



**Delta Natural Gas Company, Inc.**



3617 Lexington Road  
Winchester, Kentucky 40391-9797

PHONE: 859-744-6171  
FAX: 859-744-3623

March 19, 2008

**RECEIVED**

**MAR 20 2008**

**PUBLIC SERVICE  
COMMISSION**

Ms. Beth O'Donnell  
Executive Director  
Public Service Commission  
P O Box 615  
Frankfort, KY 40602

2008-102

Dear Ms. O'Donnell:

Enclosed are the original and three copies of Delta's Quarterly Report of Gas Cost Recovery Rate Calculation which determines the Gas Cost Recovery Rate (GCR) to be effective with the first billing cycle of May 2008 which includes meters read on and after April 28, 2008.

An extra copy of the filing is attached for public files.

Please acknowledge receipt of this filing by stamping the extra copy of the cover letter and returning to Delta in the envelope provided.

Sincerely,

*Connie King*

Connie King  
Manager – Corporate & Employee Services

DELTA NATURAL GAS COMPANY, INC.  
 Name of Issuing Corporation

FOR All Service Areas  
 P.S.C. NO. 11  
 Third Revised SHEET NO. 2  
 CANCELLING P.S.C. NO. 11  
 Second Revised SHEET NO. 2

CLASSIFICATION OF SERVICE  
RATE SCHEDULES

RESIDENTIAL

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	<u>Total Rate</u>	
Customer Charge *	\$ 15.50		\$ 15.50	
All Ccf	\$ 0.4158	\$ 1.3874	\$ 1.8032/Ccf	(I)

\* The customer charge includes \$0.20 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 37 of this tariff.

\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

DATE OF ISSUE March 19, 2008 DATE EFFECTIVE April 28, 2008 (Final Meter Reads)  
ISSUED BY Glenn R. Jennings TITLE Chairman of the Board  
 Name of Officer President and CEO  
 Issued by authority of an Order of the Public Service Commission of KY in  
 CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

DELTA NATURAL GAS COMPANY, INC.  
Name of Issuing Corporation

FOR All Service Areas  
P.S.C. NO. 11  
Third Revised SHEET NO. 3  
CANCELLING P.S.C. NO. 11  
Second Revised SHEET NO. 3

CLASSIFICATION OF SERVICE  
RATE SCHEDULES

SMALL NON-RESIDENTIAL \*

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by small non-residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate
Customer Charge	\$ 25.00		\$ 25.00
All Ccf	\$ 0.4158	\$ 1.3874	\$ 1.8032/Ccf (I)

TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential or Interruptible Service rate schedule.

\* Meter no larger than AL425

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Name of Officer President and CEO

Issued by authority of an Order of the Public Service Commission of KY in  
CASE NO. DATED

DELTA NATURAL GAS COMPANY, INC.  
Name of Issuing Corporation

FOR All Service Areas  
P.S.C. NO. 11  
Third Revised SHEET NO. 4  
CANCELLING P.S.C. NO. 11  
Second Revised SHEET NO. 4

CLASSIFICATION OF SERVICE  
RATE SCHEDULES

LARGE NON-RESIDENTIAL \*

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by large non-residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate	
Customer Charge	\$100.00		\$100.00	
1 - 2000 Ccf	\$ 0.4158	\$ 1.3874	\$ 1.8032/Ccf	(I)
2001 - 10,000 Ccf	\$ 0.2509	\$ 1.3874	\$ 1.6383/Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.1713	\$ 1.3874	\$ 1.5587/Ccf	(I)
50,001 - 100,000 Ccf	\$ 0.1313	\$ 1.3874	\$ 1.5187/Ccf	(I)
Over 100,000 Ccf	\$ 0.1113	\$ 1.3874	\$ 1.4987/Ccf	(I)

TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Large Non-Residential or Interruptible Service rate schedule.

\* Meter larger than AL425

\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

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Name of Officer President and CEO

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CASE NO. DATED

DELTA NATURAL GAS COMPANY, INC.  
Name of Issuing Corporation

FOR All Service Areas  
P.S.C. NO. 11  
Third Revised SHEET NO. 5  
CANCELLING P.S.C. NO. 11  
Second Revised SHEET NO. 5

CLASSIFICATION OF SERVICE  
RATE SCHEDULES

INTERRUPTIBLE SERVICE

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by interruptible customers.

CHARACTER OF SERVICE

Interruptible - within the reasonable limits of the Company's capability to provide such service.

RATES

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate	
Customer Charge	\$250.00		\$250.00	
1 - 10,000 Ccf	\$ 0.1600	\$ 1.3874	\$ 1.5474/Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.1200	\$ 1.3874	\$ 1.5074/Ccf	(I)
50,001 - 100,000 Ccf	\$ 0.0800	\$ 1.3874	\$ 1.4674/Ccf	(I)
Over 100,000 Ccf	\$ 0.0600	\$ 1.3874	\$ 1.4474/Ccf	(I)

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

TERMS AND CONDITIONS

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DELTA NATURAL GAS COMPANY, INC.

SCHEDULE I

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE APRIL 28, 2008		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	11.6616
SUPPLIER REFUND (RA)	\$/MCF	-
ACTUAL ADJUSTMENT (AA)	\$/MCF	2.1611
BALANCE ADJUSTMENT (BA)	\$/MCF	0.0514
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>13.8741</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	4,057,441
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
	\$	<u>4,057,441</u>
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>347,932</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>11.6616</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	-
PREVIOUS QUARTER	\$/MCF	-
SECOND PREVIOUS QUARTER	\$/MCF	-
THIRD PREVIOUS QUARTER	\$/MCF	-
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>-</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	1.3243
PREVIOUS QUARTER	\$/MCF	0.9024
SECOND PREVIOUS QUARTER	\$/MCF	0.3810
THIRD PREVIOUS QUARTER	\$/MCF	(0.4466)
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>2.1611</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	17,898
ESTIMATED SALES FOR QUARTER	MCF	<u>347,932</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.0514</u>

**TENNESSEE GAS PIPELINE RATES EFFECTIVE 5/01/08**

		DTH VOLUMES	FIXED OR VARIABLE		RATES	ANNUAL COST
FT-G RESERVATION RATE - ZONE 0-2	1.	8,371	F	2.	\$9.060	\$75,837
FT-G RESERVATION RATE - ZONE 1-2	3.	22,511	F	4.	\$7.620	\$171,532
FT-G COMMODITY RATE - ZONE 0-2	5.	(3,374)	V	6.	\$0.0898	(\$303)
FT-G COMMODITY RATE - ZONE 1-2	7.	(9,071)	V	8.	\$0.0794	(\$720)
FT-A RESERVATION RATE - ZONE 0-2	9.	705	F	10.	\$9.060	\$6,387
FT-A RESERVATION RATE - ZONE 1-2	11.	3,024	F	12.	\$7.620	\$23,043
FT-A RESERVATION RATE - ZONE 3-2	13.	471	F	14.	\$4.320	\$2,035
FT-A COMMODITY RATE - ZONE 0-2	15.	21,444	V	16.	\$0.0898	\$1,926
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0794	\$7,303
FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0548	\$785
FUEL & RETENTION - ZONE 0-2	21.	18,070	V	22.	\$0.4502	\$8,134
FUEL & RETENTION - ZONE 1-2	23.	82,909	V	24.	\$0.3742	\$31,029
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.1114	\$1,596
						<hr/>
SUB-TOTAL						\$328,583
FS-PA DELIVERABILITY RATE	27.	4,572	F	28.	\$2.02	\$9,235
FS-PA INJECTION RATE	29.	46,689	V	30.	\$0.0053	\$247
FS-PA WITHDRAWAL RATE	31.	46,689	V	32.	\$0.0053	\$247
FS-PA SPACE RATE	33.	560,271	F	34.	\$0.0248	\$13,895
FS-PA RETENTION	35.	46,689	V	36.	\$0.1417	\$6,618
						<hr/>
SUB-TOTAL						\$30,243
FS-MA DELIVERABILITY RATE	37.	25,908	F	38.	\$1.15	\$29,794
FS-MA INJECTION RATE	39.	96,906	V	40.	\$0.0102	\$988
FS-MA WITHDRAWAL RATE	41.	96,906	V	42.	\$0.0102	\$988
FS-MA SPACE RATE	43.	1,162,866	F	44.	\$0.0185	\$21,513
FS-MA RETENTION	45.	96,906	V	46.	\$0.1417	\$13,736
						<hr/>
SUB-TOTAL						\$67,020
<b>TOTAL TENNESSEE GAS PIPELINE CHARGES</b>						<u><u>\$425,846</u></u>
<b>COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 5/01/08</b>						
GTS COMMODITY RATE	47.	48,057	V	48.	\$0.7732	\$37,158
FUEL & RETENTION	49.	48,057	V	50.	\$0.4131	\$19,852
						<hr/>
<b>TOTAL COLUMBIA GAS TRANSMISSION CHARGES</b>						<u><u>\$57,009</u></u>
<b>COLUMBIA GULF CORPORATION RATES EFFECTIVE 5/01/08</b>						
FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$3.1450	\$41,306
FTS-1 COMMODITY RATE	53.	48,057	V	54.	\$0.0186	\$894
FUEL & RETENTION	55.	48,057	V	56.	\$0.0004	\$20
						<hr/>
<b>TOTAL COLUMBIA GULF CORPORATION CHARGES</b>						<u><u>\$42,221</u></u>
<b>TOTAL PIPELINE CHARGES</b>						<u><u>\$525,076</u></u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE II

PAGE 1 OF 2

MCF PURCHASES FOR THREE MONTHS BEGINNING

May 1, 2008

AT SUPPLIERS COSTS EFFECTIVE

May 1, 2008

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				425,846	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	111,298	1.036	9.5100	1,096,548	I
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION	46,703	1.029	9.5000	456,545	I
M&B GAS SERVICES KENTUCKY PRODUCERS	186,204	1.030	10.0800	1,933,244	I
CHESAPEAKE STORAGE	3,727		12.3500	46,028	I
	-			-	
<b>TOTAL</b>	<u>347,932</u>			<u>4,057,441</u>	

COMPANY USAGE 5,219

**SUPPLIER REFUND ADJUSTMENT  
 DETAIL FOR THE THREE MONTHS ENDED  
 January 31, 2008**

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		1.0237
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED January 31, 2008	MCF	3,166,403
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000

(1) Suppliers Refunds Received	Date Received	Amount
		-
Total		0.00

(2) Interest Factor			
RESULT OF PRESENT VALUE	4.8530770	-0.5 =	4.353077

**ACTUAL ADJUSTMENT  
DETAIL FOR THE THREE MONTHS ENDED  
January 31, 2008**

Particulars	Unit	For the Month Ended		
		Nov-07	Dec-07	Jan-08
<b>SUPPLY VOLUME PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	MCF	356,833	535,813	761,344
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
<b>TOTAL</b>	<b>MCF</b>	<b><u>356,833</u></b>	<b><u>535,813</u></b>	<b><u>761,344</u></b>
<b>SUPPLY COST PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	\$	3,062,685	4,584,652	6,350,780
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
OTHER COST (SPECIFY)	\$	-	-	-
<b>TOTAL</b>	<b>\$</b>	<b><u>3,062,685</u></b>	<b><u>4,584,652</u></b>	<b><u>6,350,780</u></b>
<b>SALES VOLUME</b>				
JURISDICTIONAL	MCF	161,255	328,138	497,899
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
<b>TOTAL</b>	<b>MCF</b>	<b><u>161,255</u></b>	<b><u>328,138</u></b>	<b><u>497,899</u></b>
<b>UNIT BOOK COST OF GAS</b>				
EGC IN EFFECT FOR MONTH	\$	18.9928	13.9717	12.7552
RATE DIFFERENCE	\$	9.0616	4.0405	2.8240
MONTHLY SALES	MCF	161,255	328,138	497,899
MONTHLY COST DIFFERENCE	\$	<u>1,461,228</u>	<u>1,325,842</u>	<u>1,406,067</u>
				Three Month
				Period
<b>COST DIFFERENCE FOR THE THREE MONTHS</b>				\$ 4,193,137
<b>TWELVE MONTHS SALES FOR PERIOD ENDED</b>				<u>3,166,403</u>
<b>CURRENT QUARTERLY ACTUAL ADJUSTMENT</b>				1.3243

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT  
 DETAIL FOR THE THREE MONTHS ENDED  
 January 31, 2008

Particulars	Unit	Amount
COST DIFFERENCE BETWEEN BOOK AND EFFECTIVE EGC AS USED TO COMPUTE AA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	881,425
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	0.2733 \$	 865,378
BALANCE ADJUSTMENT FOR THE AA	\$	<u>16,047</u>
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	-
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF \$/MCF AS USED TO COMPUTE RA OF THE JURISDICTIONAL SALES FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE FOR THE MCF TOTAL OF	0.0000 \$	 -
BALANCE ADJUSTMENT FOR THE RA	\$	-
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	3,431
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	0.0016 \$	 1,580
BALANCE ADJUSTMENT FOR THE BA	\$	<u>1,851</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>17,898</u>

**COMPUTATION OF CHESAPEAKE PRICE EFFECTIVE 5/01/08 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2008**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$12.35 per MCF

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/08 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY, 2008 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$9.51 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/08 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY, 2008 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$9.50 per MMBtu dry

**COMPUTATION OF M&B PRICE EFFECTIVE 5/01/08 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2008**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$10.08 per MMBtu dry

**TGP SUPPLIED AREAS PURCHASE PROFILE:**

3/19/2008

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2008	49,975	51,774	\$9.504	(\$0.060)	\$488,954.60
June	30,833	31,943	\$9.580	(\$0.060)	\$304,097.25
July	<u>30,490</u>	<u>31,588</u>	\$9.679	(\$0.060)	<u>\$303,841.51</u>
	111,298	115,305			\$1,096,893.36
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<u><u>\$9.51</u></u>	

**COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2008	21,796	22,428	\$9.504	(\$0.07)	\$211,586.54
June	12,645	13,012	\$9.580	(\$0.07)	\$123,741.31
July	<u>12,262</u>	<u>12,618</u>	\$9.679	(\$0.07)	<u>\$121,242.50</u>
	46,703	48,057			\$456,570.36
FIXED PRICE		0			\$0.00
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<u><u>\$9.50</u></u>	

**CHESAPEAKE SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
May 2008	2,505	\$9.504	\$0.75	1.2	\$30,823.52
June	797	\$9.580	\$0.75	1.2	\$9,879.61
July	<u>425</u>	\$9.679	\$0.75	1.2	<u>\$5,318.79</u>
	3,727				\$46,021.93
<b>WEIGHTED AVERAGE PRICE PER MCF:</b>					<u><u>\$12.35</u></u>

**COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2008	78,977	81,741	\$9.504	\$0.50	\$817,738.91
June	54,208	56,105	\$9.580	\$0.50	\$565,541.22
July	<u>53,019</u>	<u>54,875</u>	\$9.679	\$0.50	<u>\$558,569.22</u>
	186,204	192,721			\$1,941,849.35
FIXED PRICE		0			\$0.00
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<u><u>\$10.08</u></u>	