

NATURAL GAS SALES AGREEMENT

THIS NATURAL GAS SALES AGREEMENT (this "Agreement") is entered into this 15th day of September, 2000, by and between Kentucky-Ohio Gas Acquisition Corporation ("KOG"), a Delaware corporation, and The Hyland Company ("Hyland"), a Kentucky corporation. KOG and Hyland are sometimes hereinafter referred to as, individually, the "Party" and, collectively, the "Parties".

RECITALS

WHEREAS, KOG is a natural gas utility regulated by the Kentucky Public Service Commission;

WHEREAS, Hyland is an industrial user of natural gas located within the service territory of KOG; and

WHEREAS, Hyland desires to buy from KOG, and KOG desires to sell to Hyland, natural gas, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the covenants, agreements, terms, provisions and conditions hereinafter set forth and other good and valuable consideration, the receipt, sufficiency and adequacy of which the Parties hereby acknowledge, intending to be legally bound, the Parties agree as follows:

1. Natural Gas Sale and Purchase. Subject to the terms and conditions of this Agreement, KOG hereby agrees to sell and deliver, on an as-available basis, and Hyland agrees to purchase and receive, at the Delivery Point the natural gas required by Hyland at its Colton Plant up to 50 Mcf per day during the term of this Agreement. In its sole discretion, KOG may sell and deliver quantities of natural gas in excess of 50 Mcf per day if requested by Hyland.

2. Delivery Point. The "Delivery Point" for natural gas sold and delivered by KOG pursuant to this Agreement shall be at the outlet side of the natural gas meter owned by KOG at Hyland's facilities located at Colton, KY. Title to the natural gas sold and delivered hereunder and the risk of loss related thereto shall transfer from KOG to Hyland at the Delivery Point.

3. Quality. The natural gas sold and delivered by KOG hereunder shall be of pipeline quality.

4. Measurement. The natural gas sold and delivered by KOG hereunder shall be measured by KOG's meter located just upstream of the Delivery Point.

5. Price. For the natural gas sold and delivered hereunder beginning September 1, 2000, Hyland shall pay KOG \$7.22 per Mcf for natural gas shall be increased or decreased as a result of any change in KOG's tariff gas rate to its residential and commercial customers that is approved by the Kentucky Public Service Commission and shall equal such changed tariff gas rate as of the effective date of the change.

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SECTION 9 (1)
BY Stephan D. Bue
SECRETARY OF THE COMMISSION

6. Taxes. KOG shall be responsible and will pay or cause to be paid, or reimburse Hyland if Hyland pays, any taxes, charges, or assessments applicable to the natural gas sold under this Agreement before the Delivery Point ("KOG's Taxes"). If Hyland is required to remit any of KOG's Taxes, that amount will be deducted from any sums becoming due to KOG under this Agreement. Hyland is responsible for and will pay or cause to be paid, or reimburse KOG if KOG pays, any taxes applicable to natural gas sold under this Agreement at and after delivery at the Delivery Point ("Hyland's Taxes"). If KOG is required to remit any of Hyland's Taxes, that amount will be added to any sums becoming due to KOG under this Agreement.

7. Billing and Payment. For the charges set forth in Sections 5 and 6 hereof, KOG shall bill Hyland each month and Hyland shall make payment to KOG no later than 10 days after receipt of KOG's monthly invoice. In the event that payment of any invoiced amount is not received within 10 days of receipt of the invoice by Hyland, interest on the overdue amount shall accrue at the rate of 1.5% per month until the date payment is received by KOG. In the event any invoice is not paid by Hyland within thirty (30) days after receipt of the invoice by Hyland, KOG may (reserving cumulatively all other remedies and rights under this Agreement and otherwise available at law and equity) at its sole option and discretion, and without prior notice to Hyland, terminate this Agreement without any further obligation or liability to Hyland.

8. Term. This Agreement shall be effective on the date it is approved by the Kentucky Public Service Commission and have a primary term ending December 31, 2001, and shall be renewed year to year thereafter until either Party delivers written notice of termination to the other Party at 90 days prior to the end of the primary or any renewal term.

9. Warranty; Limitation on Liability. KOG warrants that it has good and merchantable title to all natural gas delivered or sold by KOG to Hyland and shall indemnify and save Hyland harmless from any and all claims in respect of the title to such natural gas. Neither Party shall be liable to the other Party for any consequential, special, incidental, multiple, exemplary or punitive damages for performance or non-performance under this Agreement or for any actions undertaken in connection with or related to this Agreement, including without limitation damage claims based on causes of action for breach of contract, tort or any other theory of recovery. Nor shall either Party be liable to the other Party for any claim of lost profits, whether such claim of lost profits is categorized under this Agreement as indirect, direct or consequential damages or whatever theory of recovery.

10. Force Majeure. To the extent, if any, that either Party is prevented, in whole or in part, from performing any of its obligations hereunder due to reasons of Force Majeure, such obligations (other than the obligation to make monetary payments as required under this Agreement) shall be suspended during the pendency of such event of Force Majeure. For the purpose of this Agreement, "Force Majeure" shall mean an event not anticipated as of the execution of this Agreement which is not within the reasonable control of the Party claiming suspension (the "Claiming Party"), and which by the exercise of due diligence the Claiming Party is unable to overcome or to obtain, or cause to be obtained, a commercially reasonable substitute therefor, and may include, but is not restricted to acts of God; act of public enemy; war; lightning; fire; floods; violent storm; explosion; civil disturbance; public riot; labor dispute; environmental catastrophe; inability to obtain government permits, materials or similar events or occurrences; breakages of machinery or lines of pipe; freezing of wells or line of pipe; labor

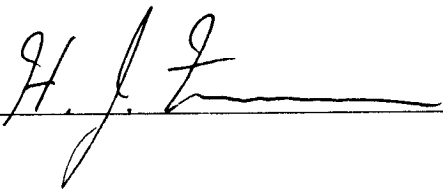
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SECRETARY OF THE COMMISSION

shortage; sabotage; and action or restraint by public or governmental authority including without limitation the Kentucky Public Service Commission; and other events, whether enumerated above or not, which wholly or partially prevent the delivery, storage or sale of natural gas.

11. Miscellaneous. This Agreement represents the entire agreement of the Parties with respect to its subject matter and may only be modified by the written agreement of both Parties hereto. Neither this Agreement nor any rights hereunder may be assigned by either Party. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Kentucky and shall be subject to the rules, regulations and orders of the Kentucky Public Service Commission.

IN WITNESS WHEREOF, the Parties have duly executed and delivered this Agreement as of the day and year first above written.

**KENTUCKY-OHIO GAS ACQUISITION
CORPORATION**

By: 

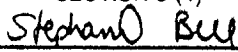
THE HYLAND COMPANY

By: 

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BY 
SECRETARY OF THE COMMISSION