



State of North Carolina

Department of Justice
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REPLY TO: Christopher G. Browning, Jr.
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ROY COOPER
ATTORNEY GENERAL

April 23, 2008

By e-mail and first class mail

Special Master Kristin L. Myles
Munger, Tolles & Olson, LLP
560 Mission Street
27th Floor
San Francisco, CA 94015

RE: ***South Carolina v. North Carolina, No. 138, Original; North Carolina's Progress Report No. 3***

Dear Special Master Myles:

North Carolina and South Carolina have had several conference calls with respect to a proposed Case Management Plan and have exchanged various drafts in connection with those calls. North Carolina and South Carolina have reached tentative agreement with respect to some aspects of the Case Management Plan. We have not, however, been able to reach agreement with respect to certain other aspects of a Case Management Plan (e.g., length of the discovery period; statement of the issues for resolution in Phase I and II). North Carolina notes that the items upon which North Carolina and South Carolina have been unable to reach agreement will be substantially impacted by the Special Master's ruling with respect to the scope of the bill of complaint.

North Carolina and South Carolina are currently working toward submitting to the Special Master a proposed Case Management Plan with respect to those items in which the parties are in agreement. North Carolina further notes that it believes that the scope and nature of discovery will be guided substantially by the Special Master's rulings with respect to the scope of the bill of complaint, as well as the pending intervention motions.

Sincerely,

A handwritten signature in black ink that reads "Chris Browning".

Christopher G. Browning, Jr.
Solicitor General

cc: All Counsel of Record