

B. & S. Oil & Gas Company  
P.O. Box 155  
Harold, KY 41635

AGREEMENT

THIS AGREEMENT, Made and entered into this 1<sup>st</sup>. day of October, 2004 by and between B.& S. Oil & Gas Company of Harold, Kentucky, and B. & H. Gas Company, a Kentucky Corporation of Stanville, Kentucky.

WHEREAS, B. & S. Oil & Gas Company is the owner of producing gas wells, and

WHEREAS, the B. & H. Gas Company is desirous of purchasing gas for resale in the Floyd and Pike county areas.

IT IS NOW, THEREFORE AGREED, by and between the parties that in consideration of the sum of seven dollars (\$7.00) per MCF, B. & S. Oil & Gas Company will sell to B. & H. Gas Company, a Kentucky Corporation, such amount of natural gas as the B. & H. Gas Company may desire provided the said B. & S. Oil & Gas Company have such amount of natural gas available.

B. & H. Gas Company is to accept delivery of said gas at the metering point of each of the producing wells which B. & S. Oil & Gas Company own and said B. & H. Gas Company shall be responsible for maintaining the lines from the metering point.

It is understood that B. & S. Oil & Gas Company agree to furnish gas up to the extent of the production available at such wells which are or may hereafter be connected to the lines of B. & H. Gas Company.

Payments shall be made no later than the 20<sup>th</sup> of each month following the month in which the gas is delivered.

The terms of this agreement shall be for one (1) year from the date of execution of this agreement. At the expiration of one (1) year, the parties hereto may negotiate another sales agreement.

Bud Rife



B. & S. Oil & Gas Company  
PUBLIC SERVICE COMMISSION



11/10/2004

Bud Rife, President  
B. & H. Gas Company (1)

By



Executive Director