



Brian L Busby/Kdhe
12/08/2008 08:55 AM

To Everett Spellman/Kdhe@Kdhe
cc
bcc
Subject Fw: Follow up on Koch Nitrogen Name Change

Another note.

— Forwarded by Brian L Busby/Kdhe on 12/08/2008 08:55 AM ----



Mostafa Kamal/Kdhe
12/05/2008 09:27 AM

To "Merrigan, Jessie" <JMerrigan@LathropGage.com>
cc SahatjiL@kochind.com, Brian L Busby/Kdhe@Kdhe,
NUlrich@kdhe.state.ks.us@kdhe
Subject Re: Follow up on Koch Nitrogen Name Change

We can probably call you around 9:45 this morning. Please forward your call number. Thanks

Mostafa Kamal, PE, CPM
Chief, Hazardous Waste Permits Section
Phone: 785-296-1609
Fax: 785-296-1592
email: mkamal@kdhe.state.ks.us
"Merrigan, Jessie" <JMerrigan@LathropGage.com>



"Merrigan, Jessie"
<JMerrigan@LathropGage.com>
m>
12/04/2008 04:42 PM

To <mkamal@kdhe.state.ks.us>
cc <SahatjiL@kochind.com>
Subject Follow up on Koch Nitrogen Name Change

Good afternoon Mostafa,

Thank you for taking the time to talk with me this afternoon about the potential change in the name and corporate form of Koch Nitrogen. As we discussed, this is very time sensitive so we would like to work with KDHE to get any questions answered as soon as possible. It is very important to Koch that this proceed in a manner consistent with the requirements for the Dodge City RCRA Permit. You had requested an organizational chart showing the proposed change. I have attached a document that shows the current structure and the change that has been proposed. I hope this is helpful for your review. As we discussed, this is a change in corporate form that is being done for tax purposes - there is no operational change and no modification of the control over the facility.

We would like to structure this change in a manner that would be consistent with KDHE's Class I Administrative Change - since that is the only way we can succeed in meeting the company's year-end deadline. I understand that KDHE must satisfy its background check

RCRA



531863

requirement. Since the soon-to-be-created "Koch Nitrogen Company LLC" is the only new entity in the structure, I would propose submitting a business concern disclosure statement for that new entity (pre-merger) to obtain KDHE's approval.

Perhaps we could have a short call with you, me, Koch's counsel Laurie Sahatjian and Brian Busby to discuss what KDHE will need so that we can start on that right away. My morning tomorrow is wide open (since our other meeting was cancelled) and that would work for us if that gives you enough time to review this and talk with Brian.

We really appreciate your help on this. Please let me know if you have any questions.

Thank you,
Jessie Merrigan

Jessica E. Merrigan
Lathrop & Gage L.C.
2345 Grand Blvd, Suite 2800
Kansas City, MO 64108
phone (816) 460-5706
fax (816) 292-2001
jmerrigan@lathropgage.com

<<HUMMDMLIB02-#202157-v1-KNC_proposed_restructure.pdf>>

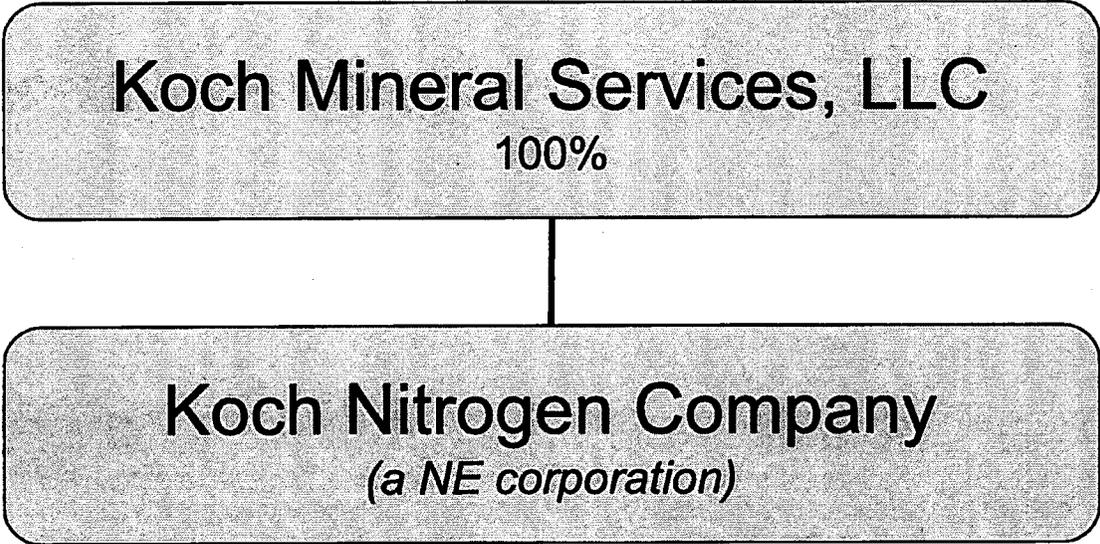
WE ARE INCLUDING THE FOLLOWING SENTENCE TO COMPLY WITH TREASURY REGULATIONS. ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS COMMUNICATION (INCLUDING ANY ATTACHMENTS OR ENCLOSURES) WAS NOT INTENDED OR WRITTEN BY THE AUTHOR TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF (1) AVOIDING PENALTIES THAT MAY BE IMPOSED ON A TAXPAYER OR (2) PROMOTING, MARKETING, OR RECOMMENDING TO ANOTHER PARTY ANY TRANSACTION OR OTHER MATTER ADDRESSED HEREIN.

This e-mail (including any attachments) may contain material that (1) is confidential and for the sole use of the intended recipient, and (2) may be protected by the attorney-client privilege, attorney work product doctrine or other legal rules. Any review, reliance or distribution by others or forwarding without express permission is strictly prohibited. If you are not the intended recipient, please contact the sender and delete all copies.

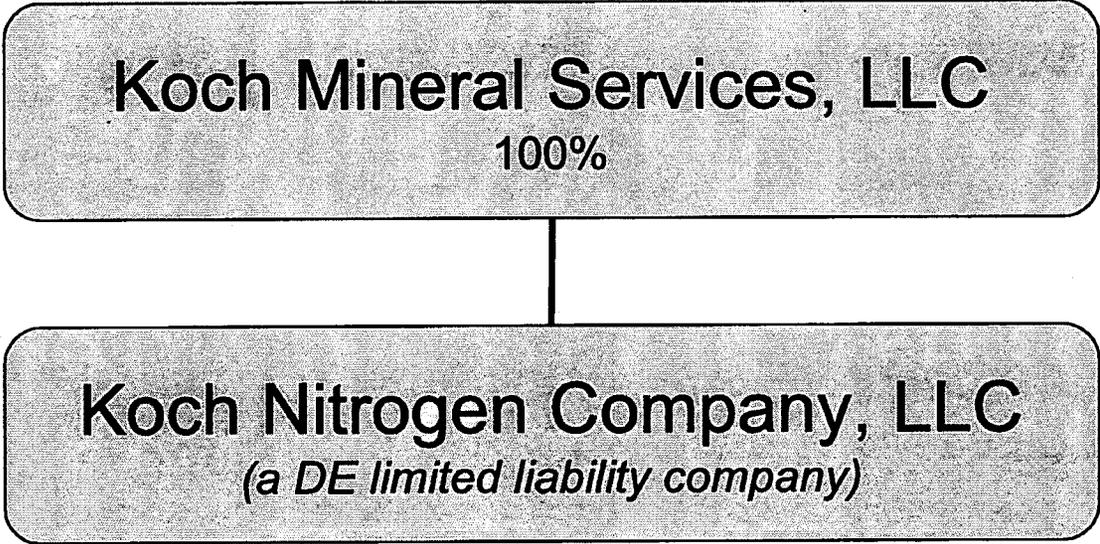


HUMMDMLIB02-#202157-v1-KNC_proposed_restructure.pdf

Current Ownership Structure for Koch Nitrogen Company



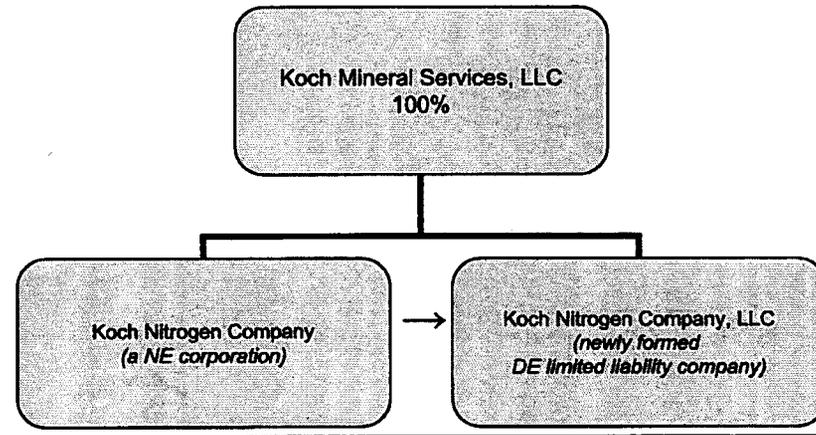
Tentative Proposed Ownership Structure for Koch Nitrogen Company, LLC



Tentative Proposed Transaction

- Transaction
 - Step 1. Koch Nitrogen Company, LLC is created as a wholly-owned subsidiary of Koch Mineral Services, LLC
 - Step 2. Koch Nitrogen Company (a NE corporation) merges into Koch Nitrogen Company, LLC
- After
 - Koch Nitrogen Company, LLC is the successor to Koch Nitrogen Company and by operation of law, becomes the owner and obligor with respect to the assets and liabilities of Koch Nitrogen Company.
 - The shareholder (KMS) and company management remain the same as before the transaction.

Transaction



After

