LARGE FILING SEPARATOR SHEET

CASE NUMBER: 12-2207-GA-CSS

FILE DATE : 11/29/2012

SECTION: 3

NUMBER OF PAGES: 201

DESCRIPTION OF DOCUMENT:

Depositions and Exhibits

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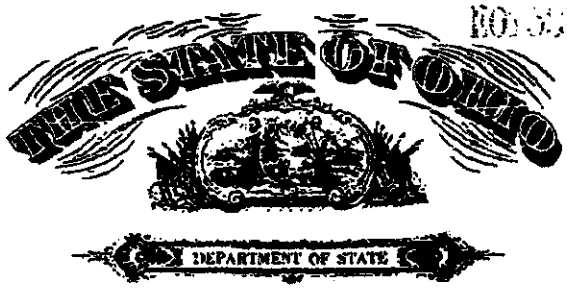

TED W. BROWN
Secretary of State

Certificate

401633

It is Hereby Certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: ASF of PETRO EVALUATION SERVICES, INC.

United States of America
STATE OF OHIO
Office of the Secretary of State

Recorded on Roll E153 at Frame 0505 of the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State, at the City of Columbus, Ohio, this 17TH day of MAY, A. D. 19 76

TED W. BROWN
Secretary of State

APPROVED
By RN
Date 5-17-76
Amount 50.00

ARTICLES OF INCORPORATION

The undersigned, all of whom are citizens of the United States, desiring to form a corporation, for profit, under Revised Code No. 1701.01, et seq. of Ohio, do hereby certify:

FIRST: The name of said corporation shall be Petro Evaluation Services, Inc.

SECOND: The place in Ohio where its principal office is to be located is Wooster, in Wayne County.

THIRD: The purposes of the corporation are as follows:

(a) To perform geological services for exploration of oil and gas, and doing any and all things necessary or incident thereto.

(b) To acquire and develop land for subdivision purposes and to do any and all things necessary or incidental thereto.

(c) To construct buildings of every kind and nature, including without limitation, family residences, apartment buildings, factories, public buildings, garages and other structures of any kind or nature whatsoever.

(d) To buy, sell, convey, lease, exchange and otherwise acquire or dispose of real estate or interests therein, whether improved or unimproved.

(e) To purchase, sell, exchange and otherwise deal in goods, wares, merchandise, and other commodities, of any kind or nature.

(f) To buy, sell, exchange and otherwise acquire or dispose of securities and investments of any kind or nature.

(g) To do any and all things of every kind and nature whatsoever, which may be useful or convenient or possible to do in connection with, as part of, incidental to, or supplemental to, any of the above enumerated purposes.

(h) The corporation reserves the right substantially to change the purposes hereof from time to time.

Each purpose specified in any clause or paragraph contained in this Article Third shall be deemed to be independent of all other purposes herein specified and shall not be limited or restricted by reference to or inference from the terms of any other clause or paragraph of these Articles of Incorporation.

FOURTH: The authorized number of shares of the corporation is five hundred (500), all of which shall be common shares without par value.

FIFTH: The amount of stated capital with which the corporation will begin business is Five Hundred Dollars ($500.00).

SIXTH: The corporation may purchase its own shares when authorized to do so from time to time by its Board of Directors.

SEVENTH: A director of this corporation shall not be disqualified by his office from dealing or contracting with the corporation as a vendor, purchaser, employee, agent, or otherwise; nor shall any transaction or contract or act of this corporation be void or voidable or in any way affected or invalidated by reason of the fact that any director of any firm of which any director is a member of any corporation of which any director is a shareholder or director is in any way interested in such transaction or contract or act, provided the fact that such director or such firm or such corporation is so interested shall be disclosed or shall be known to the Board of Directors or such members thereof as shall be present at any meeting of the Board of Directors at which action upon any such contract or transaction or act shall be taken; nor shall any such director be accountable or responsible to the corporation for or in respect to any such transaction or contract or act of this corporation, or for any gains or profits realized by him by reason of the fact that he or any firm of which he is a member, or any corporation of which he is a shareholder or director is interested in such transaction or contract or act; and any such director may be counted in determining the existance of a quorum at any meeting of the Board of Directors of the corporation which shall authorize or take action in respect to any such transaction, contract, or act, and may vote thereat to authorize, ratify or approve any such contract or transaction or act, with like force, and effect, as if he or any firm of which he is a member or any corporation of which he is a shareholder or director where not interested in such transaction or contract or act.

IN WITNESS WHEREOF, we have hereunto subscribed our names, this 7rh day of May, 1976.

Jay G. Henthorne, Jr.

Frank Cicconetti

Charles A. Kennedy

INCORPORATORS

State of Ohio)
) SS:
County of Wayne)

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, this 7th day of May, 1976, the above named, Jay G. Henthorne, Jr., Frank Cicconetti and Charles A. Kennedy, who each severally acknowledged the signing of the foregoing Articles of Incorporation to be his free act and deed, for the uses and purposes therein mentioned.

Witness my hand and official seal on the day and year last above mentioned.

Notary Public

APPOINTMENT OF AGENT

KNOW ALL MEN BY THESE PRESENTS, that Jay G. Henthorne, Jr. of 3927 Cleveland Road, Wooster, Wayne County, Ohio 44691, a natural person and resident of said County, being the County in which the principal office of Petro Evaluation Services, Inc. is located, is hereby appointed as the person on whom process, tax notices and demands against said Petro Evaluation Services, Inc. may be served.

PETRO EVALUATION SERVICES, INC.

Jay G. Henthorne, Jr.

Jay G. Henthorne, Jr.

Frank Ciccoretti

Frank Ciccoretti

Charles A. Kennedy

Charles A. Kennedy

INCORPORATORS

Petro Evaluation Services, Inc.
Wooster, Ohio 44691

Gentlemen:

I hereby accept the appointment as the representative of your company upon whom process, tax notices or demands may be served.

Jay G. Henthorne, Jr.

Jay G. Henthorne, Jr.

State of Ohio)
) SS:
County of Wayne)

Personally appeared before me, the undersigned, a Notary Public in and for said County, this 7th day of May, 1976, the above named Jay G. Henthorne, Jr., who acknowledged the signing of the foregoing to be his free act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal on the day and year last aforesaid.

Notary Public

State of Ohio
Department of State

Date 3/12/84

F0409-1195

Number 481633

Sherrod Brown
Secretary of State

Receipt No. 50439

F409-1195 0242

Received of or filed by CRITCHFIELD,CRITCHFIELD ET AL

The sum of $ 117.50 for filing AMA INC

PETRO EVALUATION SERVICES, INC. of

Returned to:
CRITCHFIELD,CRITCHFIELD ET AL 50439
ATT:J.C.JOHNSTON,ETI
P.O. BOX 488
WOOSTER, OH 44691-0488

Name:
PETRO EVALUATION SERVICES, INC.

AMA INC $ 117.50

Total Fee: $ 117.50

Department of State

The State of Ohio

Sherrod Brown
Secretary of State

481633

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of AAA INC of

PETRO EVALUATION SERVICES, INC.

United States of America
State of Ohio
Office of the Secretary of State

THE SEAL OF THE SECRETARY OF STATE OF OHIO

Recorded in Volume 5-73 at Frame 1117 of the Records of Incorporation and Miscellaneous Filings

Witness my hand and the seal of the Secretary of State, at the City of Columbus, Ohio, this 5TH day of MARCH, A.D. 19 84.

Sherrod Brown
Sherrod Brown
Secretary of State

KY-7 MAR 12

[illegible]

[illegible]

[illegible] EVALUATION SERVICES, INC.

FIRST: The name of the corporation is Perco Evaluation Services, Inc.

SECOND: The place in the State of Ohio where its principal office is located is the City of Wooster, Wayne County.

THIRD: The purpose or purposes for which the corporation is formed and continued is to engage in any lawful act or activity for which corporations may be formed under Sections 1701.01 to Section 1701.98, inclusive, of the Revised Code.

FOURTH: The maximum number of shares of all classes which the corporation is authorized to have outstanding is 1,650 common shares without par value composed of 150 shares which shall be voting shares and shall be known as "Class A" shares and 1,500 shares which shall be non-voting shares and shall be known as "Class B" shares. Except for the fact that Class B shares shall be non-voting shares and shall not be entitled to notice of meetings of shareholders except as required by law, the rights of all common shareholders shall be the same.

FIFTH: The corporation shall through its Board of Directors and without action of the shareholders have the right and power to repurchase any of the outstanding shares at such prices and upon such terms as may be agreed upon between the corporation and the selling shareholder and shall have the right to retire, hold or reissue said shares from time to time as the Board of Directors shall determine.

[illegible] a director or officer of this corporation shall not be disqualified by his office from dealing or contracting with the corporation as a vendor, purchaser, employee, agent or otherwise; nor shall any transaction, contract or act of the corporation be void or voidable or in any way affected or invalidated by reason of the fact that any director or officer, or any firm of which such director or officer is a shareholder, director or officer, is in any way interested in such transaction, contract or act, provided the fact that such director, officer, firm or corporation is so interested shall be disclosed or shall be known to the Board of Directors or such members thereof as shall be present at any meeting of the Board of Directors at which action upon any such contract, transaction or act shall be taken; nor shall any such director or officer be accountable or responsible to the corporation for or in respect of any such transaction, contract or act of the corporation, or for any gains or profits realized by him by reason of the fact that he or any firm of which he is a member, or any corporation of which he is a shareholder, officer or director, is interested in such transaction, contract or act and any such director or officer, if such officer is a director, may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the corporation which shall authorize or take action in respect of any such contract, transaction or act, and may vote thereat to authorize, ratify or approve any such contract, transaction or act, with like force and effect as if he or any firm of which he is a member, or any corporation of which he is a shareholder, officer or director, were not interested in such

[illegible] directors and officers are exercising the utmost good faith in all such transactions.

SEVENTH: These Amended Articles of Incorporation supersede and take the place of the existing Articles of Incorporation.

IN WITNESS WHEREOF, Jay G. Heuthorne, Jr., President, and Daniel H. Plumly, Secretary, of Petro Evaluation Services, Inc., acting for and on behalf of said corporation, have hereunto subscribed their names this 1st day of March, 1984.

Jay G. Heuthorne, Jr.
President

Daniel H. Plumly
Secretary

CRITCHFIELD, CRITCHFIELD, CRITCHFIELD & JOHNSTON
ATTORNEYS AT LAW
WOOSTER, OH 44691-0349
LINCOLN G. CRITCHFIELD
JOHN F. O'GRADY
RONALD L. MELTZER
J. C. JOHNSTON III
DANIEL H. PLUMLY
J. DOUGLAS DRUSHAL
DAVID L. SPECTOR
ROBERT CRITCHFIELD
HENRY R. CRITCHFIELD

March 2, 1984

Secretary of State of Ohio
Corporate Division
State Office Tower
30 East Broad Street
Columbus, OH 43216

CORRESPONDENCE

Re: Petro Evaluation Services, Inc.

Dear Sir or Madam:

Pursuant to Ohio Revised Code Section 1701.73, I enclose herewith a check in the amount of $117.50 to cover the filing costs for the enclosed Amended Articles of Incorporation of Petro Evaluation Services, Inc. The Amended Articles of Incorporation are accompanied by a Certificate as to Manner of Adoption.

The corporation originally had 500 authorized and issued shares. Therefore, we compute the filing fee as follows:

Amended Articles		$ 35.00
Additional shares		
1,000 @ $.10 =	$100.00	
650 @ $.05 =	32.50	
	$132.50	
Less amount already paid for 500 shares	- 50.00	
		82.50
Total		$117.50

If you have any questions regarding the filing of these Amended Articles, you may reach me at my number indicated above. You may reverse charges.

Very truly yours,

J. C. Johnston III

JCJ III/bkh
Enclosures

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
06/10/2004	200416200190	DOMESTIC/AMENDMENT TO ARTICLES (AMD)	50.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

CRITCHFIELD, CRITCHFIELD & JOHNSTON, LTD
ATTN: KATHY M. WORKINGER
225 N. MARKET ST
WOOSTER, OH 44691

STATE OF OHIO
CERTIFICATE
Ohio Secretary of State, J. Kenneth Blackwell

481633

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

PETRO EVALUATION SERVICES, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC/AMENDMENT TO ARTICLES	**200416200190**

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 9th day of June, A.D. 2004.

J. Kenneth Blackwell

Ohio Secretary of State

Prescribed by **J. Kenneth Blackwell**
Ohio Secretary of State
Central Ohio: (614) 466-3910
Toll Free: 1-877-SOS-FILE (1-877-767-3453)

www.state.oh.us/sos
e-mail: busserv@sos.state.oh.us

Expedite this Form: (see below)

○ Yes PO Box 1390 Columbus, OH 43216
** Requires an additional fee of $100 **

◉ No PO Box 1028 Columbus, OH 43216

Certificate of Amendment by Shareholders or Members

(Domestic)

Filing Fee $50.00

(CHECK ONLY ONE (1) BOX)

(1) Domestic for Profit		(2) Domestic Non-Profit	
☐ Amended (122-AMAP)	☑ Amendment (125-AMDS)	☐ Amended (126-AMAN)	☐ Amendment (128-AMD)

Complete the general information in this section for the box checked above.

Name of Corporation: Petro Evaluation Services, Inc.

Charter Number: 481633

Name of Officer: Jay G. Henthorne, Jr.

Title: President

☐ Please check if additional provisions attached.

The above named Ohio corporation, does hereby certify that:

☐ A meeting of the ☐ shareholders ☐ directors *(non-profit amended articles only)*

☐ members was duly called and held on _____ (Date)

at which meeting a quorum was present in person or by proxy, based upon the quorum present, an affirmative vote was cast which entitled them to exercise _____% as the voting power of the corporation.

☑ In a writing signed by all of the ☑ shareholders ☐ directors *(non-profit amended articles only)*
☐ members who would be entitled to the notice of a meeting or such other proportion not less than a majority as the articles of regulations or bylaws permit.

Clause applies if amended box is checked.

Resolved, that the following amended articles of incorporations be and the same are hereby adopted to supercede and take the place of the existing articles of incorporation and all amendments thereto.

All of the following information must be completed if an amended box is checked.
If an amendment box is checked, complete the areas that apply.

FIRST: The name of the corporation is: _____

SECOND: The place in the State of Ohio where its principal office is located is in the City of:

_____ _____
(city, village or township) (county)

THIRD: The purposes of the corporation are as follows:

FOURTH: The number of shares which the corporation is authorized to have outstanding is: See EXHIBIT A attached
(Does not apply to box (Z))

REQUIRED
Must be authenticated (signed) by an authorized representative
(See Instructions)

Jay H. Hartman Jr.	June 1, 2004
Authorized Representative	Date
Authorized Representative	Date
Authorized Representative	Date

EXHIBIT A

CERTIFICATE OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION OF
PETRO EVALUATION SERVICES, INC.

FOURTH. The maximum number of shares of capital stock which the corporation is authorized to have outstanding is One Thousand Five Hundred (1,500) as follows: (i) One Hundred (100) of which shall be Class A voting common shares without par value; and, (ii) One Thousand Four Hundred (1,400) of which shall be Class B non-voting common shares without par value. Such shares without par value may be issued from time to time for such amount or amounts of consideration as may be fixed from time to time by the Board of Directors. The Board of Directors in its discretion may fix different amounts and kinds of consideration for the issuance of shares without par value, whether issued at the same or different times, and may determine that only a part of the amount or amounts of consideration which shall be received by the corporation for shares without par value shall be capital.

Except as otherwise required by the laws of the State of Ohio, the Class A voting common shares shall be identical in all respects to the Class B non-voting common shares except that the holders of the Class A voting common shares shall have the sole and exclusive right of voting on all corporate questions including the election of the Board of Directors, and the holders of the Class B non-voting common shares shall have no voting power and no holder thereof shall be entitled to notice of meetings of shareholders; provided always, that such voting power and right to notice of meetings of shareholders shall automatically become vested in the holders of the Class B non-voting common shares when and at such time as there are no Class A voting common shares issued and outstanding.

IN WITNESS WHEREOF, Jay G. Henthorne, Jr., President, and Daniel H. Plumly, Secretary, of Petro Evaluation Services, Inc., acting for and on behalf of the corporation, have hereunto subscribed their names this 1 day of June, 2004

Jay G. Henthorne, Jr., President

Daniel H. Plumly, Secretary

S:\Rdp\Corporate\Petro Evaluation Services, Inc\Amendment to Articles.wpd

F10000003255

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

☐ PICK-UP ☐ WAIT ☐ MAIL

(Business Entity Name)

(Document Number)

Certified Copies _____ Certificates of Status _____

Special Instructions to Filing Officer:

Office Use Only

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07/15/10--01023--027 **78.75

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DIVISION OF CORPORATIONS
2010 JUL 15 PM 3:53

7/20/10

DEFENDANT'S DEPOSITION EXHIBIT
15
3-27-12
FEDERAL CORPORATION

COVER LETTER

TO: New Filing Section
Division of Corporations

SUBJECT: Petro Evaluation Services, Inc.
Name of corporation - must include suffix

Dear Sir or Madam:

The enclosed "Application by Foreign Corporation for Authorization to Transact Business in Florida," "Certificate of Existence," or "Certificate of Good Standing" and check are submitted to register the above referenced foreign corporation to transact business in Florida.

Please return all correspondence concerning this matter to the following:

Roger D. Proper, Jr.
Name of Person

Critchfield, Critchfield & Johnston, Ltd.
Firm/Company

225 N. Market Street
Address

Wooster, OH 44691
City/State and Zip code

proper@ccj.com
E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Roger D. Proper, Jr. at (330) 264-4444
Name of Person — Area Code & Daytime Telephone Number

STREET/COURIER ADDRESS:
New Filing Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

MAILING ADDRESS:
New Filing Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
2010 JUL 15 PM 3:53

Enclosed is a check for the following amount:

- ☐ $70.00 Filing Fee
- ☒ $78.75 Filing Fee & Certificate of Status
- ☐ $78.75 Filing Fee & Certified Copy
- ☐ $87.50 Filing Fee, Certificate of Status & Certified Copy

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA.

1. Petro Evaluation Services, Inc.
(Enter name of corporation; must include "INCORPORATED," "COMPANY," "CORPORATION," "Inc.," "Co.," "Corp," "Inc," "Co." or "Corp.")

(If name unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)

2. Ohio
(State or country under the law of which it is incorporated)

3. 34-1204858
(FEI number, if applicable)

4. 05/17/1976
(Date of incorporation)

5. perpetual
(Duration: Year corp. will cease to exist or "perpetual")

6. _____
(Date first transacted business in Florida, if prior to registration)
(SEE SECTIONS 607.1501 & 607.1502, F.S., to determine penalty liability)

7. 3927 Cleveland Road, Wooster, OH 44691
(Principal office address)

3927 Cleveland Road, Wooster, OH 44691
(Current mailing address)

8. Oil and gas exploration and consultation
(Purpose(s) of corporation authorized in home state or country to be carried out in state of Florida)

9. Name and street address of Florida registered agent: (P.O. Box NOT acceptable)

Name: Jay G. Henthorne, Jr.

Office Address: 1500 Overseas Hwy., Apt. 501

Marathon (City), Florida 33050 (Zip code)

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
2010 JUL 15 PM 3:53

10. **Registered agent's acceptance:**
Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Jay G. Henthorne Jr.
(Registered agent's signature)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and business addresses of officers and/or directors:

A. DIRECTORS

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

2010 JUL 15 PM 3:53

Chairman: Jay G. Henthorne, Jr.

Address: 1500 Overseas Hwy., Apt. 501
Marathon, FL 33050

Vice Chairman:

Address:

Director: Jay G. Henthorne, Jr.

Address: 1500 Overseas Hwy., Apt. 501
Marathon, FL 33050

Director: Jason F. Henthorne

Address: 1500 Overseas Hwy., Apt. 501
Marathon, FL 33050

Director: Daniel H. Plumly

Address: 225 N. Market Street
Wooster, OH 44691

B. OFFICERS

President: Jay G. Henthorne, Jr.

Address: 1500 Overseas Hwy., Apt. 501
Marathon, FL 33050

Vice President: Jason F. Henthorne; Bill Wild

Address: 1500 Overseas Hwy., Apt. 501
Marathon, FL 33050

Secretary: Daniel H. Plumly

Address: 225 N. Market Street, Wooster, OH 44691

Treasurer: Jay G. Henthorne, Jr.

Address: 3927 Cleveland Road, Wooster, OH 44691

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13. Jay G. Henthorne
(Signature of Director or Officer listed in number 12 of the application)

14. Jay G. Henthorne, Jr.
(Typed or printed name and capacity of person signing application)

United States of America
State of Ohio
Office of the Secretary of State

I, Jennifer Brunner, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show PETRO EVALUATION SERVICES, INC., an Ohio corporation, Charter No. 481633, having its principal location in Wooster, County of Wayne, was incorporated on May 17, 1976 and is currently in GOOD STANDING upon the records of this office.

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS
2010 JUL 15 PM 3:53

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 1st day of July, A.D. 2010

Ohio Secretary of State

Validation Number: V2010182J18C9D

2011 FOR PROFIT CORPORATION ANNUAL REPORT

FILED
Jan 19, 2011
Secretary of State

DOCUMENT# F10000003255

Entity Name: PETRO EVALUATION SERVICES, INC.

Current Principal Place of Business:

3927 CLEVELAND ROAD
WOOSTER, OH 44691

New Principal Place of Business:

Current Mailing Address:

3927 CLEVELAND ROAD
WOOSTER, OH 44691

New Mailing Address:

FEI Number: 34-1204858 **FEI Number Applied For ( )** **FEI Number Not Applicable ( )** **Certificate of Status Desired ( )**

Name and Address of Current Registered Agent:

HENTHORNE, JAY G JR.
1500 OVERSEAS HIGHWAY
APT. 501
MARATHON, FL 33050 US

Name and Address of New Registered Agent:

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: _____

Electronic Signature of Registered Agent — Date

OFFICERS AND DIRECTORS:

Title: PTD
Name: HENTHORNE, JAY G JR.
Address: 1500 OVERSEAS HWY. #501
City-St-Zip: MARATHON, FL 33050

Title: VD
Name: HENTHORNE, JASON F
Address: 1500 OVERSEAS HWY. #501
City-St-Zip: MARATHON, FL 33050

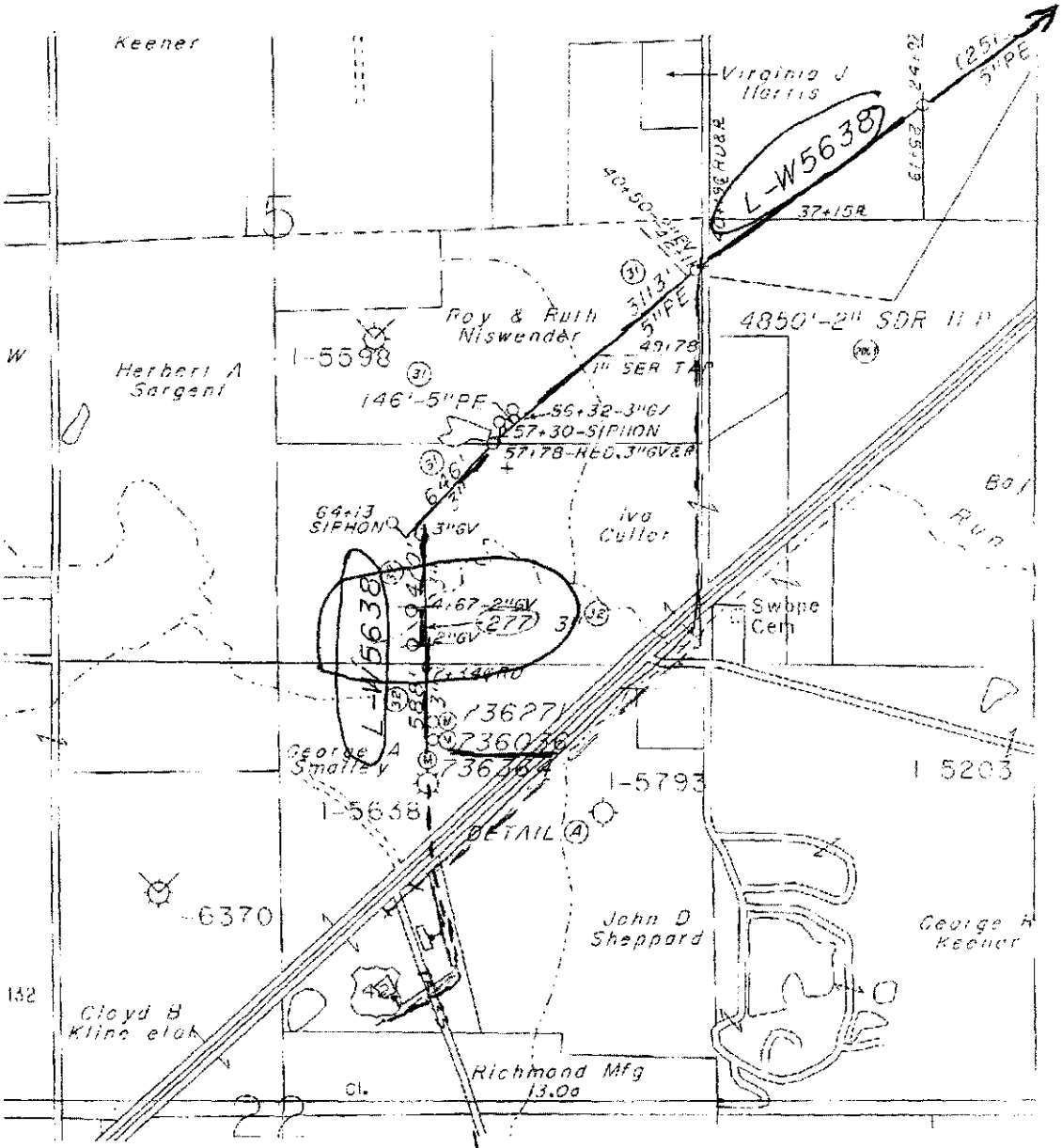
Title: SD
Name: PLUMLY, DANIEL H
Address: 225 N. MARKET STREET
City-St-Zip: WOOSTER, OH 44691

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: JAY G. HENTHORNE, JR. PTD 01/19/2011

Electronic Signature of Signing Officer or Director — Date

GCO_CGC000209



DEFENDANT'S DEPOSITION EXHIBIT
16
3-27-12

PETRO

Evaluation Services, Inc.
3927 Cleveland Road
Wooster, Ohio 44691
(330) 264-4454 Office
(330) 345-6617 Fax

FACSIMILE MESSAGE TRANSMISSION

DATE February 12, 2010 Time: 8:55 a.m.
PAGE 1 OF 1

Please deliver the following pages:

TO: Tony Kovacevich

COMPANY: Gatherco/ CGC

FAX # 330-682-4145

FROM: Jay Henthorne

SUBJECT: Meter # 736036 -Jackson

COMMENTS: Looking forward to your call on increasing gas capacity to Jackson meter. Some of my questions: are L-510 in service? Can larger regulators be placed on line? Can we increase LW-5638 in size?

Cell- 330-465-8571

Regards,

Jay

DEFENDANT'S DEPOSITION EXHIBIT
17
3-27-12
PENGAD 800-631-6989

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7/29/99 Meeting

PARKS & RECREATION
Cuyahoga Falls

May 4, 1999

Wayne County Commissioners
Oil and Gas Lease
428 West Liberty Street
Wooster, Ohio 44691

Dear Commissioners:

The City of Cuyahoga Falls and the Parks and Recreation Department have been involved with Petro Evaluation of Wooster, Ohio, since the late 1970's. It was at that time the Mayor of Cuyahoga Falls and the Superintendent of Parks and Recreation entered into a contract with Petro Evaluation to drill several oil and gas wells on the City's golf course and in an adjacent park. The exploratory drilling resulted in five successful wells, four of which are still producing today.

Petro Evaluation has provided continuous maintenance service on all the wells throughout the years and the service has proven to be extremely valuable. They have provided quality maintenance service causing the wells to produce at their capacities and at the same time have caused no adverse impact on the surrounding facilities and environment. This is extremely important because three wells were drilled on the golf course and two in a community park.

The operation of gas and oil wells is quite a science and like any other technical task it pays to have an experienced, conscientious, qualified company who will accept the responsibility. Petro Evaluation has been that company for Cuyahoga Falls for twenty years and we are very pleased with their work.

Sincerely,

Richard W. Pierson

Richard W. Pierson
Superintendent

/cc

PENGAD 800-631-6989
DEFENDANT'S DEPOSITION EXHIBIT
18
3-27-12

Richard W. Pierson, Superintendent • Patrick M. Morrow, Assistant Superintendent • John L. Olivier, Assistant Superintendent
2310 Second Street • Cuyahoga Falls, Ohio 44221
(330) 971-8223 • Fax (330) 971-8554

Office (330) 264-4454
FAX (330) 345-6617

PETRO
EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

August 20, 1999

American Augers, Inc.
135 US Rt. 42, PO Box 814
West Salem, Ohio 44287

Attn: Mr. Roger Eve, CEO

RE: Gas Sales Agreement Bill

Gentlemen,

Petro Evaluation Services, Inc. has completed the construction of a pipeline made of 3" SDR 11 running over 1,035 feet, meter, tracer wire, State of Ohio permits for road bore under Route 42, and the right to purchase unlimited quantities of natural gas. In addition, Petro has also reconstructed and completed an office gas line running an additional seventy feet made of 1" SDR 11. The agreed fee of $25,000 is now due. Subsequent negotiations are now under way regarding the Paint Shop gas line, and the relocation of the present well's gas line, tanks and separator.

Sincerely,

Jay G. Henthorne Jr.

Jay G. Henthorne, Jr., President
Petro Evaluation Services, Inc.

PENGAD 800-631-6989 DEFENDANT'S DEPOSITION EXHIBIT 19 3-27-12

RECEIVED JAN 2 9 2008

Invoice

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

DATE	INVOICE #
1/28/2008	99637

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
2/27/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	NATURAL GAS SOLD VIA DELIVERY METER: DECEMBER, INSIDE FERC TCO-APPALACHIAN INDEX $7.46 PLUS $2.00 PER DTH	1,652	9.46	15,627.92
			ENTERED	JAN 3 0 2008
				27854
			Total	15,627.92

DEFENDANT'S DEPOSITION EXHIBIT
20
3-27-12
PENGAD 800-631-6989

RECEIVED MAR 1 0 2008

Invoice

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

DATE	INVOICE #
3/7/2008	99655

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
4/6/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: January Inside FERC TCo-Appalachian Index $7.42 plus $2.00 per DTH.	1,974	9.42	18,595.08
			Total	18,595.08

230334

ENTERED MAR 1 2 2008

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED MAR 2 8 2008

Invoice

DATE	INVOICE #
3/27/2008	99665

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
4/26/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: February 2008. Inside FERC TCo-Appalachian Index $8.29 plus $2.80 per DTH.	2,144	11.09	23,776.96
			Total	23,776.96

ENTERED MAR 3 1 2008

31414

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED MAY - 2 2008

Invoice

DATE	INVOICE #
5/1/2008	99696

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
5/31/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: March. Inside FERC TCo-Appalachian Index $9.38 plus $2.80 per DTH	1,779	12.18	21,668.22
			Total	21,668.22

F5

233666

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED MAY 2 8 2008

Invoice

DATE	INVOICE #
5/27/2008	99703

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
6/26/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: April Inside FERC TCo-Appalachian Indes $10.07 plus $2.80 per DTH.	633	12.87	8,146.71
			Total	8,146.71

235394

ENTERED MAY 2 9 2008

RECEIVED AUG 2 ? 2008

Invoice

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

DATE	INVOICE #
8/25/2008	99757

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
9/24/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: July 2008 Inside FERC TCo-Appalachian Index $13.54 plus $2.80 per DTH.	121	16.34	1,977.14
		Total		1,977.14

240464

ENTERED SEP 0 9 2008

RECEIVED SEP 30 2008

Invoice

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

DATE	INVOICE #
9/29/2008	99771

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
10/29/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: August 2008 Inside FERC TCo-Appalachian Index $9.63 plus $2.80 per DTH	151	12.43	1,876.93
		Total		1,876.93

241727

ENTERED OCT 07 2008

RECEIVED NOV - 3 2008

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
10/27/2008	99785

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 317 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
11/24/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: September 2008 Inside FERC TCo-Appalachian Index $8.59 plus $2.80 per DTH	228	11.39	2,596.92
			Total	2,596.92

F5

RED NOV 1 9 2008

244604

Augers00162

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED DEC 0 1 2008

Invoice

DATE	INVOICE #
11/25/2008	99817

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
12/25/2008	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: October 2008 Inside FERC TCo-Appalachian Index $7.68 plus $2.80 per DTH.	548	10.48	5,743.04
			Total	5,743.04

F5

ENTERED DEC 0 4 2008

245542

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED DEC 3 0 2008

Invoice

DATE	INVOICE #
12/29/2008	99619

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
1/28/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: November 2008 Inside FERC TCo-Appalachian Index $6.74 plus $2.80 per DTH.	1,242	9.54	11,848.68
		Total		11,848.68

246845

ENTERED DEC 3 1 2008

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED JAN 27 2009

Invoice

DATE	INVOICE#
1/26/2009	99823

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
2/25/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: December 2008 Inside FERC TCo-Appalachian Index $7.13 plus $2.80 per DTH.	1,908	9.93	18,946.44
	248232			
	ENTERED JAN 29 2008			F5
		Total		18,946.44

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED FEB 26 2009

Invoice

DATE	INVOICE #
2/24/2009	99843

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
3/26/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: January 2009 Inside FERC TCo-Appalachian Index $6.44 plus $2.80 per DTH	3,025	9.24	27,951.00
		Total		27,951.00

250002

ENTERED FEB 26 2009

RECEIVED MAR 3 0 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
3/27/2009	99658

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
4/26/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: February 2009 Inside FERC TCo-Appalachian Index $4.85 plus $2.80 per Dth.	2,753	7.65	21,060.45
			Total	21,060.45

251226

ENTERED MAR 3 1 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED APR 27 2009

Invoice

DATE	INVOICE #
4/24/2009	99859

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	JACKSON

DUE DATE	P.O. NUMBER
5/24/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: March 2009 Inside FERC TCo-Appalachian Index $4.32 plus 2.80 per DTH.	2,140	7.12	15,236.80
			Total	15,236.80

252607

ENTERED APR 30 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED JUN 15 2009

Invoice

DATE	INVOICE #
6/12/2009	99773

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
7/12/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Delivery Meter: April 2009 inside FERC TCo-Appalachian index $5.37 plus $2.80 per DTH	869	8.17	7,099.73
			Total	7,099.73

254340

ENTERED JUN 19 2009

RECEIVED JUL 07 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
7/2/2009	10010

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
8/1/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold Via Deliverly Meter: May 2009 Inside FERC TCo-Appalachian index $5.08 plus $2.80 per DTH	244	7.88	1,922.72
			Total	1,922.72

255250

ENTERED JUL 16 2009

F5

Augers00170

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
7/27/2009	10111

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
8/26/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via delivery meter: June 2009 inside FERC TCo-Appalachian index $5.16 plus $2.80 DTH	162	7.96	1,289.52
		Total		1,289.52

255823

ENTERED JUL 30 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED SEP 0 1 2009

Invoice

DATE	INVOICE #
8/31/2009	40005

BILL TO	SHIP TO
AMERICAN AUGERS P.O. Box 814 West Salem, OH 44287	

DUE DATE	P.O. NUMBER
9/30/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via delivery meter. July 2009, inside FERC TCo-Appalachian index $4.10 plus $2.80 per DTH.	76	6.90	524.40
			Total	524.40

257036

ENTERED SEP 0 3 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED OCT 0 1 2009

Invoice

DATE	INVOICE #
9/28/2009	40010

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
10/28/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via delivery meter. August 2009m inside FERC TCo-Appalachian Index $ 3.48 plus $2.50 per DTH	66	5.98	394.68
		Total		394.68

258287

ENTERED OCT 0 9 2009

RECEIVED NOV 12 2009

PETRO
3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
10/27/2009	61000

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
11/26/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via meter: September 2009 inside FERC TCo-Appalachian Index $2.91 plus $2.50 per DTH.	136	5.41	735.76
			Total	735.76

259690

ENTERED NOV 05 2009

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
12/1/2009	10502

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	RECEIVED DEC [illegible]

DUE DATE	P.O. NUMBER
12/31/2009	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via delivery meter: October 2009 inside FERC TCo-Appalachian Index $3.77 plus $2.50 per DTH	642	6.27	4,025.34
			Total	4,025.34

260456

ENTERED DEC 3 3 2009

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
1/18/2010	11094

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
1/30/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via meter: November 2009 Inside FERC TCo-Appalachian Index $4.47 plus $2.50 per DTH.	875	6.97	6,098.75
	ENTERED JAN 2 6 2010 261882			
			Total	6,098.75

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
1/29/2010	11107

RECEIVED FEB 02 2010

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
2/15/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via meter: December 2009 inside FERC TCo-Appalachian index $ 4.66 plus $2.50 per DTH.	2,075	7.16	14,857.00
			Total	14,857.00

262435

ENTERED FEB 03 2010
FS

PETRO

RECEIVED MAR 0 1 2010

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
2/26/2010	11148

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
3/28/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold via Delivery Meter: January 2010 Inside FERC TCo-Appalachian Index $6.05 plus $2.50 per DTH	2,192	8.55	18,741.60

2632260 ENTERED MAR 0 4 2010

* 1-1/2 % Per Month-Interest Charged on Past Due Accounts or 18% Annually.*

Total 18,741.60

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
3/26/2010	11218

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

RECEIVED MAR 29 2010

DUE DATE	P.O. NUMBER
4/6/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natrual Gas sold via Delivery Meter: February 2010 inside FERC TCo-Appalachian Index $5.53 plus $2.50 per DTH.	2,112	8.03	16,959.36
			Total	16,959.36

264258

ENTERED MAR 30 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
5/6/2010	11254

RECEIVED MAY 07 2010

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
5/28/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via delivery meter: March 2010, Inside FERC-TCo Appalachian index $5.00 plus $2.50 per DTH.	1,481	7.50	11,107.50
			Total	11,107.50

265690

ENTERED MAY 11 2010

RECEIVED MAY 24 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
5/20/2010	11285

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
6/19/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas sold via Delivery Meter: April 2010, Inside FERC TCo-Appalachian Index $3.99 plus $2.50 per DTH	446	6.49	2,894.54
			Total	2,894.54

266203

ENTERED MAY 25 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

RECEIVED JUL 19 2010

Invoice

DATE	INVOICE #
7/15/2010	11321

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
8/14/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold via Delivery meter: June 2010-Inside FERC TCo-Appalachian Index $4.31 plus $2.50 per DTH	129	6.81	878.49
			Total	878.49

268071

ENTERED JUL 22 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
8/16/2010	11389

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	RECEIVED AUG 18 2010

DUE DATE	P.O. NUMBER
8/31/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold via Delivery Meter: July 2010, Inside FERC TCo-Appalachian Index $4.85 plus $2.50 per DTH.	127	7.35	933.45
			Total	933.45

269577

ENTERED AUG 19 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
9/23/2010	11459

RECEIVED SEP 27 2010

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	

DUE DATE	P.O. NUMBER
10/23/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold via Delivery Meter: August 2010 Inside FERC TCo-Appalachian Index $ 4.91 plus $2.50 per DTH	117	7.41	866.97
			Total	866.97

21444

ENTERED SEP 29 2010

PETRO

3927 CLEVELAND ROAD
WOOSTER, OH 44691

PHONE 330-264-4454
FAX 330-345-6617

Invoice

DATE	INVOICE #
10/14/2010	11493

BILL TO	SHIP TO
AMERICAN AUGERS P.O. BOX 814 WEST SALEM, OH 44287	RECEIVED OCT 18 2010

DUE DATE	P.O. NUMBER
11/13/2010	

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
	Natural Gas Sold via Delivery Meter: September 2010 Inside FERC TCo-Appalachian Index $3.70 plus $2.50 per DTH.	140	6.20	868.00
	272506			
	ENTERED OCT 19 2010			
		Total		868.00

Gatherco, Inc.
PRODUCER OWNED & OPERATED

5772 Dressler Road NW
North Canton, Ohio 4472
(330) 498-955
FAX (330) 498-955
www.gatherco.com

December 18, 2007

Mr. Jay Henthorne
Petro Evaluation
3927 Cleveland Road
Wooster, OH 44691

RE: Natural Gas Sales Agreement

Dear Jay:

In review of our natural gas sales agreement with Petro Evaluation it was noted that the stated delivery price per the current agreement has not been increased since August 1, 1999.

Therefore, I have enclosed two original Natural Gas Sales Agreements noting an increase in the price per Dth from $.70 per Dth to $1.50 per Dth. This change is effective with delivery volumes starting on February 1, 2008 and forward.

Please review these agreements then return both signed and dated copies to me, and I will return a fully executed copy of the agreement for your files.

If you have any questions, please feel free to give me a call.

Sincerely,

John A. Lende
Chief Financial Officer
Gatherco, Inc.

Enclosures

DEFENDANT'S DEPOSITION EXHIBIT
21
3-27-12

Office (330) 264-4454
FAX (330) 345-6617

PETRO EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

American Augers
P.O. Box 814
West Salem, OH 44287

March 6, 2008

Dear Sir/Madam,

Due to an increase in the delivery price, we regret to inform you that your delivery cost of natural gas will be raised from $2.00 per Dth to $2.80 per Dth. Our carrier raised their price $.80 per Dth and unfortunately, we must pass this increase on to you. This change will take effect for shipments delivered as of February 1, 2008.

Please feel free to call with any questions or concerns.

Sincerely,

Jay G. Henthorne Jr.

Jay G. Henthorne,
President

DEFENDANT'S DEPOSITION EXHIBIT
22
3-27-12

Zimbra Collaboration Suite

jayh@petroevaluation.com

Update ?

1 Messages

Update ?

Monday, August 31, 2009 2:43:57 PM

From: bdolan@Americanaugers.com
To: jay@petroevaluation.com
Cc: JPfeiffer@americanaugers.com; DHammond@americanaugers.com

Jay

We have not heard from you and would like to obtain the requested quote so we can evaluate our options concerning our future natural gas supplier.

As discussed on Friday August 21st; we would like to see the following;

1) No minimum annual quantity usage
2) The line should be pressure tested annually
3) After an agreed upon period of time, all easements will revert to facility owner
4) Discontinuation of current well maintenance contract

We want to wrap this up by and make a decision by the middle of September.

Brad Dolan
Controller, CPA
Office 419 869 1877
Fax 419 869 1977
Mobile 419 908 7032

****

DISCLAIMER:

This transmission from Astec Industries or one of its subsidiaries is confidential and solely for the use of the intended recipient. If you have received this email in error, please notify the sender and delete and destroy the original transmission and all copies. Our company accepts no liability for the contents of this email, or for the consequences of any actions taken on the basis of the information provided, unless that information is subsequently confirmed in writing. Please note that any personal views or opinions presented in this email are solely those of the author and do not necessarily represent those of the company. Finally, the recipient should check this email and any attachments for the presence of viruses. The company accepts no liability for any damage caused by any virus transmitted by this email.

PENGAD 800-631-6989
DEFENDANT'S DEPOSITION EXHIBIT
23
3-27-12

Brad Dolan - AA

From: Brad Dolan - AA
Sent: Wednesday, October 14, 2009 2:33 PM
To: 'jay@petroevaluation.com'
Cc: James Pfeiffer - AA
Subject: Our Gas supply

Importance: High

Hi Jay

We originally met on August 21st, in our offices going over our prior service agreement with your company. At that time you were going to prepare and send us a new proposal.

Since then you followed up with a call a couple of weeks ago letting me know that you were about to send out a proposal on supplying the natural gas for our facility in West Salem.

We have yet to receive it.

I called and left a message with your secretary yesterday, and requested that she give you my name and number.

You may not realize it, but is sure appears from the objective facts that you don't want our business.

As you can appreciate, we have a business to run and cannot wait forever if a supplier will not cooperate with us.

If we don't receive an answer/proposal by the end of this week, October 16th 2009 we will proceed on the assumption that we must find an alternate suppler of natural gas.

Respectfully

Brad Dolan
Controller, CPA
Office 419 869 1877
Fax 419 869 1977
Mobile 419 908 7032

DEFENDANT'S DEPOSITION EXHIBIT
24
3-27-12
PENGAD 800-631-6989

Brad Dolan - AA

From:	Brad Dolan - AA
Sent:	Monday, October 26, 2009 11:40 AM
To:	'jay@petroevaluation.com'
Cc:	James Pfeiffer - AA
Subject:	Amended agreement
Attachments:	AGREEMENT - Modified 1 (2).docx; EXHIBIT-A modified.doc

Hi Jay

Here is the gas usage agreement as amended by our attorney. Please review. James will be in your area around 4:00 PM today and can stop by with a signed copy.
Please let him know if this will work.

Brad Dolan
Controller, CPA
Office 419 869 1877
Fax 419 869 1977
Mobile 419 908 7032

DEFENDANT'S DEPOSITION EXHIBIT
25
3-27-12
FENGAD 800-631-6989

NATURAL GAS AND NATURAL GAS PIPELINE SALES AGREEMENT

This Agreement for the sale and purchase of natural gas and a natural gas pipline is entered into by Petro Evaluation Services, Inc. ("Seller") and American Augers, Inc. ("Buyer") and is effective on the 1st day of November, 2009.

1. Term. The term of this Agreement shall be five (5) years or sixty (60) months, commencing on the 1st day of November, 2009 and ending on the 31st day of October 2014.

2. Quantity. Buyer has its own natural gas well, which supply is insufficient to fulfill Buyer's needs. Buyer shall use its own natural gas supply and shall purchase all additional natural gas to fulfill its needs from Seller. If Seller is unable to provide natural gas in a sufficient amount to fulfill Buyer's needs, Buyer may purchase natural gas from other sources to fulfill its additional needs until Seller is again able to provide natural gas in an amount sufficient to fulfill Buyer's needs.

3. Price. The price of the natural gas under this Agreement shall be equal to the index price for spot gas delivered to Columbia Gas Transmission Corporation, Appalachia (serving West Virginia, Ohio and Kentucky) as reported in the first publication each month of Inside F.E.R.C. – Gas Market Report, per Dekatherm, plus two dollars and fifty cents ($2.50) per Dekatherm up to 10,000 Dekatherm and thereafter plus the amount stated on the attached Exhibit-A.

4. Delivery Point(s). The delivery point (s) shall be Seller's Meter Numbers_____ and additional meters agreed by the parties to be subject to this Agreement. Any additional agreement or agreements between the parties to add additional meter(s) as (a) delivery point(s) shall be stated in a letter or other writing signed by both parties.

5. Sale of Pipeline. In or around 1999, Seller caused a pipeline to be constructed in order to sell gas to Buyer. Seller shall own and maintain the pipeline through the term of this Agreement, until October 31, 2014. When the contract term expires on October 31, 2014, Seller shall transfer ownership of the pipeline to Buyer and shall promptly deliver and/or execute any and all documents necessary to effect and record the transfer of ownership of the pipeline and the transfer of Seller's interest in any easements related to the pipeline.

6. Insurance. Seller shall maintain property and liability insurance on the pipeline throughout the term of this Agreement sufficient to cover the cost of the pipeline or its repair. Seller shall cause Buyer to be listed as a co-insured on its policy covering the pipeline. In the event that the pipeline is damaged, Seller shall give Buyer notice of the damage and shall repair such damage within 30 days. During any time within which repairs are being performed on the pipeline which prevents the delivery of natural gas to Buyer under this Agreement, Buyer may purchase natural gas to fulfill its needs from another supplier. If the pipeline is incapable of repair within 30 days, Seller shall give notice to Buyer of same. Buyer shall then have the right to terminate the contract or

purchase gas from another supplier until repairs are completed. If the pipeline is damaged so severely that repairs are impossible or impracticable, Seller shall notify Buyer of same. Buyer shall then be entitled to the proceeds of insurance payments in a percentage equal to the percentage of the contract which has been performed by the Buyer.

7. Invoices. Seller shall provide invoices to Buyer monthly not later than the 10th day of each month. Each invoice shall be for the preceding month's physical deliveries.

8. Payments. Buyer shall deliver payments to Seller by check or other method approved by Seller not later than the twenty-fifth (25th) day of the month for the preceding month's physical deliveries.

9. Delivery Addresses. All invoices, payments, notices, letters and/or other writings under this Agreement shall be delivered to the parties at the following addresses:

American Augers, Inc. 135 U.S. Route 42 P.O. Box 814 West Salem, Ohio 44691	Petro Evaluation Services, Inc. 3927 Cleveland Road Wooster, Ohio 44691

Notices, letters and/or other writings delivered to Seller shall be to the attention of Jay G. Henthorne, Jr. Notices, letters and/or other writings delivered to Buyer shall be to the attention of Brad Dolan.

10. Quality. The natural gas delivered by Seller to Buyer hereunder will at all times conform to the quality and heat content requirements of gas gathering systems in Ohio.

11. Measurement. (a) All natural gas delivered hereunder will be measured by Seller at the Delivery Points.

(b) The measurement unit under this Agreement shall be one Dekatherm ("Dth") of natural gas and shall be calculated by multiplying the volume delivered in Mcf (thousand cubic feet) by a fraction, the numerator of which is the heating value and denominator of which is 1,000. For the purpose of this agreement, the heating value of each delivery point shall be established by Seller by reference to the heating value tests for the gathering system(s) where the delivery point is located.

(c) For the purpose of this Agreement, the volumetric measurement base shall be a standard cubic foot of natural gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees Fahrenheit (60° F) and without adjustments for water vapor.

(d) The average absolute atmospheric pressure shall be assumed to be fourteen and four-tenths (14.4) pounds per square inch, regardless of actual elevation or location of the Delivery Point above sea level or variations in actual barometric pressure. The flowing

gas temperature may be recorded at Seller's discretion. In the absence of a flowing temperature recorder, the average flowing temperature shall be assumed to be sixty degrees Fahrenheit (60° F).

(e) All gas shall be measured by an orifice, turbine or displacement meter or other measuring device of equal accuracy approved by Seller.

(f) The cost of maintaining and operating such meters shall be borne by Seller.

(g) Seller, at its cost, shall read the meter, furnish, place and remove any and all recording gauge charts, calculate the deliveries, and perform any other service necessary in connection with the measurement of said gas. Seller shall make actual readings at least bimonthly and shall furnish Buyer with calculated deliveries and estimates for the months in which a reading is estimated. All calculated deliveries and estimates shall be provided to Buyer by the 15th of the month following delivery in a format acceptable to Buyer. Seller's invoicing will be based upon the estimates in the months in which an actual reading is not taken.

(h) If Seller or Buyer challenges the accuracy of any meter and requests to have the meter tested, Seller or Seller's agent shall test the meter in the presence of Buyer or Buyer's representative, if Buyer provides Seller with written notice, at lease five (5) days prior to any such test being conducted, that Buyer wishes to be present or to be represented at such test. If the meter is owned by Seller and the meter proves to be accurate within plus or minus two percent (2%), the cost of testing and repairing the meter shall be borne by the Buyer, but if the meter proves to be in error by more than (2%), the cost of testing and repairing the same shall be borne by Seller. Any resultant aggregate error exceeding two percent (2%) of computed delivery shall be adjusted, insofar as exact knowledge of such errors or contributing causes is obtainable. Such adjustments, if any, are to be made for a period not to exceed sixty (60) days before the date of the challenge by Buyer.

(i) In the event any measuring equipment is out of service for test or repair or is inoperable for any reason, deliveries through such equipment shall be estimated in a practical manner utilizing all available information to determine the volume of natural gas for the affected delivery period.

(j) Seller shall keep charts on file for four (4) years after date of delivery, during which time they will be available for inspection by Buyer.

(k) Considering the possibility of inadvertent errors in measurement or calculation of amounts due and payable or paid, nothing herein contained shall constitute accord and satisfaction, waiver, release, full payment, satisfaction, laches, estoppel, or other defense to a claim by or against the Buyer or Seller for the true and actual amount actually due and payable, for the full period of four (4) years in arrears. Errors in Buyer's favor shall be rectified in full, without interest, by Buyer within ninety (90) days of notice and substantiation of such inaccuracy, or as may be otherwise agreed by the parties, until the

error is corrected in full. Errors in Seller's favor shall be rectified in full, without interest, by Seller within ninety (90) days of notice and substantiation of such inaccuracy, or, at Buyer's option, such error may be rectified by Buyer withholding payments to Seller hereunder, or as may be otherwise agreed by the parties, until the error is corrected in full.

12. Estimates by Buyer. Buyer shall provide on a monthly basis its estimate of natural gas to be delivered hereunder.

13. Invoices. Seller will send Buyer an invoice for the prior month's natural gas deliveries, indicating the Delivery Point, the volume delivered and such other information supporting the invoice amount. If Buyer disputes any invoice amount, without wavier of any rights, Buyer will pay the disputed amount. Seller will refund any later discovered overcharge and Buyer will pay any undercharge amount within thirty (30) days of discovery.

14. Taxes. Buyer will be liable for the payment of all sales, use, gross receipts or similar taxes imposed on the transfer of title or possession of natural gas. In the event that Seller is required by law to collect and remit any such taxes, Buyer will reimburse Seller for such taxes. Buyer shall provide Seller with any certificate or other evidence of sales tax exemption.

15. Force Majeure. In the event either party is rendered unable, in whole or in part, by an event of force majeure to fulfill its obligations under this Agreement, other than to make payments due, the obligations of each party, to the extent they are affected by such event of force majeure, will be suspended during the continuance of the force majeure event. In the event of a force majeure condition, the affected party shall give the other written notice and full particulars of such force majeure condition as soon as is reasonably possible. The term "force majeure" shall mean strikes, lockouts or other industrial disturbances, acts of public enemy, wars, blockades, riots, landslides, hurricanes, lightning, earthquake, fires, floods, washouts, freezing of pipes or wells, breakage of machinery, equipment or lines of pipe, explosions and such other causes as are beyond the control of the party failing to perform.

16. Laws and Regulations. This Agreement is subject to all applicable laws and regulations, orders, directives and ordinances. If at any time during the term of this Agreement any regulatory body asserts jurisdiction over the Seller in a manner that discontinues the Seller's right or ability to deliver natural gas pursuant to this Agreement, and Seller cannot resume delivery within 90 days using reasonable efforts to eliminate the reason for the regulatory body's assertion of jurisdiction, Buyer may, at its election, terminate this Agreement by giving Seller notice of termination or may purchase natural gas from another source to fulfill its needs until the Seller can resume deliveries under the contract.

17. Title. Title, control and possession of the natural gas sold hereunder and

responsibility for any damage or injury caused by the gas shall pass from Seller to Buyer at the Delivery Point.

18. Warranty. Seller warrants (i) that it will at the time of delivery have good title to all natural gas delivered to Buyer, free and clear of all liens, encumbrances, and claims whatsoever; and (ii) that at the time of delivery it will have good right, title and authority to sell the natural gas.

19. Miscellaneous.

a. This Agreement will be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties. Neither party may assign its rights hereunder, nor delegate its duties, without the prior written consent of the other party, which consent will not be unreasonably withheld.

b. If any provision of this Agreement is deemed invalid, void or unenforceable by any court having jurisdiction, such determination will not invalidate, void or make unenforceable any other provision of this Agreement.

c. Seller agrees it shall cause the gas line to be pressure tested annually at Seller's expense.

d. No waiver of any breach of this Agreement will be held to be a waiver of any other or subsequent breach.

e. This Agreement sets forth all understandings between the parties respecting the subject matter of each transaction. Any prior Agreement, understandings and representations, whether oral or written, representing this subject matter are merged into and superseded by this Agreement.

f. This Agreement may only be amended in writing.

g. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.

h. This Agreement will be governed by and construed under the laws of the State of Ohio.

i. Any legal action related to this Agreement shall be filed in the appropriate Court in Ashland County, Ohio.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate.

Petro Evaluation Services, Inc. ("Seller")	American Augers, Inc. ("Buyer")
By_____	By_____
Its President	Its President

Gatherco, Inc.
PRODUCER OWNED & OPERATED

300 Tracy Bridge Road
Orrville, Ohio 44667
(330) 682-7726
FAX (330) 682-4145
www.gatherco.com

RECEIVED FEB 2 2 2010

Jay G. Henthorne
Petro Evaluation Services, Inc.
3927 Cleveland
Wooster, Ohio 44691

RE: Meter Number 736036

Dear Jay:

This letter serves as a 30 day notification that your Natural Gas Sales Agreement dated August 1st, 1999 and amended on February 1st, 2008 by and between Gatherco, Inc and Petro Evaluation Services, Inc. is being cancelled. Meter number 736036 will be shut in and sealed once American Augers becomes a Consumers Gas Cooperative customer.

Attached is a copy of the original Natural Gas Sales Agreement by and between Gatherco, Inc and Petro Evaluation Services for your records.

Sincerely,

Steve J. Williams

Steve J. Williams
Vice President of Gas Services
Gatherco, Inc.
300 Tracy Bridge Rd.
Wooster, Ohio 44697

DEFENDANT'S DEPOSITION EXHIBIT
26
3-27-12
PENGAD 800-631-6989

Gatherco, Inc.
PRODUCER OWNED & OPERATED
300 Tracy Bridge Road
Orrville, OH 44667

RECEIVED FEB 2 2 2010

PITNEY BOWES
$ 000.61
FROM ZIP CODE 4466

PETRO EVALUATION SERVICES, INC.
ATTN: Jay G. Henthorne
3927 Cleveland
Wooster, OH 44691

44591$1298 C015

AMERICAN AUGERS®
an Astec company

RECEIVED FEB 2 3 2010

February 22, 2010

Petro Evaluation Services, Inc
3927 Cleveland Road
Wooster, OH 4691

RE: Gas supply at our facility

Mr. Jay Henthorne:

Per our conversation with you Friday 19th 2010, it is our understanding that Gather Co will be canceling their contract to supply you natural gas in the near future.

This action will constructively cancel the contract between Petro and American Augers, originally dated July 30th 1999, as you will no longer have a source of natural gas to resale to us.

We look forward an orderly transition during our changeover from Petro to CGC and would like thank you for many years of reliable service.

Respectfully,

Brad Dolan, CPA
Controller

DEFENDANT'S DEPOSITION EXHIBIT
27
3-27-12
FENOLD 800-281-3989

AMERICAN AUGERS® an Astec company
AMERICAN DIRECTIONAL DRILL®

135 US Route 42 * P.O. Box 814* West Salem, Ohio 44287
Office (419) 869-7107 Toll Free (800) 324-4930
www.americanaugers.com

PETRO 032

AMERICAN AUGERS
an Astec company

American Augers Inc.
135 U.S. Rt. 42 P.O. Box 614
West Salem, OH 44287

CERTIFIED MAIL

7006 2150 0002 8120 2286

UNITED STATES POSTAL SERVICE

1000

44691

U.S. POSTAGE
PAID
WEST SALEM, OH
44287
FEB 22, '10
AMOUNT
$5.54
00083816-02

RECEIVED FEB 23 2010

Petro Evaluation Services, Inc

3927 Cleveland Road

Wooster, OH ~~4691~~ 44691

Office (330) 264-4454
FAX (330) 345-6617

PETRO
EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

February 24, 2010

Brad Dolan, CPA, Controller
American Augers
135 U.S. Route 42
P.O. Box 814
West Salem, OH 44287

Dear Mr. Dolan:

I am in receipt of your letter dated February 22, 2010, in which you informed us that the contract between Petro and American Augers is constructively cancelled due to Gatherco cancelling its agreement with Petro. Please allow this letter to confirm and assure you that no such cancellation is valid under the contract between Petro and Gatherco. We will continue to provide American Augers with natural gas under our agreement and will continue to do so for the foreseeable future.

I would also remind you that Petro has the exclusive pipeline rights to the parcels surrounding your facility. It is certainly Petro's intention of enforcing the exclusivity provisions of the pipeline agreements and any attempts by Gatherco or any other company to lay pipelines under these parcels will constitute a trespass.

As my counsel has suggested to Gatherco, we propose a three-way meeting with Petro, Gatherco and American Augers to see if we can reach a mutually and satisfactory approach.

If you have any further questions or concerns, please do not hesitate to contact me. We look forward to continuing to serve you.

Sincerely yours,

PETRO EVALUATION SERVICES, INC.

By: Jay Henthorne

Jay Henthorne, President

PENGAD 800-631-6989
DEFENDANT'S DEPOSITION EXHIBIT
28
3-27-12

GENERAL TERMS AND CONDITIONS

1. Quality. The natural gas delivered by Seller to Buyer hereunder will at all times conform to the quality and heat content requirements of gas gathering systems in Ohio.

2. Measurement. (a) All natural gas delivered hereunder will be measured by Seller at the delivery points. (b) The measurement unit under this Agreement shall be one Dekatherm ("Dth") of natural gas and shall be calculated by multiplying the volume delivered in Mcf (thousand cubic feet) by a fraction, the numerator of which is the heating value and denominator of which is 1,000. For the purpose of this agreement, the heating value of each delivery point shall be established by Petro by reference to the heating value tests for the gathering system(s) where the delivery point is located. (c) For the purpose of this Agreement, the volumetric measurement base shall be a standard cubic foot of natural gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees Fahrenheit (60° F) and without adjustments for water vapor. (d) The average absolute atmospheric pressure shall be assumed to be fourteen and four-tenths (14.4) pounds per square inch, regardless of actual elevation or location of the Delivery Point above sea level or variations in actual barometric pressure. The flowing gas temperature may be recorded at Petro's discretion. In the absence of a flowing temperature recorder, the average flowing temperature shall be assumed to be sixty degrees Fahrenheit (60° F). (e) All gas shall be measured by an orifice, turbine or displacement meter or other measuring device of equal accuracy approved by Petro. (f) Meters shall be installed to Petro's specifications and operated by Seller. The cost of installing, maintaining and operating such meters shall be borne by Buyer. (g) Petro, at its cost, shall read the meter, furnish, place and remove any and all recording gauge charts, calculate the deliveries, and perform any other service necessary in connection with the measurement of said gas. Buyer shall make actual readings at least bimonthly and shall furnish Petro with calculated deliveries and estimates for the months in which a reading is estimated. All calculated deliveries and estimates shall be provided to Petro by the 15th of the month following delivery in a format acceptable to Petro. Petro's invoicing will be based upon the estimates in the months in which an actual reading is not taken. (h) If Petro or Buyer challenges the accuracy of any meter and requests to have the meter tested, Petro or Petro's agent shall test the meter in the presence of Buyer or Buyer's representative, if Buyer provides Petro with written notice, at lease five (5) days prior to any such test being conducted, that Buyer wishes to be present or to be represented at such test. If the meter is owned by Petro and the meter proves to be accurate within plus or minus two percent (2%), the cost of testing and repairing the meter shall be borne by the Buyer, but if the meter proves to be in error by more than (2%), the cost of testing and repairing the same shall be borne by Petro. Any resultant aggregate error exceeding two percent (2%) of computed delivery shall be adjusted, insofar as exact knowledge of such errors or contributing causes is obtainable. Such adjustments, if any, are to be made for a period not to exceed sixty (60) days before the date of the challenge by Buyer. (i)
In the event any measuring equipment is out of service for test or repair or is inoperable for any reason, deliveries through such equipment shall be estimated in a practical manner utilizing all available information to determine the volume of natural gas for the affected delivery period. (j) Petro shall keep charts on file for four (4) years after date of delivery, during which time they will be available for inspection by Buyer. (k) Considering the possibility of inadvertent errors in measurement or calculation of amounts due and payable or paid, nothing herein contained shall constitute accord and satisfaction, waiver, release, full payment, satisfaction, laches, estoppel, or other defense to a claim by or against the Buyer or Petro for the true and actual amount actually due and payable, for the full period of four (4) years in arrears. Errors in Petro's favor shall be rectified in full, without interest, by Petro within ninety (90) days of notice and substantiation of such inaccuracy. Errors in Buyer's favor shall be rectified in full, without interest, by Buyer within ninety (90) days of notice and substantiation of such inaccuracy, or, at Petro's option, such error may be rectified by Petro withholding

NO Petro pays

& Petro

DEFENDANT'S DEPOSITION EXHIBIT
29
3-27-12

payments to Buyer hereunder, or under other agreements with Petro, until the error is corrected in full.

3. Estimates by Buyer. Buyer shall provide on a monthly basis its estimate of natural gas to be delivered hereunder.

4. Invoices. Seller will send Buyer an invoice for the prior month's natural gas deliveries, indicating the Delivery Point, the volume delivered and such other information supporting the invoice amount. If Buyer disputes any invoice amount, without wavier of any rights, Buyer will pay the undisputed amount. Seller will refund any later discovered overcharge and Buyer will pay any undercharge amount within thirty (30) days of discovery.

5. Taxes. Buyer will be liable for the payment of all sales, use, gross receipts or similar taxes imposed on the transfer of title or possession of natural gas. In the event that Seller is required by law to collect and remit any such taxes, Buyer will reimburse Seller for such taxes. Buyer shall provide Seller with any certificate or other evidence of sales tax exemption.

6. Force Majeure. In the event either party is rendered unable, in whole or in part, by an event of force majeure to fulfill its obligations under this Agreement, other than to make payments due, the obligations of each party, to the extent they are affected by such event of force majeure, will be suspended during the continuance of the force majeure event. In the event of a force majeure condition, the affected party shall give the other written notice and full particulars of such force majeure condition as soon as is reasonably possible. The term "force majeure" shall mean strikes, lockouts or other industrial disturbances, acts of public enemy, wars, blockades, ~~riots, landslides, hurricanes, lightning, earthquake,~~ fires, floods, washouts, freezing of pipes or wells, breakage of machinery, equipment or lines of pipe, explosions ~~and such other causes as are beyond~~ the control of the party failing to perform.

7. Laws and Regulations. This Agreement is subject to all applicable laws and regulations, orders, directives and ordinances. If at any time during the term of this Agreement any regulatory body asserts jurisdiction over the Seller, its facilities, the natural gas sold hereunder or this Agreement, Seller may, at its election, terminate this Agreement immediately by giving Buyer notice of termination.

Not if Seller fault or negl

8. Title. Title, control and possession of the natural gas sold hereunder and responsibility for any damage or injury caused by the gas shall pass from Seller to Buyer at the Delivery Point.

9. Warranty. Seller warrants (i) that it will at the time of delivery have good title to all natural gas delivered to Buyer, free and clear of all liens, encumbrances, and claims whatsoever; and (ii) that at the time of delivery it will have good right, title and authority to sell the natural gas.

10. Miscellaneous.

a. This Agreement will be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties. Neither party may assign its rights hereunder, nor delegate its duties, without the prior written consent of the other party, which consent will not be unreasonably withheld.

b. If any provision of this Agreement is deemed invalid, void or unenforceable by any court having jurisdiction, such determination will not invalidate, void or make unenforceable any other provision of this Agreement.

c. It is understood and agreed that Petro is selling natural gas from a gas

gathering system and may, in the sole discretion of Petro, cease the use of portions of the gas gathering system at some future date. In that event Petro may terminate sales of gas to Buyer along such portions of its gathering system after giving Buyer at least 6 (six) months prior written notice of such termination. In that event Petro may allow buyer to take over the operation of such portion of the gas gathering system that Petro ceases to operate.

No Sys refund of $25K

d. No waiver of any breach of this Agreement will be held to be a waiver of any other or subsequent breach.

e. This Agreement sets forth all understandings between the parties respecting the subject matter of each transaction. Any prior Agreement, understandings and representations, whether oral or written, representing this subject matter are merged into and superseded by this Agreement.

f. This Agreement may only be amended in writing.

g. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.

h. This Agreement will be governed by and construed under the laws of the State of Ohio.

NATURAL GAS SALES AGREEMENT

This Agreement effective the ____ day of _____, 1999 by and between Petro Evaluation Services, Inc., ("Seller") and ("Buyer") for the sale and purchase of natural gas pursuant to the following terms and conditions:

TERM	For a primary term of five years commencing _____ and as long thereafter as Petro Evaluation Services system is capable, as determined in Petro's sole discretion, of delivering gas to Buyer at the Delivery Points identified below.
QUANTITY	Total natural gas as delivered by Seller and purchased by Buyer at the Delivery Points identified below.
PRICE	Index Price for spot gas delivered to Columbia Gas Transmission Corporation, Appalachia (West Virginia, Ohio, Kentucky) as reported in the first publication each month of Inside F.E.R.C. – Gas Market Report, per Dth plus two dollars ($2.00) per Dth.
DELIVERY POINT	Petro Meter Nos. _____ and additional meters made subject to this agreement by letter agreement signed by both parties.
PAYMENT	Payments to be made to Seller by check or other approved method.
METHOD	no later than the twenty-fifth (25th) day of the month following the month of physical deliveries.
INVOICE ADDRESS	American Augers, Inc. 135 US Rt. 42, PO Box 814 West Salem, OH 44287
PAYMENT ADDRESS	Petro Evaluation Services, Inc. 3927 Cleveland Road Wooster, OH 44691
SPECIAL TERMS AND CONDITIONS	
NOTICE TO BUYER	
NOTICE TO SELLER	Petro Evaluation Services, Inc. Attn: Jay G. Henthorne, Jr. 3927 Cleveland Road Wooster, OH 44691 Phone: (330-264-4454) Fax: (330-345-6617)

This Agreement is subject to the General Terms and Conditions set forth below.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate.

Petro Evaluation Services, Inc.
("Seller")

By Jay G. Henthorne Jr.

Its President

American Augers, Inc.
("Buyer")

By Roger Cerny

Its Chairman & CEO

PARKS & RECREATION
Cuyahoga Falls

May 4, 1999

Wayne County Commissioners
Oil and Gas Lease
428 West Liberty Street
Wooster, Ohio 44691

Dear Commissioners:

The City of Cuyahoga Falls and the Parks and Recreation Department have been involved with Petro Evaluation of Wooster, Ohio, since the late 1970's. It was at that time the Mayor of Cuyahoga Falls and the Superintendent of Parks and Recreation entered into a contract with Petro Evaluation to drill several oil and gas wells on the City's golf course and in an adjacent park. The exploratory drilling resulted in five successful wells, four of which are still producing today.

Petro Evaluation has provided continuous maintenance service on all the wells throughout the years and the service has proven to be extremely valuable. They have provided quality maintenance service causing the wells to produce at their capacities and at the same time have caused no adverse impact on the surrounding facilities and environment. This is extremely important because three wells were drilled on the golf course and two in a community park.

The operation of gas and oil wells is quite a science and like any other technical task it pays to have an experienced, conscientious, qualified company who will accept the responsibility. Petro Evaluation has been that company for Cuyahoga Falls for twenty years and we are very pleased with their work.

Sincerely,

Richard W. Pierson

Richard W. Pierson
Superintendent

/cc

PENGAD 800-631-6989
DEFENDANT'S DEPOSITION EXHIBIT
30
3-27-12

Richard W. Pierson, Superintendent • Patrick M. Morrow, Assistant Superintendent • John L. Olivier, Assistant Superintendent
2310 Second Street • Cuyahoga Falls, Ohio 44221
(330) 971-8225 • Fax (330) 971-8554

WELL PUMPING AGREEMENT

THIS AGREEMENT, made this 5th day of August, 1999, by and between:

OWNER	**American Augers, Inc.** **135 U.S. Rt. 42, P.O. Box 814** **West Salem, OH 44287** **Phone: 800-324-4930; Fax: 419-869-6617**
OPERATOR	**Petro Evaluation Services, Inc.** **3927 Cleveland Road** **Wooster, OH 44691** **Phone: 330-264-4454; Fax: 330-345-6617**

provides for well pumping operations on American Augers, Inc. property.

During the term of this Agreement, OPERATOR shall operate, maintain and produce oil and gas from wells in the Contract Area in a good and workmanlike manner and in accordance with good industry practices.

Services provided by OPERATOR shall include the following:

1. well tending services
2. weekly production reporting
3. minimum twice-weekly cycle observation of each rabbit well
4. chart handling and mailing
5. tank heating and oil and saltwater shipping
6. minor maintenance as needed (i.e.: cleaning rabbits, tightening stuffing boxes, etc...)
7. all additional operations such as, but not limited to, hauling and disposal of production fluids, workovers, capital improvements, backfilling, seeding, bailing, major repairs and painting will be performed on a fee basis and only upon specific direction of OWNER

OPERATOR has and will have no claim to any personal property attached to the Contract Area, including, but not limited to tanks, pump jacks, electric wire, electric motors, power and powerhouses, and flowlines.

OPERATOR shall maintain General Liability Insurance of $1,000,000. Should a claim arise in connection with the service provided herein, OPERATOR shall be responsible for satisfying deductible amounts.

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The number of employees used by OPERATOR in conducting operations hereunder, their selection, and the hours of labor and the compensation for services performed shall be determined by OPERATOR. In the performance of the work contemplated herein, OPERATOR is an Independent Contractor with the authority to control and direct the performance of the details of the work, OWNER being interested primarily in results obtained. The work contemplated herein shall, however, meet the approval of OWNER and be subject to the right of inspection by OWNER to secure the satisfactory completion thereof.

In conducting said operation, OPERATOR shall comply with all applicable laws, rules and regulations, including, but not being limited to, those pertaining to environmental concerns, with the exception of bonding requirements on wells as mandated by the DEP and EPA.

Spills of any size are to be reported to the OWNER as soon as possible. Steps for cleanup shall begin immediately after the spill has occurred. Oil spill responsibility will not be assumed by OPERATOR unless in the case of willful misconduct that was created by OPERATOR, it's employees or agents.

OPERATOR agrees to indemnify and hold OWNER harmless from and against all third-party claims, demands, and causes of action for personal injury, death or property damage arising out of or attributable to OPERATOR's willful or negligent act or omission; provided, however, that OWNER agrees to indemnify and hold OPERATOR harmless from all claims for subsurface damage or injury to the well or surface equipment and damages attributable to pollution or contamination and cost of control and removal thereof alleged to have been caused by OPERATOR's performance of services under this Agreement, except where such damage is caused by the willful act, illegal act or negligence of OPERATOR.

OWNER shall have access to the Contract Area at all times, at its sole cost and risk, to inspect or observe operations.

If OPERATOR is rendered unable, wholly or in part, by force majeure to carry out its obligations under the Agreement, OPERATOR shall give to OWNER prompt written notice of the force majeure with reasonable full particulars concerning it; thereupon, the obligations of OPERATOR, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The OPERATOR shall use all reasonable diligence to remove the force majeure as quickly as practicable.

The term "force majeure", as here employed, shall mean an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightning, fire, storm, flood, explosion, governmental action, governmental delay, restraint or inaction, unavailability of equipment, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

In consideration of the performance of the above outlined services during the term of this Agreement, OWNER agrees to pay OPERATOR, on monthly invoices, $150.00 per month, per well. In addition , OWNER agrees to reimburse OPERATOR for minor maintenance items, such as timer motors, fuses, belts, charts, stuffing box rubbers, etc...at cost.

This agreement is not transferable by OWNER or OPERATOR without written approval, and shall remain in force until terminated by OWNER or OPERATOR, said termination to take effect (30 days) after written notice is provided to the non-terminating party.

IN WITNESS WHEREOF and intending to be legally bound the parties hereto have executed this Agreement on the date first above written.

WITNESSES:

Steve Franks

OWNER:
AMERICAN AUGERS, INC.

Roger Love

Chairman & CEO.

TITLE

WITNESSES:

Lisa Patterson

OPERATOR:
PETRO EVALUATION SERVICES

Gary S. Hunter Jr.

President

TITLE

Office (330) 264-4454
FAX (330) 345-6617

PETRO

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

July 9th, 2001

American Augers, Inc.
135 US Rt. 42, PO Box 814
West Salem, Ohio 44287

CONFIDENTIAL

Attn: Mr. Roger Eve, CEO

RE: Gas Well Purchase

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12

Gentlemen,

As you are aware, the Richland #1 Well on American Auger's Property is in a weak condition, and does not significantly contribute to the gas used by American Auger. In the well's present state, it is a liability to American Auger.

Originally Petro proposed to American Auger to re-complete and rework the well for approximately $15,000. This offer was turned down by management due to the risk involved with no guarantee for additional production. Since that time Petro has been supplying American Auger with contractual gas.

It still may be possible to increase the production and safety of the well if it were reworked and additional equipment was installed.

Petro Evaluation Services, Inc. proposes to purchase the well from American Auger for $8,000. American Auger would retain all landowner royalties of 12 ½ % for any oil and gas produced from the well, and would pass all liability, maintenance, and plugging responsibilities to Petro. The additional cost of reworking, re-completing, and additional equipment would be borne solely by Petro.

In addition, Petro agrees to exclusively sell all, if any, natural gas produced from this well.

When the well eventually reaches a non-productive level, Petro will plug the well according to the State of Ohio requirements.

In summation, Petro will pay American Auger $8,000 for the Richland #1 well, and assume all liability and plugging responsibilities. American Auger will retain royalties

from all gas and oil produced from the well. Petro will rework, re-complete, and maintain the well, and plug the well when needed. All gas produced from the well will be sold exclusively to American Auger under the existing contract

The terms and conditions of this agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties.

If this proposal is acceptable to American Augers, Inc., please sign and date both copies of this letter and return one for our files.

Petro Evaluation Services, Inc.	American Augers, Inc.
Jay G. Henthorne, Jr., President	Roger Eve, CEO Date

AMERICAN AUGERS®
an Astec company

American Augers, Inc.

Innovative Leaders For The Trenchless Industry

135 U.S. Route 42 • P.O. Box 814 • West Salem, Ohio 44287
TEL (419) 869-7107 • FAX (419) 869-7425 • USA toll free (800) 324-4930
Web: www.americanaugers.com

AMERICAN DIRECTIONAL DRILL®
a division of American Augers, Inc.

August 14, 2001

Mr. Jay G. Henthorne, Jr.
President
Petro Evaluation Services, Inc.
3927 Cleveland Road
Wooster, OH 44691-1298

Dear Jay:

RE: Gas Well Purchase

We are in receipt of your letter dated July 9, 2001 and would ask that you allow us an additional two weeks to decide whether we should move forward with your offer or elect to leave this well as it currently stands. We do apologize for the length of time that it has taken us to review this situation, but due to our current market slowdown, we had put this on the back burner.

Thank you again for your generous offer. We will get back to you by the end of August with an answer. If in the meantime anything changes, please do not hesitate to call either Roger Eichel or me with this information.

Best regards,

Scott Smalley
General Manager

SS/so/1155

cc Mr. Roger Eve
Mr. Roger Eichel
Mr. Mike Mooney
Mr. Bill Riel

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
PENGAD 800-631-6989

1999

PETRO PAID GATHERCO

	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN				
FEB				
MAR				
APR				
MAY				
JUN				
JUL				
AUG				
SEP	51	$2.78	$0.70	$177.48
OCT	146	$3.03	$0.70	$544.58
NOV	351	$2.69	$0.70	$1,189.89
DEC	551	$3.25	$0.70	$2,176.45
TOTAL	1099	$0.98		$4,088.40

PETRO CHARGE TO AMERICAN AUGERS

QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
51	$2.78	$2.00	$243.78	$66.30
146	$3.03	$2.00	$734.38	$189.80
351	$2.69	$2.00	$1,646.19	$456.30
551	$3.25	$2.00	$2,892.75	$716.30
1099			$5,517.10	$1,428.70

PENGAD 800-631-6989
DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12

2000 PETRO PAID GATHERCO

	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1045	$2.26	$0.70	$3,093.20
FEB	1226	$2.49	$0.70	$3,910.94
MAR	1344	$2.76	$0.70	$4,650.24
APR	906	$2.73	$0.70	$3,107.58
MAY	653	$3.01	$0.70	$2,422.63
JUN	57	$3.25	$0.70	$67.99
JUL	13	$4.53	$0.70	$67.99
AUG	19	$4.52	$0.70	$99.18
SEP	54	$3.98	$0.70	$252.72
OCT	149	$4.81	$0.70	$820.99
NOV	370	$5.55	$0.70	$2,312.50
DEC	1179	$4.74	$0.70	$6,413.76
TOTAL	7015	$3.72		$27,219.72

PETRO CHARGE TO AMERICAN AUGERS

QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1045	$2.26	$2.00	$4,451.70	$1,358.50
1226	$2.49	$2.00	$5,504.74	$1,593.80
1344	$2.76	$2.00	$6,397.44	$1,747.20
906	$2.73	$2.00	$4,285.38	$1,177.80
653	$3.01	$2.00	$3,271.53	$848.90
57	$3.25	$2.00	$299.25	$231.26
13	$4.53	$2.00	$84.89	$16.90
19	$4.52	$2.00	$123.88	$24.70
54	$3.98	$2.00	$322.92	$70.20
149	$4.81	$2.00	$1,014.69	$193.70
370	$5.55	$2.00	$2,793.50	$481.00
1179	$4.74	$2.00	$7,946.46	$1,532.70
7015			$36,496.38	$9,276.66

2001			PETRO PAID GATHERCO	
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1871	$6.27	$0.70	$13,040.87
FEB	1942	$10.53	$0.70	$21,808.66
MAR	1245	$6.44	$0.70	$8,889.30
APR	1310	$5.29	$0.70	$7,846.90
MAY	460	$5.62	$0.70	$2,907.20
JUN	133	$5.12	$0.70	$774.06
JUL	75	$3.93	$0.70	$347.25
AUG	12	$3.34	$0.70	$48.48
SEP	**Did not receive a**	**Bill for Sept**	$0.00	$0.00
OCT	101	$2.46	$0.70	$319.16
NOV	402	$2.05	$0.70	$1,105.50
DEC	365	$3.37	$0.70	$1,485.55
TOTAL	7916	$4.54		$58,572.93

PETRO CHARGE TO AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1871	$6.27	$2.00	$15,473.17	$2,432.30
1942	$10.53	$2.00	$24,333.26	$2,524.60
1245	$6.44	$2.00	$10,507.80	$1,618.50
1310	$5.29	$2.00	$9,549.90	$1,703.00
460	$5.62	$2.00	$3,505.20	$598.00
133	$5.12	$2.00	$946.96	$172.90
75	$3.93	$2.00	$444.75	$97.50
12	$3.34	$2.00	$64.08	$15.60
Did not receive a	**Bill for Sept**	$0.00	$0.00	$0.00
101	$2.46	$2.00	$450.46	$131.30
402	$2.05	$2.00	$1,628.10	$522.60
365	$3.37	$2.00	$1,960.05	$474.50
7916			$68,863.73	$10,290.80

2002	PETRO PAID GATHERCO			
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	646	$2.42	$0.70	$2,015.52
FEB	1602	$2.76	$0.70	$5,542.92
MAR	1322	$2.14	$0.70	$3,754.48
APR	1159	$2.53	$0.70	$3,743.57
MAY	506	$3.55	$0.70	$2,150.50
JUN	354	$3.52	$0.70	$1,493.88
JUL	62	$3.54	$0.70	$262.88
AUG	13	$3.44	$0.70	$53.82
SEP	18	$3.12	$0.70	$68.76
OCT	67	$3.79	$0.70	$300.83
NOV	497	$3.88	$0.70	$2,276.26
DEC	768	$4.38	$0.70	$3,901.44
TOTAL	7014	$3.26		$25,564.86

PETRO CHARGE TO AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
646	$2.42	$2.00	$2,855.32	$839.80
1602	$2.76	$2.00	$7,625.52	$2,082.60
1322	$2.14	$2.00	$5,473.08	$1,718.60
1159	$2.53	$2.00	$5,250.27	$1,506.70
506	$3.55	$2.00	$2,808.30	$657.80
354	$3.52	$2.00	$1,954.08	$460.20
62	$3.54	$2.00	$343.48	$80.60
13	$3.44	$2.00	$70.72	$16.90
18	$3.12	$2.00	$92.16	$23.40
67	$3.79	$2.00	$387.93	$87.10
497	$3.88	$2.00	$2,922.36	$646.10
768	$4.38	$2.00	$4,899.84	$998.40
7014			$34,683.06	$9,118.20

2003 PETRO PAID GATHERCO

	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1642	$4.32	$0.70	$8,242.84
FEB	2052	$5.12	$0.70	$11,942.64
MAR	1676	$5.95	$0.70	$11,145.40
APR	1077	$9.39	$0.70	$10,866.93
MAY	536	$5.43	$0.70	$3,285.68
JUN	171	$5.53	$0.70	$1,065.33
JUL	**Bill for meter repair**			
AUG	60	$5.59	$0.70	$377.40
SEP	45	$4.94	$0.70	$253.80
OCT	112	$5.13	$0.70	$652.96
NOV	509	$4.66	$0.70	$2,728.24
DEC	587	$4.68	$0.70	$3,158.06
TOTAL	8467	$5.06		$53,719.28

PETRO CHARGE TO AMERICAN AUGERS

QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1642	$4.32	$2.00	$10,377.44	$2,134.60
2052	$5.12	$2.00	$14,610.24	$2,667.60
1676	$5.95	$2.00	$13,321.20	$2,175.80
1077	$9.39	$2.00	$12,267.03	$1,400.10
536	$5.43	$2.00	$3,982.48	$696.80
171	$5.53	$2.00	$1,287.63	$222.30
Bill for meter repair				
60	$5.59	$2.00	$455.40	$78.00
45	$4.94	$2.00	$312.30	$58.50
112	$5.13	$2.00	$798.56	$145.60
509	$4.66	$2.00	$3,389.94	$661.70
587	$4.68	$2.00	$3,921.16	$763.10
8467			$64,723.38	$11,004.10

2004 PETRO PAID GATHERCO

	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1579	$6.34	$0.70	$11,820.16
FEB	1533	$5.07	$0.70	$8,845.41
MAR	1498	$6.03	$0.70	$10,081.54
APR	1080	$5.40	$0.70	$6,588.00
MAY	644	$5.63	$0.70	$4,076.52
JUN	164	$6.19	$0.70	$1,129.96
JUL	69	$6.96	$0.70	$528.54
AUG	51	$6.42	$0.70	$363.12
SEP	57	$5.33	$0.70	$343.71
OCT	55	$5.33	$0.70	$331.65
NOV	318	$6.06	$0.70	$2,149.68
DEC	708	$7.89	$0.70	$5,586.12
Adjustment	57	$0.95	$0.00	$54.15
TOTAL	7813	$6.13		$51,898.56

PETRO CHARGE TO AMERICAN AUGERS

QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1679	$6.34	$2.00	$14,002.86	$2,182.70
1533	$5.07	$2.00	$10,838.31	$1,992.90
1498	$6.03	$2.00	$12,028.94	$1,947.40
1080	$5.40	$2.00	$7,992.00	$1,404.00
644	$5.63	$2.00	$4,913.72	$837.20
164	$6.19	$2.00	$1,457.96	$328.00
69	$6.96	$2.00	$618.24	$89.70
51	$6.42	$2.00	$429.42	$66.30
57	$5.33	$2.00	$417.81	$74.10
55	$5.33	$2.00	$403.15	$71.50
318	$6.06	$2.00	$2,563.08	$413.40
708	$7.89	$2.00	$7,002.12	$1,416.00
57	$0.95	$0.00	$54.15	$54.15
7913			$62,721.76	$10,877.35

2006

PETRO PAID GATHERCO

	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN				
FEB				
MAR	1700	$7.44	$0.70	$13,838.00
APR	703	$7.61	$0.70	$5,722.42
MAY	378	$7.51	$0.70	$3,076.92
JUN	182	$6.15	$0.70	$1,246.70
JUL				
AUG	147	$7.23	$0.70	$1,165.71
SEP				
OCT				
NOV	1106	$7.38	$0.70	$8,936.48
DEC				
Adjustment	703	$0.17	$0.00	$119.51
Adjustment	378	$0.07	$0.00	$26.46
TOTAL	5297	$3.61		$34,132.20

PETRO CHARGE TO AMERICAN AUGERS

QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1700	$7.44	$2.00	$16,048.00	$2,210.00
703	$7.61	$2.00	$6,755.83	$1,033.41
378	$7.51	$2.00	$3,594.78	$517.86
182	$6.15	$2.00	$1,483.30	$236.60
147	$7.23	$2.00	$1,356.81	$191.10
1106	$7.38	$2.00	$10,374.28	$1,437.80
703	$0.17	$0.00	$119.51	$119.51
378	$0.07	$0.00	$26.46	$26.46
5297			$39,758.97	$5,772.74

2007	PETRO PAID GATHERCO			
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1237	$8.53	$0.70	$11,417.51
FEB	1552	$6.01	$0.70	$10,413.92
MAR	2099	$7.06	$0.70	$16,288.24
APR	1324	$7.75	$0.70	$11,187.80
MAY	960	$7.92	$0.70	$8,275.20
JUN	206	$7.82	$0.70	$1,755.12
JUL	88	$8.03	$0.70	$768.24
AUG	119	$7.37	$0.70	$960.33
SEP	116	$6.34	$0.70	$816.64
OCT	115	$5.57	$0.70	$721.05
NOV	363	$6.61	$0.70	$2,653.53
DEC	925	$7.55	$0.70	$7,631.25
TOTAL	9104	$7.21		$72,888.83

PETRO CHARGE TO AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1237	$8.53	$2.00	$13,025.61	$1,608.10
1552	$6.01	$2.00	$12,431.52	$2,017.60
2099	$7.06	$2.00	$19,016.94	$2,728.70
1324	$7.75	$2.00	$12,909.00	$1,721.20
960	$7.92	$2.00	$9,523.20	$1,248.00
206	$7.82	$2.00	$2,022.92	$267.80
88	$8.03	$2.00	$882.64	$114.40
119	$7.37	$2.00	$1,115.00	$154.67
116	$6.34	$0.70	$816.64	$0.00
115	$5.57	$2.00	$870.55	$149.50
363	$6.61	$2.00	$3,125.43	$471.90
925	$7.55	$2.00	$8,833.75	$1,202.50
9104			$84,573.20	$11,684.37

2008	PETRO PAID GATHERCO			
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1652	$7.46	$0.70	$13,480.32
FEB	1974	$7.42	$0.70	$16,028.88
MAR	2144	$8.29	$1.50	$20,989.76
APR	1779	$9.38	$1.50	$19,355.52
MAY	633	$10.07	$1.50	$7,323.81
JUN	496	$11.80	$1.50	$6,596.80
JUL	197	$12.36	$1.50	$2,730.42
AUG	121	$13.54	$1.50	$1,819.84
SEP	151	$9.63	$1.50	$1,680.63
OCT	228	$8.59	$1.50	$2,300.52
NOV	548	$7.68	$1.50	$5,030.64
DEC	1242	$6.74	$1.50	$10,234.08
TOTAL	11165	$9.41		$107,571.22

PETRO BILLED AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1652	$7.46	$2.00	$15,627.92	$2,147.60
1974	$7.42	$2.00	$18,595.08	$2,566.20
2144	$8.29	$2.80	$23,776.96	$2,787.20
1779	$9.38	$2.80	$21,668.22	$2,312.70
633	$10.07	$2.80	$8,146.71	$822.90
496	$11.80	$2.80	$7,241.60	$644.80
197	$12.36	$2.80	$2,986.52	$256.10
121	$13.54	$2.80	$1,977.14	$157.30
151	$9.63	$2.80	$1,876.93	$196.30
228	$8.59	$2.80	$2,596.92	$296.40
548	$7.68	$2.80	$5,743.04	$712.40
1242	$6.74	$2.80	$11,848.68	$1,614.60
11165			$122,085.72	$14,514.50

2009	PETRO PAID GATHERCO			
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	1908	$7.13	$1.50	$16,466.04
FEB	3025	$6.44	$1.50	$24,018.50
MAR	2753	$4.85	$1.50	$17,481.55
APR	2140	$4.32	$1.50	$12,454.80
MAY	869	$3.87	$1.50	$4,666.53
JUN	244	$3.58	$1.50	$1,239.52
JUL	162	$3.66	$1.50	$835.92
AUG	66	$3.48	$1.50	$328.68
SEP	136	$2.91	$1.50	$599.76
OCT	642	$3.77	$1.50	$3,383.34
NOV	875	$4.47	$1.50	$5,223.75
DEC	2075	$4.66	$1.50	$12,782.00
TOTAL	14895	$4.43		$99,480.39

PETRO CHARGED AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
1908	$7.13	$2.80	$18,946.44	$2,480.40
3025	$6.44	$2.80	$27,951.00	$3,932.50
2753	$4.85	$2.80	$21,060.45	$3,578.90
2140	$4.32	$2.80	$15,236.80	$2,782.00
869	$3.87	$2.80	$7,099.73	$2,433.20
244	$5.08	$2.80	$1,922.72	$683.20
162	$5.16	$2.80	$1,289.52	$453.60
66	$3.48	$2.50	$394.68	$66.00
136	$2.91	$2.50	$735.76	$136.00
642	$3.77	$2.50	$4,025.34	$642.00
875	$4.47	$2.50	$6,098.75	$875.00
2075	$4.66	$2.50	$14,857.00	$2,075.00
14895			$119,618.19	$20,137.80

2010	PETRO PAID GATHERCO			
	QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST
JAN	2075	$4.66	$1.50	$12,782.00
FEB	2192	$6.05	$1.50	$16,549.60
MAR	1481	$5.00	$1.50	$9,626.50
APR	446	$3.99	$1.50	$2,448.54
MAY	275	$4.40	$1.50	$1,622.50
JUN	129	$4.31	$1.50	$749.49
JUL	127	$4.85	$1.50	$806.45
AUG	117	$4.91	$1.50	$749.97
SEP	140	$3.70	$1.50	$728.00
OCT	0	$0.00	$0.00	$0.00
NOV	0	$0.00	$0.00	$0.00
DEC	0	$0.00	$0.00	$0.00
TOTAL	6982	$5.98		$46,063.05

PETRO BILLED AMERICAN AUGERS				
QUANITY	INDEX PRICE	DTH PRICE	TOTAL COST	
2075	$4.66	$2.50	$14,857.00	$2,075.00
2192	$6.05	$2.50	$18,741.60	$2,192.00
1481	$5.00	$2.50	$11,107.50	$1,481.00
446	$3.99	$2.50	$2,894.54	$446.00
275	$4.40	$2.50	$1,897.50	$275.00
129	$4.31	$2.50	$878.49	$129.00
127	$4.85	$2.50	$933.45	$127.00
117	$4.91	$2.50	$866.97	$117.00
140	$3.70	$2.50	$868.00	$140.00
0	$0.00	$0.00	$0.00	$0.00
0	$0.00	$0.00	$0.00	$0.00
0	$0.00	$0.00	$0.00	$0.00
6982			$53,045.05	$6,982.00

Office (330) 264-4454
FAX (330) 345-6617

PETRO EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

American Augers
P.O. Box 814
West Salem, OH 44287

March 6, 2008

Dear Sir/Madam,

Due to an increase in the delivery price, we regret to inform you that your delivery cost of natural gas will be raised from $2.00 per Dth to $2.80 per Dth. Our carrier raised their price $.80 per Dth and unfortunately, we must pass this increase on to you. This change will take effect for shipments delivered as of February 1, 2008.

Please feel free to call with any questions or concerns.

Sincerely,

Jay G. Henthorne Jr.

Jay G. Henthorne,
President

DEFENDANT'S DEPOSITION EXHIBIT
35
3-27-12
PENGAD 800-631-6989

Tony Kovacevich

From: Tony Kovacevich
Sent: Tuesday, January 22, 2008 7:46 AM
To: John Lende
Subject: RE: Please call Jay Henthorn from Petro Evalutation 888-264-4454 Re: Natural gas sales agreement

There is no negotiating as everyone pays the same price. His customer has no other supply of gas.

From: John Lende
Sent: Monday, January 21, 2008 4:30 PM
To: Tony Kovacevich
Subject: RE: Please call Jay Henthorn from Petro Evalutation 888-264-4454 Re: Natural gas sales agreement

You are correct he did some complaining, and as we are firm on the price he will have to see if he can pass this along as it may "kill the deal" I will update you if I hear anything new or if he is not willing to sign the contract. I have the other 4 so he is the only holdout.

Thanks,
John

From: Tony Kovacevich
Sent: Monday, January 21, 2008 11:40 AM
To: John Lende
Subject: FW: Please call Jay Henthorn from Petro Evalutation 888-264-4454 Re: Natural gas sales agreement

He is one of the parties that you sent out the revised sales agreement to. He like to whine so be prepared when you call him back. Basically he has an illegal sale to American Auger.

From: Deanna Digman
Sent: Monday, January 21, 2008 8:46 AM
To: Tony Kovacevich
Subject: Please call Jay Henthorn from Petro Evalutation 888-264-4454 Re: Natural gas sales agreement

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
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FACSIMILE

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CRITCHFIELD &
JOHNSTON, LTD.

LEGAL SERVICES

- General Corporate & Business
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- Administrative
- Insurance
- Pension and Profit Sharing
- Securities
- Employment and Labor
- Workers' Compensation
- Health Care
- Construction

:s

:0) 682-4145
er:
:ding This Cover Sheet: 3

:iel H. Plumly, Esq.
uary 24, 2010

Original will follow via regular U.S. mail

not received or there is a problem with this transmission, please call Sheri Smith at (330) 264-4444.

Market Street, P.O. Box 599, Wooster, OH 44691-0159 (330) 264-4444 • Fax: (330) 263-9278

:TS OF THIS TRANSMISSION ARE INTENDED ONLY FOR THE USE OF THE ADDRESSEE. IT IS PRIVILEGED
ENTIAL. IF YOU RECEIVE THIS TRANSMISSION BY MISTAKE, YOU ARE HEREBY NOTIFIED THAT ANY
OR FURTHER COMMUNICATION OR DISTRIBUTION OF THIS MATERIAL IS PROHIBITED. IF YOU HAVE
THIS TRANSMISSION AND YOU ARE NOT THE ADDRESSEE, PLEASE NOTIFY THE SENDER BY TELEPHONE
YOU WILL BE INSTRUCTED AS TO THE PROPER DISPOSITION OF THE TRANSMISSION.

DEFENDANT'S DEPOSITION EXHIBIT
37
3-27-12
PENGAD 800-631-6989

FEB 25 2010

RECEIVED

CRITCHFIELD, CRITCHFIELD & JOHNSTON, LTD.
ATTORNEYS AT LAW

225 NORTH MARKET STREET
P.O. BOX 599
WOOSTER, OHIO 44691-0599

TELEPHONE: (330) 264-4444
FAX: (330) 263-9278

INTERNET: HTTP://WWW.CCJ.COM

J.C. JOHNSTON III
DANIEL H. PLUMLY
J. DOUGLAS DRUSHAL
KIM M. ROSE
DANIEL L. MATHIE
PEGGY J. SCHMITZ
ROBERT C. BERRY
SUSAN E. BAKER
GARRETT M. ROACH
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ROBERT C. GORMAN
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ROGER D. PROPER, JR.
JAMES R. NORRIS
JOHN H. SCHAEFFER
TRICIA L. PYCRAFT

RALPH STREZA
SHAN M. WARNER
ANDREW P. LYCANS
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RINDA VAS
JAMES J. LANTHAM
MATTHEW A. LONG
MARIBETH DEAVERS
SARAH B. GORDON
MATTHEW R. HOCHSTETLER

(Of Counsel)
JOHN R. WALTMAN

February 24, 2010

VIA FACSIMILE: (330) 682-4145
AND REGULAR U.S. MAIL

Steve J. Williams
Vice President of Gas Services
Gatherco, Inc.
300 Tracy Bridge Road
Orrville, OH 44667

Dear Mr. Williams:

We are in receipt of your undated letter received by our client, Petro Evaluation Services on February 22, 2010. From your correspondence, it appears Gatherco intends on unilaterally terminating its Natural Gas Sales Agreement ("Agreement") with Petro by issuing a "30-day Notification". This decision by Gatherco breaches the Agreement which describes the Term of Agreement as follows:

> For a primary term of five years commencing August 1, 1999, and as long thereafter as Gatherco's gathering system is capable, as determined in Gatherco's sole discretion, of delivering gas to Buyer at the delivery points identified below.

Accordingly, termination of the Agreement only occurs if Gatherco's gathering system is no longer capable of delivering gas to Petro at certain delivery points. We both know that the gathering system has not suddenly lost its required capabilities as described in the Agreement.

Petro also finds it more than troubling that on the same day it received the faux "30-day Notification" it also received a letter from American Augers, notifying Petro that Gatherco's cancellation of the Agreement "constructively" cancels the agreement between Petro and American Augers. Not coincidentally, American Augers informed Petro that it intends on using

Gatherco as its new supplier of natural gas.

At best, these actions by Gatherco constitute breach of the Agreement and tortuous interference with the contract between Petro and American Augers. At first blush it also appears that Gatherco may be engaging in anti-competitive practices and unfair competition. Before this matter goes beyond the "tipping point", I suggest that we have a meeting with Petro, Gatherco, American Augers and their respective counsel to see if we can agree to a plan that meets all parties' goals, thereby avoiding the potential conflict that is looming.

If you have any further questions, please do not hesitate to contact me.

Sincerely yours,

Daniel H. Plumly

TBP/sls
cc: Jay Henthorne

MEDINA: 4996 FOOTE ROAD, MEDINA, OHIO 44256 • TELEPHONE (330) 723-6404 • FAX (330) 721-7644
MILLERSBURG: 156 EAST JACKSON STREET, MILLERSBURG, OHIO 44654 • TELEPHONE (330) 674-3055 • FAX (330) 674-4469
MOUNT VERNON: 10 SOUTH GAY STREET, P.O. BOX 469, MOUNT VERNON, OHIO 443050 • TELEPHONE (740) 392-4040 • FAX (740) 397-6775

Gatherco, Inc.
PRODUCER OWNED & OPERATED

300 Irey Bridge Road
Orville, Ohio 44667
(330) 682-7726
FAX (330) 682-4145
www.gatherco.com

MAR 2 2010

February 26, 2010

Critchfield, Critchfield & Johnston, LTD
Mr. Daniel H. Plumly
PO Box 599
Wooster, OH 44691-0599

Re: Petro Evaluation Services

Dear Mr. Plumly,

We are in receipt of your letter but do not agree on a few key points.

Your client should have informed you that American Auger has recently added additional load (need for increased quantities of gas) to their facility and on peak cold days were unable to run all of the necessary equipment in their plant and even had periods where they couldn't heat their offices. There is also a plant expansion underway that will further increase their gas requirements. This situation might be acceptable to some but not American Auger. Therefore your statement that the "gathering system has not suddenly lost its required capabilities" is incorrect and thus would give Gatherco the right to terminate the agreement. In order to rectify this problem Gatherco is moving forward with upgrading its system to remedy this process.

American Auger has joined Consumers Gas Cooperative, a natural gas cooperative and will be receiving gas from them in the near future. Under Ohio PUCO regulations Gatherco can not sell gas directly to American Auger as sales to end users must be made through a regulated jurisdictional entity such as a local distribution company or a natural gas cooperative.

Sincerely,

Tony

Tony Kovacevich

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
PENGAD 800-631-6989

CRI HFIELD, CRITCHFIELD & JOHNST , LTD.
ATTORNEYS AT LAW
225 NORTH MARKET STREET
P.O. BOX 599
WOOSTER, OHIO 44691-0599
TELEPHONE (330) 264-4444
FAX (330) 263-9278
INTERNET HTTP://WWW.CCJ.COM

J.C. JOHNSTON III
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J. DOUGLAS DRUSHAL
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JAMES J. LANHAM
MATTHEW A. LONG
MARIBETH DEAVERS
SARAH B. GORDON
MATTHEW R. HOCHSTETLER

(Of Counsel)
JOHN R. WALTMAN

March 9, 2010

VIA FACSIMILE: (330) 682-4145
AND REGULAR U.S. MAIL

Tony Kovacevich
Gatherco, Inc.
300 Tracy Bridge Road
Orrville, OH 44667

RE: Petro Evaluation Services/American Auger

Dear Mr. Kovacevich:

I am in receipt of your letter dated February 26, 2010, in which you implicitly declined my request to meet and resolve the issues involving the Natural Gas Sales Agreement ("Agreement"). Your position that American Auger's demands somehow allow Gatherco to terminate the Agreement defies logic. American Auger is not a party to the Agreement and its increase in gas requirements do not concern Gatherco. Gatherco must deliver gas to Petro as long as "the gathering system is capable." This language, in an agreement drafted by Gatherco, makes no reference to demands or what is acceptable to the end user.

Furthermore, based upon your statements regarding American Auger, no doubt remains that Gatherco has interfered with the contract between American Auger and Petro. Such interference constitutes a tort under Ohio law and subjects Gatherco to damages (i.e. all lost revenues Petro would have received under its contract with American Augers).

Finally, regardless of who supplies the gas, American Augers will surely find it unacceptable that its main facility will have no natural gas since Petro owns the exclusive pipeline rights to all the surrounding parcels. Thus, the only remedy for American Auger's alleged issues must involve Petro. If Gatherco intends on upgrading its system, that appears a step in the right direction.

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
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Again, I would encourage Gatherco to reconsider its unilateral termination of the Agreement as that will only lead to litigation. We remain willing to meet with all the interested parties to amicably resolve this matter; however, if we do not hear from you by March 12, 2010, we will assume you are not interested in such an amicable resolution and will proceed accordingly.

Sincerely yours,

Daniel H. Plumly

TBP/sls
cc: Petro Evaluation Services
American Auger

Gatherco, Inc.
PRODUCER OWNED & OPERATED

300 Tracy Bridge Road
Orrville, Ohio 44667
(330) 682-7726
FAX (330) 682-4145
www.gatherco.com

March 12, 2010

Critchfield, Critchfield & Johnston, LTD
Mr. Daniel H. Plumly
PO Box 599
Wooster, OH 44691-0599

Re: Petro Evaluation Services

Dear Mr. Plumly,

Please find enclosed a second natural gas agreement covering the sale of gas to Petro Evaluation mailed on December 18, 2007. Please note the gas price in this agreement is different than the original agreement. You will note that the primary term of the second agreement has passed and this agreement is in a month to month term only requiring thirty (30) days advance written notice of termination which your client has been provided.

Even though Petro Evaluation never signed and returned the contract, they have been paying for the gas per the terms of this second agreement. This fact establishes a course of dealing between Gatherco and Petro Evaluation which allows Gatherco the ability to simply terminate the agreement per the terms of the controlling second contract.

Sincerely,

Tony

Tony Kovacevich

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
PENGAD 800-631-6989

Ohio Well Completions Report

03/21/2012

API Well Number: 34005233700000 Landowner. RICHMOND MFG Well No. 1

Owner. AMERICAN AUGEUS INC Permit Issued: 12/31/1980 Status: DM

County: ASHLAND Township: JACKSON Section: Lot: 0 Tract:

Measured: 460' SL & 315' WL OFNE 1/4 SEC 22 Twp. Qtr. Quadrangle: POLK

Zone N Surface Coord X: 2095050 Y: 463550 Bot Hole Coord X: 0 Y: 0 Lat 40.93867 Long -82.15604

GL 1130 DF 1132 KB LTD 2965 DTD 2966 PB Depth Acres 22

Date Commenced: 10/12/1981 Date Completed: 11/25/1981 Date PB Date Abandoned

TD Formation CLINTON SAND Prod. Form. CLINTON GROUP Class POOL

IP Natural 1 BO / 1 MCFG IP AT 2 BO / 50 MCFG Initial Rock Pressure 0

Perforations

Stimulations

Logging Co.

Log Types Tool CT

PIPE	TOP	BOT	DIA	CLASS	SACKS	CLASS2	SACKS2	Comment
CARD		150	10.7		60			
CARD		275	8.62					
CARD		2962	4.5					

Production Year	Owner Name	Oil Barrels	Gas MCF	Brine Barrels	Days
2007	AMERICAN AUGEUS INC	0	0	0	365
2008	AMERICAN AUGEUS INC	0	0	0	365
2009	AMERICAN AUGEUS INC	0	0	300	365

Open browser with map of well location.

Link to Well Image(s)

http://www.dnr.state.oh.us/mineral/oil/MRMImages/0000000001/9/202014.tif

http://www.dnr.state.oh.us/mineral/oil/MRMImages/CD412/I23/0000023370.TIF

http://www.dnr.state.oh.us/mineral/oil/MRMImages/8501/0000003370.TIF

http://www.dnr.state.oh.us/website/Geosurvey/og_pdf/005/34005233700000.pdf

DEFENDANT'S EXHIBIT NO. 4 / 3/27/12

PENGAD 800-631-6989

Am. Huger

Gatherco, Inc.
PRODUCER OWNED & OPERATED

5772 Dressler Road NW
North Canton, Ohio 44720
(330) 498-9553
FAX (330) 498-9557
www.gatherco.com

December 18, 2007

Mr. Jay Henthorne
Petro Evaluation
3927 Cleveland Road
Wooster, OH 44691

RE: Natural Gas Sales Agreement

Dear Jay:

In review of our natural gas sales agreement with Petro Evaluation it was noted that the stated delivery price per the current agreement has not been increased since August 1, 1999.

Therefore, I have enclosed two original Natural Gas Sales Agreements noting an increase in the price per Dth from $.70 per Dth to $1.50 per Dth. This change is effective with delivery volumes starting on February 1, 2008 and forward.

Please review these agreements then return both signed and dated copies to me, and I will return a fully executed copy of the agreement for your files.

If you have any questions, please feel free to give me a call.

Sincerely,

John A. Lende
Chief Financial Officer
Gatherco, Inc.

Enclosures

DEFENDANT'S DEPOSITION EXHIBIT
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3-27-12
PENGAD 800-631-6989

NATURAL GAS SALES AGREEMENT

This Agreement is effective this 1st day of February 2008 between Gatherco, Inc. ("Seller") and Petro Evaluation ("Buyer") for the purchase and sale of natural gas pursuant to the following terms and conditions:

TERM	Ninety (90) days from the effective date set forth above and month to month thereafter until either party gives the other party thirty (30) days advance written notice of termination.
QUANTITY	Total natural gas as delivered by Seller and purchased by Buyer at the Delivery Points identified below.
PRICE	Index Price for spot gas delivered to Columbia Gas Transmission Corporation, Appalachia (West Virginia, Ohio, Kentucky) as reported in the first publication each month of Inside F.E.R.C. - Gas Market Report, per Dth plus $1.50 per Dth.
DELIVERY POINT	Gatherco Meter No. 736036 and additional meters made subject to this agreement by letter agreement signed by both parties.
PAYMENT METHOD	Payments to be made to Seller by check or other approved method no later than the twenty-fifth (25th) day of the month following the month of physical deliveries.
INVOICE ADDRESS	Petro Evaluation 3927 Cleveland Road Wooster, OH 44691
PAYMENT ADDRESS	Gatherco, Inc. 5772 Dressler Rd., NW North Canton, OH 44720
SPECIAL TERMS AND CONDITIONS	
NOTICE TO BUYER	Petro Evaluation ATTN: Mr. Jay Henthorne 3927 Cleveland Road Wooster, OH 44691 Ph: 330-264-4454 Fax: 330-345-6617
	Gatherco, Inc. ATTN: Tony Kovacevich 5772 Dressler Rd., NW North Canton, OH 44720 Phone: (330) 498-9553 Fax: (330) 498-9557

This Agreement is subject to the General Terms and Conditions set forth below.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate.

GATHERCO, INC.

_____
("Seller")

By _____
Its PRESIDENT

Petro Evaluation

_____
("Buyer")

By _____
Its _____

GENERAL TERMS AND CONDITIONS

1. Quality. The natural gas delivered by Seller to Buyer hereunder will at all times conform to the quality and heat content requirements of gas gathering systems in Ohio.

2. Measurement. (a) All natural gas delivered hereunder will be measured by Seller at the delivery points. (b) The measured unit under this Agreement shall be one Dekatherm ("Dth") of natural gas and shall be calculated by multiplying the volume Mcf (thousand cubic feet) by a fraction, the numerator of which is the heating value and the denominator of which is 1,000. For the purpose of this agreement, the heating value of each delivery point shall be established by Gatherco by reference to the heating value test for the gathering system(s) where the delivery point is located. (c) For the purpose of this Agreement, the volumetric measurement base shall be a standard cubic foot of natural gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees Fahrenheit (60° F) and without adjustments for water vapor. (d) The average absolute atmospheric pressure shall be assumed to be fourteen and four-tenths (14.4) pounds per square inch, regardless of actual elevation or location of the Delivery Point above sea level or variations in actual barometric pressure. The flowing gas temperature may be recorded at Gatherco's discretion. In the absence of a flowing temperature recorder, the average flowing temperature shall be assumed to be sixty degrees Fahrenheit (60° F). (e) All gas shall be measured by an orifice, turbine or displacement meter or other measuring device of equal accuracy approved by Gatherco. (f) Meters shall be installed to Gatherco's specifications and operated by Buyer. The cost of installing, maintaining and operating such meters shall be borne by Buyer. (g) Gatherco, at its cost, shall read the meter, furnish, place and remove any and all recording gauge charts, calculate the deliveries, and perform any other service necessary in connection with the measurement of said gas except for individual residential house meters. For individual residential house meters Buyer, at its cost, shall read the meter, furnish, place and remove any and all recording gauge charts, calculate the deliveries, and perform any other service necessary in connection with the measurement of said gas. Buyer shall make actual readings at least bimonthly and shall furnish Gatherco, Inc. with calculated deliveries and estimates for the months in which a reading is estimated. All calculated deliveries and estimates shall be provided to Gatherco by the 15th of the month following delivery in a format acceptable to Gatherco. Gatherco's invoicing will be based upon the estimates in the months in which an actual reading is not taken. (h) If Gatherco or Buyer challenges the accuracy of any meter and requests to have the meter tested, Gatherco or Gatherco's agent shall test the meter in the presence of Buyer or Buyer's representative, if Buyer provides Gatherco with written notice, at least five (5) days prior to any such test being conducted, that Buyer wishes to be present or to be represented at such test. If the meter is owned by Buyer, the cost of the testing shall be borne by the Buyer. If the meter is owned by Gatherco and the meter proves to be accurate within plus or minus two percent (2%), the cost of testing and repairing the meter shall be borne by the Buyer, but if the meter proves to be in error by more than two percent (2%), the cost of testing and repairing the same shall be borne by Gatherco. Any resultant aggregate error exceeding two percent (2%) of computed delivery shall be adjusted, insofar as exact knowledge of such errors or contributing causes is obtainable. Such adjustments, if any, are to be made for a period not to exceed sixty (60) days before the date of the challenge by Buyer. (i) In the event any measuring equipment is out of service for test or repair or is inoperable for any reason, deliveries through such equipment shall be estimated in a practical manner utilizing all available information to determine the volume of natural gas for the affected delivery period. (j) Gatherco shall keep charts of file for four (4) years after date of delivery, during which time they will be available for inspection by Buyer. (k) Considering the possibility of inadvertent errors in measurement or calculation of amounts due and payable or paid, nothing herein contained shall constitute accord and satisfaction, waiver, release, full payment, satisfaction, laches, estoppel, or other defense to a claim by or against the Buyer or Gatherco for the true and actual amount actually due and payable, for the full period of four (4) years in arrears. Errors in Gatherco's favor shall be rectified in full, without interest, by Gatherco within ninety (90) days of notice and substantiation of such inaccuracy. Errors in Buyer's favor shall be rectified in full, without interest, by Buyer within ninety (90) days of notice and substantiation of such accuracy, or, at Gatherco's option, such error may be rectified by Gatherco withholding payments to Buyer hereunder, or under other agreements with Gatherco, until the error is corrected in full.

3. Estimates by Buyer. Buyer shall provide on a monthly basis its estimate of natural gas to be delivered hereunder.

4. Invoices. Seller will send Buyer an invoice for the prior month's natural gas deliveries, indicating the Delivery Point, the volume delivered and such other information supporting the invoice amount. If Buyer disputes any invoice amount, without waiver of any rights, Buyer will pay the undisputed amount. Seller will refund any later discovered overcharge and Buyer will pay any undercharge amount within thirty (30) days of discovery.

5. Taxes. Buyer will be liable for the payment of all sales, use, gross receipts or similar taxes imposed on the transfer of title or possession of natural gas. In the event that Seller is required by law to collect and remit any such taxes, Buyer will reimburse Seller for such taxes. Buyer shall provide Seller with any certificate or other evidence of sales tax exemption.

6. Force Majeure. In the event either party is rendered unable, in whole or in part, by an event of force

COPY

1 IN THE COMMON PLEAS COURT OF WAYNE COUNTY, OHIO

2 PETRO EVALUATION SERVICES, INC.:

3 PLAINTIFF :

4 -vs- : Case No. 11-CV-01430

5 AMERICAN AUGERS, INC. :
and
6 GATHERCO, INC., :
and
7 CONSUMER GAS COOPERATIVE :

8 DEFENDANTS :

9 - - -

10 Deposition of STEVE FRANKS, a Witness herein
11 taken by the Defendants, as upon Cross-Examination
12 taken before Tami L. Barker, Stenotype Reporter
13 and Notary Public in and for the State of Ohio, at
14 the law offices of Critchfiled, Critchfield &
15 Johnson, 225 North Market Street, Wooster, Ohio,
16 on Monday, March 26, 2012, at 9:00 A.M., Pursuant
17 to Notice.

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1 **OBJECTION LOG**

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3 **MR. PALMER:** **PAGE/LINE**

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1 STEVE FRANKS, of lawful age, a Witness
2 herein, called by the Defendants, as upon
3 Cross-Examination pursuant to the Rules of
4 Civil Procedure, being first duly sworn
5 according to law, was examined and
6 testified as follows:
7 CROSS-EXAMINATION OF STEVE FRANKS
8 BY MS. POPLAR:
9 Q. Hello, Mr. Franks, we met before the deposition, I
10 am Erin Poplar and I represent American Augers in the
11 lawsuit. Can you state your name and spell it for the
12 Record?
13 A Steve Franks, F-r-a-n-k-s.
14 Q And Mr. Franks, have you ever had your deposition
15 taken before?
16 A Yes.
17 Q And has it been a while?
18 A Yes, long time.
19 Q Well, I am going to go over just a couple of ground
20 rules, and these are designed to go more quickly and
21 smoothly. Number 1, it's not an interrogation, so if you
22 want to take a break, use the restroom, get a drink,
23 whatever you need to do, let me know. And the only thing
24 that I would ask is that if there is a question pending
25 that I've asked you, that you answer it before taking the

1 break.
2 A Okay.
3 Q Also, you have to give verbal answers, the Court
4 Reporter is taking everything that I say and everything
5 that you say down, and it's very difficult for her to take
6 down nods of the head and hand gestures, and I ask that all
7 of your answers be verbal.
8 The last one is, if I ask you a question and you
9 answer it, I will assume that you've understood it, so
10 sometimes I don't ask the best questions in the world, so
11 if you don't understand a question, please let me know and
12 I will rephrase it or state it in a way that is more
13 understandable, okay?
14 A Okay.
15 Q Mr. Franks, where do you live?
16 A 3738 Dover Road, Wooster.
17 Q And how long have you lived at 3738 Dover Road,
18 Wooster?
19 A About 27 years.
20 Q And have you lived in Wooster your whole life?
21 A Yes.
22 Q How long have you worked for Petro Evaluation
23 Services?
24 A 31 years.
25 Q And when you hired on with Petro, did you have a

1 title or?
2 A Hired on as a pumper.
3 Q Okay. And what would you do as a pumper, what is
4 your job duties?
5 A Check wells.
6 Q And do you still do work as a pumper for Petro?
7 A Some.
8 Q How have your job duties changed for Petro since you
9 started on as a pumper 31 years ago?
10 A I am a Field Supervisor.
11 Q What do you do as a Field Supervisor?
12 A Everything dealing with the field.
13 Q Okay. And could you just describe some of those
14 things to me, please?
15 A Set up locations, run lines, just check wells.
16 Q Okay. Do you perform maintenance work on the wells?
17 A Some, yes.
18 Q And does your work for Petro Evaluations take you
19 all over the State of Ohio, or is your work centralized in
20 a particular location?
21 A All over the state.
22 Q Does your work through Petro Evaluation Services
23 take you out of state?
24 A Once in a while.
25 Q And approximately how many times a year are you

1 required to travel out of state for work?
2 A Depends.
3 Q How about this past year, how many times have you
4 gone out of state?
5 A Probably none in the past year.
6 Q What is your date of birth?
7 A 7-5-55.
8 Q How far did you go in school?
9 A 12th.
10 Q And did you graduate from high school?
11 A Yes.
12 Q What high school did you graduate from?
13 A Triway.
14 Q And in high school, did you have any area of study
15 or vocational training?
16 A Vocational.
17 Q And what type of vocational training did you have?
18 A Ag Administration.
19 Q And how many years did you study with a
20 concentration in Ag Administration?
21 A Two years.
22 Q And have you used your training in Ag Administration
23 in your work through Petro Evaluation Services?
24 A No.
25 Q And following high school, did you have vocational

1 or job training?
2 A No.
3 Q Prior to working at Petro Evaluation Services, where
4 did you work?
5 A Halliburton.
6 Q What years did you work at Halliburton?
7 A I believe '79 through '80, '80, '81.
8 Q Prior to working at Halliburton, where did you work?
9 A Smith Dairy.
10 Q And between what year or years did you work at Smith
11 Dairy?
12 A I think '78, '79.
13 Q And when you worked at Smith Dairy, what were your
14 job duties, what did you do for them?
15 A Drove truck.
16 Q How about Halliburton?
17 A Frack weld.
18 Q And did your work through Halliburton take you out
19 of State?
20 A No.
21 Q So all of the work that you did for Halliburton was
22 in the State of Ohio?
23 A Yes.
24 Q It was in a particular area of Ohio?
25 A All over Ohio.

1 Q Prior to working at Smith Dairy, where did you work?
2 A I worked on a farm for a while.
3 Q On a farm in Wayne County?
4 A Wayne County.
5 Q And between what year or years did you work on a
6 farm in Wayne County?
7 A It's off and on between '75, '77.
8 Q Prior to working at Petro Evaluation Services, were
9 you employed by any other entity or person doing
10 essentially the same thing or things that you do for Petro?
11 A No.
12 Q Did your work at Halliburton help prepare you for
13 your work at Petro?
14 A Yes.
15 Q How did it help prepare you for work at Petro?
16 A Just knowing the field.
17 Q Are you a member of any societies or professional
18 groups?
19 A No.
20 Q Mr. Franks, how did you become aware that American
21 Augers was a company doing business in Ashland?
22 A Through a friend.
23 Q What was the friend's name?
24 A Mike Austin.
25 Q And was that from talking to Mike Austin that you

1 learned about American Augers?
2 A Yes.
3 Q And when did you first talk to Mike Austin about
4 American Augers?
5 A I don't recall the time.
6 Q Was it more than ten years ago?
7 A Probably.
8 Q Was it prior to the time that Petro started
9 providing gas services to American Augers?
10 A Yes.
11 Q And what did you learn from Mike Austin about
12 American Augers?
13 A He just talked one day and said that they were
14 looking for gas.
15 Q Is Mike Austin still an employee of American Augers,
16 to your knowledge?
17 A I think, but I am not sure.
18 Q Where does Mike live?
19 A I think Rosberg.
20 Q And after Mike told you that American Augers was
21 looking for gas, what did you do with that information?
22 Did you pass it on to someone, did you take action, what
23 did you do?
24 A I told him that I would look into it.
25 Q Okay. And did you do that?

1 A Yes.
2 Q And what did you do in order to look into it?
3 A I went out and looked an area over.
4 Q And when you looked the area over, did you meet with
5 any representatives of American Augers or employees of
6 American Augers?
7 A Not at that time.
8 Q When you went to look the area over, was it during
9 regular business hours or on the weekend?
10 A It was business hours.
11 Q Okay. And what did you do on the first visit to
12 look the area over, did you walk it?
13 A Drove it.
14 Q Approximately how much time did you spend at
15 American Augers that first visit?
16 A Probably a couple hours.
17 Q And you spent all of that time in the vehicle or did
18 you get out?
19 A I don't recall.
20 Q Do you recall what you were doing for a couple of
21 hours?
22 A I think it's just probably a couple of hours driving
23 out.
24 Q Do you mean a couple hours total for the trip that
25 you took from your house to American Augers and get back?

1 A Yes.
2 Q How much time did you actually spend on this first
3 trip looking the area over at American Augers?
4 A Probably an hour.
5 Q Do you remember anything in particular about that
6 trip, anything that you noticed about the area?
7 A I noticed there was a pipeline.
8 Q Where did you notice a pipeline?
9 A Just north of their facility. I think it's north.
10 Q And was the pipeline that you noticed actually on
11 American Augers' property or other property?
12 A Other property.
13 Q Did you, at any point, become aware of who was the
14 owner of the property where that pipeline was located on?
15 A I don't know if I did at that time or not.
16 Q Okay. Did you find out any time subsequent to that?
17 A Yes.
18 Q And who is the owner of the other property that the
19 pipeline was on?
20 MR. PALMER: Objection, go ahead.
21 A I could not tell you, I don't know it.
22 Q You knew at some point, but don't remember it as you
23 sit here today?
24 A Right.
25 Q Did you ever meet the owner of the other property?

1 A Yeah.
2 Q Did you meet the owner during that initial visit or
3 later?
4 A Later.
5 Q Was the owner a male or female?
6 A Female.
7 Q Approximately what was the age of the owner?
8 A I would say early 60's.
9 Q And anything else about that initial visit that you
10 remember and you noticed as being significant to you?
11 A No.
12 Q After that first visit that you made to check the
13 property, did you take any additional action?
14 A I checked into what line it was.
15 Q Okay. And did you find out?
16 A Yes.
17 Q And what line was it?
18 A It was Gatherco's line.
19 Q And how did you determine it was Gatherco's line?
20 A There is a sticker on the line, a marker.
21 Q Did you have to walk up to the line in order to
22 observe that, what did you do?
23 A You could drive up to it.
24 Q Why is the sticker on the line or where was it
25 located?

1 A Down at the lady's property.
2 Q Okay. Is it close to the road, far away from the
3 road?
4 A Probably 300 feet off the road.
5 Q And that was another visit or was that the first,
6 initial visit?
7 A I think it was the first visit.
8 Q Okay. And did you speak with the property owner,
9 the lady on the first visit?
10 A I don't recall if I did.
11 Q Okay. What did you do next?
12 A I checked with the office to see if we could get
13 into the line.
14 Q And when you say the office, do you mean your
15 employer's office?
16 A Petro.
17 Q And who did you check with?
18 A Jay.
19 Q And would Jay have been the person who would have
20 checked to see if you could have gotten into the line?
21 A Yes.
22 Q And other than going back to the office to see if
23 Jay could find out if you could get into the line, did you
24 take any other action or did you wait until you got your
25 answer from Jay?

1 A I think just waited.
2 Q And did Jay eventually give you an answer?
3 A Yes.
4 Q What was that answer?
5 A Said that we could get them gas through the line,
6 American Auger gas.
7 Q And just to make sure that the Record is clear, I
8 want to clarify that the Jay that you are talking about is
9 Jay Henthorne, the President of American Augers?
10 A Petro.
11 MR. PALMER: Pardon me, Petro.
12 A Yes.
13 Q After you found out from Jay that he thought that
14 Petro could get gas through the line to American Augers,
15 did you do anything else?
16 A Talk to American Augers.
17 Q Okay. Who did you talk to at American Augers?
18 A I think Roger Eichel and Mike Austin.
19 Q And how did you set up that meeting? Did you
20 personally set up that meeting or someone else do it?
21 A I think that we set it up, we looked at the, where
22 the line was and what we could do.
23 Q Okay. When you had that meeting with Roger,
24 probably Roger Eichel and Mike Austin, did you contact
25 American Augers first before going there? Did you schedule

1 the meeting with American Augers or did you just show up?
2 A I don't remember if I called or not.
3 Q Okay. Do you remember prior to that first meeting,
4 speaking with anyone other than speaking with anyone at
5 American Augers?
6 A I don't believe.
7 Q Okay. So you have a meeting with Roger Eichel and
8 Mike Austin, where did your meeting take place?
9 A I think just outside.
10 Q Outside of the American Augers' facility?
11 A Yes.
12 Q And what did you discuss at that first meeting?
13 A About running a line to the buildings and being able
14 to get them gas.
15 Q Okay. When you left that meeting, did you leave
16 with intention to take additional action?
17 A I think that we wanted to talk it over or whatever.
18 Q Okay. At that initial meeting, did you discuss
19 anything related to price or terms of sale?
20 A I don't believe so.
21 Q Did you ever personally discuss price or specific
22 terms of sales with anyone at American Augers or someone
23 else at Petro do that?
24 A I think that was done at the office, Petro's.
25 Q And who would have handled that side of the

1 transaction?
2 A Probably Jay.
3 Q And following that first meeting with Roger Eichel
4 and perhaps Mike Austin, did you have occasion to go back
5 to the American Augers' facility during that time period?
6 A Yes, we went back several times, I did.
7 Q And do you recall what time of the year it was that
8 you were going to the American Augers' facility?
9 A No, I don't.
10 Q Do you recall if it was warm or cold?
11 A I think it was warm.
12 Q When you went back for additional trips to the
13 facility, was there a specific purpose for those trips?
14 A Yes.
15 Q Okay. What was the purpose or purposes for those
16 trips?
17 A Just knowing where they wanted to go with the lines.
18 Q Did you talk to anyone in particular on those trips,
19 did you primary deal with Roger Eichel?
20 A Mostly Roger.
21 Q And was there any other representative of American
22 Augers that you dealt with during those trips?
23 A Not that I recall.
24 Q And have you ever been inside of the American Augers
25 office area?

1 A Not in the office, no.
2 Q Okay. Could you please refer to Exhibit Number 2 in
3 the pile in front of you? I am going to go in order as
4 best we can so you are not flipping back and forth as
5 little as possible. Do you recognize the document, Exhibit
6 2?
7 A Yes.
8 Q And I see that you are just at the first page, now
9 let's talk of the first page, do you know who prepared that
10 document?
11 A No, I don't.
12 Q And do you recognize what is in that document?
13 A Uh-huh, yes.
14 Q Describe it?
15 A The pipeline that we put in.
16 Q Okay. And do you know who prepared that document?
17 A No, I don't.
18 Q Do you recognize any of the writing on that
19 document?
20 A Not really.
21 Q Okay. Do you recall ever having seen that document
22 before today?
23 A I am sure that I have.
24 Q Okay. Why are you sure that you have?
25 A Well, it's just the layout of what we have done.

1 Q Okay. And do you recall using that document for any
2 purposes when you were doing work or meeting with people at
3 American Augers?
4 A Not that I know of, I don't know.
5 Q Okay. What about the second page of Exhibit 2, do
6 you recognize that?
7 A That I don't recognize, no.
8 Q And again, do you recognize any of the writing on
9 that document?
10 A No.
11 Q Mr. Franks, if you could please go to Exhibit 4 in
12 front of you, do you recognize that document?
13 A No.
14 Q Okay. Do you see the photocopy of the card on the
15 bottom, right-hand corner?
16 A Uh-huh, yes.
17 Q And is that a copy of your card that you used for
18 Petro Evaluation Services at some point?
19 A Yes.
20 Q And do you still use that particular style of card?
21 A No.
22 Q When did you stop using that particular style of
23 card?
24 A Oh, probably five or six years ago.
25 Q Okay. Do you recall with respect to American Augers

1 delivering documents to American Augers' representatives?
2 A No.
3 Q Do you recall ever delivering any documents to
4 Mr. Eichel?
5 A No.
6 Q Do you recall ever delivering any paperwork at all
7 to American Augers?
8 A No.
9 Q All right. I would like to direct your attention to
10 Exhibit Number 7 in the pile in front of you, do you
11 recognize that document?
12 A No.
13 Q Okay. And if you could turn to the second page of
14 that document, it appears that on the lines and the top
15 left-hand your signature appears?
16 A Yes.
17 Q Does that refresh your recollection at all, do you
18 recollect that at all?
19 A I still don't recall the document.
20 Q Do you recall signing any documents at all as
21 witnesses, as a witness to the document related to American
22 Augers?
23 A I have, yes.
24 Q And do you have any reason to doubt that you did not
25 witness this document?

1 A No.
2 Q That is your signature there?
3 A Yes.
4 Q And do you recall, as you sit here today, when you
5 did witness the signature of Roger Eve, Chairman of
6 American Augers?
7 A Yes.
8 Q And do you recall where you were when you witnessed
9 that document?
10 A No.
11 Q And you previously testified that you've never been
12 in the offices of American Augers, can we rule out American
13 Augers as a place this document would have been witnessed
14 by you?
15 A I've never been in the offices of American Augers.
16 Q Okay, and you don't recall actually witnessing
17 Mr. Eve's signature on the document?
18 A I am sure that I did.
19 Q Do you recall meeting Mr. Eve?
20 A Yes.
21 Q Do you recall anything particular about him?
22 A No. Just remember he's tall.
23 Q Do you recall any particular place where you were
24 physically located where you met Roger Eve?
25 A Usually outside.

1 Q And that would be outside of American Augers?
2 A Yes.
3 Q And did he ever, Roger, to your knowledge, did Roger
4 Eve ever come to the Petro offices while you were there?
5 A Not that I know of.
6 Q Okay. And as you sit here today, you don't recall
7 the particular time that you witnessed this document, you
8 don't recall who was there?
9 A No.
10 Q Or where you were?
11 A No.
12 Q I would like to turn your attention now to Exhibit
13 8, do you recognize that document?
14 A No.
15 Q If you could please turn to the second page of that
16 document, is that your signature on the middle, left side
17 of that document?
18 A Yes.
19 Q And do you recall any of the circumstances under
20 which you signed this document?
21 A No.
22 Q During the times that you went to American Augers to
23 meet with Mr. Eichel and Mr. Austin and the visits
24 thereafter, did anyone else from Petro come with you on
25 those visits?

1 A Jason Henthorne.
2 Q Did he come on all of the visits?
3 A Not all.
4 Q What was Jason Henthorne's role at that point when
5 he was with you on the visits?
6 A He was in the field to learn.
7 Q Okay. And was he just starting off the learning
8 process of the business?
9 A Yes.
10 Q And did he participate actively in any meetings or
11 just there to observe?
12 A He was observing mostly, yes.
13 Q Did you participate at all in any of the meetings?
14 A Yes.
15 Q And what was his or what did you do in order to
16 participate in the meetings?
17 A Just set in and helped go over what we talked about.
18 Q Okay. Did he keep notes?
19 A I think so.
20 Q Did you keep notes of the meetings?
21 A No.
22 Q Do you regularly, in the course of your employment
23 with Petro, keep notes or diaries of your day-to-day
24 business?
25 A Some things.

1 Q Did you keep any notes of your dealings with
2 American Augers?
3 A Not that I can remember.
4 Q Where do you store the notes that you would take in
5 the course of your business?
6 A In different daily books.
7 Q Okay. And are those your personal daily books?
8 A They are Petro's.
9 Q Okay. And when you say daily books, are you talking
10 about a particular journal book or multiple journal books,
11 is there one for each year? What are those?
12 A Just notes of different things, depending on the
13 job.
14 Q Okay. And would you keep those notes in each
15 individual file or do you keep those notes all together,
16 just in a note file?
17 A In a note file.
18 Q So you might have notes from a number of different
19 jobs in a file?
20 A Yes.
21 Q And do you arrange the files by date?
22 A They are just my notes, you know.
23 Q Do you arrange them in any way?
24 A No.
25 Q Are those notes in your desk?

1 A They are everywhere.
2 Q Are they just everywhere limited to your work area
3 or do they spill over into your home?
4 A Both.
5 Q How long have you been taking notes like this?
6 A 30 years.
7 Q And do you have any kind of organizational pattern
8 or any organization at all to your notes?
9 A Not really.
10 Q When you take a note, do you use like notebook
11 paper?
12 A Sometimes.
13 Q And what else would you use?
14 A Daily book.
15 Q Is that like a calendar, a daily book?
16 A Right.
17 Q And did you keep a calendar in the year 1999?
18 A I don't recall.
19 Q Okay. And did you take notes around 1999?
20 A Probably.
21 Q And if you had a calendar, if you had a calendar
22 from around 1999, would you still have it?
23 A I doubt it.
24 Q If you did still have it, do you know were it would
25 be?

1 A No.
2 Q When you take your notes, do you actually rip them
3 out of a notebook or do they all stay in the same notebook?
4 A Sometimes, probably rip them out.
5 Q Okay. So if you were looking for any notes from
6 1999, what would you do in order to find them?
7 A I have no idea.
8 Q Do you think that you could if you tried?
9 A Pardon?
10 Q Do you think that you could if you tried?
11 A I doubt it.
12 Q Okay.
13 A Not that long ago.
14 Q Do you keep your older notes, do you keep them in
15 boxes?
16 A At home in boxes and then throw them away.
17 Q I would like to turn your attention to Exhibit 10,
18 please, do you recognize that document?
19 A Just recognize it as a Meter Agreement.
20 Q Have you seen a number of Meter Agreements in your
21 work at Petro?
22 A Some.
23 Q What about Right of Way Easement Agreements, have
24 you seen those as well?
25 A Some.

1 Q This particular Meter Site Agreement and Right of
2 Way was Exhibit 10, do you recall being present when that
3 Agreement was signed?
4 A I don't remember.
5 Q And do you know who Mrs. Avanell Sturgill is?
6 A Yes.
7 Q Who is Avanell Sturgill?
8 A That is the lady I referred to as being across the
9 road.
10 Q She is the lady that had the line on her property?
11 A Correct.
12 Q Did you have any discussions with Mrs. Sturgill?
13 A Just on what we were going to do.
14 Q Okay. And we, is that Petro?
15 A Yes.
16 Q And what did you tell Mrs. Sturgill Petro was going
17 to do?
18 A Basically, was just going to run a three-inch line
19 across her property to American Auger.
20 Q And did you ask Mrs. Sturgill for her permission to
21 do that?
22 A I am sure that we did.
23 Q And what did Mrs. Sturgill say about that.
24 A She was in agreement with that.
25 Q Did you pay her anything for it?

1 A That I don't recall.
2 Q And if you will turn to the second page of that
3 document on the right-hand side, it appears that your
4 signature appears on the top, right-hand line?
5 A Yes.
6 Q Do you recall witnessing Mrs. Sturgill's signature?
7 A I don't recall it, no.
8 Q Do you know if Mrs. Sturgill ever came to the
9 office, the Petro office?
10 A Not that I know of.
11 Q And do you recall meeting with Mrs. Sturgill
12 anywhere, other than on her property?
13 A No.
14 Q Approximately how many times did you talk to
15 Mrs. Sturgill, did you talk in person?
16 A Three or four.
17 Q Do you recall signing any documents at all with
18 Mrs. Sturgill?
19 A No, I don't.
20 Q So you don't remember the document at Exhibit 10 or
21 any others?
22 A Not at the time, no.
23 Q Do you remember them now?
24 A No.
25 Q Okay. And you recognize your signature on that

1 exhibit, but don't recall anything about actually signing
2 that; is that correct?
3 A No.
4 Q Mr. Franks, were you involved in the construction of
5 the pipeline to lead from the Gatherco line to the American
6 Augers property?
7 A Yes.
8 Q What was your involvement in construction of the
9 pipeline?
10 A I oversaw it.
11 Q As the overseer of the pipeline construction, what
12 did you do?
13 A Made sure of the depth of the line and size of the
14 line, trace wire put in.
15 Q You are ensuring that the depth of the line and size
16 of the line was correct, and put razor wire?
17 A No, tracer wire.
18 Q What is that?
19 A So we can locate the line at any time.
20 Q Did you take part in ordering any materials for the
21 construction?
22 A Yes.
23 Q And did you participate in arranging for labor for
24 the construction of the pipeline?
25 A Yes.

1 Q Did you hire labor outside of Petro employees in
2 order to work on and complete the pipeline?
3 A Yes.
4 Q Did you hire such employees from a particular
5 service or were they just general, how did you find the
6 people to work on the pipeline?
7 A Wenger Pipeline.
8 Q Wenger Pipeline, you said?
9 A Yes.
10 Q And did you essentially subcontract out the labor
11 for the pipeline to Wenger?
12 A Wenger fused the pipe together for us, yes.
13 Q Where is Wenger Pipeline located?
14 A Route 30 East.
15 Q Around what City is that in?
16 A Wooster or Dalton, maybe.
17 Q Is Wenger Pipeline still in existence?
18 A Yes.
19 Q And Mr. Franks, did you have any involvement with
20 obtaining permits for the pipeline?
21 A No.
22 Q Okay. To your knowledge, did the pipeline require
23 any permits?
24 A Not that I know of.
25 Q Mr. Franks, please refer to Exhibit 31 in front of

1 you, do you recall ever having seen this document before?
2 A No.
3 Q Could you please refer to the third page of that
4 document, is that your signature on the top, left-hand
5 line?
6 A Yes.
7 Q And it appears that you are acting as a witness to
8 Roger Eve's signature?
9 A Correct.
10 Q Do you recall anything about when you witnessed that
11 document?
12 A It would have to be when we talked about the pumping
13 of the well.
14 Q When did you talk about the pumping of the well, is
15 that in the time period going over to American Augers and
16 checking their facility out to see if Petro would be able
17 to provide them with gas?
18 A Same time.
19 Q And what do you recall on talking to American
20 Augers' people about pumping the well?
21 A Just help them with the well and pumping it to see
22 if they could get gas.
23 Q And who did you talk to at American Augers for that?
24 A Mostly Roger Eichel.
25 Q And did Roger have any particular things that he

1 wanted to have done or did he just have Petro to see if
2 they could get help get gas from the well?
3 A Just wanted to know if we could help him get gas
4 from the well.
5 Q And did you explain to him anything about what you
6 felt needed to be done in order to try to do that?
7 A Yes.
8 Q And what did you tell them?
9 A He told them that the well needed service.
10 Q And did you tell him what type of service that the
11 well needed?
12 A Probably told him that he needed a service rig to
13 clean the well out.
14 Q Anything else that you would have told him about
15 servicing the well?
16 A Probably just the servicing of the service rig and
17 possibly refracking the well.
18 Q Okay. Mr. Franks, have you ever personally
19 performed any well tending services on the well?
20 A Yes.
21 Q And what well tending services have you performed at
22 American Augers?
23 A We checked the well for a few weeks to see if it was
24 adequate to go into the building.
25 Q Okay. Did you make any determinations?

1 A It was very low on gas.
2 Q And after a few weeks, and was that during the time
3 that Petro was working to get American Augers' gas around
4 1999?
5 A I believe so.
6 Q This was a long time ago?
7 A Right.
8 Q And so after that few weeks and you found out that
9 the gas production was low, did you continue to perform any
10 well maintenance services on the well?
11 A No.
12 Q Did you ever do any weekly production recording on
13 the well?
14 A I don't recall if we did or not.
15 Q Do you recall at any point doing minimum twice
16 weekly cycle observation of rabbit well?
17 A It wasn't a rabbit well.
18 Q Okay. What is a rabbit well?
19 A It's a plunger that runs off the gas pressure.
20 Q And you are saying that there was no rabbit well on
21 this property?
22 A There was no rabbit in the well.
23 Q Was there a problem?
24 A The well was loaded up with fluid, unable to run a
25 rabbit.

1 Q And so the well pumping agreement providing minimum
2 twice weekly cycle observations of each rabbit well, that
3 wasn't possible because there was no rabbit; is that
4 correct?
5 A If we serviced the well, it would have been, yes.
6 Q And that is if you brought in a rig?
7 A Right.
8 Q Did you have any discussion with any people from
9 American Augers about what the cost of bringing a rig, what
10 that would be?
11 A I believe so.
12 Q Do you recall any numbers that you gave them?
13 A I think -- I don't recall, no.
14 Q Would it be in the thousands of dollars?
15 A It would be in the thousands.
16 Q Did you personally do any chart handling or mailing
17 with respect to the well?
18 A Pardon?
19 Q Did you do any chart handling and mailing with
20 respect to the well?
21 A No.
22 Q Did you do any tank heating and oil and salt water
23 shipping with respect to the well?
24 A I don't believe.
25 Q And did you perform any minor maintenance on the

1 well?
2 A I think that we replaced some fittings and gauges on
3 the well.
4 Q Okay. And was that in the 1999 time frame, was that
5 early on?
6 A In that time frame, yes.
7 Q And after those first few weeks when you determined
8 that the production was very low, have you performed any
9 services related to the well since 1999, that time frame?
10 A No.
11 Q Do you recall, regarding the maintenance that you
12 did to the well, would you have reported that back to the
13 office, so it could be invoiced?
14 A Probably.
15 Q And how would you do that, did you have a specific
16 form or did you just take notes, how would you report back
17 to the office of what work that you performed that day?
18 A Mostly verbal.
19 Q Okay. Who would you verbally inform what work you
20 had done?
21 A Probably Jay.
22 Q Okay. And then after you informed him what work you
23 had done, would you have any more involvement with the
24 actual invoicing that work and receiving payment?
25 A No.

1 Q So once you do the work and communicate to Jay what
2 you have done, then you are done?
3 A Right.
4 Q Mr. Franks, before today, have you ever seen this
5 Pumping Agreement, Exhibit 31, had anyone from Petro given
6 that to you with instructions to do any particular work?
7 A No.
8 Q And your signature appears as a witness, but you
9 don't recall any parts of this particular Agreement; is
10 that correct?
11 A Not that long ago, no.
12 Q Would you have even read this Agreement, if you were
13 witnessing signatures?
14 A Probably not.
15 Q Have you seen other Well Pumping Agreements like
16 this through your work at Petro?
17 A No.
18 Q Mr. Franks, after that few weeks' initial period and
19 the construction of the pipeline, after that, up until
20 approximately 2009, did you go to the American Augers'
21 facility on any kind of a regular basis?
22 A Yes.
23 Q Okay. And approximately, how often would you go to
24 the American Augers' facility, once a month, once a year?
25 A Anywhere from three times a month to four times a

1 month.
2 Q And what did you do at the American Augers'
3 facility, that three to four times per month?
4 A We would change the chart on the meter.
5 Q Anything else that you would do in those three to
6 four monthly visits?
7 A Just check to see if they had any problems.
8 Q Okay. And did you have a contact person there when
9 you went or did you just go and go about your work and
10 leave?
11 A Usually Roger Eichel.
12 Q And each time those approximately three to four
13 times a month, would you talk to Mr. Eichel most of those
14 visits?
15 A On occasion.
16 Q And he would report to you if there was any
17 problems?
18 A Yes.
19 Q And do you remember any particular problems that
20 American Augers had that Roger reported to you?
21 A One time they were out of gas, yes.
22 Q And do you remember approximately when Roger
23 reported to you that they were out of gas?
24 A I don't know the date, no.
25 Q And it was in the past five years?

1 A It was probably.
2 Q When Roger reported to you that they were out of
3 gas, did you take any action?
4 A I went out.
5 Q Did he call you and tell you that?
6 A Yes.
7 Q And was that during the week, was it on a weekend?
8 A It was through the week, I believe.
9 Q And you went out to American Augers?
10 A Correct.
11 Q And what did you do while you were there?
12 A I checked the meter.
13 Q Did you do anything else?
14 A Talked with them and checked the meter to see if the
15 line pressure had dropped, which it had.
16 Q And when you saw that the line pressure had dropped,
17 did that tell you anything, other than the line pressure
18 was low?
19 A Well, it showed me that they had run out of gas,
20 that it was at the gas line.
21 Q Did you ever determine why that happened?
22 A I believe the line was hit by a farmer, Gatherco's
23 line.
24 Q And what did you do to come to the conclusion that
25 the line, Gatherco's line was hit by a farmer?

1 A The pressure dropped to zero.
2 Q And how did you determine that your pressure dropped
3 to zero, is that apparent from the meter?
4 A It's on the chart, on the meter.
5 Q And what else did you do to come to the conclusion
6 that a farmer had damaged Gatherco's line?
7 A I called the employee of Gatherco's.
8 Q And do you know the name of the employee that you
9 called?
10 A Bob Arwood.
11 Q And what did Bob Arwood tell you?
12 A He found out that someone had hit the line.
13 Q Okay. And did he tell you the name of the person
14 that hit the line?
15 A No, he didn't.
16 Q Did he tell you it was a farmer?
17 A I believe it was a farmer.
18 Q What made you come to the conclusion it was a
19 farmer?
20 A Somehow hit it chisel plowing.
21 Q How do you know that they hit it chisel plowing?
22 A That is what he said.
23 Q Did Bob tell you anything else about the situation?
24 A Not at that time, no.
25 Q Okay. And did he tell you when that had happened?

1 A I don't recall.
2 Q After you checked the meter and talked to Bob
3 Arwood, what did you do next?
4 A We were back on with the gas, so it wasn't a
5 problem.
6 Q And now when you came to check the meter, was the
7 gas already back on or was that some time period after that
8 it was not on?
9 A No, it was back on.
10 Q Okay. So by the time that you got there to check it
11 out, you were called to come check it out, it was already
12 back on?
13 A Right.
14 Q And do you know or have any knowledge of what was
15 done to get it back on?
16 A No.
17 Q Have you had any discussions with anyone regarding
18 what was done to get the gas line back on.
19 A Just from Bob Arwood saying it was fixed and back on
20 line.
21 Q Was that the last you heard about that situation or
22 have you subsequently found out additional information
23 about the incident, where the pressure went way down?
24 A After they, later on, yes.
25 Q And what did you learn later on?

1 A Later on it was a two-inch line.
2 Q How did you learn it was a two-inch line?
3 A They said that they put in a two-inch line and
4 snaked it around and it was hit with the plow.
5 Q And who is they?
6 A Gatherco.
7 Q Was that Bob Arwood or someone else?
8 A I think it was someone else.
9 Q And they told you that they put in a two-inch line
10 to replace the part that was damaged?
11 A There is a two-inch bad spot, they replaced it with
12 a two-inch plastic line.
13 Q Okay. Did you have any understanding of how large
14 the bad spot was? Did you talk to anyone from Gatherco
15 regarding the size of the line prior to the damage?
16 A Well, we knew it was, I believe it was a three-inch
17 line.
18 Q How do you know it was a three-inch line?
19 A Just from talk in the field.
20 Q Okay. And from talk in the field, who particularly
21 did you talk to that made you draw that conclusion?
22 A The employees from Gatherco.
23 Q Who are the name of the employees from Gatherco that
24 you spoke to?
25 A I could not tell you that guy's name, I don't really

1 know it.
2 Q It was just one person?
3 A Yes.
4 Q And you don't know a first name?
5 A No, I don't.
6 Q And when you talked to this person, were you
7 actually out in the field at the time?
8 A Yes.
9 Q And where were you at in the field, were you by the
10 area of the damage?
11 A No, at our meter.
12 Q Okay. You were at Petro's meter, that is the meter
13 on the Sturgill property?
14 A Correct.
15 Q And was it just a coincidence that you saw a
16 Gatherco employee while you were there?
17 A They were called out also.
18 Q Okay. And is this at the same time that you were
19 called out for the low pressure issue?
20 A Right.
21 Q And how many Gatherco employees were there?
22 A Two.
23 Q Did you talk to both or just one?
24 A Both.
25 Q And you don't know either of those names?

1 A Bob Arwood, and I don't know the other guy's name.
2 Q Okay. And was it Bob or it was the other guy that
3 told you about the line having formerly been three inches?
4 A I think both.
5 Q And did they tell you, Bob told you it was replaced
6 with a two-inch line, the part that was damaged?
7 A I believe so.
8 Q Did you have any discussion in that regard with Bob
9 or the other employee?
10 A No.
11 Q Mr. Franks, were any American Augers' employees
12 involved in essentially diagnosing the cause of the low
13 pressure issue?
14 A I kept in communications with Roger Eichel, yes.
15 Q And were you in connection with Roger Eichel by
16 radio?
17 A Phone or standing beside each other.
18 Q Okay. And was Roger Eichel out with you in the
19 field when this or when you were called in to deal with the
20 problem?
21 A I don't believe that he was at the field, no.
22 Q Was he at the plant?
23 A At the plant.
24 Q Do you recall what role Roger Eichel played in your
25 attempt to diagnose the low pressure problem?

1 A We were talking two different -- you are talking low
2 pressure of the line or when the line went down?
3 Q Okay. I guess that I did not differentiate there
4 were two separate incidents, the line going down or the low
5 pressure problem. Did the low pressure issue happen first?
6 A No.
7 Q You had a line down first?
8 A Right.
9 Q And you testified about conversations with Gatherco
10 people and the line being a three-inch line replaced with a
11 two-inch line, was that associated with the low pressure
12 issue, or was that a different incident?
13 A Later on that was associated with the low pressure.
14 Q Okay. Now there are, I am going to try to
15 differentiate the two, the low pressure incident and the
16 line going down. Was the low pressure caused by the line
17 going down or all related to each other?
18 A All related.
19 Q Okay, so the line went down first?
20 A Correct.
21 Q And how did you become aware that there was a
22 problem at that time, were you called in on that one as
23 well?
24 A I was called in when the line went down.
25 Q You called American Augers?

1 A American Augers called me when the line was down,
2 when it was hit.
3 Q Okay. And you say that the line was down and it was
4 hit, is that when the farmer hit the line?
5 A Correct.
6 Q And was that in the past five years that that
7 happened?
8 A Yes.
9 Q Do you recall any more specifically then the last
10 five years, the date or the year that happened?
11 A No.
12 Q Did you keep any records of that happening?
13 A No.
14 Q And do you recall if that was, if you were called in
15 on a weekday or weekend?
16 A I believe it was a weekday.
17 Q Okay. And when you got to American Augers, what did
18 you do, did you talk to Roger?
19 A Are we talking when the line was broke or low line
20 pressure?
21 Q When the line was hit, and I understand that was the
22 first incident?
23 A Right.
24 Q What did you do when you got to the American Augers'
25 facility when the line was broke?

1 A Checked the meter.
2 MR. PALMER: Could we go off the
3 Record for a second?
4 THEREUPON, a discussion was held off the record.
5 BY MS. POPLAR:
6 Q Mr. Franks, I want to go back and clarify a bit. I
7 know that I got a little confused that there were two
8 separate incidents that we were talking about, and I think
9 that we switched to one to the other, and it wasn't clear
10 what we were talking about.
11 So I just want to go back and kind of summarize your
12 testimony, and I don't want to put words in your mouth, but
13 I want to make sure that we have a clear record.
14 MR. PALMER: That is fine, Erin, I
15 want to note for the Record, I'll put an objection
16 on there, this series of questions have been asked
17 and answered, and I understand that you want to go
18 through it again, that is fine.
19 MS. POPLAR: Okay.
20 BY MS. POPLAR:
21 Q Mr. Franks, we talked about, touched on two
22 different incidents. I first want to go back over an
23 incident where American Augers called you out because they
24 were getting no pressure, no gas from the gas line, and we
25 discussed that you were called out to American Augers and

1 you went to the facility; is that correct?
2 A Correct.
3 Q And you checked the meter; is that correct?
4 A Yes.
5 Q And while at the meter, was it during that time that
6 you saw Bob Arwood and another Gatherco employee in the
7 area and discussed that a farmer had been chisel plowing
8 and broke a line?
9 A Correct.
10 Q And was at that point that you had the conversation
11 with Mr. Arwood and the other Gatherco employees where you
12 recall them telling you that a three-inch line would be or
13 had been replaced or was this the next incident?
14 A No, it had been replaced.
15 Q They informed you that a three-inch line was
16 replaced with a two-inch line?
17 A Correct.
18 Q And was that the cause of the no pressure?
19 A That was the cause of the low volume.
20 Q Is that the other incident?
21 A That was the second incident.
22 Q That was the second one. Okay. Let's just talk
23 with the one, the incident when you went out and there was
24 no pressure. Did you see Gatherco employees at the site at
25 that time?

1 A That is when I saw the two employees.
2 Q When there was no pressure?
3 A Yes.
4 Q Can we agree that we are differentiating no pressure
5 and low pressure?
6 MR. PALMER: Objection, go ahead.
7 A At the time they called me out, there was no
8 pressure, because the line had been hit the night before, I
9 believe.
10 Q Okay.
11 A That is when I learned that they had replaced the
12 three-inch with a piece of two-inch plastic.
13 Q And that had been done before you got to the
14 American Augers' facility?
15 A Correct.
16 Q And at some point after that, there is an incident
17 when you are called out to American Augers and called and
18 they say there is low pressure?
19 A Yes.
20 Q That is after the no pressure incident?
21 A Correct.
22 Q And you went out to American Augers again and you
23 checked the meter; is that correct?
24 A Correct.
25 Q And is this the time that you are in contact with

1 Roger Eichel the whole time of the visit?
2 A Yes.
3 Q Or is that both times?
4 A Both times.
5 Q And for the low pressure incident, you checked the
6 meter, what do you do next?
7 A We tried to establish how much gas they were using
8 by watching the meter and the pressures, basically when
9 Roger Eichel, Bob Arwood was at the meter site when they
10 would turn on their paint booth, it would bleed the line
11 system down to hardly any gas at all, which was also on
12 Gatherco's side.
13 Q How did you determine that was on Gatherco's side?
14 A We had gauges on the meter site, Gatherco's line and
15 our line both being drawn down at the same time.
16 Q And did you have a man watching each meter at the
17 same time?
18 A We had a guy at the meter and guy up at the factory
19 watching gauges.
20 Q Who was the guy at the meter?
21 A Bob Arwood.
22 Q And who was the guy at the factory?
23 A Roger Eichel.
24 Q Okay. And while Bob and Roger are watching the
25 meter and the gauges at the factory, are you talking to

1 each other by telephone or how are you communicating?
2 A Cell phone, yes.
3 Q And you came to the conclusion that it was the
4 Gatherco line that had a problem and not the Petro line?
5 A Correct.
6 Q And how did you come to that conclusion?
7 A The Gatherco line was going down at the same time,
8 ours was same pressure, both sides, which means that it
9 wasn't adequate volume to supply the gas.
10 Q Okay. And after you were out checking the lines
11 with Bob and Roger, what did you do after that?
12 A We, Bob and I talked about bringing up the pressure
13 on the line, Gatherco's line, which we did.
14 Q How did you go about doing that?
15 A We have a station down off of 302, 301, and he tried
16 to crank the regulators up a little bit more.
17 Q And did that work?
18 A No.
19 Q Did you try something else or Bob try something
20 else?
21 A I don't believe so, at that time, no.
22 Q So on that day when you went out, the problem did
23 not get fixed?
24 A Correct.
25 Q Did the problem ever get fixed?

1 A No.
2 Q Did you, when you had the no pressure incident, do
3 you remember if that was before, after, or during the
4 American Augers' expansion?
5 A That was during the expansion.
6 Q And what about the time when they had the low
7 pressure problem, when you went in, was it before, during,
8 or after the expansion?
9 A That was when they were testing the paint booth in
10 the new building.
11 Q Okay. And after the incident of low pressure, did
12 you get called back to American Augers for any reason after
13 that?
14 A I went back on different occasions to try to help
15 figure out what was going on.
16 Q And on those occasions, did you work with
17 Mr. Eichel?
18 A Yes.
19 Q Did you work with any other American Augers
20 employees?
21 A Bob Arwood, who was usually out there.
22 Q Okay. Is Bob Arwood a Gatherco employee or American
23 Augers?
24 A I don't know if he was an employee of Gatherco or
25 contract employee for Gatherco.

1 Q But he's not an American Augers employee?
2 A Right.
3 Q How many times after the low pressure incident did
4 you go out to American Augers?
5 A Several.
6 Q Where you ever able to improve the low pressure
7 problem?
8 A No.
9 Q The several times that you went back to American
10 Augers, were those all concerning the low pressure problem?
11 A I believe so.
12 Q And did you ever discuss with anyone from American
13 Augers, American Augers not having sufficient heat in the
14 offices?
15 A There were at times, I think that the offices were
16 out of gas.
17 Q Did you discuss any other problems that American
18 Augers was experiencing related to the low pressure with
19 any employees of American Augers, other than the offices
20 being out of gas?
21 A Not that I recall.
22 Q Did you discuss anything about the paint booths?
23 A Yes.
24 Q Talk about paint booths. And what was the
25 discussion about the paint booths?

1 A Just had large demand when the paint booths were
2 turned on.
3 Q Did they tell you that they were having a hard time
4 filling orders because the paint booth was not operating at
5 that time?
6 A I don't think that they were moved in at that time.
7 Q Did you discuss with anyone about the insufficient
8 operating of the paint booths and lack of gas to the
9 offices? Did you discuss any other problems with American
10 Augers that they were experiencing?
11 A The paint booths, when they turned that off, they
12 would draw the gas from the offices.
13 Q Do you recall during that time period whether it
14 was -- what time of year was it, was it cold?
15 A I don't believe it was cold.
16 Q Is there any way to tell the time of year, anything
17 to help you determine what time of year it was when you
18 went out there?
19 A I don't think it was cold out.
20 Q Okay. After you went out to American Augers several
21 times to try to remedy the low pressure issue, did you --
22 when was the last time that you were there?
23 A I think after we heard that we were not able to sell
24 gas anymore.
25 Q Okay, you went back to American Augers after that?

1 A Yes.
2 Q And did you talk to anybody at American Augers?
3 A I might have talked to Roger Eichel.
4 Q What did you talk to Roger about?
5 A Just problems of not getting enough gas through the
6 system.
7 Q And this was after you found out that Petro was no
8 longer going to be selling gas to American Augers?
9 A In that time frame, yes.
10 Q And was there a particular reason that you went out
11 to Roger, were you going to try to work on getting American
12 Augers back to buy gas from Petro, was there a purpose for
13 your visit?
14 A No, I went out to check our meter and stuff.
15 Q And do you still talk to Roger Eichel?
16 A No, I haven't.
17 Q Was that the time that you went out to check the
18 meter, the last time that you talked to Roger?
19 A I believe so.
20 Q Was that the last time that you talked to anyone
21 from American Augers?
22 A Yes.
23 MS. POPLAR: I don't think that I
24 have any more questions for you, I am sure
25 Mr. McGranor may have questions. I may have a

1 couple of follow-up, but that is all for right now.
2 A Thank you.
3 CROSS-EXAMINATION OF STEVE FRANKS
4 BY MR. McGRANOR:
5 Q Good morning, Mr. Franks, I am Tim McGranor, and I
6 represent Gatherco and Consumer Gas Cooperative, you stated
7 that you were a Supervisor for Petro?
8 A Yes.
9 Q What do you supervise?
10 A Supervise anyone that we have in the field,
11 contractors.
12 Q And you mentioned having taken various handwritten
13 notes over the years, were you asked to look for those
14 notes in connection with the lawsuit?
15 A No.
16 Q So no one came to you and said that we are asking
17 you to produce documents, do you have anything relative to
18 the topics, did anyone do that?
19 A No.
20 Q Have you ever spoken to Tony Kovacevich?
21 A Yes.
22 Q And what subjects?
23 A Just on different meter situations in the field.
24 Q Any specific to American Augers?
25 A No.

1 Q Anything specific to the 736036, the Jackson meter?
2 A No.
3 Q Have you ever had conversations with Joe Komara?
4 A I don't know if that is the same, I don't know if I
5 have or not.
6 Q And I will represent to you that he works with
7 Consumers Gas Cooperative?
8 A No.
9 Q You don't recall any conversations with him?
10 A No.
11 Q And have you spoken with any other Gatherco
12 employees about American Augers, and I am going to put
13 aside for a moment Bob Arwood and the people out in the
14 field, we are going to talk about them specifically, but
15 any other people that you associated with Gatherco?
16 A No.
17 Q Let's talk of Mr. Arwood. I am unclear from your
18 testimony, do you think that he was a Gatherco employee or
19 you don't know?
20 A I simply don't know.
21 Q He may be an independent contractor?
22 A Yes.
23 Q And the other gentleman that is with Mr. Arwood?
24 A He was an employee of Gatherco.
25 Q How do you know that?

1 A I seen him on different jobs.
2 Q Any identification?
3 A He had a Gatherco truck.
4 Q Okay. Do you recall anything about that individual?
5 A Pardon?
6 Q Can you describe that individual in any way to help
7 me identify who he is?
8 A Long hair.
9 Q What color hair?
10 A I think blondish hair.
11 Q How tall is he?
12 A 5'6", 5'7", maybe.
13 Q How old was he?
14 A Late 40s.
15 Q Anything else distinguishing about him?
16 A I know that he had eye surgery.
17 Q How do you know that?
18 A He told me on the job.
19 Q Did he wear glasses?
20 A At one time.
21 Q Anything else that you can recall about him?
22 A No, no.
23 Q Do you have any -- let me back up. The American
24 Augers' plant underwent expansion; is that correct?
25 A Yes.

1 Q And part of that expansion, did they have expanded
2 paint lines?
3 A In the new expansion?
4 Q Yes.
5 A They put new paint booths in.
6 Q And did those paint booths require more gas before
7 the expansion?
8 A Yes.
9 Q How much more gas?
10 A I have no idea.
11 Q Do you have any reasonable estimate?
12 A No.
13 Q And was the line sufficient to provide that
14 additional gas?
15 A I felt it was, yes.
16 Q And are you a petroleum engineer?
17 A No.
18 Q Are you any type of an engineer?
19 A No.
20 Q And in your experience, do you have the technical
21 know-how, what facilities are needed to provide a certain
22 amount of gas?
23 A No.
24 Q We talked about going out to the American Augers'
25 facility and changing the charts within the meter, do you

1 recall that?
2 A Yes.
3 Q What happened to the charts?
4 A They were sent to Gatherco.
5 Q So these are charts at the meter 736036?
6 A I believe that is the number.
7 Q Turn if you would to Exhibit 16. And this is a
8 diagram depicting the area around the American Augers
9 facility; is that correct?
10 A Correct.
11 Q And underlined here, sort of in the middle, 736036,
12 do you see that?
13 A Yes.
14 Q Is that the meter that you are talking about?
15 A I don't know if it's the 736, the number, but I do
16 believe is the meter.
17 Q You are not talking about a separate meter that has
18 been installed along the Petro part of the line here on the
19 map, are you?
20 A That is Petro's meter, the one that was installed.
21 Q So the 736036 is the only meter that determines how
22 much gas is going to the American Augers' facility?
23 A Yes.
24 Q And it's at that meter across from the American
25 Augers' facility where you are changing charts?

1 A Yes.
2 Q And those charts are sent to Gatherco?
3 A Yes.
4 Q And not maintained by Petro, correct?
5 A The meters?
6 Q The charts?
7 A No.
8 Q After a portion of the line was repaired, was the
9 line sufficient to provide American Augers with sufficient
10 gas to run its operations?
11 A On the old buildings, yes.
12 Q On the new expansion?
13 A No.
14 MR. McGRANOR: Can we take five
15 minutes?
16 THEREUPON, a break was taken.
17 MR. McGRANOR: Thank you,
18 Mr. Franks, I don't have anything further.
19 MS. POPLAR: I don't have anything
20 either.
21 MR. PALMER: We will read, thank
22 you.
23 THEREUPON, the deposition was concluded.
24 - - -
25

1 DEPOSITION ERRATA SHEET

2

3 Case Caption: Petro Evaluation Services, Inc.

4 vs

5 American Augers, Inc.

6 and

7 Gatherco, Inc.

8 and

9 Consumer Gas Corporation

10

11 DECLARATION UNDER PENALTY OF PERJURY

12 I declare under penalty of perjury

13 that I have read the entire transcript of

14 my Deposition taken in the captioned matter

15 or the same has been read to me, and

16 the same is true and accurate, save and

17 except for changes and/or corrections, if

18 any, as indicated by me on the DEPOSITION

19 ERRATA SHEET hereof, with the understanding

20 that I offer these changes as if still under

21 oath.

22 Signed on the _____day of

23 _____, 20___.

24 _____

25 STEVE FRANKS

1 DEPOSITION ERRATA SHEET

2 Page No._____Line No._____Change to:_____

3 _____

4 Reason for change:_____

5 Page No._____Line No._____Change to:_____

6 _____

7 Reason for change:_____

8 Page No._____Line No._____Change to:_____

9 _____

10 Reason for change:_____

11 Page No._____Line No._____Change to:_____

12 _____

13 Reason for change:_____

14 Page No._____Line No._____Change to:_____

15 _____

16 Reason for change:_____

17 Page No._____Line No._____Change to:_____

18 _____

19 Reason for change:_____

20 Page No._____Line No._____Change to:_____

21 _____

22 Reason for change:_____

23 Page No._____Line No._____Change to:_____

24 _____

25 Reason for change:_____

1 DEPOSITION ERRATA SHEET

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17 except for changes and/or corrections, if

18 any, as indicated by me on the DEPOSITION

19 ERRATA SHEET hereof, with the understanding

20 that I offer these changes as if still under

21 oath.

22 Signed on the 22 day of

23 June, 2012.

24 Steve Franks

25 STEVE FRANKS

1 DEPOSITION ERRATA SHEET

2 Page No. 21 Line No. 15 Change to: I do not recall

3 being in American Augers' office.

4 Reason for change: _____

5 Page No. ____ Line No. ____ Change to: _____

6 _____

7 Reason for change: _____

8 Page No. ____ Line No. ____ Change to: _____

9 _____

10 Reason for change: _____

11 Page No. ____ Line No. ____ Change to: _____

12 _____

13 Reason for change: _____

14 Page No. ____ Line No. ____ Change to: _____

15 _____

16 Reason for change: _____

17 Page No. ____ Line No. ____ Change to: _____

18 _____

19 Reason for change: _____

20 Page No. ____ Line No. ____ Change to: _____

21 _____

22 Reason for change: _____

23 Page No. ____ Line No. ____ Change to: _____

24 _____

25 Reason for change: _____

1 CERTIFICATE

2
STATE OF OHIO)
3) SS.
COUNTY OF HURON)
4

5 I, Tami L. Barker, Stenotype Reporter and Notary Public within and for the State aforesaid, duly
6 commissioned and qualified, do hereby certify that the above named, STEVE FRANKS, was by me, before the giving of
7 said deposition, first duly sworn to testify the truth, the whole truth, and nothing but the truth; that the deposition
8 as above set forth was reduced to writing by me by means of stenotype and was later transcribed by a Computer-Aided
9 Transcription System; that the transcribed deposition is a true record of the testimony given by said witness; that
10 the said deposition was taken pursuant to stipulations of counsel herein contained, and was completed without
11 adjournment.

12
The undersigned Court Reporter hereby certifies that:
13 I am not a relative, employee of, or attorney for any of the parties in the above-captioned action; I am not, nor is
14 the Court Reporting firm with which I am affiliated, under a contract as defined in Civil Rule 28 (D).
15
IN WITNESS WHEREOF, I have hereunto set my hand and
16 seal of office at Collins, Ohio, this 12th day of April, 2012.
17
18
19 Tami L. Barker
Tami L. Barker, Notary Public
20 853 Carroll Road, Collins, Ohio
My commission expires: 4-30-17
21
22
23
24
25

IN THE COURT OF COMMON PLEAS
OF WAYNE COUNTY, OHIO

PETRO EVALUATION SERVICES, INC.,	)	
	)	CASE NO. 11-CV-0143
Plaintiff,	)	
	)	Honorable Mark Wiest
-vs-	)	
	)	
AMERICAN AUGERS, INC., et al.,	)	**AFFIDAVIT OF STEVEN**
	)	**BRADLEY DOLAN (aka**
Defendants.	)	**BRAD DOLAN)**
	)	

I, Steven Bradley Dolan, aka Brad Dolan, being first duly sworn, state and aver as follows:

1. I am over 18 years of age and of sound mind. The information contained in my affidavit is based upon my personal knowledge and upon information contained within documents kept in the ordinary course of American Augers, Inc.'s ("American Augers") business. I am the financial controller at American Augers and have been employed by American Augers as the financial controller since 1998.

2. I have reviewed documents kept in the ordinary course of American Auger's business regarding the captioned case. Exhibits 1 through 15, referred to herein and filed as a separate Index of Exhibits, are documents which are maintained in the ordinary course of American Auger's business, except Exhibit-4, which was provided to American Augers' counsel through the course of the litigation in this case.

3. American Augers is a corporation which designs and manufactures underground technology equipment, including horizontal directional drills, earth boring machines, mud pump and cleaning systems, oil and gas drill rigs and various product tooling and accessory items. American Augers is incorporated in Delaware and registered to do business in Ohio. American Auger's sole Ohio facility is located in Ashland County at 135 U.S. Route 42.

4. American Augers currently employs approximately 205 individuals full time.

5. In or around 1999, American Augers began purchasing natural gas from Petro Evaluation Services ("Petro").

6. Prior to purchasing natural gas from Petro, Augers had been fueling its operations through a natural gas well on its property and with propane.

7. I was employed at American Augers in and around 1999, but I was not involved in any negotiations with Petro.

8. American Augers has maintained records and documents regarding its dealings with Petro, including the following:

Exhibit-1: Letter Agreement dated July 30, 1999

Exhibit-2: Letter Invoice for Pipeline Construction dated August 20, 1999

Exhibit-3: Incomplete Undated Right of Way Agreement

Exhibit-5: Natural Gas Sales Agreement dated 1999

Exhibit-6: Well Pumping Agreement dated August 5, 1999

Exhibit-7: Invoices from Petro to American Augers for the Sale/Purchase of Natural Gas from January 28, 2008 to October 14, 2010

Exhibit-8: Email from Brad Dolan to Jay Henthorne following up on Provision of Proposal for Natural Gas dated August 31, 2009

Exhibit-9: Email from Brad Dolan to Jay Henthorne following up on Provision of Proposal for Natural Gas dated October 14, 2009

Exhibit-10: Email from Jason Henthorne to Brad Dolan dated October 16, 2009 with attached Natural Gas Sales Agreement Proposal by Petro

Exhibit-11: Email from Brad Dolan to Jay Henthorne dated October 26, 2009 with attached Natural Gas Sales Agreement Counter-Proposal

Exhibit-12: Email amongst Brad Dolan, James Pfeiffer (American Augers President) and Joe Komara (Director of Marketing and Development of Consumers Gas Cooperative, co-Defendant) regarding meeting

Exhibit-13: Undated Letter from Gatherco, Inc. to Petro giving Notice of Natural Gas Sales Agreement Cancellation

Exhibit-14: Letter dated February 22, 2010 from American Augers to Petro giving Notice of Natural Gas Sales Agreement Cancellation

Exhibit-15: Letter dated October 29, 2010 from American Augers to Petro giving Notice of Changeover Date to New Natural Gas Provider

9. American Augers received Exhibit-4, a Right of Way Agreement similar to the one contained in American Augers' file (Exhibit-3), but with additional information written in on it and bearing the Ashland County Recorder's marking indicating it was filed on September 8, 2009, during the time period within which American Augers and Petro were attempting to negotiate the terms of their Natural Gas Sales Agreement.

10. In March 2008, Petro unilaterally raised the price term of our Natural Gas Sales Agreement to the Appalachian Index Price plus $2.80, which Petro applied retroactively for deliveries beginning February 1, 2008. American Augers had no choice but to pay Petro's invoices because it had no alternate supply of natural gas. American Augers never considered ceasing operations and putting approximately 200 people out of work to be a viable alternative, so it continued to pay Petro as invoiced. (Exhibit-7, Invoices)

11. From 2008 to 2009, American Augers expanded its facility.

12. In early 2009, American Augers began having problems with natural gas volume. The volume of natural gas provided to the facility was not sufficient to run American Auger's operations following the expansion. Particularly, in order to paint its drilling machinery, American Augers built paint booths which must be kept at a threshold temperature in order for the paint to dry and cure properly. American Augers was not able to keep the paint booths at the required temperature because of insufficient volume of gas and also could not operate more than one paint booth at a time. American Augers' business offices were also not sufficiently heated, making it very uncomfortable for employees during the cold months.

13. Roger Eichel, American Auger's Facility Supervisor, contacted Petro to fix the problem but the problem was never fixed while American Augers was still getting gas from Petro.

14. On August 21, 2009, representatives of Petro and American Augers, including Jay Henthorne, me and the President of American Augers, James Pfeiffer, met to discuss American Augers' natural gas needs. We requested that Petro provide us with a new proposal so that American Augers to evaluate its gas needs and options, which he said he would do. (See Exhibit-8)

15. By August 31, 2009, Jay Henthorne had not provided us with any proposal so I followed up with an email to him. (See Exhibit-8)

16. Beginning with its September 28, 2010 invoice, Petro again changed the price it invoiced American Augers to $2.50 per Dkt. plus the Appalachian Index, but still did not provide American Augers with the new Proposal Jay Henthorne had promised.

17. By October 14, 2009, Petro had still not provided a new Proposal despite Jay Henthorne's assurances that it would do so. Via email on October 14, 2009, I informed Petro that American Augers would assume that it would have to find another natural gas supplier unless Petro provided the promised Proposal by October 16, 2009. (Exhibit-9)

18. On October 15, 2009, Petro provided American Augers with a Proposed Natural Gas Sales Agreement and forwarded the Agreement to me via email on October 16, 2009. (Exhibit-10)

19. The new Agreement proposed by Petro contained the $2.50 price but was otherwise the same as the initial Agreement. (Exhibit-10)

20. On October 26, 2009, I Counter-proposed a Natural Gas Sale Agreement on behalf of American Augers to Petro via email. The American Augers' Counter-proposal contained the $2.50 price term that Petro wanted and other terms that American Augers wanted and/or needed in order to have sufficient natural gas to continue its operations, including a term that American Augers may purchase natural gas from another source if Petro could not meet its needs and a term that the contract would be in effect for five years. (Exhibit-11)

21. Petro never responded to American Augers' Counter-proposal and neither proposal was signed.

22. American Augers did not care from whom it purchased natural gas, we just needed to get natural gas to continue operating the business effectively, keep our employees working and hopefully to grow and expand our business in the future.

23. Around November, 2009, American Augers began communicating with Consumers Gas Cooperative ("CGC") regarding CGC potentially becoming American Auger's natural gas supplier. (See Exhibit-12)

24. Between November 2009 and February, 2010, American Augers worked with CGC to negotiate an Agreement to purchase natural gas.

25. CGC informed American Augers that Petro's sales of natural gas to American Augers were illegal because Petro was not in compliance with the PUCO, of which American Augers had been unaware until CGC told us.

26. CGC requested documentation to determine whether we could continue using the pipeline Petro put on the property. I pulled American Augers' file on Petro and forwarded CGC all of the documents in our file regarding the pipeline, which

consisted of a signed Letter Agreement dated July 31, 1999 (Exhibit-1) and the undated, unnotarized, incomplete Right of Way Agreement (Exhibit-3).

27. In or around February, 2010, Jay Henthorne informed me that Gatherco, Inc., Petro's natural gas supplier, had informed him that it was canceling its contract with Petro to supply Petro with natural gas, which would mean that Petro would no longer have any gas to sell to American Augers.

28. On or about February 22, 2010, I received a copy of a letter from Gatherco, Inc. to Petro giving a 30-day notice that Petro's Agreement to purchase gas from Gatherco, Inc. would was being cancelled. (Exhibit-13)

29. On February 22, 2010, I sent a letter to Petro informing Petro that American Augers intended to cancel any contract between Petro and American Augers and that American Augers would change over to purchasing gas from CGC in the future. (Exhibit-14)

30. Between October 26, 2012, the date American Augers presented its Counter-proposal to Jay Henthorne and February, 2010, no Petro representative attempted to communicate with anyone at American Augers at all.

31. American Augers' changeover from Petro to CGC occurred on October 30, 2010, more than eight months after I notified Petro American Augers would no longer be purchasing natural gas from them. (Exhibits-14 and -15)

32. American Augers has had a sufficient gas supply to operate its facility and adequately heat its offices since the changeover and has not had a problem with low pressure or volume since then.

Further affiant sayeth naut.

STEVEN BRADLEY DOLAN

Sworn and subscribed before me this 30th day of August, 2012.

Notary Public

NOTARIAL SEAL
STATE OF OHIO

Jody Pelasky
Notary Public - Ohio
My Commission Expires Dec. 8, 2016

FILED
COMMON PLEAS COURT
WAYNE COUNTY, OHIO
2012 SEP 4 PM 3 04
TIM NEAL
CLERK OF COURTS

IN THE COURT OF COMMON PLEAS
OF WAYNE COUNTY, OHIO

PETRO EVALUATION SERVICES, INC., Plaintiff, -vs- AMERICAN AUGERS, INC., et al., Defendants.	CASE NO. 11-CV-0143 Honorable Mark K. Wiest **INDEX OF EXHIBITS TO: AFFIDAVIT OF STEVEN BRADLEY DOLAN**

Attached hereto is the Index of Exhibits to the Affidavit of Steven Bradley Dolan, filed on August 31, 2012 in support of American Augers, Inc.'s Motion for Summary Judgment. This Index is filed separately from the Affidavit of Steven Bradley Dolan and Motion for Summary Judgment for ease of reference.

Respectfully submitted,

ERIN POPLAR LAW, LLC

Erin N. Poplar (0071312)
Attorney for American Augers, Inc.
1636 Eagle Way
Ashland, Ohio 44805
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epoplar@poplarlawoffices.com

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1636 EAGLE WAY
ASHLAND, OHIO
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419.281.3561 phone
419.281.6999 fax

PROOF OF SERVICE

I sent a copy of this Index on the 4th of September, 2012, to Attorneys for Plaintiff, Daniel H. Plumly and Timothy B. Pettorini, Crichfield, Critchfield & Johnston, Ltd., 225 North Market St., P.O. Box 599, Wooster, Ohio 44691 and to counsel for co-Defendants, Gatherco, Inc., and Consumer Gas Cooperative, John K. Keller and Timothy McGranor, Vorys, Sater, Seymour & Pease, LLP, 52 East Gay Street, Columbus, Ohio 43215.

Erin N. Poplar

Erin N. Poplar, Attorney for
American Augers, Inc.

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Index of Exhibits to:

Affidavit of Steven Bradley Dolan

American Augers, Inc.

-vs-

Petro Evaluation Services, Inc.

In the Public Utilities Commission of Ohio

Matter Number 12-2207-GA-CSS

Katie L. Stenman, Attorney Examiner

Erin N. Poplar
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1	Letter Agreement 7/30/1999
	Letter Pipeline Invoice 8/20/1999
3	Incomplete Right of Way Agreement
4	Completed Right of Way Agreement recorded 9/8/2009
5	Natural Gas Sales Agreement 1999
6	Well Pumping Agreement 8/5/1999
7	Invoices from Petro to American Augers 1/28/2008 to 10/14/2010
8	Email Dolan to Jay Henthorne 8/312009
9	Email Dolan to Henthorne 10/14/2009
10	Email with Petro Proposal 10/16/2009
11	Email with American Augers Counter-proposal 10/26/2009
12	Email CGC to American Augers 11/9/2009
13	Gatherco Cancellation Notice
14	Augers Cancellation Notice 2/22/2010
15	Augers Changeover Notice 10/29/2010

Office (330) 264-4454
FAX (330) 345-8617

PETRO EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

July 30, 1999

American Augers, Inc.
135 US Rt. 42, PO Box 814
West Salem, Ohio 44287

CONFIDENTIAL

Attn: Mr. Roger Eve, CEO

RE: Gas Sales Agreement

Gentlemen,

This letter will set out the mutually agreed upon points:

Petro Evaluation Services, Inc. will sell unlimited gas to American Augers, and will construct a pipeline to a mutually accepted point located on American Augers, Inc. property.

Petro will charge $2.00 (two) per Dth (Dekatherm) over the monthly Appalachian Index Federal Energy Regulatory Commission (FERC) Columbia Transmission Company (Tco) posted price. The Appalachian Index fluctuates monthly. Please see some historical Appalachian Index price postings in Exhibit "A", attached. If you will peruse the posted price in the past and compare it to the current and past rates charged by Columbia Gas, you will see that this is a substantial savings. Attached as Exhibit "B" is a copy of Columbia's price structure.

cc M Mooney
R Eve
R Eichel

EXHIBIT
1

Petro Evaluation Services, Inc.
3927 Cleveland Rd., Wooster, Ohio 44691

GEOLOGICAL & ENGINEERING CONSULTANTS

STEVE FRANKS
Well Maintenance
Leasing
Office (216) 264-4454
(330) 264-9815

In order to secure this gas purchase contract, American Augers must purchase a minimum of 3 (three) million cubic feet of gas the first year of the contract, and 5 (five) million cubic feet per year thereafter from Petro Evaluation Services, Inc. This contract will be in effect for a primary term of 5 (five) years, and be reinstated on an annual basis after that initial term. In the event the minimum quantities are not met, American Augers will be assessed a penalty for the unused portion. This penalty will be $2.00 per Dth of gas under the minimum quantities stated above.

American Augers will sign a gas sales contract with Petro. In return for Petro creating a pipeline in order to sell gas to American Augers, there will be a one-time connection fee of $25,000. American Augers will provide equipment and operator(s) for the road bore under US 42, the exact location to be mutually determined later. Petro will provide all materials, supervision, permits, etc...for the road bore. Petro will retain ownership, maintenance, and liability of said pipeline.

The terms and conditions of this agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties.

If this proposal is acceptable to American Augers, Inc., please sign and date both copies of this letter and return one for our files.

Petro Evaluation Services, Inc.

Jay G. Henthorne, Jr., President

American Augers, Inc.

Roger Eve, CEO

7/30/99.

Date

EXHIBIT "A"

MONTH	APPALACHIAN INDEX FERC TCO	MONTH	APPALACHIAN INDEX FERC TCO
JUL-99	$2.39	DEC-98	$2.25
JUN-99	$2.35	NOV-98	$2.24
MAY-99	$2.50	OCT-98	$2.20
APR-99	$2.05	SEP-98	$1.77
MAR-99	$1.73	AUG-98	$2.05
FEB-99	$1.92	JUL-98	$2.46
JAN-99	$1.92	JUN-98	$2.18
		MAY-98	$2.42
		APR-98	$2.46
		MAR-98	$2.37
		FEB-98	$2.12
		JAN-98	$2.38

MONTH	APPALACHIAN INDEX FERC TCO	MONTH	APPALACHIAN INDEX FERC TCO
DEC-97	$2.88	DEC-96	$4.23
NOV-97	$3.52	NOV-96	$2.94
OCT-97	$3.28	OCT-96	$1.99
SEP-97	$2.69	SEP-96	$1.83
AUG-97	$2.31	AUG-96	$2.45
JUL-97	$2.29	JUL-96	$2.88
JUN-97	$2.48	JUN-96	$2.53
MAY-97	$2.31	MAY-96	$2.44
APR-97	$2.00	APR-96	$3.06
MAR-97	$1.87	MAR-96	$4.56
FEB-97	$3.06	FEB-96	$3.42
JAN-97	$4.30	JAN-96	$3.70

Exhibit "B"

COLUMBIA GAS OF OHIO, INC.
JULY 1999 BILLING MONTH

Gas Cost Recovery Effective with Meter Readings on and after April 29, 1999	Non-PIPP Customers	PIPP Customers
Expected Gas Cost (EGC)	3.6822	2.8998
Supplier Refund and Reconciliation Adj. (RA)	-0.0081	-0.0061
Actual Adjustment (AA)	0.0819	0.0819
Balance Adjustment (BA)	0.5188	0.5188
Gas Cost Recovery (GCR)	4.2458	3.4934

BILLING RATES

	VOLUME APPLICATION $	RATE FACTORS $	TOTAL RATE PER MCF $
SALES RATES			
SMALL GENERAL SERVICE (SGS)*			
All gas consumed per account per month	Total Actual MCF	1.7753	6.1095
Gas Cost Recovery (GCR)	Total Actual MCF	4.2458	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0063	
Monthly customer charge	None	8.50 Per Month	
SMALL GENERAL SERVICE (SGS) PERCENTAGE OF INCOME PLAN (PIPP) CUSTOMERS*			
All gas consumed per account per month	Total Actual MCF	1.7753	5.3871
Gas Cost Recovery (GCR)	Total Actual MCF	3.4934	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0063	
Monthly customer charge	None	8.50 Per Month	
GENERAL SERVICE (GS)*			
First 25 Mcf per account per month	Actual MCF	1.7175	6.0612
Over 25 Mcf per account per month	Actual MCF	1.8352	5.9669
Gas Cost Recovery (GCR)	Total Actual MCF	4.2458	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0066	
Monthly customer charge	None	16.50 Per Month	
GENERAL SERVICE (GS) PERCENTAGE OF INCOME PLAN (PIPP) CUSTOMERS*			
First 25 Mcf per account per month	Actual MCF	1.7175	5.2988
Over 25 Mcf per account per month	Actual MCF	1.8352	5.2166
Gas Cost Recovery (GCR)	Total Actual MCF	3.4934	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0066	
Monthly customer charge	None	16.50 Per Month	
LARGE GENERAL SERVICE (LGS)*			
First 2,000 Mcf per account per month	Actual MCF	0.6981	5.0380
Next 13,000 Mcf per account per month	Actual MCF	0.5180	4.8669
Next 85,000 Mcf per account per month	Actual MCF	0.4880	4.8259
Over 100,000 Mcf per account per month	Actual MCF	0.4280	4.7669
Gas Cost Recovery (GCR)	Total Actual MCF	4.2458	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0100	
Minimum bill of 1,500 Mcf per month			

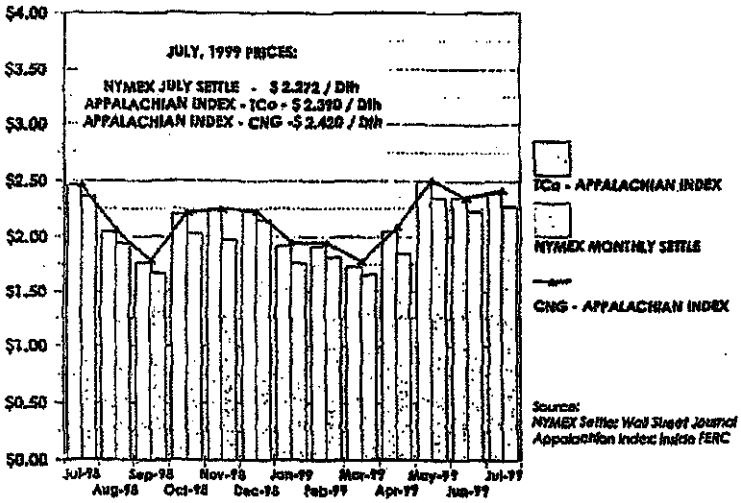
REVISIONS THIS MONTH

1. VOLUME BANKING AND BALANCING SALES AND PURCHASE RATES EFFECTIVE WITH JUNE, 1999 BILLING CYCLE.

COLUMBIA GAS OF OHIO, INC.
JULY 1999 BILLING MONTH

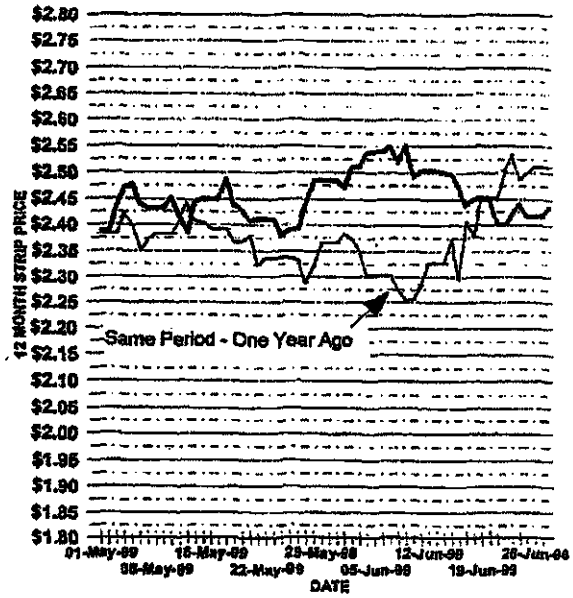
	VOLUME APPLICATION	RATE FACTORS $	BILLING RATES (1) TOTAL RATE PER MCF $
GAS TRANSPORTATION RATES			
SMALL GENERAL TRANSPORTATION SERVICE (SGTS)*			
All gas delivered per account per month	Total Actual MCF	1.5828	1.8712
Percentage of Income Plan (PIPP) (2)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0063	
Supplemental Charge for contracted firm service	Total Actual MCF	(3)	
Banking and Balancing Service	Total Actual MCF	(4)	
Monthly Customer Charge per account	None	6.50 per month	
Monthly Administrative Fee per account	None	6.00 per month	
Shrinkage Percentage - 0.9% of gas received from producer			
FULL REQUIREMENTS SMALL GENERAL TRANSPORTATION SERVICE (FRSGTS)*			
All gas delivered per account per month	Total Actual MCF	1.5828	2.2648
GCR Transition Rider (5)	Total Actual MCF	0.5938	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0063	
Monthly Customer Charge per account	None	6.50 per month	
Shrinkage Percentage - 0.9% of gas received from producer			
GENERAL TRANSPORTATION SERVICE (GTS)*			
First 25 Mcf per account per month	Actual MCF	1.5250	1.6129
Over 25 Mcf per account per month	Actual MCF	1.4427	1.5306
Percentage of Income Plan (PIPP) (2)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0056	
Supplemental Charge for contracted firm service	Total Actual MCF	(3)	
Banking and Balancing Service	Total Actual MCF	(4)	
Monthly Customer Charge per account	None	18.50 per month	
Monthly Administrative Fee per account	None	6.00 per month	
Shrinkage Percentage - 0.9% of gas received from producer			
FULL REQUIREMENTS GENERAL TRANSPORTATION SERVICE (FRGTS)*			
First 25 Mcf per account per month	Actual MCF	1.5250	2.2068
Over 25 Mcf per account per month	Actual MCF	1.4427	2.1242
GCR Transition Rider (5)	Total Actual MCF	0.5938	
Percentage of Income Plan (PIPP)	Total Actual MCF	0.0821	
Temporary Base Rate Revenue Rider	Total Actual MCF	0.0068	
Monthly Customer Charge per account	None	18.50 per month	
Shrinkage Percentage - 0.9% of gas received from producer			

Natural Gas Index Pricing



June Natural Gas Nymex 12 month Strip Price

May 1 - June 26

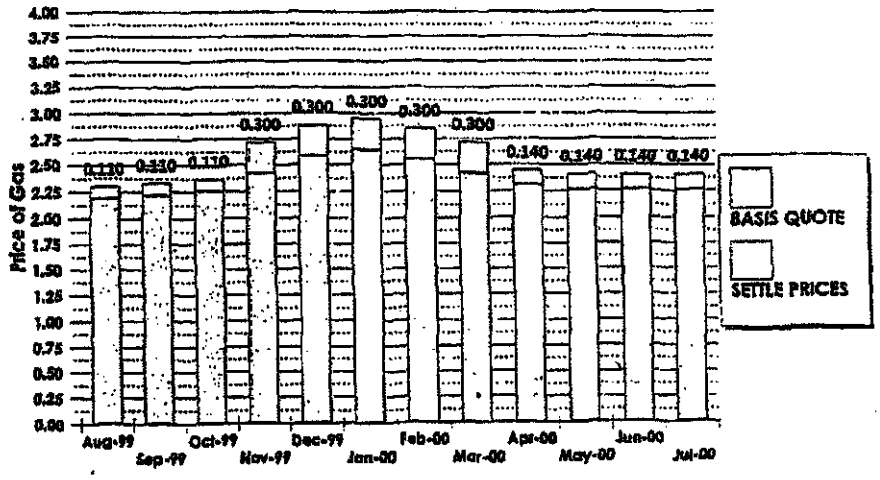


Settle Price, Natural Gas, New York Mercantile Exchange (NYM)

Wednesday, July 7, 1999 - $ per MMBtu's

Month	Settle Price
August	2.191
September	2.222
October	2.254
November	2.420
December	2.585
January, 2000	2.648
February	2.550
March	2.422
April	2.307
May	2.267
June	2.265
July	2.267
August	2.280

Forward Natural Gas Prices Into Columbia Gas Transmission



Source:
NYMEX Settle Price : Wall Street Journal - JULY 7, 1999
Forward Basis Quote: Enron Capital & Trade Resources
Basis quoted on JULY 7, 1999

Twelve Month Fixed Price Quote
Slip - $2.360
Basis - .200

One Year Fixed Price - $2.560

Augers00085

Natural Gas Conversion Factors

1cf = 1,000 BTU = .01 Therm
1 cf = 0.02832 cubic meters

1 Ccf = 100 cf = 100,000 BTU = 1 Therm
1 Mcf = 1,000 cf = 1 million BTU = 10 Therms
1 Mcf = 10 Therms = 1 Dekatherm = 1 MMBtu

1 MMcf = 1,000 Mcf = 1 Billion cf
1 BCF = 1 Million Mcf

Quick Conversion Tip

1 Therm = .1 Mcf = .1 Dekatherm
10 Therms = 1 Mcf = 1 Dekatherm

(* Table assumes that one cubic foot of gas contains *1,000 BTU*.)

Office (330) 264-4454
FAX (330) 345-6617

PETRO
EVALUATION SERVICES, INC.

3927 CLEVELAND ROAD, WOOSTER, OHIO 44691-1298

August 20, 1999

American Augers, Inc.
135 US Rt. 42, PO Box 814
West Salem, Ohio 44287

Attn: Mr. Roger Eve, CEO

RE: Gas Sales Agreement Bill

Gentlemen,

Petro Evaluation Services, Inc. has completed the construction of a pipeline made of 3" SDR 11 running over 1,035 feet, meter, tracer wire, State of Ohio permits for road bore under Route 42, and the right to purchase unlimited quantities of natural gas. In addition, Petro has also reconstructed and completed an office gas line running an additional seventy feet made of 1" SDR 11. The agreed fee of $25,000 is now due. Subsequent negotiations are now under way regarding the Paint Shop gas line, and the relocation of the present well's gas line, tanks and separator.

Sincerely,

Jay G. Henthorne Jr.

Jay G. Henthorne, Jr., President
Petro Evaluation Services, Inc.

EXHIBIT
2

RIGHT OF WAY AGREEMENT

FOR AND IN CONSIDERATION OF One Dollar ($1.00), receipt of which is hereby acknowledged, and the further consideration of Five Dollars per rod, to be paid when such grant shall be used or occupied, American Augers, Inc of 135 State Rt. 42 West Salem Ohio, 44287 hereinafter called the Grantor, do hereby grant unto Petro Evaluation Services, Inc., 3927 Cleveland Road, Wooster, OH 44691, hereinafter called the Grantee, its heirs and assigns, the exclusive right to lay a pipeline over and through the premises hereinafter described and to maintain, operate, repair, replace and remove same, together with valves, meters, compressors and other appurtenances, on land situated in Sec. 22, Jackson Twp., Ashland County, and in the State of Ohio and bounded and described as follows:

On the North by lands of: State Route 42

On the East by lands of: Gregory J. & Janis M. Turk

On the South by lands of: _____

On the West by lands of: _____

Grantors do also grant the exclusive right to install, maintain, operate, repair, replace and remove meter for measurement of gas from adjoining and adjacent lands.

The Right of Way for Gas Line Location

With the right of ingress and egress to and from the same; the said Grantor to fully use and enjoy the said premises, except for the purposes hereinbefore granted to the said Grantee. Said pipeline to be buried so as not to interfere with the cultivation of the land. Grantee to pay any damages which may arise to crops and fences from the laying, maintaining, operating of said pipeline; said damages, if not mutually agreed upon, to be ascertained and determined by three disinterested persons, one thereof to be appointed by the said Grantors, their heirs or assigns, one by the Grantee, its heirs and assigns and the third by the two so appointed. The award of such three persons shall be final and conclusive.

EXHIBIT 3

The terms and conditions of this agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties.

IN WITNESS WHEREOF, said parties have hereunto set their hands.

Signed and acknowledged in
the presence of:

Steve Frasher

Roger Core
Chairman & CEO
American Augers Inc

STATE OF OHIO: SS:
COUNTY OF _____

Personally appeared before me, a Notary Public in and for said County,

_____
who acknowledged the signing of the foregoing instrument to be _____
voluntary act and deed for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal this _____ day of _____, 1999.

_____
NOTARY PUBLIC

This instrument prepared by:

Petro Evaluation Services, Inc.
3927 Cleveland Road
Wooster, OH .44691

RIGHT OF WAY AGREEMENT

FOR AND IN CONSIDERATION OF One Dollar ($1.00), receipt of which is hereby acknowledged, and the further consideration of Five Dollars per rod, to be paid when such grant shall be used or occupied, American Augers, Inc. of 135 State Route 42, West Salem Ohio 44287, hereinafter called the Grantor, do hereby grant unto Petro Evaluation Services, Inc., 3927 Cleveland Road, Wooster, OH 44691, hereinafter called the Grantee, its heirs and assigns, the exclusive right to lay a pipeline over and through the premises hereinafter described and to maintain, operate, repair, replace and remove same, together with valves, meters, compressors and other appurtenances, on land situated in Sec. 22, Jackson Twp., Ashland County, and in the State of Ohio and bounded and described as follows: Ref# Vol 10 Page 851 Parcels D-11-022-0-0015-00 AND D11-022-0-0018-00

On the North by lands of: State Route 42

On the East by lands of: Gregory J. & Janis M. Turk

On the South by lands of: Jeffery Turk, and Gregory J. & Janis M. Turk

On the West by lands of: Donald & Carrie Sims

Grantors do also grant the exclusive right to install, maintain, operate, repair, replace and remove meter for measurement of gas from adjoining and adjacent lands.

The Right of Way for Gas Line Location

With the right of ingress and egress to and from the same; the said Grantor to fully use and enjoy the said premises, except for the purposes hereinbefore granted to the said Grantee. Said pipeline to be buried so as not to interfere with the cultivation of the land. Grantee to pay any damages which may arise to crops and fences from the laying, maintaining, operating of said pipeline; said damages, if not mutually agreed upon, to be ascertained and determined by three disinterested persons, one thereof to be appointed by the said Grantors, their heirs or assigns, one by the Grantee, its heirs and assigns and the third by the two so appointed. The award of such three persons shall be final and conclusive.

200900005145
Filed for Record in
ASHLAND COUNTY, OHIO
BARBARA J. HARDING, RECORDER
09-08-2009 At 10:58 am.
RIGHT OF WY 28.00
OR Book 626 Page 22 - 23

EXHIBIT
4

The terms and conditions of this agreement shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties.

IN WITNESS WHEREOF, said parties have hereunto set their hands.

Signed and acknowledged in the presence of:

Steve Franks

Steve Franks

J.F. Henthorne

J.F. Henthorne

Roger Eve
Chairman & CEO
American Angus Inc.

Roger Eve

Chairman and CEO

STATE OF OHIO: SS:
COUNTY OF Wayne

Personally appeared before me, a Notary Public in and for said County, Roger Eve and Steve Franks (Witness) who acknowledged the signing of the foregoing instrument to be their voluntary act and deed for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal this 5th day of August, 1999.

J.F. Henthorne
NOTARY PUBLIC

J. F. HENTHORNE
Notary Public, State of Ohio
My Commission Expires Oct. 26, 2003

This instrument prepared by:

Petro Evaluation Services, Inc.
3927 Cleveland Road
Wooster, OH 44691

NATURAL GAS SALES AGREEMENT

This Agreement effective the ____ day of _____, 1999 by and between Petro Evaluation Services, Inc., ("Seller") and ("Buyer") for the sale and purchase of natural gas pursuant to the following terms and conditions:

TERM	For a primary term of five years commencing _____ and as long thereafter as Petro Evaluation Services system is capable, as determined in Petro's sole discretion, of delivering gas to Buyer at the Delivery Points identified below.
QUANTITY	Total natural gas as delivered by Seller and purchased by Buyer at the Delivery Points identified below.
PRICE	Index Price for spot gas delivered to Columbia Gas Transmission Corporation, Appalachia (West Virginia, Ohio, Kentucky) as reported in the first publication each month of Inside F.E.R.C. – Gas Market Report, per Dth plus two dollars ($2.00) per Dth.
DELIVERY POINT	Petro Meter Nos. _____ and additional meters made subject to this agreement by letter agreement signed by both parties.
PAYMENT	Payments to be made to Seller by check or other approved method.
METHOD	no later than the twenty-fifth (25th) day of the month following the month of physical deliveries.
INVOICE ADDRESS	American Augers, Inc. 135 US Rt. 42, PO Box 814 West Salem, OH 44287
PAYMENT ADDRESS	Petro Evaluation Services, Inc. 3927 Cleveland Road Wooster, OH 44691
SPECIAL TERMS AND CONDITIONS	
NOTICE TO BUYER	
NOTICE TO SELLER	Petro Evaluation Services, Inc. Attn: Jay G. Henthorne, Jr. 3927 Cleveland Road Wooster, OH 44691 Phone: (330-264-4454) Fax: (330-345-6617)

This Agreement is subject to the General Terms and Conditions set forth below.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate.

Petro Evaluation Services, Inc.
("Seller")

By Jay H. Henthorne Jr.

Its President

American Augers, Inc.
("Buyer")

By Roger Cerny

Its Chairman & CEO

Augers001105

EXHIBIT
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GENERAL TERMS AND CONDITIONS

1. Quality. The natural gas delivered by Seller to Buyer hereunder will at all times conform to the quality and heat content requirements of gas gathering systems in Ohio.

2. Measurement. (a) All natural gas delivered hereunder will be measured by Seller at the delivery points. (b) The measurement unit under this Agreement shall be one Dekatherm ("Dth") of natural gas and shall be calculated by multiplying the volume delivered in Mcf (thousand cubic feet) by a fraction, the numerator of which is the heating value and denominator of which is 1,000. For the purpose of this agreement, the heating value of each delivery point shall be established by Petro by reference to the heating value tests for the gathering system(s) where the delivery point is located. (c) For the purpose of this Agreement, the volumetric measurement base shall be a standard cubic foot of natural gas at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute, a temperature base of sixty degrees Fahrenheit (60° F) and without adjustments for water vapor. (d) The average absolute atmospheric pressure shall be assumed to be fourteen and four-tenths (14.4) pounds per square inch, regardless of actual elevation or location of the Delivery Point above sea level or variations in actual barometric pressure. The flowing gas temperature may be recorded at Petro's discretion. In the absence of a flowing temperature recorder, the average flowing temperature shall be assumed to be sixty degrees Fahrenheit (60° F). (e) All gas shall be measured by an orifice, turbine or displacement meter or other measuring device of equal accuracy approved by Petro. (f) Meters shall be installed to Petro's specifications and operated by Seller. The cost of installing, maintaining and operating such meters shall be borne by Buyer. (g) Petro, at its cost, shall read the meter, furnish, place and remove any and all recording gauge charts, calculate the deliveries, and perform any other service necessary in connection with the measurement of said gas. Buyer shall make actual readings at least bimonthly and shall furnish Petro with calculated deliveries and estimates for the months in which a reading is estimated. All calculated deliveries and estimates shall be provided to Petro by the 15th of the month following delivery in a format acceptable to Petro. Petro's invoicing will be based upon the estimates in the months in which an actual reading is not taken. (h) If Petro or Buyer challenges the accuracy of any meter and requests to have the meter tested, Petro or Petro's agent shall test the meter in the presence of Buyer or Buyer's representative, if Buyer provides Petro with written notice, at lease five (5) days prior to any such test being conducted, that Buyer wishes to be present or to be represented at such test. If the meter is owned by Petro and the meter proves to be accurate within plus or minus two percent (2%), the cost of testing and repairing the meter shall be borne by the Buyer, but if the meter proves to be in error by more than (2%), the cost of testing and repairing the same shall be borne by Petro. Any resultant aggregate error exceeding two percent (2%) of computed delivery shall be adjusted, insofar as exact knowledge of such errors or contributing causes is obtainable. Such adjustments, if any, are to be made for a period not to exceed sixty (60) days before the date of the challenge by Buyer. (i)
In the event any measuring equipment is out of service for test or repair or is inoperable for any reason, deliveries through such equipment shall be estimated in a practical manner utilizing all available information to determine the volume of natural gas for the affected delivery period. (j) Petro shall keep charts on file for four (4) years after date of delivery, during which time they will be available for inspection by Buyer. (k) Considering the possibility of inadvertent errors in measurement or calculation of amounts due and payable or paid, nothing herein contained shall constitute accord and satisfaction, waiver, release, full payment, satisfaction, laches, estoppel, or other defense to a claim by or against the Buyer or Petro for the true and actual amount actually due and payable, for the full period of four (4) years in arrears. Errors in Petro's favor shall be rectified in full, without interest, by Petro within ninety (90) days of notice and substantiation of such inaccuracy. Errors in Buyer's favor shall be rectified in full, without interest, by Buyer within ninety (90) days of notice and substantiation of such inaccuracy, or, at Petro's option, such error may be rectified by Petro withholding

NO Petro parts

& Petro

payments to Buyer hereunder, or under other agreements with Petro, until the error is corrected in full.

3. Estimates by Buyer. Buyer shall provide on a monthly basis its estimate of natural gas to be delivered hereunder.

4. Invoices. Seller will send Buyer an invoice for the prior month's natural gas deliveries, indicating the Delivery Point, the volume delivered and such other information supporting the invoice amount. If Buyer disputes any invoice amount, without wavier of any rights, Buyer will pay the undisputed amount. Seller will refund any later discovered overcharge and Buyer will pay any undercharge amount within thirty (30) days of discovery.

5. Taxes. Buyer will be liable for the payment of all sales, use, gross receipts or similar taxes imposed on the transfer of title or possession of natural gas. In the event that Seller is required by law to collect and remit any such taxes, Buyer will reimburse Seller for such taxes. Buyer shall provide Seller with any certificate or other evidence of sales tax exemption.

6. Force Majeure. In the event either party is rendered unable, in whole or in part, by an event of force majeure to fulfill its obligations under this Agreement, other than to make payments due, the obligations of each party, to the extent they are affected by such event of force majeure, will be suspended during the continuance of the force majeure event. In the event of a force majeure condition, the affected party shall give the other written notice and full particulars of such force majeure condition as soon as is reasonably possible. The term "force majeure" shall mean strikes, lockouts or other industrial disturbances, acts of public enemy, wars, blockades, ~~riots, landslides, hurricanes, lightning, earthquakes,~~ fires, floods, washouts, freezing of pipes or wells, breakage of machinery, equipment or lines of pipe, ~~explosions and such other causes as are beyond~~ the control of the party failing to perform.

7. Laws and Regulations. This Agreement is subject to all applicable laws and regulations, orders, directives and ordinances. If at any time during the term of this Agreement any regulatory body asserts jurisdiction over the Seller, its facilities, the natural gas sold hereunder or this Agreement, Seller may, at its election, terminate this Agreement immediately by giving Buyer notice of termination.

8. Title. Title, control and possession of the natural gas sold hereunder and responsibility for any damage or injury caused by the gas shall pass from Seller to Buyer at the Delivery Point.

9. Warranty. Seller warrants (i) that it will at the time of delivery have good title to all natural gas delivered to Buyer, free and clear of all liens, encumbrances, and claims whatsoever; and (ii) that at the time of delivery it will have good right, title and authority to sell the natural gas.

10. Miscellaneous.

a. This Agreement will be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties. Neither party may assign its rights hereunder, nor delegate its duties, without the prior written consent of the other party, which consent will not be unreasonably withheld.

b. If any provision of this Agreement is deemed invalid, void or unenforceable by any court having jurisdiction, such determination will not invalidate, void or make unenforceable any other provision of this Agreement.

c. It is understood and agreed that Petro is selling natural gas from a gas

gathering system and may, in the sole discretion of Petro, cease the use of portions of the gas gathering system at some future date. In that event Petro may terminate sales of gas to Buyer along such portions of its gathering system after giving Buyer at least 6 (six) months prior written notice of such termination. In that event Petro may allow buyer to take over the operation of such portion of the gas gathering system that Petro ceases to operate.

No Sept refund of $25K

d. No waiver of any breach of this Agreement will be held to be a waiver of any other or subsequent breach.

e. This Agreement sets forth all understandings between the parties respecting the subject matter of each transaction. Any prior Agreement, understandings and representations, whether oral or written, representing this subject matter are merged into and superseded by this Agreement.

f. This Agreement may only be amended in writing.

g. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.

h. This Agreement will be governed by and construed under the laws of the State of Ohio.

WELL PUMPING AGREEMENT

THIS AGREEMENT, made this 5th day of August, 1999, by and between:

OWNER **American Augers, Inc.**
135 U.S. Rt. 42, P.O. Box 814
West Salem, OH 44287
Phone: 800-324-4930; Fax: 419-869-6617

OPERATOR **Petro Evaluation Services, Inc.**
3927 Cleveland Road
Wooster, OH 44691
Phone: 330-264-4454; Fax: 330-345-6617

provides for well pumping operations on American Augers, Inc. property.

During the term of this Agreement, OPERATOR shall operate, maintain and produce oil and gas from wells in the Contract Area in a good and workmanlike manner and in accordance with good industry practices.

Services provided by OPERATOR shall include the following:

1. well tending services
2. weekly production reporting
3. minimum twice-weekly cycle observation of each rabbit well
4. chart handling and mailing
5. tank heating and oil and saltwater shipping
6. minor maintenance as needed (i.e.: cleaning rabbits, tightening stuffing boxes, etc...)
7. all additional operations such as, but not limited to, hauling and disposal of production fluids, workovers, capital improvements, backfilling, seeding, bailing, major repairs and painting will be performed on a fee basis and only upon specific direction of OWNER

OPERATOR has and will have no claim to any personal property attached to the Contract Area, including, but not limited to tanks, pump jacks, electric wire, electric motors, power and powerhouses, and flowlines.

OPERATOR shall maintain General Liability Insurance of $1,000,000. Should a claim arise in connection with the service provided herein, OPERATOR shall be responsible for satisfying deductible amounts.

EXHIBIT
tabbies
6

The number of employees used by OPERATOR in conducting operations hereunder, their selection, and the hours of labor and the compensation for services performed shall be determined by OPERATOR. In the performance of the work contemplated herein, OPERATOR is an Independent Contractor with the authority to control and direct the performance of the details of the work, OWNER being interested primarily in results obtained. The work contemplated herein shall, however, meet the approval of OWNER and be subject to the right of inspection by OWNER to secure the satisfactory completion thereof.

In conducting said operation, OPERATOR shall comply with all applicable laws, rules and regulations, including, but not being limited to, those pertaining to environmental concerns, with the exception of bonding requirements on wells as mandated by the DEP and EPA.

Spills of any size are to be reported to the OWNER as soon as possible. Steps for cleanup shall begin immediately after the spill has occurred. Oil spill responsibility will not be assumed by OPERATOR unless in the case of willful misconduct that was created by OPERATOR, it's employees or agents.

OPERATOR agrees to indemnify and hold OWNER harmless from and against all third-party claims, demands, and causes of action for personal injury, death or property damage arising out of or attributable to OPERATOR's willful or negligent act or omission; provided, however, that OWNER agrees to indemnify and hold OPERATOR harmless from all claims for subsurface damage or injury to the well or surface equipment and damages attributable to pollution or contamination and cost of control and removal thereof alleged to have been caused by OPERATOR's performance of services under this Agreement, except where such damage is caused by the willful act, illegal act or negligence of OPERATOR.

OWNER shall have access to the Contract Area at all times, at its sole cost and risk, to inspect or observe operations.

If OPERATOR is rendered unable, wholly or in part, by force majeure to carry out its obligations under the Agreement, OPERATOR shall give to OWNER prompt written notice of the force majeure with reasonable full particulars concerning it; thereupon, the obligations of OPERATOR, so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The OPERATOR shall use all reasonable diligence to remove the force majeure as quickly as practicable.

The term "force majeure", as here employed, shall mean an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightning, fire, storm, flood, explosion, governmental action, governmental delay, restraint or inaction, unavailability of equipment, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

In consideration of the performance of the above outlined services during the term of this Agreement, OWNER agrees to pay OPERATOR, on monthly invoices, $150.00 per month, per well. In addition , OWNER agrees to reimburse OPERATOR for minor maintenance items, such as timer motors, fuses, belts, charts, stuffing box rubbers, etc...at cost.

This agreement is not transferable by OWNER or OPERATOR without written approval, and shall remain in force until terminated by OWNER or OPERATOR, said termination to take effect (30 days) after written notice is provided to the non-terminating party.

IN WITNESS WHEREOF and intending to be legally bound the parties hereto have executed this Agreement on the date first above written.

WITNESSES:

Steve Francis

OWNER:
AMERICAN AUGERS, INC.

Roger Lee

Chairman & CEO

TITLE

WITNESSES:

Lisa Patterson

OPERATOR:
PETRO EVALUATION SERVICES

Jay G. Hess Jr.

President

TITLE