

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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JUN 11 2012

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY FRONTIER
GAS COMPANY, LLC AS BANKRUPTCY
OPERATOR OF B.T.U. GAS COMPANY, INC.

COMPLAINANT

V.

CASE NO.
2012-00028

HARRY THOMPSON, THOMPSON ENERGY,
ET AL. AND OTHER UNKNOWN ENTITIES

RESPONDENTS

First Data Request of Kentucky Frontier Gas, LLC

Kentucky Frontier Gas, LLC, by counsel, pursuant to the order of June 7, 2012, submits the following questions to the Respondents.

1. Refer to the attached Agreement 1 (Agreement 1).
 - a. How much money was advanced to BTU for construction of this pipeline?
 - b. Provide all documents supporting the advancement of funds.
 - c. Provide all documents related to the construction of the pipeline, including cost, length, material used, inspection reports and any and all other related documents.
 - d. Does this pipeline replace an existing pipeline owned, operated or used by Williams or BTU? If yes, describe the pipeline location, age, source of gas supply and number of customer served.
 - e. The Agreement refers to easements. Provide all easements that Respondents have for the construction of this pipeline across the identified properties.
 - f. Does this pipeline interconnect with any pipeline owned or operated by

BTU or Williams? If not, explain the meaning of paragraph 3 of the Agreement. What customers is BTU referencing and how can it serve those customers without an interconnection?

g. Provide all "accounting" as referenced in paragraph 3 provided by BTU.

h. Provide any and all other agreements among the Respondents and BTU or Williams related to this pipeline.

i. Do Respondents serve any customers through that line?

j. Does Stacy Dodd maintain a notary log of all documents notarized? If yes, provide the log page of the entry of the notarization of Agreement 1.

k. Were any documents related to the construction, financing or operation of this pipeline filed with the Kentucky Public Service Commission? If yes, provide all documents.

2. Refer to the attached Agreement 2 (Agreement 2).

a. Are Respondents aware of service by BTU to a school in Hendricks prior to February 15, 2006? If yes, who built that pipeline, when and for what purpose?

b. In the Hendricks area, what wells and facilities are there in which Wilon Gathering or any related party owns an interest?

c. Did Wilon or any related party loan money to BTU for construction of this pipeline? If yes, when, how much and for what purpose. Provide all documents related to the loan.

d. Was Kentucky Public Commission approval of this pipeline construction and financing obtained? If yes, provide the Commission's order(s).

e. Does Stacy Dodd maintain a notary log of all documents notarized? If yes, provide the log page of the entry of the notarization of Agreement 2.

f. Does Wilon have easements or encroachment permits for the construction of the pipeline referenced in Agreement 2? If yes, provide copies. If not explain the authority to construct the pipeline across private property or public rights of ways.

g. Does this pipeline interconnect with any pipeline owned or operated by BTU or Williams? If not, explain the meaning of paragraph 3 of the Agreement. What customers is BTU referencing and how can it serve those customers without an interconnection?

h. . Provide all "accounting" as referenced in paragraph 3 provided by BTU.

i. Provide any and all other agreements among the Respondents and BTU

or Williams related to this pipeline.

3. Are Respondents familiar with Kentucky Reserve Meter #2, also known as Country Gas?

a. If yes, provide its location, length of pipeline, any interconnections with Respondents or BTU or Williams and source of gas supply.

b. Do Respondents claim now or at any time in the past an ownership interest in the wells or pipelines in the system upstream of the meter now known as "Kentucky Reserve #2" or in the system known as Country Gas? If yes, explain the source of that interest and the date that interest first arose.

c. Who built the interconnection between Country Gas and BTU and when?

d. Are Respondents aware of a sale by Richard Williams and / or Harry Thompson of this meter and delivery facility to John Carty on February 8, 2012. If yes, describe in detail the terms of that agreement, copies of the sales document, proof of payment for that transaction, and any proof of ownership and transfer thereof.

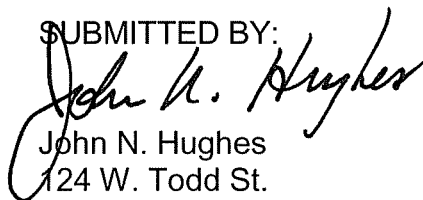
4. Are Respondents aware of Hoskins well, which also may be referred to as Big Hoskins #1 well?

a. If yes, who owns that well?

b. If Respondents have any ownership in that well, provide all documents related to its ownership and operation.

5. With respect to oil or gas drilling leases, wells and pipeline facilities, or partial ownership of such interests in Magoffin County, list all properties and entities which are owned or controlled in whole or in part by Wilon Gathering, Chattaco, AXG, Inc. or Harry Thompson. Identify on that list all properties and entities which are also owned in part by Richard or Pam Williams or any entity owned or related to them

SUBMITTED BY:



John N. Hughes
124 W. Todd St.
Frankfort, KY 40601
502-227-7270
jnhughes@fewpb.net

Attorney for Kentucky Frontier Gas, LLC

I certify a copy of this data request was served on the following by first class mail and by email the 11th day of June, 2012.

Adrian M. Mendiondo
KINKEAD & STIL,Z, PLLC
301 East Main Street, Suite 800
Lexington, Kentucky 40507
Phone: (859) 296-2300
E-mail: amendiondo@ksattorneys.com

AGREEMENT AND BILL OF SALE

THIS AGREEMENT AND BILL OF SALE, made and entered into this 15th day of February, 2006 by and between B.T.U. Gas Company, Inc. hereinafter referred to as BTU; and Wilon Gathering Systems, Inc., hereinafter referred to as WGS.

WHEREAS, WGS has advanced to BTU funds to construct and lay a gathering pipeline in Magoffin County, Kentucky from P & R Trust property located on Craft Creek and running across the easements of Alvin Minix, Greg and Manuel Minix, Paul Bailey and Carl J. Howard; thence along the bank to the railroad and following the railroad track along the Howard property to the Carver Church across Rob Minix and Paul Bailey properties; thence leaving Travis Shepherd property, Hager Minix, Patrick property, Ronald Minix, Franklin Bailey, Tommy Frazier, Larry Lee Arnett, R.C. May, and Willard Bailey to the compressor station located on the James Edgar Arnett property.

WHEREAS, BTU asserts no ownership in the aforesaid gathering pipeline and desires to assign, transfer, sell convey, and set over to WGS any interest it may have in the gathering system, and

WHEREAS, BTU desires to establish the ownership or title as to the gathering pipeline set forth herein, and

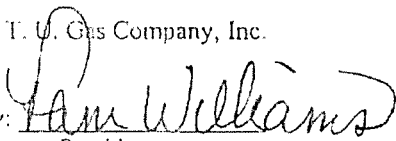
WHEREAS, BTU may from time to time have the need to transport gas through the gathering system, and

WHEREAS, BTU and WGS for and in consideration of the agreements set forth herein the parties do agree as follows:

1. That BTU does hereby assign, transfer, sell, convey and set over unto WGS any interest that it may have in the gathering pipeline in Magoffin County, Kentucky from P & R Trust property located on Craft Creek and running across the easements of Alvin Minix, Greg and Manuel Minix, Paul Bailey and Carl J. Howard; thence along the bank to the railroad and following the railroad track along the Howard property to the Carver Church across Rob Minix and Paul Bailey properties, thence leaving Travis Shepherd property, Hager Minix, Patrick property, Ronald Minix, Franklin Bailey, Tommy Frazier, Larry Lee Arnett, R.C. May, and Willard Bailey to the compressor station located on the James Edgar Arnett property.

2. That BTU shall have the right to transport its natural gas through the said gathering pipeline to its customers and provide WGS an accounting for such natural gas transported

B. T. U. Gas Company, Inc.

By: 
President

Wilon Gathering Systems, Inc.

By: Harry Thompson
President

STATE OF TENNESSEE

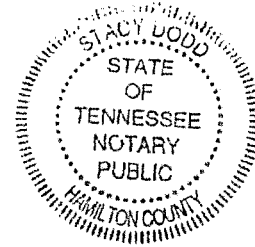
COUNTY OF HAMILTON

On this 15th day of February, 2006, before me a Notary Public in and for said state and county, personally appeared Pam Williams, President of B. T. U. Gas Company, Inc., known to be the person who executed and delivered the within Agreement and Bill of Sale and acknowledged to me that she executed the same for the purposes therein stated.

Stacy Dodd
Notary Public

COMMISSION EXPIRES:
April 22, 2009

My commission expires _____



STATE OF TENNESSEE

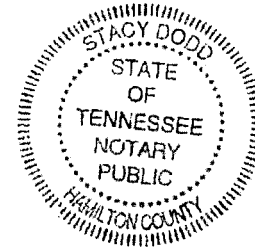
COUNTY OF HAMILTON

On this 15th day of February, 2006, before me a Notary Public in and for said state and county, personally appeared Harry Thompson, President of Wilon Gatherings Systems, Inc., known to be the person who executed and delivered the within Agreement and Bill of Sale and acknowledged to me that she executed the same for the purposes therein stated.

Stacy Dodd
Notary Public

MY COMMISSION EXPIRES:
April 22, 2009

My commission expires _____



THIS INSTRUMENT PREPARED BY:

Wilon Gathering Systems, Inc.
3875 Hixson Pike
Chattanooga, Tennessee 37415

By: _____

AGREEMENT AND BILL OF SALE

THIS AGREEMENT AND BILL OF SALE, made and entered into this 15th day of February, 2006 by and between B.T.U. Gas Company, Inc., hereinafter referred to as BTU; and Wilon Gathering Systems, Inc., hereinafter referred to as WGS.

WHEREAS, WGS has advanced to BTU funds to construct and lay a gathering pipeline in Magoffin County, Kentucky from the Mountain Parkway along State Route 30 to the Middle Fork School a distance of approximately four (4) to five (5) mile, and

WHEREAS, BTU asserts no ownership in the aforesaid gathering pipeline and desires to assign, transfer, sell convey, and set over to WGS any interest it may have in the gathering system, and

WHEREAS, BTU desires to establish the ownership or title as to the gathering pipeline set forth herein, and

WHEREAS, BTU may from time to time have the need to transport gas through the gathering system, and

WHEREAS, BTU and WGS for and in consideration of the agreements set forth herein the parties do agree as follows:

1. That BTU does hereby assign, transfer, sell, convey and set over unto WGS any interest that it may have in the gathering pipeline in Magoffin County, Kentucky from the Mountain Parkway along State Route 30 to the Middle Fork School a distance of approximately four (4) to five (5) miles.
2. That BTU shall have the right to transport its natural gas through the said gathering pipeline to its customers and provide WGS an accounting for such natural gas transported.

B. T. U. Gas Company, Inc.

By: *Sam Williams*
President

Wilon Gathering Systems, Inc.

By: *Harry Simpson*
President

6063492328

Magoffin Co Clerk

08:05:00 p.m. 11-08-2011

2/2

STATE OF TENNESSEE

COUNTY OF HAMILTON

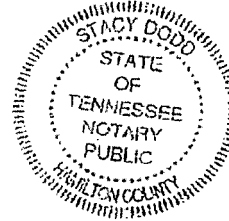
On this 15th day of February, 2006, before me a Notary Public in and for said state and county, personally appeared Pam Williams, President of B. T. U. Gas Company, Inc., known to be the person who executed and delivered the within Agreement and Bill of Sale and acknowledged to me that she executed the same for the purposes therein stated.

Stacy Dadd

Notary Public

MY COMMISSION EXPIRES:
April 14, 2009

My commission expires _____



STATE OF TENNESSEE
MAGOFFIN COUNTY

Before me, Notary Public in and for said County and State aforesaid and to me, as follows, *Agree* was on the 23 day of Oct, 2011, before me, Notary Public, and she came with the proper and true evidence of her identity to me, and she acknowledged to me that she executed the same for the purposes therein stated.

leave My commission expires on the 3 day of Nov, 2011.
Notary Public, 115 Pop 554 RENEE SCHEER
Time A.M. 13 P.M. 4 *Malisa Helleberg*