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JUL - 3 2014

RESPONSES AS TO THE DISMANTLING OF THE RT. 504 GAS PIPELINE PUBLIC SERVICE COMMISSION

1. Based upon a directive by the State Fire Marshall's Office as well as representations made by Dale Stevens and Liddie Lewis to the Commission Staff at an informal conference on April 9, 2014, every pipeline transporting natural gas from wells owned or operated or managed by Rt. 504 Gas Line were to be removed by May 1, 2014

Response: As stated, at the April 9, 2014 informal conference, a phone call was received on March 31, 2014 from House Majority Leader Rocky Adkins stating that he had received an extension for the gas line to remain in effect until May 1, 2014. The placing of burn pipes, to dispose of the natural gas began and the connection of Miriam Andrews/Conley House to a well located nearest her property began at or around the middle of May. Activities were prioritized and completed in the following order. A burn pipe was erected the third week of March on the Pennington Oil Property to accommodate 3 wells. On May 1, 2014 the Rt. 504 Gas line was severed at each end, located on the oil property, and plugged off. No homes were connected to the gas pipe on the Pennington property thus terminating gas to all end users.

During the during the 2nd and 3rd week of May, the Conleys began constructing a gas pipeline from the well nearest their property. Under the supervision of Dale Stevens a yellow gas pipe was buried at the required depth from the well to a drip tank. All fittings at the drip tank were metal. From the drip tank to the Conley property a 2" steel line was laid on the surface. Once on the Conley property a 1" yellow plastic gas pipe was buried, at the required depth, and ran for approximately 1100'. At this point a 2" metal pipe was used to transport gas through a culvert near their home. I then instructed the Conleys, as how to finish their line to their gas regulator and I left them to complete the work. Yellow plastic of 1" in size was connected to the metal pipe leaving the culvert to their gas regulator.

Construction of burn pipes began with the next one place on the Smith property to accommodate that well with another shortly placed on the right hand side of Rt. 504, as you proceed westward to accommodate a well located there. At or around the first week of June work began dismantling gas line leading from the wells to the main line located parallel to Rt. 504. By June 30, 2014 burn pipes were erected at all wells, lines leading from the wells to the main line were terminated and pipe used for transporting gas NOT located on the Pennington oil property were removed. Pipe located on the Whitt property, beginning at the D. Barker Road proceeding westward was taken up and placed on the Pennington oil property. On June 30, 2014 the last of the pipeline was removed from Greg Banas Road proceeding westward on Rt. 504 and placed on the property of Dale Stevens thus terminating any possibility of gas being delivered to end user other than Miriam Andrews/Conley home. There is no monetary compensation for the provision of gas to the Conley home nor will there ever be. I will include a map, not drawn to scale, to indicate locations and east west directions.

2014-00063

a. Describe the location of every well that is owned operated or managed by Rt. 504 Gas Line in or around Elliott County.

Response: Please see attached map. For the purpose of this document all active wells will be numbered 1 thru 8.

b. Has the removal of every pipeline used to transport natural gas, or natural gas by-products, from these well be completed? If so, describe when and how this was accomplished.

Response: Please see the above response on page 1, paragraph 3, as to the order of removal and as to how it was removed Dale Stevens and Charlie Porter, worker, removed the pipe by cutting it into varying lengths, drilling a hole at the end of the pipe, and placing nylon straps to the pips and dragging it to the storage location by Mr. Stevens work vehicle. Work began at or around the first week of June and concluded on June 30, 2014.

c. Has the State Fire Marshall's office conducted an inspection since May 1, 2014, to verify the removal of all pipelines transporting natural gas or natural gas by-products from these wells? If so, when did this inspection occur? If not, has a follow-up inspection been scheduled?

Response: To the best of my knowledge, an inspection has not been conducted and a follow-up inspection has not been scheduled. It was concluded, once this report is filed, the State Fire Marshall would make contact and schedule the inspection themselves.

2. Describe each pipeline currently connected to wells that are owned, operated, or managed by Rt. 504 Gas Line, in and around Elliott County, Kentucky, that is transporting natural gas or natural gas-by products.

Response: One well is being used to provide gas to an end user that being the Miriam Andrews/Conley home. That line is a combination of metal and plastic with a drip tank located near the well. A yellow plastic gas pipe is buried at the required depth from the well to the drip tank. At the drip tank all fitting are metal attaching to a 2" metal pipe located on the surface. The metal pipe was utilized so a minimum of vegetation would not have to be removed. This was done out of respect to the landowner. Once onto the Conley property 1100' of yellow gas pipe was buried at the required depth to the nearest culvert at which metal pipe was used to transport gas near the Conley home. A buried yellow gas pipe was then used to connect to the metal and to the regulator outside the home. All other wells have a yellow gas pipe, buried to required depth, and connected to a disposal burn pipe. Each well has it own disposal pipe.

a. Is any compensation being paid to Rt. 504 Gas Line for this natural gas or natural gas or natural gas by-products?

Response: Absolutely not! There is no compensation nor will there ever be.

b. Describe the specific location of each well connection, as well as the specific location of each end user, including street addresses and cross streets.

Response: The address of the Miriam Andrews/Conley home is 3450 HWY 504, Olive Hill, KY 41161 with the nearest side road being Lawson Hollow approximately on the left as you proceed eastward on Rt. 504.

3. Describe every natural gas pipeline currently connected to wells that are owned, operated, or managed by Dale Stevens, in and around Elliott County, Kentucky that is transporting natural gas or natural gas by-products. The answer should include the specific location of each well connection, as well as the specific location of every end user, including street addresses and cross streets.

Response: There are no end users, other than Miriam Andrews/Conley home. See Item b. above. All gas is being disposed of through the use of burn pipes.

4. Describe every pipeline currently connected to wells that are owned, operated or managed by Liddie Lewis, in and around Elliott County, Kentucky, that is transporting natural gas or natural gas by-products. The answer should include the specific location of each well connection, as well as the specific location of every end user, including street addresses and cross streets.

Response: There are no end users other than Miriam Andrews/Conley home. See response to item b above.

5. Do any pipelines connect wells that are owned, operated or managed by Rt. 504 Gas Line, Dale Stevens, or Liddie Lewis to the property of Miriam Andrews or the Conley family?

Response: YES

6. Do any pipelines connect wells that are owned, operated, or managed by Rt. 504 Gas Line, Dale Stevens or Liddie Lewis to the property of Virgil Flannery?

Response: NO

7. Do any pipelines connect wells that are owned, operated or managed by Rt. 504 Gas Line, Dale Stevens or Liddie Lewis to the property of Jamie Maggard?

Response: NO

8. DO any pipelines connect wells that are owned, operated, or managed by Rt. 504 Gas Line, Dale Stevens, or Liddie Lewis to properties of Alan Harper?

Response: NO

9. Describe the current disposal process for natural gas and natural gas by-products from wells owned, operated, or managed by Rt. 504 Gas Line, Dale Stevens, or Liddie Lewis.

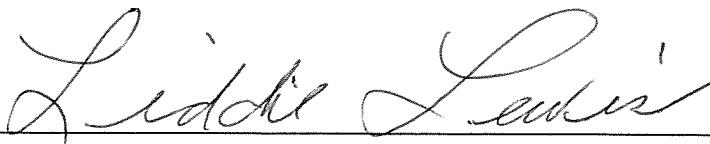
Response: A disposal burn pipe was erected at every well, with varying distances from each well, the closest being 75' and the furthest being 500'. In wooded areas, brush and trees were cleared 50' from each burn pipe in all directions. Each burn pipe is approximately 20' in length and buried in the ground 3' with supporting material so they cannot fall. No trees are within distance of falling and knocking them over. A yellow gas pipe was buried 2-3' deep and connected to the well with metal fittings. All work was completed by Jimmy Barker of Rt. 504. His phone number is 606-738-5075. He can answer any questions you may have as to installation if you choose to do so. Mr. Barker dug the ditches and he and Dale Stevens place the gas pipe in the ditches then buried. On one well located on the Johnny Smith property, the existing pipe was utilized to operate the burn disposal pipe and was not buried, however it is enclosed in a fenced in area where no one other than Dale Stevens and Liddie Lewis are allowed to be. The reason for this is it was felt that Mr. Smith would not give permission to bury the pipe outside the fenced area. Mr. Smith and Mr. Stevens have not been on speaking terms for years and there is not enough room in the fenced area to bury it.

All responses have been answered to the best of our knowledge regarding, installation and time of installation. No log was kept on a day to day basis. The work began sometime around the 3rd week of March and concluded on June 30, 2014. If you have any other concerns please feel free to contact us.

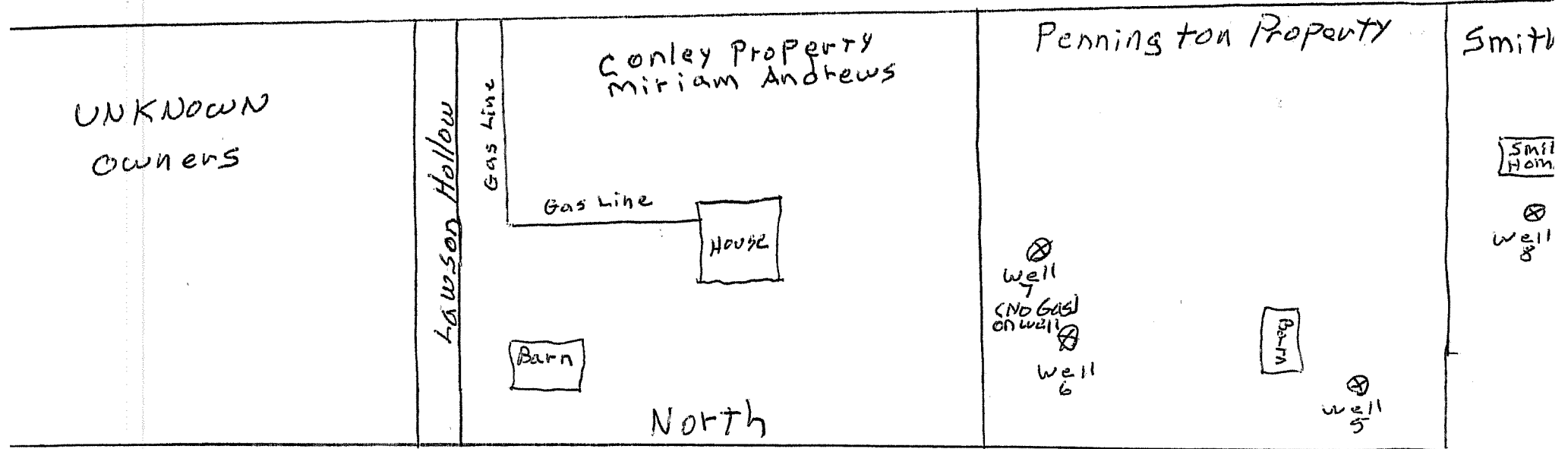
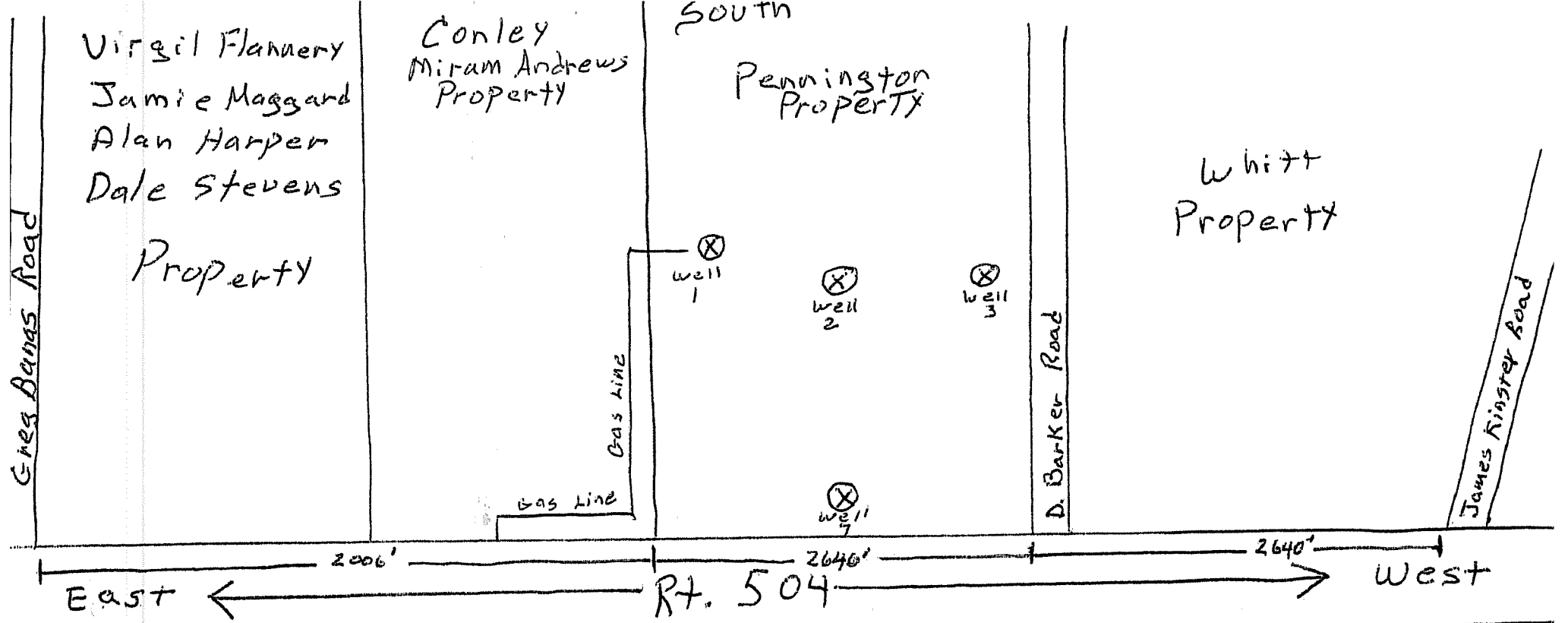
Thank You,



Dale Stevens



Liddie Lewis



MAP NOT Drawn to Scale
 Drawn BY: Dale Stevens