

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (“Agreement”) is made and entered into this 1st day of April, 2007, by and between **OHIO COUNTY COAL COMPANY**, a corporation, 19070 State Route 1078, Henderson, Kentucky 42420 (“Assignor”), and **ARMSTRONG COAL COMPANY, INC.**, a corporation, 407 Brown Road, Madisonville, Kentucky, 42431 (“Assignee”);

WHEREAS:

(1) Assignor entered into an Agreement for Electric Service with Kenergy Corp. on June 5, 2002;

(2) Said Agreement for Electric Service was accepted as a special contract by the Kentucky Public Service Commission in Filing No. C 63-0636, and


(3) Assignor now desires to assign its rights and obligations under said Agreement for Electric Service to Assignee;

NOW, therefore, the premises considered and for valuable consideration, including the mutual promises and covenants of the Assignor and Assignee, **IT IS AGREED** as follows:

1. Assignor hereby transfers and assigns to Assignee all of Assignor’s rights and obligations under the aforementioned Agreement for Electric Service with Kenergy Corp. dated June 5, 2002. This assignment shall be effective when approved or accepted in writing by the Kentucky Public Service Commission.

2. Assignee accepts such assignment and assumes all obligations of Assignor thereunder.

PUBLIC SERVICE COMMISSION
APPROVED AND
EFFECTIVE
5/20/2007
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By 
Executive Director

3. This Agreement shall inure to the benefit of and be binding upon the Assignor, Assignee and respective successors and permitted assigns.

IN TESTIMONY WHEREOF, witness the hands of the parties hereto this the day and date first above written.

ASSIGNOR:

OHIO COUNTY COAL COMPANY

By Kenneth E. Allen
Kenneth E. Allen

Title: Vice President

ASSIGNEE:

ARMSTRONG COAL COMPANY, INC.

By David R. Cobb
David R. Cobb
Vice President Corporate Development

CONSENT

KENERGY CORP. hereby consents to the foregoing assignment and assumption and releases Ohio County Coal Company from all obligations under the Electric Service Agreement dated June 5, 2002.

This 10th day of April, 2007.

KENERGY CORP.

By Mark A. Bailey
Mark A. Bailey
President and CEO
PUBLIC SERVICE COMMISSION OF KENTUCKY
EFFECTIVE 5/20/2007
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
By [Signature]
Executive Director