

**Closed, RecusalTNW-ThinkingGRS**



**United States Bankruptcy Court  
Eastern District of Kentucky (Pikeville)  
Bankruptcy Petition #: 11-70410-grs**

*Assigned to:* Gregory R. Schaaf  
Chapter 11  
Voluntary  
Asset

*Date filed:* 06/27/2011  
*Date terminated:* 08/29/2013  
*Plan confirmed:* 03/13/2012  
*341 meeting:* 07/28/2011

*Debtor disposition:* Discharge Not Applicable

**Debtor**  
**Johnson County Gas Company, Inc.**  
PO Box 339  
Harold, KY 41635  
FLOYD-KY  
Tax ID / EIN: 61-0672413

represented by **W Thomas Bunch, II**  
271 West Short Street, Suite 805  
Lexington, KY 40507-1217  
(859) 254-5522  
Email: [TOM@BUNCHLAW.COM](mailto:TOM@BUNCHLAW.COM)

**Bunch & Brock**  
271 W Short St Suite 805  
Lexington, KY 40507  
859-254-5522

**Holly C. Wallace**  
Dinsmore & Shohl, LLP  
2500 National City Tower  
Louisville, KY 40202

**U.S. Trustee**  
**U.S. Trustee**  
100 E Vine St #500  
Lexington, KY 40507  
(859) 233-2822

represented by **Rachelle C. Dodson**  
100 E. Vine St. #500  
Lexington, KY 40507  
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**Philip Hanrahan**  
100 E. Vine St. #500  
Lexington, KY 40507  
(859) 233-2822  
Email: [john.daugherty@usdoj.gov](mailto:john.daugherty@usdoj.gov)

Filing Date	#	Docket Text
06/27/2011	<u>1</u> (37 pgs)	Chapter 11 Voluntary Petition, Fee Amount \$1039 filed by W Thomas Bunch II on behalf of Johnson County

		Gas Company, Inc.. (Bunch, W) (Entered: 06/27/2011)
06/27/2011		Receipt of filing fee for Chapter 11 Voluntary Petition - case upload(11-70410) [caseupld,1032u] (1039.00). Receipt number 5364039, amount \$1039.00. (re: Doc # <u>1</u> ) (U.S. Treasury) (Entered: 06/27/2011)
06/27/2011	<u>2</u> (1 pg)	Corporate Resolution, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>3</u> (1 pg)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>2</u> Corporate Resolution filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>4</u> (1 pg)	Notice of Appearance and Request for Notice by Philip Hanrahan Filed by on behalf of U.S. Trustee. (Hanrahan, Philip) (Entered: 06/27/2011)
06/27/2011	<u>5</u> (1 pg)	Order of Recusal terminating the involvement of Judge Tracey N. Wise and adding Judge Joseph M. Scott to case. (lmu) (Entered: 06/27/2011)
06/27/2011	<u>6</u> (17 pgs; 3 docs)	Application to Employ W. Thomas Bunch II as Attorney for Debtor. (Attachments: <u>1</u> Continuation of Main Document Exhibit A - Bunch Affidavit <u>2</u> Proposed Order) (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>7</u> (6 pgs; 2 docs)	Motion to Authorize Debtor to Honor Customer Security Deposits and Credits, filed by Johnson County Gas Company, Inc.. Hearing scheduled for 6/30/2011 at 01:00 PM at Lexington Courtroom, 2nd Floor. (Attachments: <u>1</u> Proposed Order <i>if granted, use order #21</i> ) (Bunch, W) Modified on 6/30/2011 (fgg). (Entered: 06/27/2011)
06/27/2011	<u>8</u> (4 pgs; 2 docs)	Motion to Authorize Debtor to Continue Making Payments to Maintain Insurance with Western Commerce Bank, filed by Johnson County Gas Company, Inc.. Hearing scheduled for 6/30/2011 at 01:00 PM at Lexington Courtroom, 2nd Floor. (Attachments: <u>1</u> Proposed Order) (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>9</u> (3 pgs)	Notice of Filing of Loan Documents for Western Commerce Bank for Insurance Premium Finance Agreement Filed by Johnson County Gas Company,

		Inc. (RE: related document(s) <u>8</u> Motion for Payment of Insurance and Severance Obligations filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>10</u> (8 pgs; 2 docs)	Motion to Establish Notice Procedures and Master Service List, filed by Johnson County Gas Company, Inc.. Hearing scheduled for 6/30/2011 at 01:00 PM at Lexington Courtroom, 2nd Floor. (Attachments: <u>1</u> Proposed Order <i>if granted, use order #22</i> ) (Bunch, W) Modified on 6/30/2011 (fgg). (Entered: 06/27/2011)
06/27/2011	<u>11</u> (7 pgs; 2 docs)	Motion to Maintain Bank Accounts and Continue Use of Existing Business Forms, filed by Johnson County Gas Company, Inc.. Hearing scheduled for 6/30/2011 at 01:00 PM at Lexington Courtroom, 2nd Floor. (Attachments: <u>1</u> Proposed Order) (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>12</u> (5 pgs; 2 docs)	Emergency Motion for Order Approving Shortened and Limited Notice of Expedited Hearing on Certain First Day Motions, filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>7</u> Motion to Honor Certain Pre-Petition Obligations to Customers filed by Debtor Johnson County Gas Company, Inc., <u>8</u> Motion for Payment of Insurance and Severance Obligations filed by Debtor Johnson County Gas Company, Inc., <u>9</u> Notice of Filing filed by Debtor Johnson County Gas Company, Inc., <u>10</u> Motion to Establish Notice Procedures and Master Service List filed by Debtor Johnson County Gas Company, Inc., <u>11</u> Motion to Maintain Bank Accounts and Continue Use of Existing Business Forms filed by Debtor Johnson County Gas Company, Inc.). Hearing scheduled for 6/30/2011 at 01:00 PM at Lexington Courtroom, 2nd Floor. (Attachments: <u>1</u> Proposed Order) (Bunch, W) (Entered: 06/27/2011)
06/27/2011	<u>13</u> (17 pgs)	Notice of Filing of 2009 State and Federal Tax Returns Filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>1</u> Chapter 11 Voluntary Petition - case upload filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/27/2011)
06/28/2011	<u>14</u> (1 pg)	Order Designating Individual to Perform Duties of Debtor. (fgg) (Entered: 06/28/2011)

06/28/2011	<u>15</u> (5 pgs)	Chapter 11 Operating Order. Copy mailed to Debtor by U.S. Mail. (fgg) (Entered: 06/28/2011)
06/28/2011	<u>16</u> (1 pg)	Amended Schedules filed: Schedule B,. The purpose of the Amendment is to Correct the Amount of Customer Security Deposits at Community Trust Bank. Filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 06/28/2011)
06/28/2011	<u>17</u> (7 pgs)	Affidavit Re: <i>Affidavit of Bud Rife, President of Debtor, In Support of First Day Motions</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s)) <u>7</u> Motion to Honor Certain Pre-Petition Obligations to Customers filed by Debtor Johnson County Gas Company, Inc., <u>8</u> Motion for Payment of Insurance and Severance Obligations filed by Debtor Johnson County Gas Company, Inc., <u>10</u> Motion to Establish Notice Procedures and Master Service List filed by Debtor Johnson County Gas Company, Inc., <u>11</u> Motion to Maintain Bank Accounts and Continue Use of Existing Business Forms filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/28/2011)
06/28/2011	<u>18</u> (1 pg)	Certificate of Service (RE: related document(s)) <u>17</u> Affidavit filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/28/2011)
06/29/2011	<u>19</u> (2 pgs)	Meeting of Creditors with 341(a) meeting to be held on 7/28/2011 at 11:00 AM at Pikeville Courtroom. Last day to oppose dischargeability is 9/26/2011. (fgg) (Entered: 06/29/2011)
06/29/2011	<u>20</u> (4 pgs)	Objection Filed by U.S. Trustee (RE: related document(s)) <u>11</u> Motion to Maintain Bank Accounts and Continue Use of Existing Business Forms filed by Debtor Johnson County Gas Company, Inc.). (Hanrahan, Philip) (Entered: 06/29/2011)
06/29/2011	<u>21</u> (2 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s)) <u>7</u> Motion to Honor Certain Pre-Petition Obligations to Customers filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/29/2011)
06/29/2011	<u>22</u> (2 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s)) <u>10</u> Motion to Establish Notice Procedures and Master Service List filed by Debtor

		Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/29/2011)
06/30/2011	<u>23</u> (2 pgs)	Judge's Minutes of Hearing Held (RE: related document(s) <u>7</u> Motion to Honor Certain Pre-Petition Obligations to Customers filed by Debtor Johnson County Gas Company, Inc., <u>8</u> Motion for Payment of Insurance and Severance Obligations filed by Debtor Johnson County Gas Company, Inc., <u>10</u> Motion to Establish Notice Procedures and Master Service List filed by Debtor Johnson County Gas Company, Inc., <u>11</u> Motion to Maintain Bank Accounts and Continue Use of Existing Business Forms filed by Debtor Johnson County Gas Company, Inc., <u>12</u> Motion to Shorten Time filed by Debtor Johnson County Gas Company, Inc.) (fgg) (Entered: 06/30/2011)
06/30/2011	<u>24</u> (2 pgs)	Notice of Filing of Supplemental Notice of Compliance Filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>13</u> Notice of Filing filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 06/30/2011)
06/30/2011	<u>25</u> (2 pgs)	Order GRANTING Motion to Establish Electronic Notice Procedures and Master Service List (Related Doc # <u>10</u> ) (fgg) (Entered: 07/01/2011)
06/30/2011	<u>26</u> (2 pgs)	Order GRANTING Motion for Expedited Hearing on and Shortened and Limited notice of Certain First Day Motions and Applications (Related Doc # <u>12</u> ) (fgg) Modified on 7/1/2011 to correct date of Order (fgg). (Entered: 07/01/2011)
06/30/2011	<u>27</u> (2 pgs)	Order GRANTING Motion to Honor Customer Security Deposits and Credits in Accordance with its Policies and Procedures (Related Doc # <u>7</u> ) (fgg) Modified on 7/1/2011 to correct date of Order (fgg). (Entered: 07/01/2011)
06/30/2011	<u>28</u> (2 pgs)	Order GRANTING Motion to Authorize Payment of Insurance Premium to Western Commerce Bank for General Liability Insurance Polciy(Related Doc # <u>8</u> ) (fgg) (Entered: 07/01/2011)
07/01/2011	<u>29</u> (3 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>11</u> Motion to Maintain Bank Accounts and Continue Use of Existing Business

		Forms filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 07/01/2011)
07/01/2011	<u>30</u> (5 pgs)	BNC Certificate of Mailing - Meeting of Creditors Service Date 07/01/2011. (Related Doc # <u>19</u> ) (Admin.) (Entered: 07/02/2011)
07/01/2011	<u>31</u> (3 pgs)	Order GRANTING Motion to Maintain Bank Accounts and Continue use of existing business forms (Related Doc # <u>11</u> ) (fgg) (Entered: 07/05/2011)
07/05/2011	<u>32</u> (1 pg)	Certificate of Service (RE: related document(s) <u>25</u> Order on Motion to Establish Notice Procedures and Master Service List, <u>26</u> Order on Motion to Shorten Time, <u>27</u> Order on Motion to Honor Certain Pre-Petition Obligations to Customers, <u>28</u> Order on Motion for Payment of Insurance and Severance Obligations, <u>31</u> Order on Motion to Maintain Bank Accounts and Continue use of existing business forms). (Bunch, W) (Entered: 07/05/2011)
07/05/2011	<u>33</u> (11 pgs; 2 docs)	Application to Employ Holly C. Wallace and other members of her Public Utility Practice Group at Dinsmore & Shohl, LLP as Special Counsel. (Attachments: <u>1</u> Proposed Order) (Bunch, W) (Entered: 07/05/2011)
07/08/2011	<u>34</u> (2 pgs)	Notice of Appearance and Request for Notice by Allison F. Arbuckle Filed by on behalf of The Interstate Natural Gas Company, Inc. (Arbuckle, Allison) (Entered: 07/08/2011)
07/11/2011	<u>35</u> (6 pgs)	Notice of Appearance and Request for Notice by D. Elaine Conway, Bruce J Ruzinsky, Kelly L. Cavazos, Heather M. Forrest Filed by on behalf of Constellation NewEnergy - Gas Division, LLC. (fgg) (Entered: 07/11/2011)
07/11/2011	<u>36</u> (9 pgs; 2 docs)	Application to Employ Darrell Madden, CPA, PSC as Certified Public Accountant for the Debtor. (Attachments: <u>1</u> Proposed Order) (Bunch, W) (Entered: 07/11/2011)
07/20/2011	<u>37</u> (1 pg)	US Trustee's Statement of Inability to Appoint Creditors Committee Filed by U.S. Trustee. (Hanrahan, Philip) (Entered: 07/20/2011)

07/20/2011	<u>38</u> (2 pgs)	Notice of <i>Substitution of Public Officer (United States Trustee)</i> Filed by U.S. Trustee. (Hanrahan, Philip) (Entered: 07/20/2011)
07/22/2011	<u>39</u> (2 pgs)	Affidavit Re: <i>Supplemental Affidavit of Holly Wallace regarding Application to Employ</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>33</u> Application to Employ). (Bunch, W) (Entered: 07/22/2011)
07/25/2011	<u>40</u> (2 pgs)	Order GRANTING Application to Employ Bunch & Brock as attorneys for debtor-in-possession. (Related Doc # <u>6</u> ) (fgg) (Entered: 07/25/2011)
07/25/2011	<u>41</u> (1 pg)	Certificate of Service (RE: related document(s) <u>40</u> Order on Application to Employ). (Bunch, W) (Entered: 07/25/2011)
08/01/2011	42	Meeting of Creditors Held Filed by U.S. Trustee. (Hanrahan, Philip) (Entered: 08/01/2011)
08/02/2011	<u>43</u> (2 pgs)	Order GRANTING Application to Employ Holly C. Wallace and Dinsmore & Shohl, LLP (Related Doc # <u>33</u> ) (fgg) (Entered: 08/02/2011)
08/03/2011	<u>44</u> (2 pgs)	Notice of Appearance and Request for Notice by Andrew S. Hartley Filed by on behalf of Department for Local Government. (Hartley, Andrew) (Entered: 08/03/2011)
08/05/2011	<u>45</u> (2 pgs)	Order GRANTING Application to Employ Darrell Madden, CPA, PSC as accountant for debtor. (Related Doc # <u>36</u> ) (fgg) (Entered: 08/05/2011)
08/08/2011	<u>46</u> (1 pg)	Certificate of Service (RE: related document(s) <u>43</u> Order on Application to Employ, <u>45</u> Order on Application to Employ). (Bunch, W) (Entered: 08/08/2011)
08/12/2011	<u>47</u> (38 pgs)	Small Business Monthly Operating Report for Filing Period June 27, 2011 to July 31, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 08/12/2011)
09/15/2011	<u>48</u> (38 pgs)	Small Business Monthly Operating Report for Filing Period August, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 09/15/2011)

10/17/2011	<u>49</u> (28 pgs)	Small Business Monthly Operating Report for Filing Period September, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 10/17/2011)
11/22/2011	<u>50</u> (30 pgs)	Small Business Monthly Operating Report for Filing Period October, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 11/22/2011)
12/19/2011	<u>51</u> (1 pg)	Notice of Appearance and Request for Notice by Rachelle C. Dodson Filed by on behalf of U.S. Trustee. (Dodson, Rachelle) (Entered: 12/19/2011)
12/19/2011	<u>52</u> (35 pgs)	Small Business Monthly Operating Report for Filing Period November, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 12/19/2011)
12/23/2011	<u>53</u> (30 pgs)	Chapter 11 Plan of Reorganization Filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 12/23/2011)
12/23/2011	<u>54</u> (23 pgs)	Disclosure Statement to Accompany Debtor's Plan of Reorganization Filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 12/23/2011)
01/11/2012	<u>55</u> (4 pgs)	Notice of Filing of Second Master Service List Filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 01/11/2012)
01/12/2012	<u>56</u> (2 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>53</u> Chapter 11 Plan filed by Debtor Johnson County Gas Company, Inc., <u>54</u> Disclosure Statement filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 01/12/2012)
01/20/2012	<u>57</u> (41 pgs)	Small Business Monthly Operating Report for Filing Period December, 2011, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 01/20/2012)
01/22/2012	<u>58</u> (2 pgs)	Order Conditionally Approving Disclosure Statement. Confirmation hearing to be held on 3/9/2012 at 09:00 AM at Lexington Courtroom, 2nd Floor. Last day to Object to Confirmation 2/23/2012. (alf) (Entered: 01/23/2012)
01/23/2012	<u>59</u> (5 pgs)	Notice of Filing of Form of Ballots Filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>58</u> Order Approving Disclosure Statement). (Bunch, W)



		(Entered: 01/23/2012)
01/23/2012	<u>60</u> (1 pg)	Certificate of Service (RE: related document(s) <u>53</u> Chapter 11 Plan filed by Debtor Johnson County Gas Company, Inc., <u>54</u> Disclosure Statement filed by Debtor Johnson County Gas Company, Inc., <u>58</u> Order Approving Disclosure Statement, <u>59</u> Notice of Filing filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 01/23/2012)
02/14/2012	<u>61</u> (42 pgs)	Small Business Monthly Operating Report for Filing Period January, 2012, filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 02/14/2012)
02/27/2012	<u>62</u> (12 pgs; 2 docs)	Notice of Filing of Report of Balloting Filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>53</u> Chapter 11 Plan filed by Debtor Johnson County Gas Company, Inc., <u>58</u> Order Approving Disclosure Statement). (Attachments: # <u>1</u> Continuation of Main Document Ballots in order of classes) (Bunch, W) (Entered: 02/27/2012)
03/09/2012	<u>63</u> (1 pg)	Judge's Minutes of Disclosure Hearing Held (RE: related document(s) <u>58</u> Order Approving Disclosure Statement) (fgg) (Entered: 03/09/2012)
03/09/2012	<u>64</u> (1 pg)	Order directing Debtor to file Status report beginning April 1, 2012 and continuing quarterly until further notice regarding progress of Debtor's Rate Case before the Kentucky PSC.. (fgg) (Entered: 03/09/2012)
03/12/2012	<u>65</u> (8 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>53</u> Chapter 11 Plan filed by Debtor Johnson County Gas Company, Inc., <u>54</u> Disclosure Statement filed by Debtor Johnson County Gas Company, Inc., <u>58</u> Order Approving Disclosure Statement, <u>62</u> Notice of Filing filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 03/12/2012)
03/13/2012	<u>66</u> (8 pgs)	Order Approving Disclosure Statement and Confirming Chapter 11 Plan of Reorganization (RE: related document(s) <u>53</u> Chapter 11 Plan and <u>54</u> Disclosure Statement filed by Debtor Johnson County Gas Company, Inc.). Proofs of Claims due by 4/12/2012. (fgg) (Entered: 03/13/2012)

03/13/2012	<u>67</u> (39 pgs)	Debtor-In-Possession Monthly Operating Report for Filing Period February, 2012 , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 03/13/2012)
03/13/2012	<u>68</u> (1 pg)	Certificate of Service (RE: related document(s) <u>66</u> Order Approving Disclosure Statement, Order Confirming Chapter 11 Plan). (Bunch, W) (Entered: 03/13/2012)
03/29/2012	<u>69</u> (16 pgs)	Application for Professional Fees for W. Thomas Bunch II and Bunch & Brock, Debtor's Attorney, fee: \$30,960.00, expenses: \$0. Filed by W. Thomas Bunch II. Last day to file objections: 4/19/2012. (Bunch, W) Modified on 3/30/2012 to correct applicant (fgg). (Entered: 03/29/2012)
03/29/2012	<u>70</u> (1 pg)	Status Report <i>Regarding Rate Case</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>64</u> Order (Generic)). (Bunch, W) (Entered: 03/29/2012)
03/29/2012	<u>71</u> (10 pgs)	Application for Professional Fees for Edward T. Depp and Dinsmore & Shohl, LLP, Special Counsel to the Debtor, Fee: \$11,742.00, Expenses: \$479.63 for a total of \$12,221.63, filed by Edward T. Depp. Last day to file objections: 4/19/2012. (Bunch, W) (Entered: 03/29/2012)
03/30/2012		Entry - No Order Tendered - (RE: related document(s) <u>69</u> Application for Administrative Expenses/Compensation, <u>71</u> Application for Administrative Expenses/Compensation) (fgg) (Entered: 03/30/2012)
04/17/2012	<u>72</u> (37 pgs)	Debtor-In-Possession Monthly Operating Report for Filing Period March, 2012 , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 04/17/2012)
04/23/2012	<u>73</u> (2 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>69</u> Application for Administrative Expenses/Compensation). (Bunch, W) (Entered: 04/23/2012)
04/23/2012	<u>74</u> (2 pgs)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>71</u> Application for Administrative Expenses/Compensation). (Bunch, W) (Entered: 04/23/2012)

04/23/2012	<u>75</u> (2 pgs)	Order GRANTING Application For Administrative Expenses/Compensation (Related Doc # <u>69</u> ) for W Thomas Bunch and Bunch & Brock, fee awarded: \$30,960.00, expenses awarded: \$0.00 (fgg) (Entered: 04/24/2012)
04/24/2012	<u>76</u> (2 pgs)	Order GRANTING Application For Administrative Expenses/Compensation (Related Doc # <u>71</u> ) for Edward T. Depp, fee awarded: \$11,742.00, expenses awarded: \$479.63 (fgg) (Entered: 04/24/2012)
04/24/2012	<u>77</u> (1 pg)	Certificate of Service (RE: related document(s) <u>75</u> Order on Application for Administrative Expenses/Compensation, <u>76</u> Order on Application for Administrative Expenses/Compensation). (Bunch, W) (Entered: 04/24/2012)
06/26/2012	<u>78</u> (1 pg)	Status Report <i>Regarding Rate Case before the Kentucky Public Service Commission</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>64</u> Order (Generic)). (Bunch, W) (Entered: 06/26/2012)
09/26/2012	<u>79</u> (1 pg)	Report <i>Post-Confirmation Report for Second Quarter, 2012</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 09/26/2012)
10/10/2012	<u>80</u> (9 pgs; 3 docs)	Status Report <i>for Fourth Quarter, 2012 regarding Rate Case before the Kentucky PSC</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>64</u> Order (Generic)). (Attachments: # <u>1</u> Continuation of Main Document Exhibit A# <u>2</u> Continuation of Main Document Exhibit B) (Bunch, W) (Entered: 10/10/2012)
01/10/2013	<u>81</u> (1 pg)	Status Report <i>regarding Rate Case before the Kentucky PSC</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>64</u> Order (Generic)). (Bunch, W) (Entered: 01/10/2013)
01/11/2013	<u>82</u> (1 pg)	Report <i>Chapter 11 Post-Confirmation Report for Third Quarter, 2012</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 01/11/2013)
01/11/2013	<u>83</u> (1 pg)	Report <i>Chapter 11 Post-Confirmation Report for Fourth Quarter, 2012</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 01/11/2013)

04/15/2013	<u>84</u> (1 pg)	Report <i>Chapter 11 Post-Confirmation Report</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 04/15/2013)
04/17/2013	<u>85</u> (7 pgs; 3 docs)	Status Report <i>on Rate Case before Kentucky PSC</i> , filed by Johnson County Gas Company, Inc.. (Attachments: # <u>1</u> Continuation of Main Document Exhibit A - PSC Order# <u>2</u> Continuation of Main Document Exhibit B - Order on New Hearing Date) (Bunch, W) (Entered: 04/17/2013)
07/03/2013	<u>86</u> (18 pgs; 2 docs)	Status Report <i>Regarding Rate Case (Final Order by Kentucky PSC attached)</i> , filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>64</u> Order (Generic)). (Attachments: # <u>1</u> Continuation of Main Document Exhibit A - PSC Order on Rate Case) (Bunch, W) (Entered: 07/03/2013)
07/03/2013	<u>87</u> (1 pg)	Notice of <i>Effective Date of the Plan of Reorganization</i> Filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 07/03/2013)
07/09/2013	<u>88</u> (2 pgs)	Report <i>Chapter 11 Post-Confirmation Report for 2nd Quarter, 2013</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 07/09/2013)
07/09/2013	<u>89</u> (1 pg)	Withdrawal of Document, filed by Johnson County Gas Company, Inc. (RE: related document(s) <u>88</u> Report filed by Debtor Johnson County Gas Company, Inc.). (Bunch, W) (Entered: 07/09/2013)
07/09/2013	<u>90</u> (1 pg)	Report <i>Chapter 11 Post-Confirmation Report for 2nd Quarter, 2013</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 07/09/2013)
08/07/2013	<u>91</u> (2 pgs)	Support Document <i>Bond of Disbursing Agent</i> , filed by W. Thomas Bunch II (RE: related document(s) <u>66</u> Order Approving Disclosure Statement, Order Confirming Chapter 11 Plan). (Bunch, W) (Entered: 08/07/2013)
08/07/2013	<u>92</u> (1 pg)	Proposed Order submitted by W Thomas Bunch II (RE: related document(s) <u>91</u> Support Document filed by Attorney W. Thomas Bunch). (Bunch, W) (Entered: 08/07/2013)
08/08/2013	<u>93</u> (1 pg)	Order Approving Bond. (RE: related document(s) <u>91</u> Bond of Disbursing Agent filed by Attorney W.

		Thomas Bunch). (alf) (Entered: 08/08/2013)
08/09/2013	<a href="#">94</a> (3 pgs; 2 docs)	Motion to Close Case, filed by Johnson County Gas Company, Inc.. Last day to file objections: 8/23/2013. (Attachments: # <a href="#">1</a> Proposed Order) (Bunch, W) (Entered: 08/09/2013)
08/16/2013	<a href="#">95</a> (1 pg)	Report <i>Final Report in Chapter 11 Proceeding</i> , filed by Johnson County Gas Company, Inc.. (Bunch, W) (Entered: 08/16/2013)
08/27/2013	<a href="#">96</a> (1 pg)	Order GRANTING Motion to close case (Related Doc # <a href="#">94</a> ) (cac) (Entered: 08/27/2013)
08/27/2013	<a href="#">97</a> (1 pg)	Certificate of Service (RE: related document(s) <a href="#">96</a> Miscellaneous Relief Order). (Bunch, W) (Entered: 08/27/2013)
08/29/2013	98	Final Decree, discharging Trustee, if applicable. CASE CLOSED. (cac) (Entered: 08/29/2013)

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
03/01/2019 12:04:36			
<b>PACER Login:</b>	rjnewsome:5461992:0	<b>Client Code:</b>	
<b>Description:</b>	Docket Report	<b>Search Criteria:</b>	11-70410-grs Fil or Ent: filed Doc From: 0 Doc To: 99999999 Term: included Format: html Page counts for documents: included
<b>Billable Pages:</b>	8	<b>Cost:</b>	0.80

## Eastern District of Kentucky Claims Register

11-70410-grs Johnson County Gas Company, Inc. Closed 08/29/2013

**Judge:** Gregory R. Schaaf      **Chapter:** 11  
**Office:** Pikeville              **Last Date to file claims:**  
**Trustee:**                              **Last Date to file (Govt):**

<b>Creditor:</b> (4591255) STOLL KEENON OGDEN PLLC ATTN: GREGORY D. PAVEY 300 W. VINE STREET, #2100 LEXINGTON, KY 40507		<b>Claim No: 1</b> <i>Original Filed</i> Date: 06/29/2011 <i>Original Entered</i> Date: 06/29/2011		<b>Status:</b> Filed by: CR Entered by: Gregory D. Pavey Modified:	
Amount	claimed:	\$5671.54	<input type="text"/>	<input type="text"/>	<input type="text"/>
Unsecured	claimed:	\$5671.54	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>History:</b>					
<input type="checkbox"/> Details	<input type="checkbox"/>	<u>1-1</u>	06/29/2011	Claim #1 filed by STOLL KEENON OGDEN PLLC, Amount claimed: \$5671.54 (Pavey, Gregory)	
<b>Description:</b>					
<b>Remarks:</b>					

<b>Creditor:</b> (4588668) ATMOS ENERGY MARKETING LLC 13430 NORTHWEST FREEWAY, STE 700 HOUSTON, TX 77040		<b>Claim No: 2</b> <i>Original Filed</i> Date: 07/01/2011 <i>Original Entered</i> Date: 07/01/2011		<b>Status:</b> Filed by: CR Entered by: fgg Modified:	
Amount	claimed:	\$13019.02	<input type="text"/>	<input type="text"/>	<input type="text"/>
Unsecured	claimed:	\$13019.02	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>History:</b>					
<input type="checkbox"/> Details	<input type="checkbox"/>	<u>2-1</u>	07/01/2011	Claim #2 filed by ATMOS ENERGY MARKETING LLC, Amount claimed: \$13019.02 (fgg)	
<b>Description:</b>					
<b>Remarks:</b>					

<b>Creditor:</b> (4588683) JOHNSON COUNTY FISCAL COURT C/O MICHAEL S. ENDICOTT, JOHNSON CO ATTY		<b>Claim No: 3</b> <i>Original Filed</i> Date: 07/08/2011 <i>Original Entered</i>		<b>Status:</b> Filed by: CR Entered by: fgg Modified:	
<b>History:</b>					
<input type="checkbox"/> Details	<input type="checkbox"/>	<u>3-1</u>	07/08/2011	Claim #3 filed by JOHNSON COUNTY FISCAL COURT, Amount claimed: \$90983.04 (fgg)	
<b>Description:</b>					
<b>Remarks:</b>					

P.O. BOX 1287 PAINTSVILLE, KY 41240		Date: 07/08/2011
Amount	claimed: \$90983.04	
Priority	claimed: \$90983.04	
<b>History:</b>		
Details	3-1	07/08/2011 Claim #3 filed by JOHNSON COUNTY FISCAL COURT, Amount claimed: \$90983.04 (fgg)
<b>Description:</b>		
<b>Remarks:</b>		

<b>Creditor:</b> (4588679) INTERNAL REVENUE SERVICE PO BOX 7346 PHILADELPHIA, PA 19101-7346	<b>Claim No: 4</b> Original Filed Date: 07/28/2011 Original Entered Date: 07/28/2011 Last Amendment Filed: 08/31/2011 Last Amendment Entered: 08/31/2011	<b>Status:</b> Filed by: CR Entered by: Joanne Nemmer Modified:
Amount	claimed: \$0.00	
Secured	claimed: \$0.00	
Priority	claimed: \$0.00	
Unsecured	claimed: \$0.00	
<b>History:</b>		
Details	4-1	07/28/2011 Claim #4 filed by INTERNAL REVENUE SERVICE, Amount claimed: \$100.00 (Nemmer, Joanne)
Details	4-2	08/31/2011 Amended Claim #4 filed by INTERNAL REVENUE SERVICE, Amount claimed: \$0.00 (Nemmer, Joanne)
<b>Description:</b>		
<b>Remarks:</b>		

<b>Creditor:</b> (4619227) COMMONWEALTH OF KENTUCKY DEPARTMENT FOR LOCAL GOVERNMENT 1024 CAPITAL CENTER DR., SUITE 340 FRANKFORT, KY 40601	<b>Claim No: 5</b> Original Filed Date: 08/03/2011 Original Entered Date: 08/03/2011	<b>Status:</b> Filed by: CR Entered by: Andrew S. Hartley Modified:
Amount	claimed: \$1984429.80	
Secured	claimed: \$1255157.50	
Unsecured	claimed: \$729272.30	
<b>History:</b>		
Details	5-1	08/03/2011 Claim #5 filed by COMMONWEALTH OF KENTUCKY, Amount claimed: \$1984429.80 (Hartley, Andrew)
<b>Description:</b> (5-1) Money loaned for purchase and rehab of gas system		
<b>Remarks:</b>		

<b>Creditor:</b> (4588677)	<b>Claim No: 6</b>	<b>Status:</b>
----------------------------	--------------------	----------------

CONSTELLATION NEWENERGY - GAS DIVISION C/O JACKSON WALKER, LLP 1401 MCKINNEY ST., SUITE 1900 HOUSTON, TX 77001		Original Filed Date: 09/26/2011 Original Entered Date: 09/26/2011	Filed by: CR Entered by: tch Modified:
Amount	claimed:	\$84919.01	
Unsecured	claimed:	\$84919.01	
History:			
Details		6-1	09/26/2011 Claim #6 filed by CONSTELLATION NEWENERGY - GAS DIVISION, Amount claimed: \$84919.01 (tch)
Description:			
Remarks:			

Creditor: (4588670) BRADCO OIL COMPANY 271 E. COURT ST. PRESTONSBURG, KY 41653		Claim No: 7 Original Filed Date: 02/08/2012 Original Entered Date: 02/08/2012	Status: Filed by: CR Entered by: P. Franklin Heaberlin Modified:
Amount	claimed:	\$28883.00	
History:			
Details		7-1	02/08/2012 Claim #7 filed by BRADCO OIL COMPANY, Amount claimed: \$28883.00 (Heaberlin, P.)
Description:			
Remarks:			

Creditor: (4774817) COLUMBIA GAS TRANSMISSION LLC C/O JORDAN P WILLIAMS NISOURCE CORPORATE SERVICES CO 801 E 86TH ST MERRILLVILLE IN 46410		Claim No: 8 Original Filed Date: 02/21/2012 Original Entered Date: 02/21/2012	Status: Filed by: CR Entered by: fgg Modified:
Amount	claimed:	\$159602.05	
History:			
Details		8-1	02/21/2012 Claim #8 filed by COLUMBIA GAS TRANSMISSION LLC, Amount claimed: \$159602.05 (fgg)
Description:			
Remarks:			

### Claims Register Summary

**Case Name:** Johnson County Gas Company, Inc.  
**Case Number:** 11-70410-grs  
**Chapter:** 11  
**Date Filed:** 06/27/2011  
**Total Number Of Claims:** 8



<b>Total Amount Claimed*</b>	\$2367507.46
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	<b>Claimed</b>	<b>Allowed</b>
<b>Secured</b>	\$1255157.50	
<b>Priority</b>	\$90983.04	
<b>Administrative</b>		

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<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
03/01/2019 12:02:17			
<b>PACER Login:</b>	rjnewsome:5461992:0	<b>Client Code:</b>	
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	11-70410-grs Filed or Entered From: 1/1/1992 Filed or Entered To: 12/31/2019
<b>Billable Pages:</b>	1	<b>Cost:</b>	0.10

Label Matrix for local noticing  
643-7  
Case 11-70410-grs  
Eastern District of Kentucky  
Pikeville  
Fri Mar 1 12:00:36 EST 2019

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Bankruptcy Section  
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Suite 900  
Chicago, IL 60604-2815

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BUD RIFE  
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HAROLD, KY 41635-0339

COLUMBIA GAS TRANSMISSION OF KY  
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KENTUCKY DEPT OF REVENUE  
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FRANKFORT, KY 40602-5222

THE PRIME GROUP, LLC  
ATTN: STEVE SEELYE, MEMBER  
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Lexington, KY 40507-1217

Internal Revenue Service  
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Philadelphia, PA 19101-7346

Pikeville Office  
US Bankruptcy Court  
PO Box 1111  
Lexington, KY 40588-1111

BRADCO OIL COMPANY  
271 E. COURT ST.  
PRESTONSBURG, KY 41653-7933

BUD RIFE CONSTRUCTION COMPANY  
P.O. BOX 155  
HAROLD, KY 41635-0155

COMMONWEALTH OF KENTUCKY  
DEPARTMENT FOR LOCAL GOVERNMENT  
1024 CAPITAL CENTER DR., SUITE 340  
FRANKFORT, KY 40601-7514

EQT PRODUCTION COMPANY  
225 NORTH SHORE DR, 5TH FL  
PITTSBURGH, PA 15212-5860

INTERSTATE NATURAL GAS COMPANY  
P.O. BOX 3385  
PIKEVILLE, KY 41502-3385

STOLL KEENON OGDEN PLLC  
ATTN: GREGORY D. PAVEY  
300 W. VINE STREET, #2100  
LEXINGTON, KY 40507-1801

U.S. Trustee  
100 E Vine St #500  
Lexington, KY 40507-1441

Department for Local Government  
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Frankfort, KY 40601-7514

Johnson County Gas Company, Inc.  
PO Box 339  
Harold, KY 41635-0339

ATMOS ENERGY MARKETING LLC  
13430 NORTHWEST FREEWAY, STE 700  
HOUSTON, TX 77040-6091

BUD RIFE  
P.O. BOX 155  
HAROLD, KY 41635-0155

COLUMBIA GAS TRANSMISSION LLC  
C/O JORDAN P WILLIAMS  
NISOURCE CORPORATE SERVICES CO  
801 E 86TH ST  
MERRILLVILLE IN 46410-6272

CONSTELLATION NEWENERGY - GAS DIV  
9960 CORPORATE CAMPUS DR, STE 2000  
LOUISVILLE, KY 40223-4055

INTERSTATE NATURAL GAS COMPANY  
C/O CHARLES E. LOWE, JR., ESQ.  
P.O. BOX 69  
PIKEVILLE, KY 41502-0069

JOHNSON COUNTY FISCAL COURT  
C/O MICHAEL S. ENDICOTT, JOHNSON CO ATTY  
P.O. BOX 1287  
PAINTSVILLE, KY 41240-5287

STOLL KEENON OGDEN, PLLC  
ATTN: ACCOUNTS PAYABLE  
300 W. VINE STREET, SUITE 2100  
LEXINGTON, KY 40507-1801

WESTERN COMMERCE BANK  
ATTN: IPF DIVISION  
P.O. BOX 5151  
CARLSBAD, NM 88221-5151

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Louisville, KY 40202

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Lexington, KY 40507-1217

W. Thomas Bunch II  
Bunch & Brock  
271 W. Short Street  
Suite 805  
Lexington, KY 40507-1217

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u) Constellation NewEnergy - Gas Division, LL

(u) The Interstate Natural Gas Company, Inc

(d) COMMONWEALTH OF KENTUCKY  
DEPARTMENT FOR LOCAL GOVERNMENT  
1024 CAPITAL CENTER DRIVE, STE. 340  
FRANKFORT, KY 40601-7514

(d) INTERNAL REVENUE SERVICE  
PO BOX 7346  
PHILADELPHIA, PA 19101-7346

End of Label Matrix	
Mailable recipients	32
Bypassed recipients	4
Total	36

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF KENTUCKY  
PIKEVILLE DIVISION**

IN RE:

CHAPTER 11

JOHNSON COUNTY GAS COMPANY, INC.

Case No. 11-70410

DEBTOR

**PLAN OF REORGANIZATION**

Comes the Debtor, **JOHNSON COUNTY GAS COMPANY, INC.**, ("Debtor") and proposes this Plan of Reorganization ("**Plan**") pursuant to Bankruptcy Code §1121(a).

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**ARTICLE 1**  
**Definitions**

Unless otherwise stated, all terms not defined herein shall have the meaning set forth in the Code and the Bankruptcy Rules. Where there is a conflict between the defined terms herein and any terms in the Code or the applicable Bankruptcy Rules, the definitions herein shall control; the rules of construction of same shall be governed by 11 U.S.C. §102. The following terms when used in the Plan shall have the meanings set forth in this Article:

1.1 “Administrative Expense Claim” shall mean any cost or expense of administration of the Case allowable under Code §503(b) and under the procedural terms set forth in Article 2 of this Plan, and entitled to priority under §507(a)(1) or §507(b) incurred after the Petition Date and prior to the Effective Date and shall include any actual necessary expenses of preserving or liquidating property in the Case and in the context of the Plan, including Professionals' fees and expenses, payable from the Distribution Proceeds.

1.2 “Allowed Claim” shall mean a Claim against the Debtor allowable under Code §502 to the extent that (a) such Claim shall have been listed by the Debtor in the Schedules as liquidated in amount, undisputed and not contingent; or (b) a Proof of Claim shall have been timely filed, deemed filed, or, with leave of Court or without objection by the Debtor or any Creditor, late-filed, and as to which either (i) a timely objection is not filed which (if granted) would affect the distribution to the Creditor asserting such Claim or (ii) such Proof of Claim is allowed by a Final Order; (c) such Claim is a Disputed Claim which has become an Allowed Claim in conformity with the provisions of Article 9 of this Plan; or (d) an Administrative Expense Claim allowed pursuant to the terms of this Plan. Where there is a Claim allowed by the terms of this Plan, the terms of this Plan shall govern for all purposes of allowance. The term Allowed, when followed by a reference to a claim of a certain kind, shall mean an Allowed Claim of that kind of Claim. The term “Allowed Secured Claim” shall mean a Secured Creditor holding an Allowed Claim.

1.3 “Assets” shall mean all the Debtor's (a) assets listed in the Schedules and (b) any asset not listed therein but later discovered to be owned by the Debtor.

1.4 “Bankruptcy Rules” shall mean the Federal Rules of Bankruptcy Procedure, as may be amended and as supplemented by any local bankruptcy rules adopted by the Court.

1.5 “Bar Date” shall mean the final date for filing a Proof of Claim as set forth in Section 8.1 of this Plan.

1.6 “Business Day” shall mean any day on which national banks are open to carry on their ordinary commercial banking business in the Commonwealth of Kentucky.



1.7 "Case" shall mean this Chapter 11 case, No. 11-70410, commenced under the provisions of the Code on June 27, 2011, in the Court under the Debtor's name as a Debtor-in-Possession.

1.8 "Claim" shall mean the same as "claim" as defined in Code §101(5), if such claim against the Debtor were in existence on or as of the Petition Date. The term Claim, when preceded by a reference to a Class of Claims, shall mean a Claim of that Class.

1.9 "Claimant" shall mean the holder of a Claim.

1.10 "Class" shall mean a category of Claims that are substantially similar to other Claims in such Class.

1.11 "Code" shall mean the United States Bankruptcy Code set forth in Title 11, United States Code, as amended.

1.12 "Commonwealth of Kentucky, Department for Local Government" shall mean that certain Secured Creditor who holds a Claim against the Debtor as shown by Proof of Claim No. 5 filed on August 8, 2011 in the amount of \$1,984,429.80; it shall have an Allowed Secured Claim to the extent of the value of its collateral, hereby fixed at \$65,000.00 in Class 2-B, and it shall have an Allowed Deficiency Claim of \$1,918,429.80 in Class 3.

1.13 "Confirmation" shall mean the entry of an Order by the Court approving or confirming this Plan.

1.14 "Confirmation Date" shall mean the date upon which an Order of Confirmation is entered by the Court confirming this Plan.

1.15 "Confirmation Order" or "Order of Confirmation" shall mean the Order entered by the Court confirming this Plan.

1.16 "Counsel" shall mean W. Thomas Bunch, W. Thomas Bunch II and other attorneys at Bunch & Brock, Lexington, Kentucky, appointed by the Court to represent the Debtor and Debtor-in-Possession and who will continue to represent the Debtor after Confirmation of the Plan.

1.17 "Court" and "Court Order" shall mean the United States Bankruptcy Court for the Eastern District of Kentucky, Pikeville Division, including the United States Bankruptcy Judge presiding in this case or such other court having jurisdiction over this Case. When "Court Order" or "Order" is used herein, they shall mean an order issued by the Court and entered in the Court's record.

1.18 "Creditor" shall mean the holder of a Claim. The term Creditor, when preceding a reference to a Class of Claims, shall mean a Creditor in its capacity as a holder of a Claim of that Class.

1.19 "Debtor" shall mean Johnson County Gas Company, Inc.

1.20 "Deficiency Claim" shall mean the unsecured portion of a Secured Claim as determined by Code §506(a), which Deficiency Claim shall become a Class 3 Unsecured Claim.

1.21 "Disbursing Agent" shall mean W. Thomas Bunch II, Counsel for the Debtor, or another member of his law firm of Bunch & Brock, but if none of them are able or willing to act as such or are removed by the Court, such person as appointed by the Court.

1.22 "Disclosure Statement" shall mean that certain document styled "Disclosure Statement to Accompany Debtor's Plan of Reorganization," required to be filed by the Debtor by Code §1125, upon which the Impaired Classes of Creditors will rely in determining their vote for or against this Plan.

1.23 "Distribution Proceeds" shall mean (a) the Surplus Income; (b) \$75,000 of the Equity Contribution; (c) Tax Refunds, if any; and (d) the Prosecutable Claims Proceeds, if any.

1.24 "Disputed Claim" shall mean a Claim, or a portion of a Claim, which is not an Allowed Claim on the Effective Date or thereafter.

1.25 "Effective Date" shall mean the date fifteenth (15) day after the date of the entry of an Order of Confirmation by the Court; [I] provided, however, that (a) if the fifteenth (15th) day following the Confirmation Date falls on a day that is not a Business Day or a Saturday or Sunday, then the Effective Date shall be the second Business Day thereafter, and (b) if any act required to be performed on the Effective Date, or any condition required to exist on the Effective Date, cannot be performed or made to exist on the fifteenth (15th) day after the Confirmation Date due to the existence of a Court order staying or otherwise precluding execution of the Plan or any part thereof, then the Effective Date shall be the fifteenth (15th) day after the later of the date on which the order staying or otherwise precluding execution of the Plan or any part thereof has been nullified, vacated or otherwise modified, or the date on which the appeal and any further appeals have been resolved and the time for any further appeal has expired; and [II] further provided, however, that the Kentucky PSC has approved the Debtor's "Rate Case" to increase the revenues of the Debtor by an amount to sufficiently to provide for the repayment terms described in this Plan; and [III] further provided, however, that the Equity Interestholder has paid the Equity Contribution to the Debtor.

1.26 "Entity" shall mean a Person.

1.27 "Equity Contribution" shall mean the cash contribution by the Equity Interestholder of \$100,000.00 made in conformity with the terms of this Plan.

1.28 "Equity Interest" shall mean that certain 100% ownership of Bud Rife in the shares of the stock of the Debtor which has been valued for purposes of the Plan at \$10,000.00.

1.29 "Equity Interestholder" shall mean Bud Rife.

1.30 "Final Order" shall mean an order of the Court that has been declared final and appealable by the Court.

1.31 "Grace Period(s)" shall mean a period of ninety (90) days after each quarterly payment becomes due and payable to the Disbursing Agent for the Debtor to defer up to but no more than four (4) quarterly payments of Surplus Income or any part thereof, which deferral or deferrals, shall not be forgiven or remitted, but shall accrue and be made up after the lapse of the Term by adding one or more, but not to exceed, four (4) extra quarterly payments during which the deferred Surplus Income payments(s) or the unpaid portions thereof shall be paid to the Disbursing Agent. The Debtor has the right and option to replenish, replace or satisfy any 'used' or 'exercised' Grace Periods with excess income earned from the operation of the business by depositing such payment to the Disbursing Agent.

1.32 "Impaired Class" shall mean a Class of Claims which is impaired within the meaning of Code §1124.

1.33 "Johnson County Fiscal Court" shall mean that certain Secured Tax Creditor who is owed certain real property *ad valorem* taxes for prior tax years as shown by Proof of Claim No. 3 filed on July 8, 2011 in the amount of \$90,983.04 plus statutory interest; it shall hold an Allowed Secured Claim in the amount shown by said Proof of Claim in Class 2-A.

1.34 "Kentucky PSC" shall mean that certain Kentucky Public Service Commission having regulatory jurisdiction over the Debtor.

1.35 "Officer" shall mean Bud Rife.

1.36 "Person" shall include an individual, corporation, limited liability company, partnership, joint venture, trust, estate, unincorporated organization or a governmental unit or any agency or political subdivision thereof.

1.37 "Petition" shall mean the Debtor's petition, schedules and other required filings which have been filed in the Court's Record under Chapter 11 of the Code and any amendments or modifications thereto.

1.38 "Petition Date" shall mean the date and time of the filing of the Petition initiating this Case on June 27, 2011.

1.39 “Plan” shall mean this Chapter 11 plan proposed by the Debtor either in its present form or as it may be altered, amended, or modified.

1.40 “Post-Confirmation” shall mean an act or event that occurs, will occur, or occurred on or after the Confirmation Date.

1.41 “Post-Petition” shall mean an act or event that occurs, will occur, or occurred on or after the Petition Date.

1.42 “Pre-Petition” shall mean an act or event that occurred before the Petition Date.

1.43 “Priority Claims” shall mean those Claims allowable by Code §§ 507(a) and 503(b).

1.44 “Professionals” shall mean all attorneys, accountants, appraisers, examiners, consultants and other professional persons properly retained by the Debtor, whose appointments were approved and authorized by the Court and who performed professional services for or on behalf of the Debtor from the Petition Date through the Effective Date and whose services and expenses are subject to allowance by the Court under Code §330. The Debtor’s Professionals include the Debtor’s Counsel and Dinsmore & Shohl, LLP, and the Debtor’s accountant, Darrell Madden at Darrell Madden, CPA, PSC.

1.45 “Proof of Claim” shall mean Official Form 10 as is used in the Court as evidence of a Claim due a Creditor, properly filled-out, executed with supporting documentation, and filed with the Court on or before the deadlines fixed by Article 8 of this Plan.

1.46 “Pro Rata” shall mean proportionately so that the ratio of the amount of the distribution or payment made on account of an Allowed Claim to the amount of distribution or payment made on account of all Allowed Claims of the Class or category in which the particular Allowed Claim is included, is the same as the ratio of the amount of such Allowed Claim to the total amount of all Allowed Claims in such Class or category.

1.47 “Prosecutable Claims” shall mean all present and future rights, claims, remedies, defenses, setoffs, recoupments, interests, suits, actions, and proceedings belonging to or held by the Debtor and its estate against any Person, whether arising before or after the Petition Date, including but not limited to (a) the preference or fraudulent conveyance claims or other rights to recover money or property pursuant to Code §§ 542, 543, 544, 545, 547, 548, 549, 550, 551 or 553; or (b) any and all other claims, causes of action, avoiding powers or remedies arising under the Code or any other state or federal law, rule or regulation, including those potential claims described in Section 6.6.

1.48 “Prosecutable Claims Proceeds” shall mean the proceeds from the collection of the Prosecutable Claims and which proceeds shall become Distribution Proceeds.

1.49 “Rate Case” shall mean that certain application for an increase of customer rates before the Kentucky PSC.

1.50 “Rejection Claim” shall mean a Claim resulting from the rejection of an “executory contract” or “unexpired lease” under Code §365, which rejection is provided for in this Plan, and which Rejection Claim shall become a Class 3 Unsecured Claim.

1.51 “Reorganized Debtor” shall mean the new entity which shall succeed the Debtor and which shall exist upon the entry of the Confirmation Order and which shall perform the Post-Confirmation duties as required by the Plan.

1.52 “Schedules” shall mean the Schedules of Assets and Liabilities, Statements of Affairs, Statements of Executory Contracts and Unexpired Leases (Docket No. 1), and all amendments thereto, filed by the Debtor in this Case.

1.53 “Secured Claim” shall mean the Claim of any Creditor who holds a validly perfected lien superior to the Code § 544 rights and status of the Debtor and which Secured Claim has value in the estate’s interest in the property of the Debtor.

1.54 “Secured Creditor” shall mean a Creditor holding a Secured Claim.

1.55 “Surplus Income” shall mean the amount of net money determined quarterly by deducting from the Debtor’s gross revenue (a) all current operating expenses incurred in the ordinary course of business, including, but not limited to, the cost of natural gas, U.S. Trustee’s fees, *ad valorem* taxes, insurance, Professional’s fees, and any Unclassified Claims, and (b) a cash reserve of \$15,000.00, which net amount as so determined shall become a part of the Distribution Proceeds available for distribution to the Creditors.

1.56 “Tax Claims” shall mean those Claims owed to the Tax Creditors.

1.57 “Tax Creditors” shall mean the holders of a Claim due to a governmental unit for taxes as defined in Code §523(a)(1).

1.58 “Tax Refunds” shall mean tax refunds received by Debtor for a tax year within the Term, if any, but in computing the Tax Refunds for each tax year the Debtor may offset any Federal tax liability against any state refund or vice versa as circumstances dictate.

1.59 “Term” shall mean that period of time that this Plan shall remain in full force and effect, fixed at 60 months beginning on a day that is the thirtieth day after the Effective Date, plus any applicable Grace Periods.

1.60 “Unsecured Claim” shall mean a Claim against the Debtor, which Claim is not secured by any collateral and which Claim is not entitled to any priority treatment under the

Code. Unsecured Claims shall include, but are not limited to the Allowed Rejection Claims and Allowed Deficiency Claims, but does not include any Subordinated Claims.

- 1.61 "Unsecured Creditor" shall mean a Creditor holding an Unsecured Claim.
- 1.62 "Unclassified Claims" shall mean those Claims described in Article 2 of this Plan.
- 1.63 "Working Capital" shall mean \$25,000 of the Equity Contribution to be held by the Debtor and used for continued business operations on a month-to-month basis.

## **ARTICLE 2**

### **Treatment of Unclassified Claims**

2.1 Allowed Administrative Expense Claims. Except to the extent the Disbursing Agent and the holder of an Allowed Administrative Expense Claim agree to a different treatment or except to the extent that the terms of this Plan provide otherwise, the Disbursing Agent shall pay (a) to each holder of an Allowed Administrative Claim an amount equal to its Allowed Administrative Expense Claim on a date which is no later than fifteen (15) days after the Effective Date of the Plan; and (b) the claimant of an Administrative Claim on a date which is no later than fifteen (15) days after the Effective Date of the Plan and after the date on which such Administrative Expense Claim becomes an Allowed Administrative Expense Claim by the entry of a Final Order.

2.2 U.S. Trustee Fees. The fees payable to the U.S. Trustee shall be paid by the Debtor on its quarterly disbursements as and when they become due pursuant to 28 U.S.C. §1930, and this obligation to pay such fees shall continue until the Case is either converted, dismissed, or closed, whichever event occurs first.

2.3 Requests for Allowance of Administrative Expense Claims. Except as set forth herein to the contrary, each Person, including each Professional, shall file an application for an allowance of an Administrative Expense Claim in conformity with the following Subsections:

2.3.1 Counsel. Counsel and other Professionals shall file an application for the allowance of fees and expenses on or before thirty (30) days following the Confirmation Date to obtain an allowance thereof. Such allowance, as determined by the Court, shall be paid from the pre-paid retainers held in escrow by such professionals or on a month-to-month basis out of operating revenue.

2.3.2 Other Administrative Expense Claimants. All other Administrative Expense Claimants not mentioned in Subsection 2.3.1 shall file an application for the allowance of an Administrative Expense Claim on or before thirty (30) days following the Confirmation Date to obtain an allowance thereof. Such allowance shall be paid by the Disbursing Agent from the Debtor's Distribution Proceeds in

accordance with Section 2.1 above. If such application is not timely filed such claim shall stand as disallowed and be forever barred from being filed. The Reorganized Debtor or any Creditor may object to any application and shall obtain a hearing date from the Court to determine such objection.

2.4 Post-Confirmation Kentucky PSC Reports. In connection with this Plan and all instruments issued in connection therewith, the Reorganized Debtor shall comply with all applicable administrative rules promulgated by the Kentucky PSC, including, but not limited to, the requirement to file quarterly and annual reports with said PSC.

2.5 Post-Confirmation Operating Expenses. In connection with this Plan and all instruments issued in connection therewith, the Reorganized Debtor shall pay all Operating Expenses in the ordinary course of its business as said expenses become due and payable.

### **ARTICLE 3** **Classification of Claims and Interests**

The Allowed Claims and the interests shall be classified as follows:

3.1 Class 1 (Small Unsecured Creditors) shall consist of the Allowed Unsecured Claims of the Creditors who are owed as of the Petition Date less than \$2,000 and any creditor in Class 3 who elects to be treated as a Small Unsecured Creditor to be paid a maximum of \$2,000.

3.2 Class 2 (Secured Claims) shall consist of three sub-classes for the Allowed Secured Claims of the Secured Creditors, as follows:

Class 2-A: Secured Claim of Johnson County Fiscal Court. Class 2-A shall consist of the Allowed Secured Claim of the Johnson County Fiscal Court secured by a tax lien upon all of the Debtor's 32 miles of gas pipeline in Johnson County. Class 2-A is senior to Class 2-B below.

Class 2-B: Secured Claim of the Commonwealth of Kentucky, Department for Local Government. Class 2-B shall consist of the Allowed Secured Claim of the Commonwealth of Kentucky, Department for Local Government secured by a first mortgage and fixture filing upon all of the Debtor's 32 miles of gas pipeline in Johnson County. Class 2-B is junior to the tax liens of Class 2-A.

Class 2-C: Secured Claim of Western Commerce Bank. Class 2-C shall consist of the Allowed Secured Claim of Western Commerce Bank of Carlsbad, NM which bank finances the Debtor's insurance premium for the general liability policy.

3.3 Class 3 (Unsecured Claims) shall consist of the holders of Allowed Unsecured Claims, except Class 3 shall not include the Allowed Unsecured Claims of Class 1.

3.4 Class 4 (Equity Interestholder) shall consist of the interests of the Equity Interestholder.

#### ARTICLE 4

##### **Identification of Impaired Classes and Voting Classes**

4.1 Impairment; Classes Entitled and Not Entitled to Vote. Class 2-C is not an Impaired Class and is not entitled to vote for or against acceptance of the Plan. Class 4 is not an Impaired Class and is not entitled to vote for or against acceptance of this Plan, but as the proponent of the Plan, shall conclusively be deemed to have voted for the Plan. Classes 1, 2-A, 2-B, and 3 are impaired and will be entitled to vote for or against the Plan.

4.2 Controversies. In the event of any controversy concerning the classification of any Claim or whether any Class of Claims is impaired under this Plan, the Court shall, after notice and hearing, determine such controversy.

#### ARTICLE 5

##### **Treatment of Classes of Claims and Commitment of Debtor's Surplus Income**

5.1 Distribution Proceeds. Pursuant to the time limitations set forth in Section 8.2 and 8.3, infra, the Distribution Proceeds shall be distributed to the Creditors in the order of the following priority:

5.1.1 Treatment of Class 1 – Small Unsecured Creditors. The Allowed Claims of Small Unsecured Creditors of no more than \$2,000 or any Creditor who desires to be paid a maximum of \$2,000 within thirty (30) days after the Effective Date may elect to be treated as a Class 1 Creditor. Any such Creditor in this Class shall have its Allowed Claim of less than \$2,000 paid in full or shall have its Allowed Claim in excess of \$2,000 paid to the maximum of \$2,000 if it elected to be treated in this Class.

5.1.2 Treatment of Class 2 – Secured Claims. The Allowed Claims of the Secured Creditors shall be paid, as follows:

Class 2-A Johnson County Fiscal Court: After payment in full of the Class 1 Creditors, the Class 2-A Creditor shall be paid by a lump-sum distribution of \$75,000 within thirty (30) days after the Effective Date of the Plan, with the unpaid balance plus statutory interest to be paid from the Surplus Income until this Creditor is paid in full. Class 2-A shall retain its lien until its Secured Claim



is paid in full, and shall thereafter execute and file a release of its lien(s) in the Johnson County Clerk's Office.

Class 2-B Commonwealth of Kentucky, Department for Local Government:

After payment in full of Class 1 and Class 2-A Creditors, the Class 2-B Creditor shall be paid from the Surplus Income to the extent of its Allowed Secured Claim. The Class 2-B Creditor shall retain its mortgage and lien upon the Debtor's assets until the Allowed Secured Claim is paid in full, and shall thereafter execute and file a release of all liens in the Johnson County Clerk's Office. The unpaid balance of the Class 2-B Claim shall be treated as a Deficiency Claim in Class 3 (unless Class 2-B elects to be treated as a Class 1 Claimant).

Class 2-C Western Commerce Bank: Class 2-C shall be paid in the ordinary course of business Post-Confirmation. Class 2-C is not impaired and will not receive a Distribution from the Surplus Income. Class 2-C shall retain its statutory security interest in the unearned insurance premium paid to Century Surety Company on behalf of the Debtor.

5.1.3 Treatment of Class 3 - Unsecured Creditors' Claims. After the payment of Classes 1 and 2 above, the Class 3 Unsecured Creditors shall be paid *Pro Rata* in amounts not to exceed their Allowed Claims until all such Claim are paid in full or until the Term ends, whichever event occurs first. Any Creditor in this Class may make an election on its Ballot, voting in favor of the Plan, to be treated as a Creditor in Class 1 and receive the maximum distribution in that Class, provided, however, that the election once made, shall be irrevocable, and provided that the election can only be made on the Ballot at the time of the voting process for or against the Plan. All Unsecured Creditors holding claims in excess of \$2,000 shall have their total claims' amounts counted as Class 3 Claimants for voting purposes only.

5.1.4 Treatment of Class 4 – Equity Interestholder. The Equity Interestholder shall retain his Equity Interest after Confirmation of this Plan and his new stock after the Effective Date.

5.2 Submission of Distribution Proceeds to Jurisdiction of the Court. The Debtor hereby submits the Distribution Proceeds to the jurisdiction of this Court for the Term for payment of the Allowed Claims according to the terms and priorities set forth in this Plan.

5.3 Limitation on Dividends. During the Term of the Plan, the Debtor shall not authorize or distribute any cash dividends to the Equity Interestholder.

**ARTICLE 6**  
**Means for Execution of the Plan**

6.1 Debtor's Payments to Disbursing Agent and Counsel. The following provisions shall apply to the Disbursing Agent and Counsel, as appropriate:

6.1.1 Appointment of Disbursing Agent. In the Confirmation Order, W. Thomas Bunch II shall be appointed the Disbursing Agent and the Court shall fix a bond for the Disbursing Agent and his successors in conformity with Code §322(a) and the Disbursing Agent and his successors shall maintain said bond at all times until final distribution of all funds that come or are to come into his hands pursuant to this Plan. The Court may, from time to time, increase or reduce the Disbursing Agent's bond whenever needed; the Debtor shall pay the cost of said bond.

6.1.2 Duties of the Disbursing Agent. Within fifteen (15) days after the condition described in Article 1.25 [2] is met, the Equity Interestholder shall pay and deliver the Equity Contribution to the Disbursing Agent; and beginning ninety (90) days after the Effective Date of the Plan and quarterly thereafter, the Debtor shall pay and deliver the Surplus Income to the Disbursing Agent; and all Tax Refunds and Prosecutable Claims Proceeds shall be turned over to the Disbursing Agent within ten (10) days of the receipt thereof. The Disbursing Agent shall file a notice in the Court's record to identify the Effective Date of the Plan. All funds coming into the possession of the Disbursing Agent shall be maintained by him in a bank authorized by the U.S. Trustee as an acceptable debtor-in-possession depository or in investments made in conformity with Code § 345, or his currently established IOLTA escrow account. The Disbursing Agent shall hold and disburse same to the Entities mentioned in this Plan and to the Creditors in accordance with the priorities set forth in Articles 2, 3, and 5 and in accordance with the terms of this Plan. No other duties shall be imposed upon the Disbursing Agent that are not specifically identified herein unless the Disbursing Agent specifically agrees to same in writing.

6.1.3 Monitoring of Disbursements. The U.S. Trustee may monitor and direct the collection, accounting, treatment, and distributions made by the Disbursing Agent and payments to any professional employed by him. This monitoring shall be subject to the following:

6.1.3.1 Availability of Records. The Disbursing Agent shall make available his books, records, office, and personnel to the U.S. Trustee or any Creditor at any reasonable time, but so as not to interfere with the Disbursing Agent's business, upon at least a 48-hour fax or e-mail notice during the regular business workday.

6.1.3.2 Payment of Compensation. The Disbursing Agent shall be paid \$300 per hour and reimbursed for all reasonable expenses incurred. He shall be paid his monthly billing invoices for his services

rendered as Disbursing Agent from the Distribution Proceeds in accordance with the terms set forth in Article 2 of this Plan.

6.1.3.3 Creditors' Option to Remove Disbursing Agent. At any time during the Term, any Creditor shall have the right to move the Court to remove the Disbursing Agent, but the Court shall remove the Disbursing Agent only for good cause. Any successor thereof shall be appointed by the Court subject to the bonding requirements in Section 6.1.2 prior to taking possession of the funds for which the Disbursing Agent is responsible.

6.1.3.4 Authority of Disbursing Agent. Except as otherwise limited herein, the Disbursing Agent shall have authority to (a) receive and hold all Cash from the Distribution Proceeds, (b) collect, account for, and make distributions provided for herein, (c) act in any way that is in conformity with or in furtherance of the terms of this Plan, (d) object to and litigate objections to any Claims or claim which is asserted against the Debtor as a result of actions following the Petition Date, (e) negotiate and settle any Claim or claim dispute, (f) to prepare the quarterly reports, and (g) perform such other duties as approved by this Plan or the Court.

6.1.3.5 Duties of Counsel. Except as otherwise limited herein, Counsel shall have authority on behalf of the Reorganized Debtor to (a) perform the legal services required by the work outlined in Subsection 6.1.3.4, (b) perform the legal duties for the Reorganized Debtor as required by the Code, this Plan, and the Court, (c) appear in Court and argue any matter on behalf of the Reorganized Debtor as is authorized, permitted, or envisioned by the terms of this Plan, (d) to file the quarterly reports with the Court, and (e) perform such other duties as assigned to him by the Reorganized Debtor or the Disbursing Agent.

6.1.3.6 Final Distribution. Upon the distribution of all funds proposed by this Plan to be distributed, the Counsel shall file with the Court a final report of distribution at which time the Reorganized Debtor shall be released from the jurisdiction of the Court. After the filing of the final report, the Court shall authorize the cancellation of the Disbursing Agent's bond and discharge him from all further duties. Or, if the Case is already closed, then a Notice may be filed in the Record by Counsel indicating that all funds have been distributed as provided for in the Plan, and the bonding company, upon receipt of such Notice, shall be authorized to cancel or terminate the Disbursing Agent's bond without a Court order.

6.1.3.7 Liability of Counsel and Disbursing Agent. Counsel and the Disbursing Agent shall not be held personally liable, directly or

indirectly, for any decision, action, inaction, activity or inactivity arising from the exercise of their duties as Counsel or Disbursing Agent, except for fraud, gross negligence or gross mismanagement.

6.1.3.8 Resignation of Disbursing Agent or Counsel. If the Disbursing Agent or Counsel resigns or dies or is unable to perform his duties as such due to illness or disability, the Court shall appoint a successor disbursing agent who shall be subject to the provisions of this Plan.

6.2 Provisions for Receipt of Monies. The Creditors will be paid their Allowed Claims, or a *Pro Rata* amount thereof, from the following sources:

6.2.1 Equity Contribution. In conformity with Article 6.10, *infra*, the Equity Interestholder shall pay over the Equity Contribution to the Disbursing Agent, which monies shall be used in conformity with the terms of this Plan.

6.2.2 Prosecutable Claims Proceeds. Notwithstanding anything to the contrary herein, the Reorganized Debtor and/or its Professionals shall, upon receipt of any Prosecutable Claims Proceeds, pay over such proceeds to the Disbursing Agent. Such monies shall be paid and distributed only to the Unclassified Classes and then to the Class 1 and 3 Unsecured Creditors.

6.2.3 Tax Refunds. The Reorganized Debtor shall be required to pay over to the Disbursing Agent any Tax Refunds received during the Term of the Plan, except any refunds received for tax year 2011. As required by this Plan, the Reorganized Debtor shall turn over to the Disbursing Agent copies of all state and federal income tax returns during the Plan and from which tax returns the Disbursing Agent will determine the Tax Refunds, if any. Any Federal tax liability may be used to offset any state refund or vice versa as circumstances dictate. Such monies shall be paid and distributed only to the Unclassified Claims and then to the Class 1 and 3 Unsecured Creditors.

6.2.4 Distribution. The Disbursing Agent shall disburse such monies received by him in conformity with the terms of this Plan.

6.3 Quarterly Reports and U.S. Trustee's Fees. The Debtor's obligation of filing monthly financial reports with the U.S. Trustee shall pass to and become the obligation of the Reorganized Debtor and such obligation shall continue following Confirmation until the obligation to pay the U.S. Trustee's fees required to be paid pursuant to 28 U.S.C. §1930(a)(6) ends; provided, however, that (a) such reports by the Disbursing Agent shall be mailed with any Distributions to Creditors and (b) such reports shall be filed quarterly instead of monthly. The Disbursing Agent shall prepare, sign, and file all Post-Confirmation reports and shall pay the U.S. Trustee's fees out of the Distribution Proceeds as Unclassified Claims. Copies of such

reports shall be served on the U.S. Trustee, Counsel and on any Creditor requesting continued service of same. No assessment of U.S. Trustee's fees shall be made against the Disbursing Agent, Counsel, or any professionals in their individual capacity.

6.4 Closing of Case. On or after the longer of (a) the fifteenth day after the entry of the Order allowing the Professionals their final fees, or (b) thirty days after the entry of the Order of Confirmation, the Debtor may move the Court to close this Case. After the closing of the Case, such closing shall (a) not alter, amend, revoke, or supersede the terms of the confirmed Plan, (b) not affect any rights of the Debtor, the Reorganized Debtor, Unclassified Claimants, Creditors or any other Person treated under the Plan, (c) continue to cause the terms of the confirmed Plan to remain binding on all Persons, (d) cause all Orders of the Court to remain in full force and effect, (e) permit the entry of the Discharge without re-opening the Case; and (f) cause the Court to retain all jurisdiction set forth herein in Section 7.3; and eliminate the Debtor's obligation to pay U.S. Trustee's fees.

6.5 Implementation of Continuing Stay as to Creditors. **On the Effective Date, every Creditor shall be precluded and permanently stayed from asserting against the Reorganized Debtor, including its Officer, agent, employee, member and shareholder, any Claim that arose before the Confirmation Date and the automatic stay under Code §362 shall be extended to the end of the Term or the date of the entry of the Discharge, whichever is later in time.**

6.6 Preservation of Prosecutable Claims by the Debtor. Pursuant to and in accordance with Code §§ 105(a), 1123(b)(3), and 1141(b) and except as provided herein, upon the entry of the Confirmation Order, all Prosecutable Claims shall be, and hereby are reserved, retained, and vested in the Reorganized Debtor. All Prosecutable Claims shall survive and continue Post-Confirmation, free and clear of all liens, claims, interests, encumbrances, defenses of *res judicata*, waiver, laches and estoppel, for investigation, prosecution, enforcement, settlement abandonment, adjustment, or collection for the benefit of the holders of Allowed Claims.

6.6.1 Notice to Prosecutable Targets. Without limiting the generality of the foregoing subparagraph, all Creditors and other parties in interest are hereby expressly advised and notified that the Reorganized Debtor shall have the right to investigate, prosecute, enforce, settle, adjust, collect, or otherwise dispose of the Prosecutable Claims. **ALL CREDITORS, PERSONS, ENTITIES, AND OTHER PARTIES WHO RECEIVED DIRECTLY OR INDIRECTLY, PAYMENTS, OFFSETS, RECOUPMENTS OR TRANSFERS OF PROPERTY FROM THE REORGANIZED DEBTOR WITHIN THE ONE (1) YEAR PERIOD PRECEDING THE PETITION DATE, OR WITHIN SUCH LONGER PERIOD OF TIME AS MAY APPLY UNDER APPLICABLE LAW INCLUDING, WITHOUT LIMITATION, PERSONS INCLUDED IN THE "LIST OF PROSECUTABLE CLAIMS TARGETS," WHICH INCLUDES A LIST OF PAYMENTS MADE WITHIN 90 DAYS PRIOR TO THE PETITION DATE ATTACHED AS EXHIBIT 1 TO THE**

**DISCLOSURE STATEMENT (AND INCORPORATED HEREIN BY THIS REFERENCE THE SAME AS IF SET FORTH AT LENGTH HEREIN), ARE HEREBY NOTIFIED THAT THEY MAY BE SUBJECT TO SUIT TO RECOVER ANY PREFERENCES, FRAUDULENT TRANSFERS, OR OTHER AVOIDABLE TRANSFERS AND TO PURSUE ANY PROSECUTABLE CLAIMS. The inclusion of a Person in, or the omission of a Person from, Exhibit 1 to the Disclosure Statement does not mean that a decision has been made to assert, or not to assert, a Prosecutable Claim against such Person. At this time, no determination has been made to pursue any particular Prosecutable Claim.**

6.6.2 Reservation of Prosecutable Claims. The Reorganized Debtor specifically reserves the Prosecutable Claims and, by setting forth notice to each currently known potential target of such Prosecutable Claim, expressly reserves such rights to survive beyond Confirmation, the finality of Confirmation, and all other legal effects of such Confirmation, provided, however, this reservation shall not mean and shall not be construed to mean that the exclusion of any Person from Exhibit 1 frees, releases, or exonerates any Person from a Prosecutable Claim by way of any defenses, including but limited to the defenses set forth in Subsections 6.6.3 and 6.6.4, and the Reorganized Debtor shall have the right to investigate, pursue, prosecute and collect any unknown, but later discovered, Prosecutable Claims against any Person.

6.6.3 Notice in Confirmation Order. The Court shall include in the Confirmation Order appropriate provisions incorporating the terms set forth in Subsections 6.6, 6.6.1, and 6.6.2, including but not by way of limitation, the survival of the Prosecutable Claims from the defenses of *res judicata*, waiver, laches, and estoppel as to the Prosecutable Claims and any other unknown but later discovered Claim or Claims after Confirmation and the approval of a grant of derivative jurisdiction for the Reorganized Debtor and its Counsel to prosecute the Prosecutable Claims.

6.6.4 Prosecution and Temporary Disallowance. The Reorganized Debtor and its Counsel shall prosecute the Prosecutable Claims. In accordance with Code § 502(d), the Reorganized Debtor shall seek an Order from the Court disallowing any Claim of a Creditor who has a preference claim asserted against such Creditor unless said Creditor has paid to the Reorganized Debtor the amount adjudged by the Court as a preference liability.

6.6.5 Discretion to Pursue or Settle and Immunity of Parties. The Reorganized Debtor, subject to the prior approval of Disbursing Agent, shall have discretion to pursue or not to pursue, to settle or not to settle, or to try or not to try, and/or to appeal or not to appeal the Prosecutable Claims as it determines without any further approval of the Court thereof. Neither the Reorganized

Debtor, its attorneys, nor the Disbursing Agent shall have any liability for the outcome of its decisions.

6.6.6 Payment Over to Disbursing Agent. All collections by the Reorganized Debtor shall be paid over to and held by the Disbursing Agent in his escrow account as Distribution Proceeds.

6.7 Provisions Relating to Default. Upon and after the Effective Date, the following provisions shall be applicable to the Reorganized Debtor:

6.7.1 Default of Plan. Notwithstanding any provision hereof, this Plan shall go into "default" upon the occurrence of any one or more of the following events if the Reorganized Debtor: (a) fails to turnover to the Disbursing Agent all Distribution Proceeds in a timely manner; (b) fails to substantially comply with any of the Chapter 11 provisions applicable to it after Confirmation either by the Code or by this Plan; or (c) fails to file any required tax return by the due date of such return. The U.S. Trustee or any creditor may file a written notification of default to the Reorganized Debtor providing a minimum fourteen (14) day opportunity to cure the default; if the Reorganized Debtor has not cured the default by the end of such cure period, then either the U.S. Trustee or the creditor, as appropriate, may move the Court to declare that the Reorganized Debtor is in default of the Plan. Upon a determination of default by the Court (same not having been cured), the remedies for same shall be the sale of the Reorganized Debtor's asset pursuant to 11 U.S.C. Section 363 all as described in Article 6.7.2 below.

6.7.2 Provisions for Sale of Reorganized Debtor's Assets. If there is a default notice filed in Court by a Creditor and no stay thereof is issued by the Court within ten days of the filing of such notice, then the procedures set forth herein shall apply:

6.7.2.1 Motion for Sale Procedures Order. Counsel shall file a motion for the entry of a sales procedures order pursuant to Code §363.

6.7.2.2 Sale of Debtor's Assets. Pursuant to the entry of and compliance with the sale procedure order, Counsel shall cause the sale of the Debtor's Assets as a going concern to the highest and best bidder, subject to the Court's approval after a sale approval hearing.

6.7.2.3 Carveouts for Counsel. Notwithstanding the distribution and priorities mentioned in the preceding subsection, the Court shall determine and allow attorneys' fees to be charged against the sale proceeds of the sales to be paid as attorneys' fees to Counsel for their legal services in the Case.

6.8 Discharge. After the Debtor has made all the payments of Surplus Income to the Disbursing Agent, and the Disbursing Agent has filed his final report of all distribution, the Debtor shall stand discharged of all Claims treated by this Plan even if not paid in full and the Court shall enter an Order of Discharge and such discharge language shall be included in any confirmation order. All the provisions relating to a discharge, as set forth in Code §727(b) shall be applicable to the Debtor. Upon the entry of the Order of Discharge or the filing of a final report of all timely distributions by the Disbursing Agent, the Debtor shall be deemed discharged of any and all Claims not paid during the Term; provided, however, that the Reorganized Debtor shall not receive an Order of Discharge unless Classes 1, 2-A & 2-B have been paid in full and Class 3 has been paid an amount no less than what would have been paid if this case had been a Chapter 7 liquidation case. For purposes of the foregoing, the Chapter 7 liquidation amount is hereby fixed at \$10,000.00.

6.9 Debtor's Request to Kentucky PSC for Surcharge upon Customers. The Debtor shall commence a Rate Case before the Kentucky PSC for approval of an adjustment of its current rates to provide for (a) the recovery of its overhead/operating costs as provided in this Plan, including, but not limited to, all leases and executory contracts assumed by the Debtor in Article 10.1 below, and (b) a "surcharge" to pay [i] the Class 1, 2-A and 2-B Secured Creditors in full and [ii] the Class 3 Unsecured Creditors no less than \$21,000.00 per year during the five year Term of the Plan (a total of \$105,000.00). The Debtor shall propose (a) an adjustment of the minimum monthly charge from 1 Mcf to 2 Mcf per customer per month and (b) a surcharge of \$1.10 per Mcf upon all natural gas consumed by the Debtor's customers in the Rate Case. The Effective Date of the Plan shall not occur until the Rate Case has been decided by the Kentucky PSC in the Debtor's favor.

6.10 Equity Contribution by Equity Interestholder. The Equity Interestholder shall contribute the Equity Contribution to the Debtor no later than fifteen (15) days after the entry of a final order by the Kentucky PSC approving the adjustments to the Debtor's rates as set forth in Article 6.9 above. The Debtor shall retain \$25,000.00 for an initial cash infusion for Working Capital and shall transfer the sum of \$75,000.00 to the Disbursing Agent for distribution to the Creditors in accordance with this Plan. Upon receipt of the Equity Contribution by the Debtor, the Debtor shall cancel all outstanding shares of the Debtor's stock (i.e., stock certificates) that were issued by the Debtor prior to the Petition Date, and shall forthwith issue new shares of common stock in the Reorganized Debtor to the Equity Interestholder. Thereafter, the Equity Interest shall be held by the Equity Interestholder free and clear of all liens, claim and encumbrances.

6.11 Exculpation for Post-Petition Events and Limitation of Liability: Officers of the Debtors, and all Professionals shall not have or incur any liability to, or be subject to any right of action by, the Debtor, or any holder of a Claim or Interest, or any other party in interest or any of their respective agents, shareholders, employees, representatives, financial advisors, attorneys or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of, (a) any act taken or omitted to be taken on or after the Petition Date, (b) the Disclosure Statement, the Plan, and the documents necessary to effectuate the Plan, (c)



the solicitation of acceptances and rejections of the Plan, (d) the Debtor's Bankruptcy Case, (e) the administration of the Plan, (f) the distribution of property under the Plan, (g) any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or the Bankruptcy Case, or (h) any sale pursuant to or after the Plan, and in all respects shall be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the Plan, provided, however, that none of the foregoing shall apply to fraud, gross negligence or intentional or malicious acts.

## **ARTICLE 7**

### **General Provisions**

7.1 Modification of Plan. The Debtor may propose amendments to or modifications of this Plan under Code §1127 at any time prior to the entry of the Confirmation Order. After the Confirmation Date, the Reorganized Debtor may remedy any defects or omissions or reconcile any inconsistencies in this Plan or in the Confirmation Order in such manner as may be necessary to carry out the purposes and intent of this Plan so long as the interests of the Creditors are not materially and adversely affected.

7.2 Effectuating Documents; Exemption from Certain Transfer Taxes. The Reorganized Debtor is hereby authorized to execute, deliver, file or record such documents, contracts, releases and other agreements, and take all such further action as may be necessary, to effectuate and further evidence the terms of this Plan. Pursuant to Code § 1146(a), the delivery of any instrument of transfer under, and furtherance of, or in connection with, the Plan, including but not limited to deeds, bills of sale, assignments, or other instruments of transfer, shall not be subject to any stamp tax, or similar transfer tax.

7.3 Retention of Jurisdiction. The following provisions shall upon Confirmation, be applicable to this Case and the Reorganized Debtor:

7.3.1 The Court shall retain all legally permissible jurisdictions, including that necessary to insure that the purpose and intent of this Plan are carried out, to hear and determine all Claims, to determine any matter treated in this Plan for which reference to retained jurisdiction is made, and to hear and determine all Prosecutable Claims.

7.3.2 The Court shall further retain jurisdiction Post-Confirmation for the purpose of resolving all disputes concerning the meaning and effect of any of the Court's Orders, including the Confirmation Order, the application or interpretation of any provision of this Plan, or the application or interpretation of any provision of the Sale Order.

7.3.3 The Court shall retain jurisdiction for the following additional specific purposes after the Confirmation Date: (a) to modify this Plan pursuant to the Code and the Bankruptcy Rules; (b) to assure performance by the Reorganized

Debtor of its obligations to make distributions under this Plan and any other obligations and duties; (c) to enforce and interpret the terms of this Plan; (d) to enter such orders, including injunctions, as are necessary to enforce the title, rights and powers of the Reorganized Debtor and the Disbursing Agent and to interpret such limitations, restrictions, terms, and conditions on such title, rights and powers as may be necessary; (e) to enter an order concluding, terminating and/or closing this Case; (f) to correct any defect, cure any omission, or reconcile any inconsistency in this Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of this Plan; (g) to decide issues concerning federal, state and local tax reporting and payment which arise in connection with the Confirmation, execution or performance of this Plan; (h) to hear and determine all Prosecutable Claims; and (i) to determine and enter final orders in all adversary proceedings pending on the Confirmation Date or filed thereafter.

7.4 Distribution Pending Stay on Appeal. Any stay pending appeal shall apply only to amounts in controversy and distribution of amounts not in controversy shall continue in accordance with the terms of the Plan.

7.5 Extensions of Time. Notwithstanding any time limitations in this Plan, the Court may for good cause shown extend such time limitations.

7.6 Post-Confirmation Actions, Reports and Final Decree. After Confirmation of this Plan, the following events shall occur:

7.6.1 Reports of Distribution. The Disbursing Agent shall file with the Court quarterly reports of receipts and disbursements of the Distribution Proceeds, with a copy to Counsel, the U.S. Trustee and any Creditor who requests a copy of same.

7.6.2 Final Report. Upon completion of all distributions provided for herein, the Disbursing Agent shall file a report of final distribution with the Court, with service on Counsel, the U.S. Trustee and any Creditor who requests same.

7.6.3 Request for Post-Confirmation Notices and Filings. After Confirmation, no Creditor herein will be served any notices, motions, reports or other filings in the Court except as set forth in Section 7.6. Any Creditor or party in interest who desires service of any Post-Confirmation notice(s) required in this Plan shall file with the Court and serve upon Counsel a request for such notices.

7.7 Notices. After Confirmation, any notice, report, motion, or filing required to be given to the Reorganized Debtor, the Post-Confirmation Committee, if any, the Disbursing Agent, or a Creditor pursuant to this Plan, the Code or Bankruptcy Rules shall be in writing and, if sent by e-mail, shall be deemed to have been given when sent, but if mailed, shall be deemed

to have been given three (3) days after the date sent. If such notice is sent by mail it shall be sent by first-class mail, postage prepaid. All notices shall be sent as follows:

If to the Reorganized Debtor, Counsel, or Disbursing Agent, to:

Johnson County Gas Co., Inc.  
c/o Bud Rife, President  
PO Box 447  
Besty Layne, KY 41605-0447  
REORGANIZED DEBTOR

W. Thomas Bunch II, Esq.  
BUNCH & BROCK  
271 West Short Street, Suite 805  
Lexington, KY 40507-1217  
(859) 254-5522  
E-mail: tom@bunchlaw.com  
ATTORNEYS FOR THE DEBTOR  
AND DISBURSING AGENT

If to the U.S. Trustee, to:

Rachelle C. Dodson, Esq.  
OFFICE OF THE U.S. TRUSTEE  
100 East Vine Street, Suite 500  
Lexington, KY 40507  
(859) 233-2822  
(859) 233-2834 *fax*  
E-mail: rachelle.c.dodson@usdoj.gov

7.8 Reduction of Notice Periods. Notwithstanding Bankruptcy Rule 2002, the notice period applicable to service of any notice on the Reorganized Debtor, the Disbursing Agent, or a Creditor otherwise applicable pursuant to the provisions of the Code, the Bankruptcy Rules or this Plan, is reduced to a fourteen (14) day period, with the exception of any applicable notice period relating to modification of the Plan after Confirmation.

7.9 Transfer of Claims. Claims may be transferred but such transfer will be honored only if applicable Notice is given to the Reorganized Debtor and only in accordance with Bankruptcy Rule 3001. Pre-Confirmation transfers of Claims shall be recognized if the transfer was done in accordance with Bankruptcy Rule 3001.

7.10 Captions. Paragraph captions used herein are for convenience only and shall not affect the construction of this Plan.

7.11 Exhibits. All references to any Exhibit herein shall be construed as references to that numbered Exhibit to the Disclosure Statement and shall be considered incorporated herein by this reference, the same as if set forth at length herein.

7.12 Choice of Law. Except to the extent that the Code or other federal statutes or regulations are applicable, the rights and obligations arising under the Plan shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Kentucky. In the event of an inconsistency between the terms of this Plan and the laws of the Commonwealth of Kentucky, the terms of this Plan shall prevail.

7.13 Binding Effect. The rights and obligations of any Person named in, or referred to, or affected by this Plan shall be binding upon, and shall inure to the benefit of, the successors, heirs and assigns of such Person.

**ARTICLE 8**  
**Provisions Governing Allowances of Claims and Distributions**  
**From the Post-Confirmation Estate**

8.1 Proofs of Claim, Allowances and Disallowances, Bar Dates, and Time Limitations. The allowance of Claims for distribution purposes shall be as follows:

8.1.1 Claims Fixed by this Plan. Any Creditor who has a Claim allowed by the terms of this Plan shall not be required to file a Proof of Claim.

8.1.2 Claims Listed Correctly in the Schedules. Any Creditor whose Claim is listed in the Schedules as nondisputed, liquidated, and noncontingent and the amount listed is correct, shall not be required to file a Proof of Claim.

8.1.3 Contingent, Disputed, or Contested Claims and Claims of an Unknown Amount. Any Creditor whose Claim is listed in the Schedules as disputed, unliquidated, or contingent and any Claim which is for an unknown amount shall:

8.1.3.1 Proof of Claim Required. File a Proof of Claim on or before forty (40) days after the Confirmation Date or such Claim shall stand as disallowed and such Creditor shall be forever barred from so filing.

8.1.3.2 Time for Filing. Shall file a motion or adversary action with the Court on or before forty (40) days after the Confirmation Date to have their Claim liquidated or otherwise allowed. Upon the allowance of a contingent or unliquidated claim, it shall be entitled to distribution under the Plan consistent with the treatment of other Claims in the Class in which the contingent or unliquidated claim is ultimately allowed. Any

Creditor who fails to initiate action pursuant to Subsection 8.1.3 for the allowance of its Claim shall have its Claim disallowed and be forever barred from seeking any recovery from the Reorganized Debtor, the Estate and the Assets.

8.1.4 Bar Date for Filing Proofs of Claim. Any Creditor holding a nondisputed, liquidated, and/or noncontingent Claim who desire to file a Proof of Claim to obtain an Allowed Claim in an amount different from the listing in the Schedules, or who is not listed as a Creditor in the Schedules, shall file a Proof of Claim on or before forty (40) days after the Confirmation Date or be forever barred from so filing. Any Creditor who has already filed a Proof of Claim shall not be required to file a new Proof of Claim. Any creditor who has filed a proof of claim on or before forty (40) days after the Confirmation Date may not thereafter amend their Proof of Claim to a higher amount.

8.1.5 Bar Date for Filing Proof of Claim Relating to Executory Contracts and Unexpired Leases Rejected Pursuant to this Plan. A Proof of Claim asserting a Rejection Claim shall be filed with the Court on or before the fortieth (40<sup>th</sup>) day after the Confirmation Date or be forever barred from assertion of any Rejection Claim against any payment from the Reorganized Debtor.

8.1.6 Distribution Based on Allowed Claims Only. No Creditor shall receive any distribution under this Plan unless such Person holds an Allowed Claim.

8.1.7 Late Claims. Except as otherwise expressly provided in this Plan, any Claim not timely allowed pursuant to the terms of this Plan shall not be an Allowed Claim.

8.1.8 Time for Objections to Claims. Any objection(s) to Claims shall be filed before the first distribution to Class 3 Unsecured Claims under this Plan has been made, or within one (1) year after the Effective Date, whichever is longer. No distribution under this Plan shall commence to Creditors in a Class until all objections to Claims in that Class have been resolved by either agreement or Court Order.

8.2 Unclassified Claims Payments. Prior to making any distributions to the Classes treated under the terms of this Plan, the Disbursing Agent shall first make distribution to the holders of Administrative Expense Claims in conformity with Sections 2.1 or 2.3 of this Plan, and reservations of funds for those Unclassified Claims in conformity with Section 2.2 and 2.4 of this Plan.

8.3 Dates for Distribution. The Disbursing Agent shall commence payments from the Distribution Proceeds in accordance with the terms of this Plan and shall commence payment to the Creditors in Class 1 on or before the day that is ninety (90) days after the Effective Date

("Initial Distribution Date"), and shall continue such payments quarterly thereafter until the end of the Term or until the end of the Term and any Grace Periods exercised by the Debtor ("Final Distribution Date"). The Disbursing Agent may extend the Initial Distribution Date for good cause by notice filed in the record. Such distribution shall be in the order of priority fixed by the terms of this Plan.

8.4 De Minimis Payments. In no event shall the Disbursing Agent be obligated to make a distribution if, in the discretion of the Disbursing Agent, there are insufficient funds available to make a cost-efficient distribution, taking into account the size of the distribution to be made and the number of recipients of such distribution. At the end of the Term and if the Disbursing Agent deems a distribution impractical, then such funds remaining shall, in the Disbursing Agent's discretion, either be paid into the Court and disposed of under Chapter 129 of Title 28 of the United States Code or be donated to a reputable charitable organization of the Disbursing Agent's choice. In no event shall the foregoing impair the right of the Disbursing Agent to use funds to satisfy the costs of administering or fully consummating this Plan as authorized in Section 8.2, supra.

8.5 Distributions of Cash. All payments to be made by the Disbursing Agent pursuant to this Plan shall be made by a check drawn on the Disbursing Agent's account maintained in accordance with this Plan.

8.6 Delivery of Distributions and Undeliverable Distributions. Distributions to the holder of an Allowed Claim shall be made at the address of such holder as set forth on the Schedules unless superseded by the address as set forth on the Proof of Claim filed by such holder or by a written notice to the Disbursing Agent providing actual knowledge to the Disbursing Agent of a change of address. If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Disbursing Agent is notified in writing within six months of the distribution date of such holder's then current address, at which time all distributions shall be made to such holder, without interest. All Claims for undeliverable distributions shall be made within six months after the date such undeliverable distribution was initially made. If any Claim for an undeliverable distribution is not timely made as provided herein, such Claim shall be forever barred with prejudice. After such date, all unclaimed property shall be applied first to satisfy the costs of administering and fully consummating this Plan, then for distribution in accordance with this Plan, and the holder of any such Claim shall not be entitled to any other or further distribution under this Plan on account of such undeliverable distribution or such Claim.

8.7 Time Bar to Cash Payments and Disallowances. Checks issued by the Disbursing Agent in respect of Allowed Claims shall be void if not negotiated within six months after the date of issuance thereof. Requests for reissuance of any check shall be made to the Disbursing Agent by the holder of the Allowed Claim to whom such check originally was issued, on or before the expiration of six months following the date of issuance of such check. After such date, all funds held on account of such void check shall be applied first to satisfy the costs of administering and fully consummating this Plan, then for distribution in accordance with this

Plan. The Claim of the holder of any such void check shall be disallowed and such holder shall not be entitled to any other or further distribution on account of such void check or such Claim.

8.8 Minimum Distributions. If a distribution to be made to a holder of an Allowed Claim on any distribution date, including the Final Distribution Date, would be \$10.00 or less, notwithstanding any contrary provision of this Plan, no distribution will be made to such holder.

8.9 Transactions on Business Days. If the Effective Date or any other date on which a transaction, event or act may occur or arise under this Plan shall occur on Saturday, Sunday or a day that is not a Business Day, the transaction, event or act contemplated by this Plan to occur on such day shall instead occur on the next day which is a Business Day.

## ARTICLE 9

### Procedures for Resolving and Treating Disputed Claims

9.1 Objections to Claims and Proofs of Claims. The Reorganized Debtor or any Creditor shall have the right to object to Claims and the allowances of such Claims, subject to the procedures and limitations set forth in this Plan, the Bankruptcy Rules, and the Code. Any objections to Claims shall be filed before the first distribution to Class 3 Unsecured Claims under this Plan has been made, or within one (1) year after the Effective Date, whichever is longer.

9.2 No Distribution Pending Determination of Allowability of Disputed Claims; Distributions to be Made on Undisputed Balances of Partially Disputed Claims. No Proceeds shall be distributed under this Plan on account of any Disputed Claim, unless and until such Claim becomes an Allowed Claim; provided, however, that, except as otherwise required by Section 502(d) of the Code, if a Claim is partially disputed, contingent or unliquidated but the balance of the Claim is undisputed, liquidated and not contingent (the "Undisputed Balance"), then distribution shall be made to the holder of the Claim on such Undisputed Balance and distribution shall be withheld on the part of the Claim that is disputed, unliquidated, or contingent unless and until such part becomes an Allowed Claim.

9.3 Reserve Accounts for Disputed Claims. On or prior to the Initial Distribution Date and each subsequent distribution, the Disbursing Agent shall reserve cash in an aggregate amount sufficient to pay each holder of a Disputed Claim (a) the amount of cash that such holder would have been entitled to receive under this Plan if such Claim had been an Allowed Claim on the Initial Distribution Date, or (b) such lesser amount as the Court may estimate or may otherwise order ("Disputed Claims Reserve").

9.4 Allowance and Payment of Disputed Claims. If, on or after the Effective Date, any Disputed Claim becomes an Allowed Claim, the Disbursing Agent shall, within 30 days after the date on which such Disputed Claim becomes an Allowed Claim or as soon thereafter as is practicable, distribute from the Disputed Claims Reserve to the holder of such Allowed Claim

the amount of distributions that such holder would have been entitled to receive under this Plan if such Claim had been an Allowed Claim on the Effective Date.

9.5 Release of Excess Funds from Disputed Claims Reserve. If at any time or from time to time after the Effective Date, there shall be cash in the Disputed Claims Reserve in an amount in excess of the amount which the Disbursing Agent is required at such time to reserve on account of Disputed Claims under this Plan or pursuant to any Order of the Court, such excess funds shall become available to the Disbursing Agent generally and shall be applied first to satisfy the costs of administration of the Plan and then for distribution in accordance with this Plan.

9.6 Setoffs. The Disbursing Agent may, upon obtaining an Order after opportunity notice and a hearing, setoff against or recoup from any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the claims, rights and causes of action of any nature (including Prosecutable Claims) that the Debtor may have against the holder of such Allowed Claim; provided, however, that neither the failure to effect such a setoff or assert a recoupment nor the allowance of any Claim shall constitute a waiver or release of such claims, rights and causes of action (including Prosecutable Claims) that the Debtor may possess against such holder.

## ARTICLE 10

### Treatment of Executory Contracts and Unexpired Leases

10.1 Leases and Executory Contracts. The Debtor hereby assumes and shall perform those certain leases and contracts, as follows: (a) the July 20, 2006 lease of a Chevy S-10 pickup truck with Bud Rife, (b) the Management/Service Contract for all services regarding the Debtor's business operations with Bud Rife, (c) the building lease dated September 10, 2003, and amended to provide for the rent of the new building at 497 Georges Road, Betsy Layne, Kentucky with Bud Rife, (d) the July 30, 2006 lease of a 1999 one-ton service truck with Bud Rife, and (e) the contract with Bud Rife Construction Company, Inc. to perform construction services for the Debtor. Except as otherwise provided in the Confirmation Order and except as specifically assumed herein, all other executory contracts and/or unexpired leases that existed Pre-Petition between the Debtor and any Person shall be deemed rejected as of the Effective Date of the Plan, and their resulting Claims shall be Rejection Claims and included as Unsecured Claims in Class 3.

Dated: December 21, 2011

**JOHNSON COUNTY GAS COMPANY, INC.**

BY: /s/ Bud Rife  
**Bud Rife, President and as  
Designated Spokesman for Debtor**



PREPARED BY:

**BUNCH & BROCK**

By: /s/ W. Thomas Bunch II  
**W. THOMAS BUNCH, ESQ.**  
**W. THOMAS BUNCH II, ESQ.**  
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**COUNSEL FOR THE DEBTOR**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF KENTUCKY  
PIKEVILLE DIVISION**

IN RE:

CHAPTER 11

JOHNSON COUNTY GAS COMPANY, INC.

CASE NO. 11-70410

DEBTOR

**ORDER APPROVING DISCLOSURE STATEMENT  
AND CONFIRMING DEBTOR'S PLAN OF REORGANIZATION**

Johnson County Gas Company, Inc., as Debtor and Debtor-in-Possession in the above-referenced Chapter 11 bankruptcy case (hereinafter, the "Debtor"), and the Debtor being a small business as defined by 11 U.S.C. Section 101(51C), and the Debtor having filed a Plan of Reorganization and a Disclosure Statement on December 23, 2011 (Docket Nos. 53 and 54, respectively), and the Court having conditionally approved the Disclosure Statement on January 22, 2012, and the Debtor having filed a Report of Balloting on February 27, 2012, and no objections having been filed to the Debtor's Disclosure Statement or Plan of Reorganization, and the Court having conducted a confirmation hearing on March 9, 2012 and considered the record and being sufficiently advised, **THE COURT HEREBY FINDS AND ORDERS**, as follows:

**I. FINDINGS OF FACT**

**A. Jurisdiction and Venue**

1. On the Petition Date<sup>1</sup>, the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtor is a debtor-in-possession pursuant to 11 U.S.C. Section 1107(a) and 1108.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the same meaning given to them in the Plan of Reorganization.

2. The Debtor's principal place of business is in Betsy Lane, Floyd County, Kentucky. Accordingly, venue in the Eastern District of Kentucky was proper as of the Petition Date and continues to be proper under 28 U.S.C. Section 1408 and 1409.

3. The Debtor is a "small business debtor" within the meaning of 11 U.S.C. Section 101(51C).

4. On January 22, 2012, the Court entered an Order (Docket No. 58) authorizing the service of the Plan of Reorganization and ballots to creditors and other parties-in-interest, and scheduled a hearing on confirmation of said Plan at 9:00 a.m. on March 9, 2012.

**B. Voting**

Votes to accept or reject the Plan have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure. A Report of Balloting with all signed ballots is filed at Docket No. 62.

**C. Compliance with 11 U.S.C. Section 1129**

1. The Plan complies with all applicable provisions of the Bankruptcy Code as required by 11 U.S.C. Section 1129(a)(1), including 11 U.S.C. Section 1122 and 1123.

2. The Debtor solicited acceptances of the Plan in good faith and in accordance with the requirements of 11 U.S.C. Section 1125 and Bankruptcy Rule 3017. The ballots were solicited and tabulated in a fair and proper manner and in accordance with Bankruptcy Rules 3017, 3018 and 3109(a) and 11 U.S.C. Section 1126(b). Thus the Debtor has complied with 11 U.S.C. Section (a)(2).

3. The Debtor proposed the Plan in good faith and not by any means forbidden by law. The Plan therefore complies with 11 U.S.C. Section 1129(a)(3).

4. Pursuant to Article 2, the Plan establishes a mechanism to pay for the services, costs and expenses incurred by the bankruptcy estate by requiring that all requests for allowance

of Administrative Claims must be filed with the Court within thirty (30) days following the Confirmation Date, or be forever barred. The Court will then review the requests for allowance of Administrative Claims (including Professional Claims) for reasonableness under 11 U.S.C. Section 328 and 330. The Plan therefore complies with 11 U.S.C. Section 1129(a)(4).

5. The Disclosure Statement identifies the the Debtor's post-confirmation management, the Debtor's sole officer, Bud Rife. Mr. Rife shall not receive a salary, but shall receive a fee of \$7,000.00 per month, plus the cost of health insurance, for all management services regarding the Debtor's business operations (assumed in Article 10.1 of the Plan). Mr. Rife shall have the authority to take any and all actions desirable or necessary in his business judgment to continue the post-confirmation operations of the Debtor and to oversee the implementation of the Plan. The Plan therefore complies with 11 U.S.C. Section 1129(a)(5).

6. The Plan requires the approval of the Kentucky PSC to modify the rates, and the Plan's Effective Date is conditioned upon same. The Plan therefore complies with 11 U.S.C. Section 1129(a)(6).

7. With respect to each impaired class of claims or interests, each holder of a Claim or interest has either accepted the Plan or will receive or retain their Claim, through the Plan, in an amount or property that is not less than the amount that the holder of the Claim would receive or retain if the Debtor were liquidated on the Effective Date under a Chapter 7 of the Bankruptcy Code. The Plan therefore complies with 11 U.S.C. Section 1129(a)(7).

8. Pursuant to the Report of Balloting filed on February 27, 2012, all classes voted to accept the Plan, and therefore, the Debtor seeks confirmation of the Plan under 11 U.S.C. Section 1129(a).

9. The Plan properly provides for the payment of all claims entitled to priority under 11 U.S.C. Section 507, including Tax Claims. The Plan therefore complies with 11 U.S.C.

Section 1129(a)(9).

10. Pursuant to the Report of Balloting filed on February 27, 2012, all impaired classes have voted to accept the Plan. The Plan therefore complies with 11 U.S.C. Section 1129(a)(10).

11. The Debtor shall fund its Plan through the continuance of its natural gas delivery system to its customers and the distribution of the proceeds thereof pursuant to the Plan. The Plan therefore complies with 11 U.S.C. Section 1129(a)(11).

12. Pursuant to Article 2.2 of the Plan, all fees payable under 28 U.S.C. Section 1930 have been paid or shall be paid on or before the Confirmation Date (or within 30 days thereof). The Plan therefore complies with 11 U.S.C. Section 1129(a)(12).

13. With respect to retiree benefits, domestic support obligations, individual debtors and transfers of property, 11 U.S.C. Section 1129(a)(13), (a)(14), (a)(15) and (a)(16) do not apply to the Debtor, and therefore, is not applicable herein.

14. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933. The principal purpose of the Plan is to allow the Debtor to reorganize and continue its normal operations. The Plan therefore does not violate 11 U.S.C. Section 1129(d).

15. The Debtor's Plan complies with the applicable provisions of Title 11 of the United States Code and has been filed in accordance with 11 U.S.C. Section 1121(e). Entry of this Confirmation Order will confirm the Plan in compliance with 11 U.S.C. Section 1129(e).

16. Article 10.1 of the Plan governing the assumption and rejection of the executory contracts and unexpired leases satisfies the requirements of 11 U.S.C. Section 265(b).

17. The Debtor has given adequate notice of the filing of the Plan and Disclosure Statement, adequate notice to the Impaired Creditors and/or Interests of their right to vote for or against the Plan; and adequate notice of the hearing on the Confirmation of the Plan.

## II. CONCLUSIONS OF LAW

### A. Jurisdiction and Venue

This Court has jurisdiction over this matter pursuant to 28 U.S.C. Sections 157(a) and 1334. This is a core proceeding pursuant to 28 U.S.C. Section 157(b)(2)(L) and (O). The Debtor was and is qualified to be a debtor under 11 U.S.C. Section 109(a). Venue in the Eastern District of Kentucky was proper as of the Petition Date and continues to be proper under 28 U.S.C. Section 1408 and 1409.

### B. Compliance with 11 U.S.C. Section 1125(f)(2) and 1129

As set forth above, the Plan complies in all material respects with the applicable requirements of 11 U.S.C. Section 1125(f)(2) and 11 U.S.C. Section 1129; the Debtor has met its burden of proof.

## III. ORDER

1. The Debtor's Disclosure Statement filed at Docket No. 54 provided adequate disclosures to creditors and other interested parties pursuant to 11 U.S.C. Section 1125.
2. Subject to the provisions hereof, the Debtor's Plan of Reorganization filed at Docket No. 53 is hereby approved and confirmed pursuant to 11 U.S.C. Section 1129(a); however, if there is a conflict between the Plan and this Confirmation Order, then the terms of this Order will control to the extent of such conflict. The Plan shall have the force and effect of a final judgment entered by this Court. If there is a conflict between the Plan and the Disclosure Statement, then the terms of the Plan will control to the extent of such conflict.
3. The Debtor's assumption of its contracts set forth in Article 10.1 of the Plan is hereby approved.

4. Notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, this Court shall retain such jurisdiction over this case as is legally permissible and as specified by Article 7.3 of the Plan. All findings made in this Order shall, pursuant to Bankruptcy Rule 7052 (made applicable herein by Bankruptcy Rule 9014), shall constitute findings of fact and conclusions of law and to the extent any finding of fact shall be determined to be a conclusion of law, it shall be so deemed and vice versa.

5. Pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c), the Debtor is directed to file and serve notice of the entry of this Confirmation Order within fourteen (14) days of the entry hereof.

6. Pursuant to Article 6.1 of the Plan, W. Thomas Bunch II is hereby appointed to the position of Disbursing Agent and he shall perform the duties thereof as set forth in the Plan. The Disbursing Agent shall post a fidelity bond in the amount of \$15,000 with a good and sufficient surety thereto, approved by this Court, and shall maintain said bond at all times until final distribution of all of the Debtor's Distribution Proceeds, as defined in Article 1.23 of the Plan. The cost of said bond premiums shall be paid out of the Distribution Proceeds.

7. Notwithstanding the Confirmation of the Plan pursuant to this Order, all jurisdiction reserved passim in the Plan shall be reserved to this Court.

8. As specified in Article 2.3 of the Plan, Claimants with Administrative Claims and Professionals shall file Claims within thirty (30) days after the Confirmation Date or such Claims shall be forever barred.

9. Upon the Effective Date, the Debtor and any retained Professional shall commence performance of all of their duties as set forth in this Confirmation Order and the Plan; and they are authorized to do, perform, act and accomplish all rights and powers granted in the Plan and to accomplish the goals set forth therein.

10. Except as provided herein, this Confirmation Order shall constitute an injunction against all Persons from taking any action to commence or continue any action or proceeding that arose before the Effective Date against or affecting the Debtor, the Reorganized Debtor, or its Assets. This Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly or indirectly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities, all prepetition lawsuits, litigation, actions or other proceedings, judicial or administrative, against the Debtor or the Reorganized Debtor, released pursuant to the Plan (except as provided for or permitted in the Plan), and shall constitute a continuing and permanent injunction against all Persons from taking any action to commence or continue any action or proceeding that arose before the Effective Date against or affecting the Debtor's Assets.

11. The Debtor's obligation to file monthly financial reports with the U.S. Trustee shall continue following Confirmation until the obligation to pay the U.S. Trustee's fees required by 28 U.S.C. Section 1930(a)(6) ends; provided, however, that (a) such reports by the Disbursing Agent shall be mailed with any Distributions to Creditors and (b) such reports shall be filed with the Court quarterly instead of monthly. The Disbursing Agent shall prepare, sign and file all Post-Confirmation reports and shall pay the U.S. Trustee's fees out of the Distribution Proceeds as Unclassified Claims. No assessment of U.S. Trustee's fees shall be made against the Disbursing Agent, Counsel for the Debtor or any professionals in their individual capacity.

12. There being no just cause for delay in the entry of this Confirmation Order, this is a final and appealable order.

IT IS SO ORDERED.



TENDERED BY:

BUNCH & BROCK

BY: /s/ W. Thomas Bunch II  
W. Thomas Bunch II  
271 W. Short Street, Suite 805  
Lexington, KY 40507-1217  
(859) 254-5522

ATTORNEY FOR JOHNSON COUNTY GAS  
COMPANY, INC.

Pursuant to Local Rule 9022-1(c), W. Thomas Bunch II shall cause a copy of this Order to be served on each of the parties designated to receive this Order pursuant to Local Rule 9022-1(a) and shall file with the Court a certificate of service of the Order upon the parties within fourteen (14) days hereof.

Copies to:

W. Thomas Bunch II	via CM/ECF
U.S. Trustee	via CM/ECF
Rachelle Dodson	via CM/ECF
Andrew S. Hartley	via CM/ECF
Allison F. Arbuckle	via CM/ECF
Second Master Service List (Docket No. 55)	

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**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF KENTUCKY  
PIKEVILLE DIVISION**

IN RE:

CHAPTE

JOHNSON COUNTY GAS COMPANY, INC.

CASE NO. 11-7

DEBTOR

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the Order (Docket No. 96) was served electroni  
on August 27, 2013 in the method established under CM/ECF Administrative Procedures Ma  
and the Local Court Standing Order dated July 25, 2002, and further, was served by e-ma  
August 27, 2013 upon the Second Master Service List (Docket No. 55).

**BUNCH & BROCK**

By:           /s/ W. Thomas Bunch II          

**W. THOMAS BUNCH II**

271 West Short Street, Suite 805

Lexington, Kentucky 40507-1217

(859) 254-5522

(859) 233-1434 FAX

ATTORNEYS FOR DEBTOR