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STUART RABNER
Attorney General

November 8, 2006

By Electronic and First-Class Mail

Ralph J. Lancaster, Jr.
Pierce Atwood
One Monument Square
Portland, Maine 04101

Re: State of New Jersey v. State of Delaware
No. 134, Original

Dear Mr. Lancaster:

Pursuant to the Case Management Plan, New Jersey respectfully submits this Progress Report. Since the case management conference of September 6, 2006, New Jersey has done the following:

1. Completed depositions of Delaware's fact witnesses.
2. Continued to supplement its discovery responses.
3. Produced documents for Delaware's inspection last week and this past Monday.

New Jersey is preparing to send its expert reports to Delaware, and is not aware of any outstanding discovery or other issues.

New Jersey and Delaware have conferred with respect to oral argument on dispositive motions, and are in agreement that Philadelphia would be an ideal location and that oral argument should take place at the location that is most convenient for the special master. New Jersey believes it would be appropriate to set



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aside one day for argument, with equal time for each State, as a conservative measure. However, we not sure at this time that a full day for argument will in fact be needed.

Respectfully,

STUART RABNER
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