- (3) Interest on the Wells Fargo Foothill Credit Facility is projected at the non-default interest rate.
- (4) Beginning cash book balance as of the start of business on February 27, 2010 is an estimate and includes total cash and cash equivalents held by the Company and its subsidiaries.
- (5) Total cash and cash equivalents includes, but is not limited to, cash in use, cash on the floor, cash in the cage, employee tokens, cash in slots, and some of which are restricted in terms of their use.

The information contained in the cash flow projections includes certain estimates and projections prepared by Black Gaming with respect to anticipated future performance. Such estimates and projections reflect various assumptions and elements of subjective judgment concerning anticipated results, which assumptions and elements of subjective judgment may or may not prove to be correct. In particular, the attached cash flow projections assumes that interest payments on the Company's 9% Senior Secured Notes and 12 3/4% Senior Notes are not made. No representations or warranties, express or implied, are made as to the accuracy of the estimates, projections or assumptions.