

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TEXAS AMERICAN )  
ENERGY CORPORATION, BY AND THROUGH )  
ITS DIVISION, WESTERN KENTUCKY GAS ) CASE NO. 9992  
COMPANY, FOR AN ORDER AUTHORIZING )  
AN INTRA-CORPORATE REORGANIZATION )  
INVOLVING THE ISSUANCE OF SECURITIES )

O R D E R

On August 10, 1987, Texas American Energy Corporation ("TAE"), by and through its division, Western Kentucky Gas Company ("WKG"), filed an application requesting the Commission's authorization of an intra-corporate reorganization involving the issuance of 1000 shares of common stock.

The reorganization consists of the transfer of all assets and obligations of WKG to Western Kentucky Gas Utility Corporation ("WKGUC"), a corporation incorporated under the laws of Kentucky on July 8, 1987. In consideration, WKGUC will issue 1000 shares of no par value common stock to TAE.

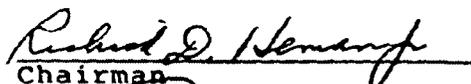
While this transaction will alter corporate form, operational substance will be unaffected. WKGUC will continue the operations presently performed by the WKG division and will do business as "Western Kentucky Gas Company."

The Commission finds that the proposed transaction will not adversely affect the interests of the ratepayers of WKG and should, therefore, be approved.

IT IS THEREFORE ORDERED that TAE, by and through its division, WKG, be and hereby is authorized to effect an intra-corporate reorganization and issue 1000 shares of no par value common stock.

Done at Frankfort, Kentucky, this 21st day of August, 1987.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director