

NATURAL GAS SERVICE AGREEMENT

This NATURAL GAS SERVICE AGREEMENT ("Service Agreement") is made and entered into as of the 1st day of December, 2005, by and between Bluegrass Gas Sales Company, (Bluegrass) a Kentucky corporation, whose address is 11405 Park Road, #180, Anchorage, KY 40223 and the Logan County School District, 2222 Bowling Green Road, Russellville, KY 42276 (Customer) also referred to jointly as the "parties."

WITNESS:

WHEREAS Customer has a property on which it has granted Natural Gas of Kentucky a natural gas pipeline easement, which has been assigned to Bluegrass, and

Whereas, Bluegrass benefits from the assignment of Customer's easement, and

Whereas, Bluegrass desires to provide to Customer, and Customer desires to obtain natural gas service in accordance with these terms and conditions;

NOW, THEREFORE, in consideration of these mutual covenants and other good and valuable consideration, the parties agree as follows:

1. Natural Gas Service Type and Volume Levels. Customer agrees to purchase from Bluegrass all of Customer's energy fuel requirements for Customer's facilities located on the easement encumbered property more specifically described as the property located at 2222 Bowling Green Rd., Russellville, KY, including the Central Office; Bus Garage #1; Bus Garage #2; High School Greenhouse; and High School Building and Bluegrass agrees to provide service to Customer of the type specified below, subject to the provisions of approved tariffs of the Public Service Commission filed by Bluegrass, the related rules and regulations governing natural gas service and this Service Agreement.

2. The price to be paid by Customer shall be calculated to reflect the actual gas rate paid by Customer to Atmos Energy Company for Customer's school facilities serviced by Atmos. The rate paid to Atmos shall be approved by the Public Service Commission as adjusted periodically through Atmos's Gas Cost Recovery Mechanism or general rate adjustment. Atmos supplies other Customer schools and the rate charged by Bluegrass based on Atmos's rate to the other Customer schools reflects fair compensation to Customer for the granting of the easement. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any federal, state or other legal taxes, other than those based upon or measured by Bluegrass's income which apply now or may hereafter be imposed, shall be paid by the Customer, in addition to the rates as specified.

3. This Agreement shall become effective for service on the first day of the month after approved by the Public Service Commission ("PSC") in full force and effect for one year (the "Primary Term"), and year-to-year thereafter unless and until terminated at the end of the Primary Term or any subsequent annual

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SECTION 9 (1)

term by either party upon one hundred twenty (120) days prior written notice to the other party. Customer agrees that while this Service Agreement is in effect, all natural gas consumed by Customer shall be delivered by Bluegrass, and it will not supplement its energy needs with any alternative fuel.

4. Any notice required to be given under this Agreement or any notice that either party may desire to give the other party, shall be in writing and shall be considered duly delivered when deposited in the United States mail, postage prepaid, registered or certified, or sent by facsimile and addressed as follows:

If to Bluegrass:

Mark O'Brien, President
11405 Park Road, #180,
Anchorage, KY 40223

If to Customer:

Marshall Kemp, Superintendent
Logan County School District
2222 Bowling Green Road
Russellville, KY 42276

Routine communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the above-designated name and address.

5. General Terms and Conditions: All other terms and conditions governing this service shall be in accordance with the filed tariffs of Bluegrass as amended from time to time.

IN WITNESS WHEREOF, the parties have executed this Service Agreement as of the date above.

Bluegrass Gas Sales Company

By: [Signature]

Title: President

Witness: Debra M. Brown

Logan County School District

By: [Signature]

Title: Superintendent

Witness: Martha Leight

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SECTION 9 (1)

By: [Signature]
Executive Director