

## DELTA NATURAL GAS COMPANY, INC., PROMISSORY NOTE

Date: November 30, 2017

\$50,499,999.95

FOR VALUE RECEIVED, the undersigned, DELTA NATURAL GAS COMPANY, INC., a corporation formed under the laws of the Commonwealth of Kentucky (the "Borrower"), hereby promises to pay to the order of PNG COMPANIES LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "Lender"), or registered assigns, the principal sum of 50,499,999.95 DOLLARS or, if less, the then unpaid principal amount of the loans made by the Lender to the Borrower as set forth in Schedule 1 attached hereto. This note shall be payable in the amounts and on the maturity dates set forth in Schedule 2 attached hereto, and may be prepaid in whole at any time or in part from time to time together with any prepayment premiums as set forth in the Third Supplement to Note Purchase Agreement (the "Third Supplement") dated as of September 20, 2017 between the Lender and the purchaser(s) of the notes issued thereunder (the "Series 2017-B Notes").

This note shall bear interest at a rate per annum equal to the rate applicable to the Series 2017-B Notes (4.26%), but in no event in excess of the maximum rate permitted by law. Interest accruing on this note shall be computed on the basis of a 360-day year of twelve 30-day months and shall be payable quarterly, on the 20th day of March, June, September and December in each year, commencing with the March, June, September or December next succeeding the date hereof, until the principal hereof shall have become due and payable.

The Company will make required prepayments of principal on the dates and in the amounts specified in the Third Supplement. This Note is also subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Third Supplement and/or the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

All loans made by the Lender and all repayments of the principal thereof shall be recorded by the Lender on Schedule 1 attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Lender to make any such recordation shall not limit or otherwise affect the obligations of the Borrower hereunder.

All payments hereof shall be made in lawful money of the United States of America and in immediately available funds.

This note, together with all accrued interest hereon, shall become immediately and automatically due and payable, without demand, presentment, protest or notice of any kind, upon the insolvency, general assignment, receivership, bankruptcy or dissolution of the Borrower (or the filing of any petition by or against the Borrower with respect to any of the foregoing). The

Borrower does hereby forever waive presentment, demand, protest, notice of protest and notice of nonpayment or dishonor of this note.

The Borrower hereby agrees to pay all reasonable costs and expenses incurred by the Lender incidental to or in any way relating to the Lender's enforcement of the obligations of the Borrower hereunder or the protection of the Lender's rights hereunder, including but not limited to, reasonable attorneys' fees and expenses incurred by the Lender (whether or not a proceeding has been commenced).

No failure on the part of the Lender to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any right, remedy or power hereunder preclude any other or future exercise thereof or the exercise of any other right, remedy or power.


Each and every right, remedy and power hereby granted to the Lender or allowed it by law or other agreement shall be cumulative and not exclusive the one of any other, and may be exercised by the Lender from time to time.

Every provision of this note is intended to be severable; if any term or provision of this note shall be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

THE BORROWER WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF, BASED UPON, OR IN ANY WAY CONNECTED TO, THIS NOTE.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice of law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

DELTA NATURAL GAS COMPANY, INC.

By   
Name: John B. Brown  
Title: President, Treasurer and Secretary



Schedule 2

AMOUNTS / MATURITY DATES

Amount

Maturity Date

\$50,499,999.95

December 20, 2031

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Undersigned hereby unconditionally sells, assigns and transfers unto \_\_\_\_\_ (Assignee(s)) the within note and all rights thereunder.

Dated: \_\_\_\_\_

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NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular, without alteration or enlargement or any change whatever.