

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF RICHLAND

SOUTHEAST JUDICIAL DISTRICT

Public Service Commission

Petitioner,

vs.

VeraSun Hankinson, LLC

Respondent.

PSC Case No. GE-09-104

CIVIL NO. _____

APPLICATION FOR
APPOINTMENT AS
TRUSTEE

The North Dakota Public Service Commission (Commission) alleges as follows:

1. VeraSun Hankinson, LLC, a North Dakota Limited Liability Company, authorized to business in North Dakota, operated a grain warehouse at Hankinson, North Dakota, and was licensed under North Dakota Century Code Chapters 60-02 and 60-04.
2. VeraSun Hankinson, LLC operated its grain warehouse facility at Hankinson, North Dakota under license number 1196.
3. As part of the licensing process, VeraSun Hankinson, LLC filed a surety bond with the Commission as required by North Dakota Century Code § 60-02-09 in the amount of \$380,000 and identified as number 674012345 with Liberty Mutual Insurance Company, 6800 College Blvd., Suite 701, Overland Park, Kansas, 66211, as surety.

4. On October 21, 2008 VeraSun Hankinson, LLC, as a subsidiary or affiliate of VeraSun Energy Corporation filed a Petition for Reorganization under Chapter 11 of the United States Bankruptcy Code for the District of Delaware (Bankruptcy Court). On November 3, 2008, the United States Bankruptcy Court entered an order directing the joint administration of the VeraSun Energy Corporation Chapter 11 Cases.
5. On March 12, 2009, the Commission received a letter from attorney John Bullis representing Keith Saunders, P.O. Box 275, Wahpeton, ND 58074-0275, and on August 4, 2009, the Commission received a letter from James Wirtz, 17275 95th St. SE, Fairmount, ND 58030, each setting forth a claim against VeraSun Hankinson, LLC for collection of outstanding funds owed. Copies of the letters and supporting documentation are attached as Exhibit A.
6. On June 24, 2009, the Commission issued an order canceling warehouse license number 1196 and ordered that VeraSun Hankinson, LLC shall not conduct any further business under license number 1196.
7. The Commission was informed and believes that there are outstanding obligations for any unpaid claims for grain sold to VeraSun Hankinson, LLC as a public warehouseman under North Dakota Century Code Chapter 60-02 for which bond protection is available under the provisions of North Dakota Century Code § 60-02-09 and for any credit-sale contracts for which protection is available from the credit-sale contract indemnity fund under North Dakota Century Code §§ 60-10-04 and 60-10-05.

8. VeraSun Hankinson, LLC is insolvent under North Dakota Century Code Chapter 60-04, in that it is unable upon proper demand to make payment for grain purchased or make redelivery for grain delivered.
9. On March 27, 2009, the Commission filed a Motion for Relief From Stay with Bankruptcy Court. The matter was scheduled for hearing on May 7, 2009, and thereafter it was continued to subsequent hearings.
10. On August 27, 2009, Liberty Mutual Insurance Company, the surety, filed an Objection of Liberty Mutual Insurance Company to Motion for Relief From Stay Filed by North Dakota Public Service Commission with Bankruptcy Court.
11. Prior to September 11, 2009, the Commission entered into a Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service Commission to Commence State Proceeding. On September 11, 2009, this Stipulation and Agreed Order Modifying Automatic Stay was filed with the Bankruptcy Court. A copy of the Stipulation and Agreed Order Modifying Automatic Stay is attached as Exhibit B.
12. On September 14, 2009, the United State Bankruptcy Judge signed the Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service Commission to Commence State Proceeding. A copy of this document is attached as Exhibit C.
13. The Stipulation and Agreed Order Modifying Automatic Stay provides that the automatic stay be lifted to the extent necessary for the Commission to commence these proceedings in state district court for appointment as trustee

and, once appointed, to publish notice, investigate potential claims, and prepare a draft Report and Recommendation of Trustee.

14. The Commission is legally entitled to be appointed trustee of the trust fund provided under North Dakota Century Code Chapter 60-04.

15. Bond proceeds may be needed to redeem outstanding receipts issued by VeraSun Hankinson, LLC. North Dakota Century Code § 60-04-03.3 provides:

The surety on the warehouseman's bond must be joined as a party to the insolvency proceeding upon a motion by the commission when the commission believes that proceeds from the warehouseman's bond may be needed to redeem outstanding receipts issued by the warehouseman. When it appears in the best interests of the receipt holders, the court may order the surety to deposit the penal sum of the bond, or so much thereof as may be deemed necessary, into the trustee's trust account pending a final determination of the surety's liability under the bond.

16. The Commission agreed in the stipulation that was filed with Bankruptcy Court that the Commission would only ask for relief from the automatic stay for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims, and enable the Commission to evaluate any claims filed as prescribed by applicable North Dakota law. The Commission also agreed that after evaluating claims filed, it would prepare a draft Report and Recommendation of Trustee and provide that draft to Liberty Mutual Insurance Company and VeraSun Energy Corporation.

17. Consistent with the terms to which the Commission agreed in the stipulation filed with Bankruptcy Court and the subsequent Bankruptcy Court Order, the Commission is not asking this Court to join the bonding company as a party to the insolvency proceeding at this time.

18. Proceeds from the credit-sale contract indemnity fund may be needed to meet the licensee's obligations to any holders of credit-sale contracts. North Dakota Century Code § 60-10-05 provides:

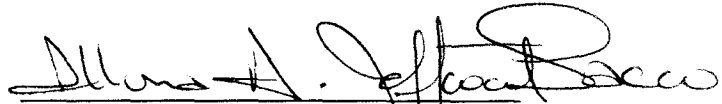
Upon the insolvency of a licensed public warehouse or grain buyer and a declaration that the Public Service Commission serve as the trustee, the Public Service Commission shall make the proceeds of the credit-sale contract indemnity fund available for use in meeting the licensee's obligations with respect to the reimbursement of any person who sold grain to the licensee under a credit-sale contract and who was not fully compensated in accordance with the contract.

WHEREFORE the Public Service Commission respectfully requests:

1. That the Court declare VeraSun Hankinson, LLC **INSOLVENT** within the meaning of North Dakota Century Code Chapter 60-04.
2. That the Court **APPOINT** the Public Service Commission as trustee of the trust fund under North Dakota Century Code § 60-04-03 for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims with the Commission, and enable the Commission to evaluate claims presented to it as

prescribed by applicable North Dakota law, and prepare a draft Report and Recommendation of Trustee.

Bismarck, North Dakota, this 5th day of October, 2009.

A handwritten signature in black ink, appearing to read "Illona A. Jeffcoat-Sacco". The signature is written in a cursive style with a large, looping initial "I".

Illona A. Jeffcoat-Sacco (ID#03315)
Annette Bendish (ID#05790)
Special Assistant Attorneys General
State Capitol – 12th Floor
600 E Boulevard Ave – Dept 408
Bismarck, North Dakota 58505-0480
701-328-2400

Attorneys for the Public Service Commission

Lies & Bullis
Attorneys at Law

Wahpeton Office:

610 Second Avenue North
P.O. Box 275
Wahpeton, ND 58074-0275
Telephone: (701) 642-8055
Fax: (701) 642-1449

Steven J. Lies
John Bullis
Erica L. Chisholm
Jenna E. Howell

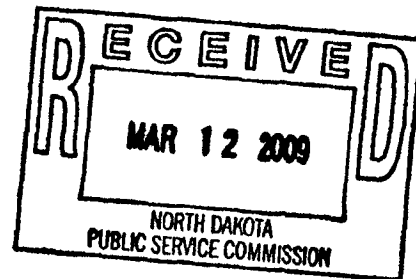
Hankinson Office:

327 Main Avenue South
P.O. Box 325
Hankinson, ND 58041-0325
Telephone: (701) 242-7522
Fax: (701) 242-7204

Please Reply to Wahpeton Office

March 11, 2009

North Dakota Public Service Commission
600 E Boulevard, Dept. 408
Bismarck, ND 58505-0480



RE: Keith Saunders - Claim on VeraSun Hankinson, LLC's Bond for Corn Delivered

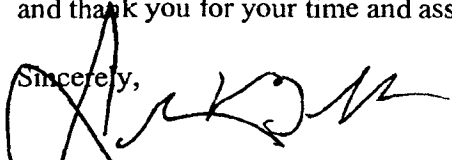
Dear Public Service Commission:

I represent Keith Saunders of 9406 147th Avenue SE, Geneseo, North Dakota 58053. From July through October of 2008 my client, Mr. Saunders, delivered corn to VeraSun Hankinson, LLC. He was issued checks in payment for the delivered corn which total \$105,850.15 for the corn delivered. Before Mr. Saunders negotiated the checks; however, VeraSun filed for bankruptcy protection and payment on the checks was stopped.

The sales of corn by Mr. Saunders to VeraSun Hankinson, LLC consisted of five separate transactions. I am enclosing a copy of the check for each transaction along with a copy of the cash contract and associated assembly sheet.

My understanding is that VeraSun has a bond filed with the Public Service Commission. I further understand that the Commission will file a motion for stay in the bankruptcy proceeding, which is venued in Delaware as Case No. 08-12606 (BLS). A copy of the notice relating to the bankruptcy and which was directed to Mr. Saunders is enclosed.

Please let me know if there is any further information I can provide to the Commission in order to assist with respect to recovery by my client. We look forward to working with you on this matter and thank you for your time and assistance.

Sincerely,

John Bullis

JB/amf
Enclosures
cc: Mr. Keith Saunders

1 GE-09-104 Filed 03/12/2009 Pages: 31
Claimant - Keith Saunders
Keith Saunders
Lies & Bullis, John Bullis, Attorney

US BIO HANKINSON, LLC

6388

Vendor ID	Name	Payment Number	Check Date	Document Number	
1080	Keith Saunders	0000000000000208	7/8/2008	6388	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000040	7/8/2008	\$42,888.57	\$42,888.57	\$0.00	\$42,888.57

\$42,888.57 \$42,888.57 \$0.00 \$42,888.57

6388

US BIO HANKINSON, LLC
 5500 CENEX DRIVE, MS 175
 INVER GROVE HEIGHTS, MN 55077
 (651) 554-5000

WELLS FARGO BANK, N.A.
 11-24-1210

7/8/2008 \$42,888.57

Forty Two Thousand Eight Hundred Eighty Eight Dollars and 57 Cents

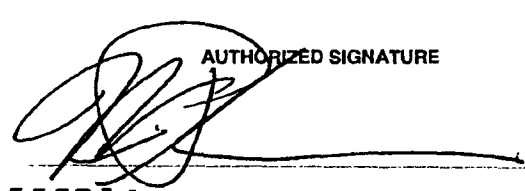
DATE

AMOUNT

PAY
 TO THE
 ORDER
 OF

Keith Saunders & Dacotah Bank
 9406 147th Ave. SE
 Geneseo ND 58053

AUTHORIZED SIGNATURE



⑈006388⑈ ⑆ 1 2 1 0 0 0 2 4 8 ⑆ 4 1 2 1 4 5 5 7 0 3 ⑈



US Bio Hankinson

Cash Contract

CONFIRMATION OF PURCHASE

Contract No: 705011000004

Contract Date: 2/21/2007

Buyer: **US Bio Hankinson**
9230 County Road 1
Hankinson ND 58041

SAUKEI
Seller: **Saunders, Keith**
9406 147th Ave. SE
Geneseo ND 58053

QUANTITY:	10,000.00 BU	GRADE & COMMODITY:	U.S. #2 YELLOW CORN
BOARD PRICE:	\$0.0000	BOARD MONTH:	DO NOT USE JULY 2008
BASIS:	\$0.0000	DELIVERY PERIOD:	7/1/2008 TO: 7/31/2008
NET PRICE:	\$3.7200	FOB:	DELIVERED HANKINSON, ND

PAYMENT TERMS: Net 10

WEIGHTS TO GOVERN: DESTINATION

DISCOUNT SCALE:

GRADES TO GOVERN: DESTINATION

REMARKS: US BIO HANKINSON SCALE OF DISCOUNTS TO APPLY

Terms and Conditions

1. The retention of this contract without returning a signed copy or without immediately notifying seller of errors, herein, is acceptance of contract terms as stated by you.
2. This contract will be governed by the rules of the National Grain & Feed Association unless noted in the contract, and, to the extent not in conflict with the aforesaid rules, by the uniform commercial code.
3. **As the Seller:**
 - A. You agree that the commodities sold to seller shall be free and clear of all claims, liens, encumbrances and penalties. You represent that said commodity is now free and clear except as disclosed.
 - B. You agree that all commodities covered by this contract are not adulterated or miss-branded within the meaning of the Federal Food, Drug, and Cosmetic Act.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipment will be for the sellers account.
4. **As the Buyer:**
 - A. You represent that you are not insolvent, as the Uniform Commercial Code defines that term. If your financial condition is found to be or becomes unsatisfactory to seller during the terms of this contract, seller shall have the right to withhold any shipments, you shall be responsible for any and all resulting costs, expenses, losses or damages incurred by the seller in the event you fail to make timely payment, and such action shall not release you from its obligation to accept and pay for such remaining product if and when shipped by seller.
 - B. A service charge of 1.5% per month, or the maximum rate permitted by law, if that is less, shall be added on past due accounts.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipping here under will be at the expense of the buyer.
5. **Force Majeure:** In the event of war: insurrection: riot: fire: flood: or other unusual weather condition: explosion: Act of God: peril of the sea: strike: lockout or other industrial disturbance: sabotage: accident: embargo: breakage of machinery or apparatus: injunction: act of government authority: compliance with government order or national defense requirements: inability to obtain fuel, raw materials, labor, containers of transportation facilities or any other circumstance beyond the reasonable control of the parties: interferes with the production, shipment or consumption of product covered by this confirmation or with the supply of raw material used in connection there with the affected party may upon reasonable prompt notice to the other, suspend deliveries for the period during which such conditions prevail.

PLEASE SIGN DUPLICATE AND RETURN

US Bio Hankinson

ACCEPTED BY:

Keith Saunders

BY:

[Signature]

Date:

2-11-08

Date:

02/04/08



US Bio Hankinson

Cash Contract

CONFIRMATION OF PURCHASE

Contract No.: 705011000004

Contract Date: 2/21/2007

Buyer: **US Bio Hankinson**

Seller: SAUKEI
Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

QUANTITY:	10,000.00 BU	GRADE & COMMODITY:	U.S. #2 YELLOW CORN
BOARD PRICE:	\$0.0000	BOARD MONTH:	July '08
BASIS:	\$0.0000	DELIVERY PERIOD:	7/1/2008 TO: 7/31/2008
NET PRICE:	\$3.7200	FOB:	DELIVERED HANKINSON, ND

PAYMENT TERMS: Net 10

WEIGHTS TO GOVERN: DESTINATION

DISCOUNT SCALE:

GRADES TO GOVERN: DESTINATION

REMARKS: US BIO HANKINSON SCALE OF DISCOUNTS TO APPLY

TERMS AND CONDITIONS

1. The retention of this contract without returning a signed copy or without immediately notifying seller of errors, herein, is acceptance of contract terms as stated by you.
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3. **As the Seller:**
 - A. You agree that the commodities sold to seller shall be free and clear of all claims, liens, encumbrances and penalties. You represent that said commodity is now free and clear except as disclosed.
 - B. You agree that all commodities covered by this contract are not adulterated or miss-branded within the meaning of the Federal Food, Drug and Cosmetic Act.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipment will be for the sellers account.
4. **As the Buyer:**
 - A. You represent that you are not insolvent, as the Uniform Commercial Code defines that term. If your financial condition is found to be or becomes unsatisfactory to seller during the terms of this contract, seller shall have the right to withhold any shipments, you shall be responsible for any and all resulting costs, expenses, losses or damages incurred by the seller in the event you fail to make timely payment, and such action shall not release you from its obligation to accept and pay for such remaining product if and when shipped by seller.
 - B. A service charge of 1.5% per month, or the maximum rate permitted by law, if that is less, shall be added on past due accounts.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipping here under will be at the expense of the buyer.
5. **Force Majeure:** In the event of war: insurrection: riot: fire: flood: or other unusual weather condition: explosion: Act of God: peril of the sea: strike: lockout or other industrial disturbance: sabotage: accident: embargo: breakage of machinery or apparatus: injunction: act of government authority: compliance with government order or national defense requirements: inability to obtain fuel, raw materials, labor, containers of transportation facilities or any other circumstance beyond the reasonable control of the parties: interferes with the production, shipment or consumption of product covered by this confirmation or with the supply of raw material used in connection there with the affected party may upon reasonable prompt notice to the other, suspend deliveries for the period during which such conditions prevail.

PLEASE SIGN DUPLICATE AND RETURN

US Bio Hankinson

ACCEPTED BY: Keith Saunders

BY: [Signature]

Date: 3-1-07

Date: 2/21/07

Assembly Sheet

VHN3000300

6/13/2008

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Purchase Disposition

1080

Verasun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

Grain: CORN

Contract No.: VHN1000144

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty		Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN2000070	SO4732	SO4732	7/1/2008	100.00%	963.93		963.93	3.7200	\$3,585.82	\$0.00	\$3,585.82
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	14.00000	55.39000	0.76000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>											
Producer											
VHN2000071	SO4736	SO4736	7/1/2008	100.00%	956.79	(1.53)	955.26	3.7200	\$3,553.57	\$0.00	\$3,553.57
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	15.10000	56.64000	0.50000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>	(1.53)										
Producer											
VHN2000072	SO4741	SO4741	7/1/2008	100.00%	976.43	(10.94)	965.49	3.7200	\$3,591.62	\$0.00	\$3,591.62
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	15.70000	55.62000	1.25000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>	(10.94)										
Producer											
VHN2000073	SO4745	SO4745	7/1/2008	100.00%	976.79	(7.81)	968.98	3.7200	\$3,604.61	\$0.00	\$3,604.61
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	15.50000	56.16000	0.85000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>	(7.81)										
Producer											
VHN2000075	SO4754	SO4754	7/1/2008	100.00%	980.36		980.36	3.7200	\$3,646.94	\$0.00	\$3,646.94
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	14.70000	56.51000	0.85000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>											
Producer											
VHN2000080	SO4760	SO4760	7/1/2008	100.00%	963.93		963.93	3.7200	\$3,585.82	\$0.00	\$3,585.82
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	14.70000	57.15000	0.74000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>											
Producer											
VHN2000084	SO4764	SO4764	7/1/2008	100.00%	922.14		922.14	3.7200	\$3,430.36	\$0.00	\$3,430.36
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	14.70000	57.25000	0.53000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>											
Producer											
VHN2000088	SO4770	SO4770	7/1/2008	100.00%	942.50		942.50	3.7200	\$3,506.10	\$0.00	\$3,506.10
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR		
<i>Discount</i>	15.00000	56.18000	0.50000	0.00000	0.00000	No	No	No	No		
<i>Shrink</i>											
Producer											

Assembly Sheet

VHN3000300

6/13/2008

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Purchase Disposition

1080

Verasun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

Grain: CORN

Contract No.: VHN1000144

Contract	SO	SO	7/2/2008	100.00%	981.79	981.79	3.7200	\$3,652.26	\$0.00	\$3,652.26
VHN2000090	SO4777	SO4777	7/2/2008	100.00%	981.79	981.79	3.7200	\$3,652.26	\$0.00	\$3,652.26
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
	14.70000	58.16000	0.50000	0.00000	0.00000	No	No	No	No	
Discount										
Shrink										
Producer										
VHN2000091	SO4782	SO4782	7/2/2008	100.00%	925.36	925.36	3.7200	\$3,442.34	\$0.00	\$3,442.34
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
	15.00000	55.78000	1.60000	0.00000	0.00000	No	No	No	No	
Discount										
Shrink										
Producer										
VHN2000092	SO4788	SO4788	7/2/2008	76.01%	566.07	430.26	3.7200	\$1,600.57	\$0.00	\$1,600.57
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
	13.90000	55.58000	0.50000	0.00000	0.00000	No	No	No	No	
Discount										
Shrink										
Producer										

Total 10,020.28 (20.28) 10,000.00 \$37,200.01 \$0.00

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR
Averages	14.86642	56.24963	0.79339						
Disc Amt									
Adj Qty	(20.28)								

Reference Original Contract # 705011000004

Total Net Amt \$37,200.01
Programs Amt (\$93.00)
Net Amt \$37,107.01

Assembly Status: Closed Settlement:

Program Charges

Program ND CORN CHECKOFF
Percent 0.025%
Rate
Amount (\$93.00)

JS BIO HANKINSON, LLC

6923

Vendor ID	Name	Payment Number	Check Date	Document Number	
1080	Keith Saunders	00000000000001011	9/30/2008	006923	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000226	9/24/2008	\$5,119.78	\$5,119.78	\$0.00	\$5,119.78

\$5,119.78 \$5,119.78 \$0.00 \$5,119.78

0091400172
 11/14/2008
 0000000020130330
 This is a LEGAL COPY of your check. You can use it the same way you would use the original check.
 RETURN REASON (C)
 STOP PAYMENT

0970206710
 11/14/2008

US BIO HANKINSON, LLC 8500 CENEX DRIVE, MS 173 INVER GROVE HEIGHTS, MN 55127 (651) 454-1100		WELLS FARGO BANK, N.A. 11-24-1210	
PAY TO THE ORDER OF Keith Saunders & Dacotah Bank 9400 147th Ave. SE Geneseo ND 58053		DATE 9/30/2008	AMOUNT \$5,119.78
FIVE THOUSAND ONE HUNDRED NINETEEN DOLLARS AND 78 CENTS		AUTHORIZED SIGNATURE <i>Byron Klein</i>	
RETURN REASON (C) STOP PAYMENT			
⑈006923⑈ ⑆⑆2⑆000248⑆4⑆121455703⑈			

⑈006923⑈ ⑆⑆2⑆000248⑆ 4⑆121455703⑈ ⑆⑆0000511978⑈

Settlement Sheet

VHN4000226

9/24/2008

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VeraSun Hankinson, LLC

9230 County Road 1

Hankinson ND 58041

1080

Saunders, Keith

9406 147th Ave. SE

Geneseo ND 58053

Assembly #	Assembly Date	Gross Qty	Net Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amt before checkoff
VHN3000771	9/25/2008	973.93	973.93	973.93	\$5,132.61	\$0.00	(\$12.83)	\$5,119.78

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$12.83)

		\$5,132.61	\$0.00	(\$12.83)	\$5,119.78
Advances					
Advance Amount Settled					
			Check Off:		\$0.00
			Less: Advances		0.00
			Net Check Amount		\$5,119.78

Assembly Sheet

VHN3000771

9/25/2008

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Purchase Disposition

1060

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

Grain: CORN

Contract No.: VHN1400565

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN00005107	DRK BL TRK		9/24/2008	100.00%	973.93	973.93	5.2700	\$5,132.61	\$0.00	\$5,132.61
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST				
<i>Discount</i>	12.70000	57.10000	2.70000	0.30000	0.00000					
<i>Shrink</i>										

Producer

Total	973.93	973.93	\$5,132.61	\$0.00
-------	--------	--------	------------	--------

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF	SOUR
Averages	12.70000	57.10000	2.70000	0.30000				
Disc Amt								
Adj Qty								

[Empty rectangular box]

Total Net Amt	\$5,132.61
Programs Amt	(\$12.83)
Net Amt	\$5,119.78

Assembly Status: Closed Settlement:

Program Charges

Program	ND CORN CHECKOFF
Percent	0.025%
Rate	
Amount	(\$12.83)

US BIO HANKINSON, LLC

6539

Vendor ID	Name	Payment Number	Check Date	Document Number	
1080	Keith Saunders	00000000000000472	7/28/2008	006539	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000080	7/25/2008	\$15,106.02	\$15,106.02	\$0.00	\$15,106.02

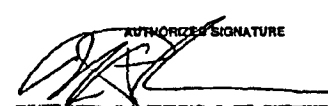
\$15,106.02 \$15,106.02 \$0.00 \$15,106.02

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11/14/2008
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RETURN REASON (C)
STOP PAYMENT

0970208706 11/14/2008

US BIO HANKINSON, LLC 5500 CENEX DRIVE, MS 125 INVER GROVE HEIGHTS, IL 60077 (815) 851-1000		WELLS FARGO BANK, N.A. 11-24-1210	
PAY TO THE ORDER OF Keith Saunders & Dacotah Bank 9406 147th Ave. SE Geneseo ND 58053		7/28/2008	\$15,106.02
FIFTY FIVE THOUSAND ONE HUNDRED SIX DOLLARS AND 02 CENTS		DATE	AMOUNT
AUTHORIZED SIGNATURE 			
#006539# ⑆ 121000248⑆ 4121455703#			

#006539# ⑆ 121000248⑆

4121455703# ⑆ 0001510602⑆

Settlement Sheet

VHN4000080

7/25/2008

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1080

Saunders, Keith
 9406 147th Ave. SE
 Geneseo ND 58053

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson ND 58041

Assembly #	Assembly Date	Gross Qty	Net Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amt before checkoff
VHN3000523	7/28/2008	1,932.86	1,932.86	1,932.86	\$10,031.55	\$0.00	(\$25.08)	\$10,006.47

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$25.08)

VHN3000525	7/28/2008	977.50	977.50	977.50	\$5,112.33	\$0.00	(\$12.78)	\$5,099.55
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Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$12.78)

Advances	\$15,143.88	\$0.00	(\$37.86)	\$15,106.02
Advance		Check Off:		\$0.00
Amount		Less: Advances		0.00
Settled		Net Check Amount		\$15,106.02

Assembly Sheet

VHN3000525

7/28/2008

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Purchase Disposition

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

1080

Grain: CORN

Contract No.: VHN1400483

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN00002438	N/A		7/25/2008	100.00%	977.50	977.50	5.2300	\$5,112.33	\$0.00	\$5,112.33
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST				
<i>Discount</i>	13.60000	57.80000	1.70000	0.60000	0.00000					
<i>Shrink</i>										

Producer

Total	977.50	977.50	\$5,112.33	\$0.00
-------	--------	--------	------------	--------

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR
Averages	13.60000	57.80000	1.70000	0.60000					
Disc Amt									
Adj Qty									

[Empty rectangular box]

Total Net Amt	\$5,112.33
Programs Amt	(\$12.78)
Net Amt	\$5,099.55

Assembly Status: Closed Settlement:

Program Charges

Program	ND CORN CHECKOFF
Percent	0.025%
Rate	
Amount	(\$12.78)

US BIO HANKINSON, LLC

6436

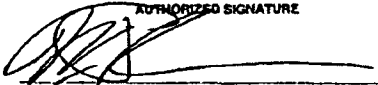
Vendor ID	Name	Payment Number	Check Date	Document Number	
1080	Keith Saunders	0000000000000272	7/15/2008	6436	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000052	7/15/2008	\$32,939.76	\$32,939.76	\$0.00	\$32,939.76

\$32,939.76 \$32,939.76 \$0.00 \$32,939.76

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RETURN REASON (C)
 STOP PAYMENT

0970208712
 11/14/2008

US BIO HANKINSON, LLC 5500 CEMEX DRIVE, MS 173 RIVER GROVE HEIGHTS, MN 55777 (612) 455-8500		WELLS FARGO BANK, N.A. 11-24-1210		6436
PAY TO THE ORDER OF Keith Saunders & Dacotah Bank 9406 147th Ave. SE Geneseo ND 58053		7/15/2008	\$32,939.76	
RETURN REASON (C) STOP PAYMENT		DATE	AMOUNT	
AUTHORIZED SIGNATURE 				
⑈006436⑈ ⑆121000248⑆4121455703⑈				

⑈006436⑈4⑆121000248⑆ 4121455703⑈ ⑆0003293976⑆



US Bio Hankinson

Cash Contract

CONFIRMATION OF PURCHASE

Contract No: 705011000192

Contract Date: 3/26/2008

Buyer: **US Bio Hankinson**

9230 County Road 1
Hankinson ND 58041

SAUKEI
Seller: **Saunders, Keith**
9406 147th Ave. SE
Geneseo ND 58053

QUANTITY:	5,000.00 bu	GRADE & COMMODITY:	U.S. #2 YELLOW CORN
BOARD PRICE:	\$0.0000	BOARD MONTH:	Corn - July 2008
BASIS:	\$0.0000	DELIVERY PERIOD:	7/1/2008 TO: 7/31/2008
NET PRICE:	\$5.4400	FOB:	DELIVERED HANKINSON, ND

PAYMENT TERMS: Net 10

WEIGHTS TO GOVERN: DESTINATION

DISCOUNT SCALE: STANDARD

GRADES TO GOVERN: DESTINATION

REMARKS: US BIO HANKINSON SCALE OF DISCOUNTS TO APPLY

Terms and Conditions

1. The retention of this contract without returning a signed copy or without immediately notifying seller of errors, herein, is acceptance of contract terms as stated by you.
2. This contract will be governed by the rules of the National Grain & Feed Association unless noted in the contract, and, to the extent not in conflict with the aforesaid rules, by the uniform commercial code.
3. **As the Seller:**
 - A. You agree that the commodities sold to seller shall be free and clear of all claims, liens, encumbrances and penalties. You represent that said commodity is now free and clear except as disclosed.
 - B. You agree that all commodities covered by this contract are not adulterated or miss-branded within the meaning of the Federal Food, Drug, and Cosmetic Act.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipment will be for the sellers account.
4. **As the Buyer:**
 - A. You represent that you are not insolvent, as the Uniform Commercial Code defines that term. If your financial condition is found to be or becomes unsatisfactory to seller during the terms of this contract, seller shall have the right to withhold any shipments, you shall be responsible for any and all resulting costs, expenses, losses or damages incurred by the seller in the event you fail to make timely payment, and such action shall not release you from its obligation to accept and pay for such remaining product if and when shipped by seller.
 - B. A service charge of 1.5% per month, or the maximum rate permitted by law, if that is less, shall be added on past due accounts.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipping here under will be at the expense of the buyer.
5. **Force Majeure:** In the event of war: insurrection: riot: fire: flood: or other unusual weather condition: explosion: Act of God: peril of the sea: strike: lockout or other industrial disturbance: sabotage: accident: embargo: breakage of machinery or apparatus: injunction: act of government authority: compliance with government order or national defense requirements: inability to obtain fuel, raw materials, labor, containers of transportation facilities or any other circumstance beyond the reasonable control of the parties: interferes with the production, shipment or consumption of product covered by this confirmation or with the supply of raw material used in connection there with the affected party may upon reasonable prompt notice to the other. suspend deliveries for the period during which such conditions prevail.

PLEASE SIGN DUPLICATE AND RETURN

US Bio Hankinson

ACCEPTED BY: Keith Saunders

BY: [Signature]

Date: 3-31-08

Date: 3/26/08

Assembly Sheet

VHN3000487

7/8/2008

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Purchase Disposition

1080

Verasun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

Grain: CORN

Contract No.: VHN1000222

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
/HN2000299	SO4858	SO4858	7/10/2008	100.00%	976.07	976.07	5.4400	\$5,309.82	\$0.00	\$5,309.82
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
Discount Shrink	14.30000	55.78000	1.43000	0.00000	0.00000	No	No	No	No	
Producer										
/HN2000300	SO4854	SO4854	7/10/2008	100.00%	922.50	(2.95)	919.55	\$5,002.35	\$0.00	\$5,002.35
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
Discount Shrink	15.20000	55.26000	1.04000	0.00000	0.00000	No	No	No	No	(2.95)
Producer										
/HN2000412	SO4861	SO4861	7/11/2008	100.00%	958.57		958.57	\$5,214.62	\$0.00	\$5,214.62
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
Discount Shrink	14.60000	55.81000	1.56000	0.00000	0.00000	No	No	No	No	
Producer										
/HN2000413	SO4865	SO4865	7/11/2008	100.00%	982.50		982.50	\$5,344.80	\$0.00	\$5,344.80
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
Discount Shrink	14.50000	56.64000	1.38000	0.00000	0.00000	No	No	No	No	
Producer										
/HN2000414	SO4868	SO4868	7/11/2008	9.82%	996.79		97.86	\$532.36	\$0.00	\$532.36
Grades	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
Discount Shrink	13.90000	55.90000	2.47000	0.00000	0.00000	No	No	No	No	
Producer										

Total 3,937.50 (2.95) 3,934.55 \$21,403.95 \$0.00

Grades, Premiums and Discount Totals

3rd Factor	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR
Averages	14.62342	55.88351	1.38391						
Disc Amt									
Adj Qty	(2.95)								

Reference Original Contract # 705011000192

Total Net Amt \$21,403.95
Programs Amt (\$53.51)
Net Amt \$21,350.44

Assembly Status: Closed Settlement:

Program Charges

Program ND CORN CHECKOFF
Percent 0.025%
Rate
Amount (\$53.51)

Assembly Sheet

VHN3000501

7/14/2008

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Purchase Disposition

1080

Verasun Hankinson, LLC

9230 County Road 1
Hankinson ND 58041

Saunders, Keith

9406 147th Ave. SE
Geneseo ND 58053

Grain: CORN

Contract No.: VHN1000472

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
/HN2000414	SO4868	SO4868	7/11/2008	90.18%	996.79	898.93	6.2000	\$5,573.37	\$0.00	\$5,573.37
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
	13.90000	55.90000	2.47000	0.00000	0.00000	No	No	No	No	
<i>Discount</i>										
<i>Shrink</i>										
<i>Producer</i>										
/HN2000415	SO4870	SO4870	7/11/2008	100.00%	975.00	975.00	6.2000	\$6,045.00	\$0.00	\$6,045.00
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR	
	14.70000	55.84000	0.54000	0.00000	0.00000	No	No	No	No	
<i>Discount</i>										
<i>Shrink</i>										
<i>Producer</i>										

Total 1,873.93 1,873.93 \$11,618.37 \$0.00

Grades, Premiums and Discount Totals

3rd Factor	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR
Averages	14.31624	55.86878	1.46583						
Disc Amt									
Adj Qty									

Total Net Amt	\$11,618.37
Programs Amt	(\$29.05)
Net Amt	\$11,589.32

Assembly Status: Closed Settlement:

Program Charges

Program ND CORN CHECKOFF
Percent 0.025%
Rate
Amount (\$29.05)

Settlement Sheet

VHN4000052

7/15/2008

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1080

Saunders, Keith
9406 147th Ave. SE
Geneseo ND 58053

Verasun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Assembly #	Assembly Date	Gross Qty	Shrink Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amt before checkoff
VHN3000487	7/8/2008	3,937.50	(2.95)	3,934.55	\$21,403.95	\$0.00	(\$53.51)	\$21,350.44

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$53.51)

VHN3000501	7/14/2008	1,873.93	1,873.93	1,873.93	\$11,618.37	\$0.00	(\$29.05)	\$11,589.32
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Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$29.05)

					\$33,022.32	\$0.00	(\$82.56)	\$32,939.76
Advances								
Advance Amount Settled								
						Check Off:		\$0.00
						Less: Advances		0.00
						Net Check Amount		\$32,939.76

Assembly Sheet

VHN3000168

6/13/2008

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Purchase Disposition

1080

Verasun Hankinson, LLC
 9230 County Road 1
 Hankinson ND 58041

Saunders, Keith
 9406 147th Ave. SE
 Geneseo ND 58053

Grain: CORN

Contract No.: VHN1000222

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty		Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN2000092	SO4788	SO4788	7/2/2008	23.99%	566.07		135.81	5.4400	\$738.81	\$0.00	\$738.81
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST		INF	COFO	SOUR	
	13.90000	55.58000	0.50000	0.00000	0.00000	No		No	No	No	
<i>Discount Shrink</i>											
Producer											
VHN2000095	SO4791	SO4791	7/3/2008	100.00%	937.14	(7.50)	929.64	5.4400	\$5,057.24	\$0.00	\$5,057.24
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST		INF	COFO	SOUR	
	15.50000	55.65000	2.34000	0.00000	0.00000	No		No	No	No	
<i>Discount Shrink</i>	(7.50)										
Producer											

Total 1,072.95 (7.50) 1,065.45 \$5,796.05 \$0.00

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF	COFO	SOUR
Averages	15.29605	55.64108	2.10546						
Disc Amt									
Adj Qty	(7.50)								

Reference Original Contract # 705011000192

Total Net Amt \$5,796.05
 Programs Amt (\$14.49)
 Net Amt \$5,781.56

Assembly Status: Open Settlement:

Program Charges

Program ND CORN CHECKOFF
 Percent 0.025%
 Rate
 Amount (\$14.49)

Settlement Sheet

VHN4000040

7/8/2008

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1080

Saunders, Keith
 9406 147th Ave. SE
 Geneseo ND 58053

Verasun Hankinson, LLC
 9230 County Road 1
 Hankinson ND 58041

Assembly #	Assembly Date	Gross Qty	Shrink Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amt before checkoff
VHN3000168	6/13/2008	1,072.95	(7.50)	1,065.45	\$5,796.05	\$0.00	(\$14.49)	\$5,781.56

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$14.49)

VHN3000300	6/13/2008	10,020.28	(20.28)	10,000.00	\$37,200.01	\$0.00	(\$93.00)	\$37,107.01
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Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$93.00)

					\$42,996.06	\$0.00	(\$107.49)	\$42,888.57
Advances								
Advance								
Amount								
Settled								
						Check Off:		\$0.00
						Less: Advances		0.00
						Net Check Amount		\$42,888.57

US BIO HANKINSON, LLC

7086

Vendor ID	Name	Payment Number	Check Date	Document Number	
1080	Keith Saunders	00000000000001374	10/13/2008	007086	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000273	10/6/2008	\$9,796.02	\$9,796.02	\$0.00	\$9,796.02

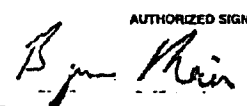
\$9,796.02 \$9,796.02 \$0.00 \$9,796.02

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RETURN REASON (C)
STOP PAYMENT

11/14/2008
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 123000248

US BIO HANKINSON, LLC 5500 CENEX DRIVE, MS A73 INVER GROVE HEIGHTS, IL 60137 (815) 424-1000		WELLS FARGO BANK, N.A. 11-24-1210		7086
PAY TO THE ORDER OF Keith Saunders & Dacotah Bank 9406 147th Ave. SE Geneseo ND 58053		10/13/2008	\$9,796.02	
Nine Thousand Seven Hundred Ninety Six Dollars and 02 Cents		DATE	AMOUNT	
		AUTHORIZED SIGNATURE 		
007086 123000248 4121455703				

⑈007086⑈ 4121455703⑈

4121455703⑈ ⑈0000979602⑈



US Bio Hankinson

Cash Contract

CONFIRMATION OF PURCHASE

Contract No: 705011000193

Contract Date: 3/26/2008

Buyer: **US Bio Hankinson**
9230 County Road 1
Hankinson ND 58041

SAUKEI
Seller: **Saunders, Keith**
9406 147th Ave. SE
Geneseo ND 58053

QUANTITY: 5,000.00 bu
BOARD PRICE: \$0.0000
BASIS: \$0.0000
NET PRICE: \$5.2000

GRADE & COMMODITY: U.S. #2 YELLOW CORN
BOARD MONTH: Corn - December 2008
DELIVERY PERIOD: 10/1/2008 TO: 10/31/2008
FOB: DELIVERED HANKINSON, ND

PAYMENT TERMS: Net 10
DISCOUNT SCALE: STANDARD

WEIGHTS TO GOVERN: DESTINATION
GRADES TO GOVERN: DESTINATION

REMARKS: US BIO HANKINSON SCALE OF DISCOUNTS TO APPLY

Terms and Conditions

1. The retention of this contract without returning a signed copy or without immediately notifying seller of errors, herein, is acceptance of contract terms as stated by you.
2. This contract will be governed by the rules of the National Grain & Feed Association unless noted in the contract, and, to the extent not in conflict with the aforesaid rules, by the uniform commercial code.
3. **As the Seller:**
 - A. You agree that the commodities sold to seller shall be free and clear of all claims, liens, encumbrances and penalties. You represent that said commodity is now free and clear except as disclosed.
 - B. You agree that all commodities covered by this contract are not adulterated or mis-branded within the meaning of the Federal Food, Drug, and Cosmetic Act.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipment will be for the sellers account.
4. **As the Buyer:**
 - A. You represent that you are not insolvent, as the Uniform Commercial Code defines that term. If your financial condition is found to be or becomes unsatisfactory to seller during the terms of this contract, seller shall have the right to withhold any shipments, you shall be responsible for any and all resulting costs, expenses, losses or damages incurred by the seller in the event you fail to make timely payment, and such action shall not release you from its obligation to accept and pay for such remaining product if and when shipped by seller.
 - B. A service charge of 1.5% per month, or the maximum rate permitted by law, if that is less, shall be added on past due accounts.
 - C. All excise or other tax hereafter levied which affects this contract, or any adjustments in freight rates prior to shipping here under will be at the expense of the buyer.
5. **Force Majeure:** In the event of war: Insurrection: riot: fire: flood: or other unusual weather condition: explosion: Act of God: peril of the sea: strike: lockout or other industrial disturbance: sabotage: accident: embargo: breakage of machinery or apparatus: injunction: act of government authority: compliance with government order or national defense requirements: inability to obtain fuel, raw materials, labor, containers of transportation facilities or any other circumstance beyond the reasonable control of the parties: interferes with the production, shipment or consumption of product covered by this confirmation or with the supply of raw material used in connection there with the affected party may upon reasonable prompt notice to the other, suspend deliveries for the period during which such conditions prevail.

PLEASE SIGN DUPLICATE AND RETURN

US Bio Hankinson

ACCEPTED BY: Keith Saunders
Date: 3-31-08

BY: [Signature]
Date: 3/26/08



US Bio-Hankinson
9230 CR #1
Hankinson, ND 58041
Jon C. Anderson, Grain Procurement Manager
(701)-242-9430
<http://www.hankinson.usbioenergy.net>

Grade Requirements

U.S. Grade #2 yellow corn or better accepted
15.0% Moisture
54.0 # Test Weight
5.0% Damage
3.0% BKFM

Discount Schedule

Moisture Scale

Handling Shrink: 1.6% per point from 15.0 to 16.5
Above 16.5% will be rejected

BKFM Scale

\$.02 per point from 3.01 to 7.0
Over 7.0 subject to rejection

Damage Scale

\$.02 per point from 5.01 to 7.0% damage
Over 7.0% damage subject to rejection

Heat Damage Scale

\$.01 for each 1/10th of 1% over .2% up to 1.0%
Over 1.0% subject to rejection

Test Weight Scale

\$.02 per pound from 53.99 to 50.0
\$.03 per pound from 49.99 to 48.0
Below 48.0 subject to rejection

Other

Musty/Sour/Infested: subject to rejection, if accepted \$.10 per bushel
COFO/Stones: Rejected
Aflatoxin: Above 5 PPB Rejected

- Discount scale subject to change without notice.
- All grade factors applicable on a load by load basis.
- Corn delivered not under contract will be sold daily at spot prices.

Settlement Sheet

VHN4000273

10/6/2008

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VeraSun Hankinson, LLC

9230 County Road 1

Hankinson ND 58041

1080

Saunders, Keith

9406 147th Ave. SE

Geneseo ND 58053

Assembly #	Assembly Date	Gross Qty	Net Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amt before checkoff
VHN3000169	6/13/2008	1,888.57	1,888.57	1,888.57	\$9,820.57	\$0.00	(\$24.55)	\$9,796.02

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$24.55)

		\$9,820.57	\$0.00	(\$24.55)	\$9,796.02
Advances					
Advance					
Amount					
Settled					
			Check Off:		\$0.00
			Less: Advances		0.00
			Net Check Amount		\$9,796.02

Assembly Sheet

VHN3000169

6/13/2008

Printed 10/7/2008 9:44:07 AM

Purchase Disposition

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson ND 58041

Saunders, Keith
 9406 147th Ave. SE
 Geneseo ND 58053

1080

Grain: CORN

Contract No.: VHN1000223

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN00005702	#2		10/6/2008	100.00%	988.93	988.93	5.2000	\$5,142.44	\$0.00	\$5,142.44
	<i>Grades</i>	M TW	BCFM	DKT	HT	MUST				
		12.90000 55.90000	2.40000	0.30000	0.00000					
	<i>Discount Shrink</i>									
<i>Producer</i>	RED TRK									
VHN00005703	#1		10/6/2008	100.00%	899.64	899.64	5.2000	\$4,678.13	\$0.00	\$4,678.13
	<i>Grades</i>	M TW	BCFM	DKT	HT	MUST				
		13.30000 56.60000	2.00000	0.30000	0.00000					
	<i>Discount Shrink</i>									
<i>Producer</i>	BLK TRK									

Total 1,888.57 1,888.57 \$9,820.57 \$0.00

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF	SOUR
Averages	13.09054	56.23345	2.20946	0.30000				
Disc Amt								
Adj Qty								

Reference Original Contract # 705011000193

Total Net Amt \$9,820.57
 Programs Amt (\$24.55)
 Net Amt \$9,796.02

Assembly Status: Open Settlement:

Program Charges

Program ND CORN CHECKOFF
 Percent 0.025%
 Rate
 Amount (\$24.55)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
) Case No. 08-12606 (BLS)
)
)
VERASUN ENERGY CORPORATION, et al.,) Chapter 11
)
) Jointly Administered
)
) Debtors.¹

**NOTICE OF COMMENCEMENT OF CHAPTER 11
BANKRUPTCY CASES AND MEETING OF CREDITORS**

On October 31, 2008 (the "Petition Date"), VeraSun Energy Corporation and 24 of its subsidiaries and affiliates (collectively, the "Debtors") each filed a voluntary petition (collectively, the "Chapter 11 Cases") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") for reorganization relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the "Bankruptcy Code"). On November 3, 2008, this Court entered an order directing the joint administration of the Debtors' Chapter 11 Cases. A creditors' committee has not yet been appointed in these cases by the United States Trustee. The Debtors and their respective addresses, case numbers and federal tax identification numbers are set forth on Exhibit A attached hereto.

DATE, TIME AND LOCATION OF MEETING OF CREDITORS. December 2, 2008 at 4:00 p.m. at the Office of the United States Trustee, J. Caleb Boggs Federal Building, 2nd Floor, Room 2112, 844 King Street, Wilmington, Delaware 19801.

¹ The Debtors consist of: VeraSun Energy Corporation (EIN: 20-3430241); ASA Albion, LLC (EIN: 55-0907221); ASA Bloomingburg, LLC (EIN: 55-0907224); ASA Linden, LLC (EIN: 55-0907228); ASA OpCo Holdings, LLC (EIN: 68-0609122); US Bio Marion, LLC (EIN: 20-34377343); US BioEnergy Corporation (EIN: 20-1811472); VeraSun Albert City, LLC (EIN: 20-2264707); VeraSun Aurora Corporation (EIN: 40-0462174); VeraSun BioDiesel, LLC (EIN: 20-3790860); VeraSun Central City, LLC (EIN: 55-0816855); VeraSun Charles City, LLC (EIN: 20-3735184); VeraSun Dyersville, LLC (20-5765890); VeraSun Fort Dodge, LLC (EIN: 42-1630527); VeraSun Granite City, LLC (EIN: 20-5909621); VeraSun Hankinson, LLC (90-0287129); VeraSun Hartley, LLC (EIN: 20-5381200); VeraSun Janesville, LLC (EIN: 20-4420290); VeraSun Litchfield, LLC (EIN: 20-8621370); VeraSun Marketing, LLC (EIN: 20-3693800); VeraSun Ord, LLC (75-3204878); VeraSun Reynolds, LLC (EIN: 20-5914827); VeraSun Tilton, LLC (EIN: 26-1539139); VeraSun Welcome, LLC (EIN: 20-4115888); VeraSun Woodbury, LLC (20-0647425).

DEADLINE TO FILE PROOFS OF CLAIM. As of the date of this notice, a deadline for creditors other than governmental units and a deadline for governmental units to file proofs of claim (each a "Bar Date" and collectively, the "Bar Dates") in these Chapter 11 Cases has not yet been determined. A motion requesting an order setting the final dates and procedures for filing proofs of claim and approving the form and manner of notice thereof will be filed pursuant to 11 U.S.C. § 105 and Federal Rule of Bankruptcy Procedure 3003(c). When the Bar Dates are established and approved by the Bankruptcy Court, you will receive notice of the applicable Bar Dates by way of separate notification. (the "Bar Date Notice").

COMMENCEMENT OF CASES. Voluntary petitions for reorganization under chapter 11 of the Bankruptcy Code have been filed in the Bankruptcy Court and orders for relief have been entered in these Chapter 11 Cases. You will not receive notice of all documents filed in these Chapter 11 Cases. All documents filed with the Bankruptcy Court are available for inspection at the Office of the Clerk of the Bankruptcy Court, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801 (the "Clerk's Office"). In addition, such documents are available (i) at the Bankruptcy Court's website at www.deb.uscourts.gov, (ii) at the website of the Debtors' claims, noticing, soliciting and balloting agent, Kurtzman Carson Consultants, LLC, at www.kccllc.net/verasan, or (iii) by request by calling (866) 381-9100.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the U.S. Bankruptcy Code enables a debtor to reorganize pursuant to a plan. A plan is not effective unless approved by the court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event the case is dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their property and will continue to operate any business unless a trustee is appointed.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom a debtor owes money or property. Under the Bankruptcy Code, a debtor is granted certain protection against creditors. Common examples of prohibited actions by creditors are contacting a debtor to demand repayment, taking action against a debtor to collect money owed to creditors or to take property of a debtor, and starting or continuing litigation against a debtor including, by way of example, foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against a debtor, the Court may penalize that creditor. A creditor who is considering taking action against a Debtor or the property of a Debtor should review Section 362 of the Bankruptcy Code and may wish to seek legal advice. The staff of the Clerk of the Bankruptcy Court is not permitted to give legal advice.

MEETING OF CREDITORS. The Debtors' representative, as specified in Rule 9001(5) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, the creditors may examine the Debtors and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time-to-time by notice at the meeting, without further written notice to the creditors.

COUNSEL FOR THE DEBTORS:

Mark S. Chehi
Megan E. Cleghorn
Davis Lee Wright
Skadden, Arps, Slate, Meagher & Flom LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899
(302) 651-3000

Timothy R. Pohl
Felicia Gerber Perlman
John K. Lyons
Skadden, Arps, Slate, Meagher & Flom LLP
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

Exhibit A

VeraSun Energy Corporation	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12606	20-3430241
ASA Albion, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12607	55-0907221
ASA Bloomingburg, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12608	55-0907224
ASA Linden, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12609	55-0907228
ASA OpCo Holdings, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12610	68-0609122
US Bio Marion, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12611	20-3477343
US BioEnergy Corporation	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12612	20-1811472
VeraSun Albert City, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12613	20-2264707

VERA SUN			
VeraSun Aurora Corporation	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12614	46-0462174
VeraSun BioDiesel, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12605	20-3790860
VeraSun Central City, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12615	55-0816855
VeraSun Charles City, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12616	20-3735184
VeraSun Dyersville, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12617	20-5765890
VeraSun Fort Dodge, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12618	46-1630527
VeraSun Granite City, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12619	20-5909621
VeraSun Hankinson, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12620	90-0257129
VeraSun Hartley, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12621	20-5381200
VeraSun Janesville, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12622	20-4420290
VeraSun Litchfield, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12623	20-8621370
VeraSun Marketing, LLC	110 N. Minnesota Ave. Suite 300 Sioux Falls, SD 57104	08-12624	20-3693800

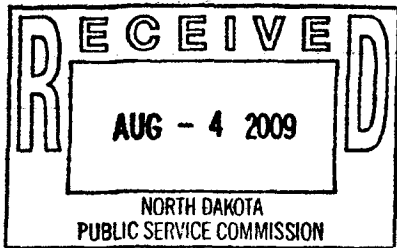
rc: 2
ACK No: 9904

CASE No: 08-12606
PRF 8732

LIES & BULLIS LAW FIRM
610 SECOND AVE N
PO BOX 275
WAHPETON, ND 58074-0275

James P Wirtz

I WAS issued a check by U.S Bio Hankinson, LLC, I misplaced it and I called John Anderson at Versta Sen to issue me a new one. He did not do that. I finally found the check in Dec 2008, and tried to cash it, and it came back AS A return check for Stop payment.



Thanks,
James P Wirtz

1-701-242-8332



BANK OF THE WEST

800-488-2265

Date: Dec 9, 2008 Advice D-941994

Acct: 002/931036511

*In accordance with Federal Regulations,
this letter is to notify you that your
account has been charged for the
following item(s) returned unpaid by the
drawee bank.*

REASON
Stop Payment

SEQ # 026373
ITEM AMOUNT 26,934.70

JAMES WIRTZ
17275 95 R ST SE
FAIRMOUNT ND 58030

1 Item charged totaling \$26,934.70

1 Item charged a fee totaling \$4.00

Advice Total \$26,938.70 (D)

⑆402333198⑆ 000000931036511⑆ ⑆0000941994⑆

321270742
12/04/2008
000008876067857

This is a LEGAL COPY
of your check. You can
use it the same way
you would use the
original check.

RETURN REASON-C
STOP PAYMENT

⑆121100782⑆ 12/03/2008
⑆0000061008059⑆

US BIO HANKINSON LLC <small>5900 CENEXA BLVD, SUITE 175 HYVER BROOK HEIGHTS, MN 55077</small>		WELLS FARGO BANK, N.A. <small>11-24-1210</small>	684
RETURN REASON-C STOP PAYMENT Do Not Deposit	9/22/2008 DATE	\$26,934.70 AMOUNT	
PAY TO THE ORDER OF James Wirtz & BANK OF THE WEST 17275 95th St SE Fairmount ND 58030		AUTHORIZED SIGNATURE	

⑆006841⑆ ⑆121000248⑆ ⑆121455703⑆ ⑆0002693470⑆



BANK OF THE WEST

800-488-2265

Date: Dec 9, 2008 Advice D-941994

Acct: 002/931036511

In accordance with Federal Regulations, this letter is to notify you that your account has been charged for the following item(s) returned unpaid by the drawee bank.

REASON
Stop Payment

SEQ #
026373

ITEM AMOUNT
26,934.70

JAMES WIRTZ
17275 95 R ST SE
FAIRMOUNT ND 58030

1 item charged totaling \$26,934.70

1 item charged a fee totaling \$4.00

Advice Total \$26,938.70 (D)

⑆402333198⑆ 000000931036511⑆ ⑈0000941994⑈

BANK OF THE WEST
1211007821
184133216 12-03-03 0931036511 04
684133216 12-03-08 0931036511 04

>121100782< 12/09/08
000000610060595

121100782
12-03-06
684133216

000000931036511

BANK OF THE WEST

CREDIT TO THE ACCOUNT OF THE WITHDRAWER
PAID BY CHECK OR WITH DEPOSIT RECEIPT.
YOUR ASSURANCE OF ENDORSEMENT GUARANTEED.

James P. Wirtz
Branch Manager

For Deposit Only

321270742 12/04/2008
0000008876067857

Do not endorse or write below this line

US BIO HANKINSON, LLC

6841

Vendor ID	Name	Payment Number	Check Date	Document Number	
1102	James Wirtz	0000000000000867	9/22/2008	006841	
Our Voucher Number	Date	Amount	Amount Paid	Discount	Net Amount Paid
VHN4000180	9/15/2008	\$26,934.70	\$26,934.70	\$0.00	\$26,934.70

\$26,934.70 \$26,934.70 \$0.00 \$26,934.70

6841

US BIO HANKINSON, LLC
 5500 CENEX DRIVE, MS 175
 INVER GROVE HEIGHTS, MN 55077
 (651) 554-5000

WELLS FARGO BANK, N.A.
 11-24-1210

9/22/2008

\$26,934.70

Twenty Six Thousand Nine Hundred Thirty Four Dollars and 70 Cents

DATE

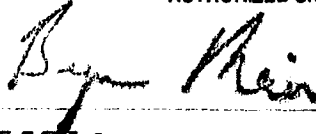
AMOUNT

PAY TO THE ORDER OF

James Wirtz & BANK OF THE WEST

17275 95th St SE
Fairmount ND 58030

AUTHORIZED SIGNATURE



⑈006841⑈ ⑆⑆2⑆000248⑆4⑆2⑆455703⑈

Security Features Included. Details on back.

Settlement Sheet

VHN4000180

9/15/2008

Printed 9/23/2008 1:44:51 PM

1102

Wirtz, James
 17275 95th St SE
 Fairmount ND 58030

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson ND 58041

Assembly #	Assembly Date	Gross Qty	Net Qty	Settle Qty	Gross Amt	Discounts	Program Chgs	Net Amount Before Checkoff
VHN3000704	9/11/2008	4,000.00	4,000.00	4,000.00	\$20,760.00	\$0.00	(\$51.90)	\$20,708.10

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$51.90)

VHN3000714	9/15/2008	1,242.85	1,242.85	1,242.85	\$6,242.21	\$0.00	(\$15.61)	\$6,226.60
------------	-----------	----------	----------	----------	------------	--------	-----------	------------

Program Charges	
Program	ND CORN CHECKOFF
Percent	0.25%
Rate	
Amount	(\$15.61)

Check Number: 006841
 Check Date: 9/22/2008
 James Wirtz

\$27,002.21	\$0.00	(\$67.51)	\$26,934.70
	Check Off:		\$0.00
	Less: Advances		0.00
	Net Check Amount		\$26,934.70

Assembly Sheet

1102

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Printed 9/15/2008 2:49:45 PM

Wirtz, James
17275 95th St SE
Fairmount ND 58030

Purchase Disposition

Grain: CORN

Contract No.:

Grades, Premiums and Discount Totals							
	Total	4,000.00	4,000.00	\$20,760.00	\$0.00		
Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF
Averages	14.06907	57.00165	1.26265	0.22736			
Disc Amt							
Adj Qty							

[Empty rectangular box]

Total Net Amt	\$20,760.00
Programs Amt	(\$51.90)
Net Amt	\$20,708.10

Assembly Status: Closed Settlement:

Program Charges

Program	ND CORN CHECKOFF
Percent	0.025%
Rate	
Amount	(\$51.90)

Assembly Sheet

VHN3000714

9/15/2008

Printed 9/15/2008 2:47:57 PM

Purchase Disposition

1102

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson ND 58041

Wirtz, James
17275 95th St SE
Fairmount ND 58030

Grain: CORN

Contract No.: VHN1400540

Ticket No.	Unit No. or Carrier	Bill of Lading	Ticket Date	% Share	Ticket Qty	Net Qty	Ave Price	Gross Amt	Discounts	Net Amount
VHN00004698	3236333237		9/11/2008	20.49%	1,030.00	211.06	5.0225	\$1,060.05	\$0.00	\$1,060.05
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST				
	14.20000	56.50000	1.50000	0.40000	0.00000					
<i>Discount</i>										
<i>Shrink</i>										
Producer										
VHN00004705	3236333237		9/11/2008	50.00%	1,005.36	502.68	5.0225	\$2,524.71	\$0.00	\$2,524.71
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST				
	14.30000	57.20000	1.30000	0.30000	0.00000					
<i>Discount</i>										
<i>Shrink</i>										
Producer										
VHN00004714	3236333237		9/11/2008	50.00%	1,058.21	529.11	5.0225	\$2,657.45	\$0.00	\$2,657.45
<i>Grades</i>	M	TW	BCFM	DKT	HT	MUST				
	14.20000	56.70000	1.50000	0.20000	0.00000					
<i>Discount</i>										
<i>Shrink</i>										
Producer										

Total 1,242.85 1,242.85 \$6,242.21 \$0.00

Grades, Premiums and Discount Totals

Grd Factor	M	TW	BCFM	DKT	HT	MUST	INF
Averages	14.24045	56.86826	1.41911	0.27441			
Disc Amt							
Adj Qty							

Total Net Amt \$6,242.21
Programs Amt (\$15.61)
Net Amt \$6,226.60

Assembly Status: Closed Settlement:

Program Charges

Program ND CORN CHECKOFF
Percent 0.025%
Rate
Amount (\$15.61)

Wheaton-Dumont Coop Elevator Assembly Sheet with Scale Tickets

Ordered By first name on assembly only
Open And Settled Assembly Sheets
Base Price

<u>Loc</u>	<u>Assembly</u>	<u>Code</u>	<u>Commodity</u> <u>Description</u>	<u>Last Delivery</u> <u>Date</u>	<u>Contract</u>	<u>Base</u> <u>Price</u>	<u>Assembly</u> <u>Date</u>	<u>Units</u>	<u>Customer</u> <u>Ref</u>	<u>Name</u>	<u>Assembly</u>
H-10	8989	9	CORN	09/09/2008		0.0000	09/10/2008				
Jerry&Jim Wirtz											

Open Storage 1.045 71 2107HM VeraSun - Hankinson.LLC 8989

<u>Ticket</u> <u>Number</u>	<u>Date</u>	<u>Gross</u>	<u>Dockage</u>	<u>Net</u>	<u>Base</u>	<u>Premium/Discounts</u>							<u>Unit</u>	
		<u>Units</u>	<u>Shrink</u>	<u>Units</u>	<u>Price</u>	<u>TW</u>	<u>MST</u>	<u>DMG</u>	<u>FM</u>	<u>Bugs</u>	<u>Musty</u>	<u>Sour</u>	<u>AN</u>	<u>Price</u>
						<u>COFO</u>	<u>OTHER</u>							
43677H	09/09/08	1,045.71	0.00	1,045.71	0.0000	58.00	13.90	0.00	1.80	0.00	0.00	0.00	0.00	0.0000
			0.00			0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
						0.00	0.00							
						0.0000	0.0000							
Jerry&Jim Wirtz														
		1,045.71	0.00	1,045.71		58.00	13.90	0.00	1.80	0.00	0.00	0.00	0.00	0.0000
						0.00	0.00							

Drying Charge Deduction: 0.00

Overall Assembly Grade Factor Recap

AN FILTH 0.00	Bugs 0.00	COFO 0.00	DMG 0.00
FM 1.80	MST 13.90	Musty 0.00	OTHER 0.00
Sour 0.00	TW 58.00		

Open Storage Assembly Sheet Commodity Codes
9 H-10 CORN

Units
1,045.71

COPY - NOT NEGOTIABLE
 UNITED STATES WAREHOUSE ACT - Grain Inspector and Weight Certificate
 (Inspection Not Valid for Purposes of the United States Grain Standards Act)

Wheaton - Dumont Co-op Elevator

Hankinson, North Dakota

OFF

DATE

7/9/08

DRIVER: ON

NAME

George V. ...

ADDRESS

George & Jean ...

3410 ...
 1050 ...
 58560

	BUSHELS			
GROSS	1	0	4	571
DOCKAGE				
NET				

COMMODITY	U.S. GRADE	TEST WT.	DOCK.	MOIST.
Corn		58		13.9
DAM. %	PROTEIN	BIN NO.	FM.	Assembly No.
			1.8	CK NO.

Is grain received for storage or on contract and/or sold?

Y/L

State price per bushel if sold, write "Price Later" if price not determined.

IN OUT

43677 H

CERTIFICATION:
 This certificate is issued by an inspector/weighter licensed under the United States Warehouse Act and Regulations thereunder.
 For the WHEATON-DUMONT CO-OP ELEVATORS, Wheaton, Minnesota

[Signature]

Signature of Licensed Inspector and/or Weighter

Split 50/50

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson, ND 58041
Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME	DEALER
UNLOAD 09/11/2008		TICKET NO.: 4714
VENDOR: 1034 WIRTZ, JERRY 322 3RD AVE SW HANKINSON, ND, 58041	PRODUCER: CARRIER: BLK TRK JERRY WIRTZ	DELIVERY NO.: BOL: INBOUND DRIVER: JERRY ON SCALE TRUCK ID 3236333237
GROSS WT 85,120 LBS TARE WT 25,860 LBS NET WT 59,260 LBS	04:21 PM 04:28 PM 1,050.21 BU	YELLOW CORN U.S. No. 1 M 14.2 TW 56.7 BCFM 1.5 DKT 0.2 OTHER HT
NOTES: Split 50/50 with James.		

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson, ND 58041
Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME	DEALER
UNLOAD 09/11/2008		TICKET NO.: 4705
VENDOR: 1034 WIRTZ, JERRY 322 3RD AVE SW HANKINSON, ND, 58041	PRODUCER: CARRIER: BLK TRK JERRY WIRTZ	DELIVERY NO.: BOL: INBOUND DRIVER: JERRY ON SCALE TRUCK ID 3236333237
GROSS WT 82,160 LBS TARE WT 25,860 LBS NET WT 56,300 LBS	03:34 PM 03:41 PM 1,005.36 BU	YELLOW CORN U.S. No. 1 M 14.3 TW 57.2 BCFM 1.3 DKT 0.3 OTHER HT
NOTES: Split 50/50 with James.		

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME	DEALER
UNLOAD 09/11/2008		TICKET NO.: 4690 DELIVERY NO.: BOL:
VENDOR: 1034 WIRTZ, JERRY 322 3RD AVE SW HANKINSON, ND, 58041	PRODUCER: CARRIER: BLK TRK JERRY WIRTZ	INBOUND DRIVER: JERRY ON SCALE TRUCK ID 3236333237
GROSS WT 83,620 LBS TARE WT 25,940 LBS NET WT 57,680 LBS	02:47 PM 02:54 PM 1,030.00 BU	YELLOW CORN U.S. No. 1 M 14.2 TW 56.5 BCFM 1.5 DKT 0.4 OTHER HT

NOTES: Split 50/50 with James.

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME	DEALER
UNLOAD 09/11/2008		TICKET NO.: 4693 DELIVERY NO.: BOL:
VENDOR: 1034 WIRTZ, JERRY 322 3RD AVE SW HANKINSON, ND, 58041	PRODUCER: CARRIER: BLK TRK JERRY WIRTZ	INBOUND DRIVER: JERRY ON SCALE TRUCK ID 3236333237
GROSS WT 85,300 LBS TARE WT 25,900 LBS NET WT 59,320 LBS	01:56 PM 02:04 PM 1,059.29 BU	YELLOW CORN U.S. No. 2 M 13.3 TW 55.5 BCFM 1.2 DKT 0.3 OTHER HT

NOTES: Split 50/50 with James.

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE		PRINTED AGENT NAME		DEALER	
UNLOAD	09/11/2008			TICKET NO. :	4605
VENDOR:		PRODUCER:		DELIVERY NO. :	
1034	WIRTZ, JERRY			BOL:	
322 3RD AVE SW		CARRIER:		INBOUND	
HANKINSON, ND, 58041		BLK TRK	JERRY WIRTZ	DRIVER: JERRY	ON
				SCALE	
				TRUCK ID	3236333237
GROSS WT	84,960 LBS	01:07 PM	YELLOW CORN	U.S. No. 1	
TARE WT	25,880 LBS	01:14 PM	M	14.2	
NET WT	59,080 LBS	1,055.00 BU	TW	57.1	
			BCFM	1.1	
			DKT	0.2 OTHER	
			HT		

NOTES: Split 50/50 with James.

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE		PRINTED AGENT NAME		DEALER	
UNLOAD	09/11/2008			TICKET NO. :	4675
VENDOR:		PRODUCER:		DELIVERY NO. :	
1034	WIRTZ, JERRY			BOL:	
322 3RD AVE SW		CARRIER:		INBOUND	
HANKINSON, ND, 58041		BLK TRK	JERRY WIRTZ	DRIVER: JERRY	ON
				SCALE	
				TRUCK ID	3236333237
GROSS WT	85,060 LBS	12:07 PM	YELLOW CORN	U.S. No. 1	
TARE WT	26,000 LBS	12:15 PM	M	14.3	
NET WT	59,060 LBS	1,054.64 BU	TW	57.1	
			BCFM	1.2	
			DKT	0.2 OTHER	
			HT		

NOTES: Split 50/50 with James.

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME		DEALER	
UNLOAD	09/11/2008		TICKET NO. :	4671
VENDOR:	PRODUCER:		DELIVERY NO. :	
1034 WIRTZ, JERRY			BOL :	
322 3RD AVE SW	CARRIER:		INBOUND	
HANKINSON, ND, 58041	BLK TRK JERRY WIRTZ		DRIVER: JERRY	ON
			SCALE	
			TRUCK ID	3236333237
GROSS WT	87,620 LBS	11:19 AM	YELLOW CORN	U.S. No. 1
TARE WT	26,000 LBS	11:26 AM	M	13.9
NET WT	61,620 LBS	1,100.36 BU	TW	56.9
			BCFM	1.1
			DKT	0.2 OTHER
			HT	

NOTES: Split 50/50 with James.

VeraSun Hankinson, LLC
 9230 County Road 1
 Hankinson, ND 58041
 Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME		DEALER	
UNLOAD	09/11/2008		TICKET NO. :	4662
VENDOR:	PRODUCER:		DELIVERY NO. :	
1034 WIRTZ, JERRY			BOL :	
322 3RD AVE SW	CARRIER:		INBOUND	
HANKINSON, ND, 58041	BLK TRK JERRY WIRTZ		DRIVER: JERRY	ON
			SCALE	
			TRUCK ID	3236333237
GROSS WT	86,120 LBS	10:14 AM	YELLOW CORN	U.S. No. 1
TARE WT	25,940 LBS	10:22 AM	M	14.8
NET WT	60,180 LBS	1,074.64 BU	TW	57.8
			BCFM	1.3
			DKT	0.2 OTHER
			HT	

NOTES: Split 50/50 with James.

** REPRINT **

VeraSun Hankinson, LLC
9230 County Road 1
Hankinson, ND 58041
Phone: (701) 242-9400

DRIVER SIGNATURE	PRINTED AGENT NAME	DEALER
UNLOAD 09/11/2008		TICKET NO. : 4655
VENDOR: 1034 WIRTZ, JERRY 322 3RD AVE SW HANKINSON, ND, 58041	PRODUCER: CARRIER: BLK TRK JERRY WIRTZ	DELIVERY NO. : BOL : INBOUND DRIVER: JERRY ON SCALE TRUCK ID 3236333237

GROSS WT	82,100 LBS	09:06 AM	YELLOW CORN	U.S. No. 2
TARE WT	25,960 LBS	09:16 AM	M	14.0
NET WT	56,140 LBS	1,002.50 BU	TW	56.9
			BCFM	1.0
			DKT	0.4 OTHER
			HT	

NOTES: Split 50/50 with James Wirtz.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:)	Chapter 11 Cases
VERASUN ENERGY CORPORATION., <i>et al.</i> ,)	<i>Jointly Administered</i>
Debtors)	Case No. 08-12606

**STIPULATION AND AGREED ORDER MODIFYING THE AUTOMATIC STAY TO
ALLOW NORTH DAKOTA PUBLIC SERVICE COMMISSION TO COMMENCE
STATE PROCEEDING**

VeraSun Energy Corporation ("VeraSun") and its affiliated debtors and debtors-in-possession (collectively, the "Debtors"), Liberty Mutual Insurance Company ("Liberty") and the North Dakota Public Service Commission (the "Commission"), acting through the undersigned counsel, hereby stipulate to the following:

A. On March 12, 2009, the Commission received a claim (the "Claim") against VeraSun Hankinson, LLC ("VeraSun Hankinson"), one of the Debtors herein, in which the claimant alleged he had not been paid in-full for grain purchased by VeraSun Hankinson and in which the claimant asked the Commission to take appropriate action in seeking recovery of the alleged unpaid amount under grain elevator warehouse bond number 674012345 issued by Liberty naming VeraSun Hankinson as principal and in the amount of \$380,000 (the "Bond").

B. On March 27, 2009, the Commission filed a Motion for Relief from Stay (the "Commission Motion") in which it sought an order lifting the automatic stay to allow the Commission to commence an action in North Dakota District Court, Southeast Judicial District against VeraSun Hankinson to secure the Commission's appointment as trustee under applicable

North Dakota law, and to maintain an action against Liberty under the Bond in accordance with applicable North Dakota law (Docket No. 924).

C. On August 27, 2009, Liberty filed an Objection to the Commission Motion (the "Liberty Objection") asserting that (i) Federal bankruptcy law preempts (procedurally) the state insolvency proceeding contemplated by the Commission's Motion, (ii) that this Court could determine the relative rights and interests of Liberty, the Commission, the Debtors and others under North Dakota law, and (iii) that the interests of judicial economy would not be served by allowing a parallel proceeding to move forward in North Dakota state court (Docket No. 1760).

D. Thereafter, the Commission and Liberty engaged in discussions concerning the issues raised by the Liberty Objection, including that the Commission does not formally evaluate the claims referenced in the Commission Motion until such time as the Commission secures its appointment as trustee under State law. In light of this, the Commission and Liberty agreed that the state insolvency proceeding contemplated by the Commission Motion should move forward on a limited basis to allow the Commission to file an action in North Dakota District Court, Southeast Judicial District, against VeraSun Hankinson, LLC for the limited purpose of (i) seeking the Commission's appointment as trustee under Chapter 60-04 of the North Dakota Century Code (the "State Court Proceeding") and, in furtherance of said appointment, (ii) allowing the Commission to take possession of relevant books and records of the warehouseman, issue and publish a notice of appointment and notice to file claims with the Commission, and evaluate claims presented to it within the statutory period prescribed by applicable North Dakota law.

E. The Commission has further agreed to provide the Debtors and Liberty with a copy of the Report and Recommendation of Trustee ("Report and Recommendation") that the

Commission prepares for filing with the North Dakota District Court, Southeast Judicial District, showing the Commission's recommendation on the amount and validity of each claim and the proposed distribution of the trust fund assets, including expenses incurred by the Commission in the administration of the insolvency. The Debtors have agreed to provide the Commission with such documents and records as may be reasonably requested by the Commission to assist the Commission in evaluating claims and preparing the Report and Recommendation. The Commission has agreed to provide the Debtors and Liberty with the Report and Recommendation and to seek further stay relief to the extent it seeks to take any further action in the State Court Proceeding based upon the Report and Recommendation.

F. NOW THEREFORE, in furtherance of the foregoing, the parties hereby stipulate and agree as follows:

1. The automatic stay imposed by 11 U.S.C. § 362 is hereby modified for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims with the Commission and, to enable the Commission to evaluate claims presented to it as prescribed by applicable North Dakota law.

2. The Debtors have agreed to provide the Commission with such documents and records as may be reasonably requested by the Commission to assist the Commission in evaluating claims and preparing the Commission's Report and Recommendation. The Commission shall provide the Debtors and Liberty with a copy of the Commission's Report and Recommendation. The Commission shall be required to seek further stay relief to the extent it seeks to take any further action in the State Court Proceeding, including the filing of the Report

and Recommendation, the joinder of Liberty as a party thereto, and the deposit of bond proceeds deemed necessary, based upon the Report and Recommendation.

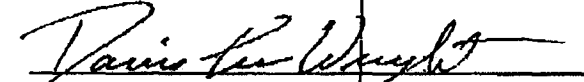
3. Nothing herein shall be deemed an admission by any of the parties as to the validity of any claim or claims against the Debtors, under the Bond or otherwise arising under applicable bankruptcy and non-bankruptcy law, it being understood that except to the extent of the limited stay relief granted herein, all claims, arguments, remedies and defenses of the parties are expressly reserved without limitation or prejudice.

4. This Court shall retain jurisdiction over any matter concerning this Order, or the relief granted herein.

STIPULATED AND AGREED:

Dated: September 11, 2009.

SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP

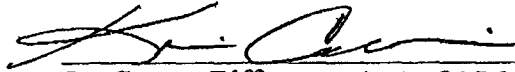

Mark S. Chehi (I.D. No. 2855)

Davis Lee Wright (I.D. No. 4324)
Skadden, Arps, Slate, Meagher & Flom LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899
(302) 651-3000

- and -

Felicia Perlman
John K. Lyons
Peter E. Krebs
155 North Wacker Drive
Chicago, IL 60606
(312) 407-0700
COUNSEL FOR THE DEBTORS

BIFFERATO LLC



Ian Connor Bifferato (No. 3273)

Kevin G. Collins (No. 5149)

800 N. King St., First Floor

Wilmington, DE 19801

Tel.: (302) 429-1900

Fax: (302) 429-8600

cbifferato@bifferato.com

kcollins@bifferato.com

and

Michael E. Collins (Tenn. Bar No. 16036)

Scott C. Williams (Tenn. Bar No. 021757)

MANIER & HEROD,

a Tennessee professional corporation

150 4th Ave. North, Suite 2200

Nashville, TN 37219

Tel.: (615) 244-0030

Fax: (615) 242-4203

tpennington@manierherod.com

swilliams@manierherod.com

ATTORNEYS FOR LIBERTY

MUTUAL INSURANCE COMPANY



Illona A. Jeffcoat-Sacco

Annette Bendish

Special Assistant Attorneys General

State Capitol – 12th Floor

600 E. Boulevard Ave – Dept. 408

Bismark, ND 58505-0480

Tel.: (701) 328-2400

ATTORNEYS FOR THE NORTH

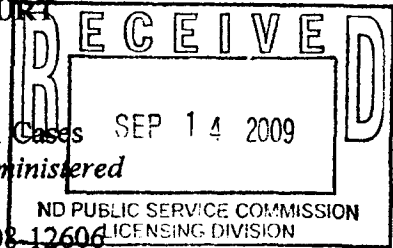
DAKOTA PUBLIC SERVICE

COMMISSION

Dated: _____, 2009
Wilmington, Delaware

The Honorable Brendan L. Shannon
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE



In re:)
)
VERASUN ENERGY CORPORATION., *et al.*,)
)
Debtors)

Chapter 11 Cases
Jointly Administered
Case No. 08-12606

STIPULATION AND AGREED ORDER MODIFYING THE AUTOMATIC STAY TO
ALLOW NORTH DAKOTA PUBLIC SERVICE COMMISSION TO COMMENCE
STATE PROCEEDING

VeraSun Energy Corporation ("VeraSun") and its affiliated debtors and debtors-in-possession (collectively, the "Debtors"), Liberty Mutual Insurance Company ("Liberty") and the North Dakota Public Service Commission (the "Commission"), acting through the undersigned counsel, hereby stipulate to the following:

A. On March 12, 2009, the Commission received a claim (the "Claim") against VeraSun Hankinson, LLC ("VeraSun Hankinson"), one of the Debtors herein, in which the claimant alleged he had not been paid in-full for grain purchased by VeraSun Hankinson and in which the claimant asked the Commission to take appropriate action in seeking recovery of the alleged unpaid amount under grain elevator warehouse bond number 674012345 issued by Liberty naming VeraSun Hankinson as principal and in the amount of \$380,000 (the "Bond").

B. On March 27, 2009, the Commission filed a Motion for Relief from Stay (the "Commission Motion") in which it sought an order lifting the automatic stay to allow the Commission to commence an action in North Dakota District Court, Southeast Judicial District against VeraSun Hankinson to secure the Commission's appointment as trustee under applicable

North Dakota law, and to maintain an action against Liberty under the Bond in accordance with applicable North Dakota law (Docket No. 924).

C. On August 27, 2009, Liberty filed an Objection to the Commission Motion (the "Liberty Objection") asserting that (i) Federal bankruptcy law preempts (procedurally) the state insolvency proceeding contemplated by the Commission's Motion, (ii) that this Court could determine the relative rights and interests of Liberty, the Commission, the Debtors and others under North Dakota law, and (iii) that the interests of judicial economy would not be served by allowing a parallel proceeding to move forward in North Dakota state court (Docket No. 1760).

D. Thereafter, the Commission and Liberty engaged in discussions concerning the issues raised by the Liberty Objection, including that the Commission does not formally evaluate the claims referenced in the Commission Motion until such time as the Commission secures its appointment as trustee under State law. In light of this, the Commission and Liberty agreed that the state insolvency proceeding contemplated by the Commission Motion should move forward on a limited basis to allow the Commission to file an action in North Dakota District Court, Southeast Judicial District, against VeraSun Hankinson, LLC for the limited purpose of (i) seeking the Commission's appointment as trustee under Chapter 60-04 of the North Dakota Century Code (the "State Court Proceeding") and, in furtherance of said appointment, (ii) allowing the Commission to take possession of relevant books and records of the warehouseman, issue and publish a notice of appointment and notice to file claims with the Commission, and evaluate claims presented to it within the statutory period prescribed by applicable North Dakota law.

E. The Commission has further agreed to provide the Debtors and Liberty with a copy of the Report and Recommendation of Trustee ("Report and Recommendation") that the

Commission prepares for filing with the North Dakota District Court, Southeast Judicial District, showing the Commission's recommendation on the amount and validity of each claim and the proposed distribution of the trust fund assets, including expenses incurred by the Commission in the administration of the insolvency. The Debtors have agreed to provide the Commission with such documents and records as may be reasonably requested by the Commission to assist the Commission in evaluating claims and preparing the Report and Recommendation. The Commission has agreed to provide the Debtors and Liberty with the Report and Recommendation and to seek further stay relief to the extent it seeks to take any further action in the State Court Proceeding based upon the Report and Recommendation.

F. NOW THEREFORE, in furtherance of the foregoing, the parties hereby stipulate and agree as follows:

1. The automatic stay imposed by 11 U.S.C. § 362 is hereby modified for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims with the Commission and, to enable the Commission to evaluate claims presented to it as prescribed by applicable North Dakota law.

2. The Debtors have agreed to provide the Commission with such documents and records as may be reasonably requested by the Commission to assist the Commission in evaluating claims and preparing the Commission's Report and Recommendation. The Commission shall provide the Debtors and Liberty with a copy of the Commission's Report and Recommendation. The Commission shall be required to seek further stay relief to the extent it seeks to take any further action in the State Court Proceeding, including the filing of the Report

and Recommendation, the joinder of Liberty as a party thereto, and the deposit of bond proceeds deemed necessary, based upon the Report and Recommendation.

3. Nothing herein shall be deemed an admission by any of the parties as to the validity of any claim or claims against the Debtors, under the Bond or otherwise arising under applicable bankruptcy and non-bankruptcy law, it being understood that except to the extent of the limited stay relief granted herein, all claims, arguments, remedies and defenses of the parties are expressly reserved without limitation or prejudice.

4. This Court shall retain jurisdiction over any matter concerning this Order, or the relief granted herein.

STIPULATED AND AGREED:

Dated: September 11, 2009.

**SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP**



Mark S. Chehi (I.D. No. 2855)

Davis Lee Wright (I.D. No. 4324)

Skadden, Arps, Slate, Meagher & Flom LLP

One Rodney Square

P.O. Box 636

Wilmington, DE 19899

(302) 651-3000

- and -

Felicia Perlman

John K. Lyons

Peter E. Krebs

155 North Wacker Drive

Chicago, IL 60606

(312) 407-0700

COUNSEL FOR THE DEBTORS

BIFFERATO LLC



Ian Connor Bifferato (No. 3273)
Kevin G. Collins (No. 5149)
800 N. King St., First Floor
Wilmington, DE 19801
Tel.: (302) 429-1900
Fax: (302) 429-8600
cbifferato@bifferato.com
kcollins@bifferato.com

and

Michael E. Collins (Tenn. Bar No. 16036)
Scott C. Williams (Tenn. Bar No. 021757)
MANIER & HEROD,
a Tennessee professional corporation
150 4th Ave. North, Suite 2200
Nashville, TN 37219
Tel.: (615) 244-0030
Fax: (615) 242-4203
tpennington@manierherod.com
swilliams@manierherod.com
**ATTORNEYS FOR LIBERTY
MUTUAL INSURANCE COMPANY**



Ilona A. Jeffcoat-Sacco
Annette Bendish
Special Assistant Attorneys General
State Capitol - 12th Floor
600 E. Boulevard Ave - Dept. 408
Bismark, ND 58505-0480
Tel.: (701) 328-2400
**ATTORNEYS FOR THE NORTH
DAKOTA PUBLIC SERVICE
COMMISSION**

Dated: September 14, 2009
Wilmington, Delaware



The Honorable Brendan L. Shannon
United States Bankruptcy Judge

STATE OF NORTH DAKOTA
COUNTY OF RICHLAND

IN DISTRICT COURT
SOUTHEAST JUDICIAL DISTRICT

Public Service Commission)
)
 Petitioner,)
)
 vs.)
)
 VeraSun Hankinson, LLC)
)
 Respondent.)

)
 PSC Case No. GE-09-104)
_____)

CIVIL NO. _____

**AFFIDAVIT OF
SUSAN K. RICHTER**

STATE OF NORTH DAKOTA)
)
)**ss**
COUNTY OF BURLEIGH)

Susan K. Richter being duly sworn states as follows:

1. That she is a citizen of the United States of America, of legal age, residing at Bismarck, North Dakota.
2. That she is the Director of the Licensing Division for the Public Service Commission (Commission) and as such is charged with the duty of enforcing the provisions of North Dakota Century Code Chapter 60-04.
3. That on March 12, 2009, the Commission received a letter from attorney John Bullis representing Keith Saunders, P.O. Box 275, Wahpeton, ND 58074-0275, and on August 4, 2009, the Commission received a letter from James Wirtz, 17275

95th St. SE, Fairmount, ND 58030, each setting forth a claim against VeraSun Hankinson, LLC for collection of outstanding funds owed.

4. That affiant believes that there could be additional outstanding obligations for unpaid claims for grain sold to VeraSun Hankinson, LLC under North Dakota Century Code Chapter 60-02 for which bond protection is available under the provisions of North Dakota Century Code § 60-02-09 and for any credit-sale contracts for which protection is available from the credit-sale contract indemnity fund under North Dakota Century Code §§ 60-10-04 and 60-10-05.
5. That VeraSun Hankinson, LLC is insolvent under North Dakota Century Code Chapter 60-04, in that it is unable upon proper demand to make payment for grain purchased or make redelivery for grain delivered.
6. That on March 27, 2009, the Commission filed a Motion for Relief From Stay with Bankruptcy Court. The matter was scheduled for hearing on May 7, 2009, and thereafter it was continued to subsequent hearings.
7. That on June 24, 2009, the Commission issued an order canceling warehouse license number 1196 and ordered that VeraSun Hankinson, LLC shall not conduct any further business under license number 1196.
8. That on August 27, 2009, Liberty Mutual Insurance Company, the surety, filed with Bankruptcy Court an Objection of Liberty Mutual Insurance Company to Motion for Relief From Stay Filed by North Dakota Public Service Commission.
9. That prior to September 11, 2009, the Commission entered into a Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service

Commission to Commence State Proceeding. On September 11, 2009, this Stipulation and Agreed Order Modifying Automatic Stay was filed with the Bankruptcy Court.

10. That on September 14, 2009, the United State Bankruptcy Judge signed the Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service Commission to Commence State Proceeding.
11. That the Stipulation and Agreed Order Modifying Automatic Stay provides that the automatic stay be lifted to the extent necessary for the Commission to commence these proceedings in state district court for appointment as trustee and, once appointed, to publish notice, investigate potential claims, and prepare a draft Report and Recommendation of Trustee.
12. That the Commission is legally entitled to be appointed trustee of the trust fund provided under North Dakota Century Code Chapter 60-04.
13. That bond proceeds may be needed to redeem outstanding receipts issued by VeraSun Hankinson, LLC.
14. That the Commission agreed in the stipulation that was filed with Bankruptcy Court that the Commission would only ask for relief from the automatic stay for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the N.D.C.C., issue and publish a notice of appointment and notice to file claims, and enable the Commission to evaluate any claims filed as prescribed by applicable North Dakota law. The Commission also agreed that after evaluating claims filed, it would

prepare a draft Report and Recommendation of Trustee and provide that draft to Liberty Mutual Insurance Company and VeraSun Energy Corporation.

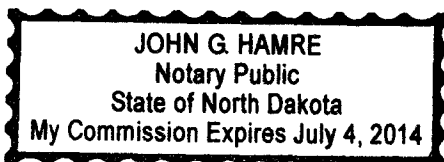
15. That consistent with the terms to which the Commission agreed in the stipulation filed with Bankruptcy Court and the subsequent Bankruptcy Court Order, the Commission is not asking this Court to join the bonding company as a party to the insolvency proceeding at this time.
16. That proceeds from the credit-sale contract indemnity fund may be needed to meet the licensee's obligations to any holders of credit-sale contracts.
17. That affiant believes that it is in the public interest to immediately appoint the Commission as trustee.
18. That the affidavit is made for the limited purpose of allowing the Commission to take action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims with the Commission, and enable the Commission to evaluate claims presented to it as prescribed by applicable North Dakota law, and prepare a draft Report and Recommendation of Trustee.

Bismarck, North Dakota, this **5th day of October, 2009.**

Susan H. Richter

Subscribed and sworn to me this **5th day of October, 2009.**

S E A L



John G. Hamre
Notary Public

STATE OF NORTH DAKOTA
COUNTY OF RICHLAND

IN DISTRICT COURT
SOUTHEAST JUDICIAL DISTRICT

_____)	
Public Service Commission)	CIVIL NO. _____
)	
Petitioner,)	
)	
vs.)	BRIEF IN SUPPORT OF
)	APPLICATION FOR
VeraSun Hankinson, LLC)	APPOINTMENT AS TRUSTEE
)	
Respondent.)	
_____)	
)	
PSC Case No. GE-09-104)	
_____)	

The Public Service Commission (Commission) has jurisdiction over public grain warehouses under North Dakota Century Code Chapters 60-02 and 60-04, which provides for the appointment of the Commission as trustee of the assets of a public warehouse upon the filing of a notice with the Commission that the public warehouseman has defaulted in the payment for grain purchased by the public grain warehouseman.

The Commission received claims from attorney John Bullis representing Keith Saunders, P.O. Box 275, Wahpeton, ND 58074-0275 and from James Wirtz, 17275 95th St. SE, Fairmount, ND 58030, each setting forth a claim against VeraSun Hankinson, LLC for collection of outstanding funds owed. VeraSun Hankinson, LLC is unable, upon proper demand, to pay for grain purchased.

The Commission is informed and has reason to believe that there are outstanding obligations for unpaid claims for grain sold to VeraSun Hankinson, LLC as a

public warehouseman under North Dakota Century Code Chapter 60-02 for which bond protection is available under the provisions of North Dakota Century Code § 60-02-09 and for any credit-sale contracts for which protection is available from the credit-sale contract indemnity fund under North Dakota Century Code §§ 60-10-04 and 60-10-05.

It is in the best interests of all claimants that the Commission be appointed Trustee, and be given the powers under North Dakota Century Code Chapters 60-04 and 60-10 so that all claimants will be treated fairly.

At the time the Commission received the claims, VeraSun Hankinson, LLC, as a subsidiary or affiliate of VeraSun Energy Corporation had already filed a Petition for Reorganization under Chapter 11 of the United States Bankruptcy Court for the District of Delaware (Bankruptcy Court). Consequently, the Commission filed a Motion for Relief From Stay with Bankruptcy Court. The matter was scheduled for hearing on May 7, 2009, and thereafter it was continued to subsequent hearings.

Liberty Mutual Insurance Company, the surety, filed with Bankruptcy Court an Objection of Liberty Mutual Insurance Company to Motion for Relief From Stay Filed by North Dakota Public Service Commission.

The Commission entered into a Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service Commission to Commence State Proceeding. This Stipulation and Agreed Order Modifying Automatic Stay was filed with the Bankruptcy Court.

The United State Bankruptcy Judge signed the Stipulation and Agreed Order Modifying the Automatic Stay to Allow North Dakota Public Service Commission to Commence State Proceeding.

The Stipulation and Agreed Order Modifying Automatic Stay provides that the automatic stay be lifted to the extent necessary for the Commission to commence these proceedings in state district court for appointment as trustee and, once appointed, to publish notice, investigate potential claims, and prepare a draft Report and Recommendation of Trustee.

Upon the insolvency, the Commission has the authority under North Dakota Century Code § 60-10-05 to make payment to any person who sold grain to the licensee under a credit-sale contract and who was not fully compensated under the contract.

The Court has jurisdiction under North Dakota Century Code § 60-04-03, which provides for the filing of this action in the District Court, Southeast Judicial District.

Bismarck, North Dakota, this **5th day of October, 2009.**

Respectfully submitted,



Illona A. Jeffcoat-Sacco (ID#03315)
Annette Bendish (ID#05790)
Special Assistant Attorneys General
Public Service Commission
State Capitol – 12th Floor
600 E Boulevard Ave – Dept 408
Bismarck, North Dakota 58505-0480
701-328-2400

Attorneys for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF RICHLAND

SOUTHEAST JUDICIAL DISTRICT

_____)
Public Service Commission)
) **Petitioner,**)
))
vs.)
))
VeraSun Hankinson, LLC)
) **Respondent.**)
_____)
))
PSC Case No. GE-09-104)
_____)

CIVIL NO. _____

**NOTICE OF APPLICATION
FOR APPOINTMENT AS
TRUSTEE**

**TO: Joel West, Vice President of Risk Management, VeraSun Hankinson, LLC,
110 North Minnesota Avenue, Suite 300, Sioux Falls, SD 57104-6440**

**CT Corporation System, Registered Agent for VeraSun Hankinson, LLC,
P.O. Box 400, Bismarck, ND 58502**

**John Bullis, Attorney for claimant Keith Saunders, P.O. Box 275, Wahpeton,
ND 58074-0275**

James Wirtz, claimant, 17275 95th St. SE, Fairmount, ND 58030

**Ian Connor Bifferato and Kevin G. Collins, Attorneys for Liberty Mutual
Insurance Company, Bifferato, LLC, 800 North King Street, First Floor,
Wilmington, DE 19801**

**Michael E. Collins and Scott C. Williams, Attorneys for Liberty Mutual
Insurance Company, Manier & Herod, 150 4th Avenue North, Suite 2200,
Nashville, TN 37219**

**Adam W. Hamm, Insurance Commissioner, State Capitol – 5th Floor, 600 East
Boulevard Avenue, Bismarck, ND 58505-0320**

**Mark S. Chehi, Davis L. Wright, Megan E. Cleghorn and Jason M. Liberi,
Attorneys for VeraSun Energy Corporation, Skadden, Arps, Slate, Meagher
& Flom, LLP, One Rodney Square, PO Box 636, Wilmington, DE 19899**

Timothy R. Pohl, Felicia Gerber Perlman and John K. Lyons, Attorneys for VeraSun Energy Corporation, Skadden, Arps, Slate, Meagher & Flom, LLP, 333 West Wacker Drive, Chicago, IL 60606


Frankie E. Cooley, Attorney in Fact, Liberty Mutual Insurance Company, 6800 College Boulevard, Suite 701, Overland Park, KS 66211

Office of the US Trustee, Attn: Mary Kenney, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19802

PLEASE TAKE NOTICE that the Public Service Commission, Movant in the above proceeding, respectfully moves the Court for an order appointing the Public Service Commission Trustee for VeraSun Hankinson, LLC for the limited purpose of allowing the Commission to take such action as may be required to secure its appointment as trustee under Chapter 60-04 of the North Dakota Century Code, issue and publish a notice of appointment and notice to file claims with the Commission, enable the Commission to evaluate claims presented to it as prescribed by applicable North Dakota law, and prepare a draft Report and Recommendation of Trustee. The application, affidavit and brief in support of the application are attached to this notice and by reference made a part hereof.

YOU ARE HEREWITH NOTIFIED that the attached Application for Appointment as Trustee has been submitted to the Court pursuant to Rule 3.2 of the North Dakota Rules of Court. The motion will be decided on briefs unless oral argument is timely requested. You have ten (10) days after the service of the Notice to file your response and other supporting papers.

Bismarck, North Dakota, this **5th day of October, 2009.**

A handwritten signature in black ink, appearing to read "Illona A. Jeffcoat-Sacco". The signature is fluid and cursive, with a large initial "I" and "A".

Illona A Jeffcoat-Sacco (ID#03315)

Annette Bendish (ID#05790)

Special Assistant Attorneys General

Public Service Commission

State Capitol – 12th Floor

600 E Boulevard Ave – Dept 408

Bismarck, North Dakota 58505-0480

701-328-2400

Attorneys for the Public Service Commission

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF RICHLAND

SOUTHEAST JUDICIAL DISTRICT

Public Service Commission

CIVIL NO. _____

Petitioner,

vs.

AFFIDAVIT OF SERVICE
BY CERTIFIED MAIL

VeraSun Hankinson, LLC

Respondent.

PSC Case No. GE-09-104

STATE OF NORTH DAKOTA)

)ss

COUNTY OF BURLEIGH)

John Hamre deposes and says that:

he is over the age of 18 years and not a party to this action and, on the **5th day of October, 2009**, he deposited in the United States Mail, Bismarck, North Dakota, **12 envelopes** with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

1. Application for Appointment as Trustee
2. Affidavit of Susan K. Richter
3. Brief in Support of Application for Appointment as Trustee
4. Notice of Application for Appointment as Trustee
5. Affidavit of Service by Certified Mail

The envelopes were addressed as follows:

Joel West, Vice President of Risk Management
VeraSun Hankinson, LLC
110 North Minnesota Avenue Suite 300
Sioux Falls, SD 57104-6440
Cert. No. 7008 2810 0000 4606 7313

C T Corporation System
VeraSun Hankinson, LLC's Registered Agent
P.O. Box 400
Bismarck, ND 58502
Cert. No. 7008 2810 0000 4606 7320

Ian Connor Bifferato
Kevin G. Collins
Bifferato LLC
Attys for Liberty Mutual Insurance Company
800 N. King St., First Floor
Wilmington, DE 19801
Cert. No. 7008 2810 0000 4606 7337

Michael E. Collins
Scott C. Williams
Manier & Herod
Attys for Liberty Mutual Insurance Company
150 4th Ave. North, Suite 2200
Nashville, TN 37219
Cert. No. 7008 2810 0000 4606 7351

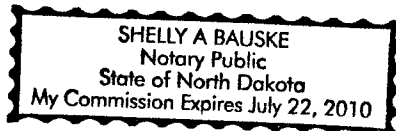
Adam W. Hamm
State Capitol – 5th Floor
600 East Boulevard Avenue
Bismarck, ND 58505-0320
Cert. No. 7008 2810 0000 4606 7375

James Wirtz
17275 95 R St SE
Fairmount, ND 58030
Cert. No. 7008 2810 0000 4606 4886

Office of the US Trustee
Attn: Mary Kenney
844 King Street, Suite 2207
Lockbox 35
Wilmington, DE 19801
Cert. No. 7008 2810 0000 4606 4909

Subscribed and sworn to before me
this **5th day of October, 2009.**

SEAL



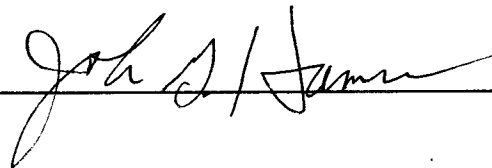
Mark S. Chehi, Esquire
Davis L. Wright, Esquire
Megan E. Cleghorn, Esquire
Jason M. Liberi, Esquire
Skadden, Arps, Slate, Meagher & Flom LLP
Attys for VeraSun Energy Corporation
One Rodney Square
P.O. Box 636
Wilmington, DE 19899
Cert. No. 7008 2810 0000 4606 7344

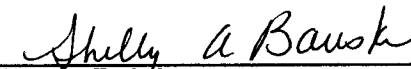
Timothy R. Pohl, Esquire
Felicia Gerber Perlman, Esquire
John K. Lyons, Esquire
Attys for VeraSun Energy Corporation
Skadden, Arps, Slate, Meagher & Flom LLP
333 West Wacker Drive
Chicago, IL 60606
Cert. No. 7008 2810 0000 4606 7368

John Bullis, Attorney
P.O. Box 275
Wahpeton, ND 58074-0275
Cert. No. 7008 2810 0000 4606 4879

Frankie E. Cooley
Liberty Mutual Insurance Company
6800 College Boulevard, Suite 701
Overland Park, KS 66211
Cert. No. 7008 2810 0000 4606 4893

Dennis A. Meloro, Esquire
Donald J. Detweiler, Esquire
Monica Loftin Townsend, Esquire
Sandra G.M. Selzer, Esquire
Greenberg Traurig
The Nemours Building
1007 North Orange Street, Suite 1200
Wilmington, DE 19801
Cert. No. 7008 2810 0000 4606 7405





Notary Public