



AFFIDAVIT OF POSSESSION

STATE OF ALABAMA

COUNTY OF JEFFERSON

THIS DAY PERSONALLY APPEARED BEFORE ME, the undersigned authority within and for the jurisdiction duly commissioned and acting, Robert L. Taylor, known to me to be credible, and who, after having been duly sworn, upon his solemn oath, DID DEPOSE AND SAY:

My name is Robert L. Taylor. I am sixty-five (65) years of age. I reside at 5319 Woodford Drive, Birmingham, Alabama 35242. I retired in the year 1989 as Manager-Southern Lands and Minerals, U. S. Diversified Group of USX Corporation after thirty-six (36) years of service. I was manager directly in charge of all land matters related to the property from the year 1971 to June, 1989. I held prior positions from 1953 to 1971 as a Junior Engineer, Chief Engineer and Land Negotiator. I have participated in land surveys and mapping on USX Corporation property. I am a Registered Engineer-Surveyor Number 2326 of the State of Alabama. I have now formed my own company and am presently under contract to USX Corporation as a consultant. I am familiar with the USX Corporation lands. Subject land is more particularly described as:

Township 21 South, Range 4 West - Shelby County, Alabama

Section 28: The North-East quarter of North-West quarter; the North-West quarter of North-West quarter and the South-West quarter of North-West quarter.

USX Corporation acquired title to the subject land through various corporate mergers. The Tennessee Coal, Iron and Railroad Company (TCI), predecessor in title to USX Corporation acquired title to the subject lands through the following transactions: Note that the title information indicated below in parenthesis () was taken from abstract data in the files of USX Corporation.

North half of North-West quarter and
South-West quarter of North-West quarter

Section 28, Township 21 South, Range 4 West

USA patent to Samuel F. Houston, James McR. Huggins and John N. Smith dated November 20, 1867. No filing date, recorded in Volume 30, Page 451. (#10797)

Abstract lists Austin, Huggins and Smith with USA entry dated

May 22, 1866, then abstract lists USA patent to Houston, Huggins and Smith dated November 20, 1867. Affidavit of C. G. Smith (son of J. N. Smith) dated July 20, 1920 states that J. N. Smith, Huggins and Houston purchased the North half of North-West quarter and the South-West quarter of North-West quarter of Section 28, Township 21 South, Range 4 West from USA. Filed of record on April 1, 1921, Deed of Record 68, Pages 299 - 300, Shelby County, Alabama. (M-3403)

J. M. Huggins - 1/3 interest:

J. M. Huggins conveyed to Charles J. Hazzard by Deed of Trust or Assignment dated March 2, 1874, a 1/3 interest in subject coal lands in Shelby County, Alabama. No filing date given, recorded in Volume S, Page 472, Shelby County, Alabama. (Abstract #1191, Page 86 1/2)

Charles J. Hazzard, J. M. Huggins and wife conveyed to Amos M. Elliott, dated December 27, 1877, a 1/3 interest in subject coal lands as full discharge of debts to creditors. Filed of record on January 6, 1881, M Book 3, Page 566, Shelby County, Alabama. (Abstract #1191, Page 87)

August 7, 1889, Amos M. Elliott conveyed to Truman H. Aldrich an undivided 1/3 interest in subject lands. Filed of record on May 13, 1890, Book of Deeds No. 13, Page 99, Shelby County, Alabama. (#2110)

April 6, 1891, Truman H. Aldrich conveyed to Excelsior Coal Company an undivided 1/3 interest in subject lands. Filed of record on April 17, 1891, Book of Deeds No. 15, Page 229, Shelby County, Alabama. (#3359)

S. F. Houston - 1/3 interest:

S. F. Houston, deceased, by Thomas J. Smitherman, Commissioner, conveyed to J. W. Lapsley and Walter Crafts by Deed by Commissioner dated November 26, 1884, a 1/3 interest in the subject lands. No filing date, recorded in Deed Book 13, Page 98, Shelby County, Alabama. (Abstract Book 9, Page 12)

James W. Lapsley and wife and Walter Crafts and wife conveyed to Excelsior Coal Company on February 17, 1890, an undivided 1/3 interest in subject lands. Filed of record on March 6, 1890, Deed Book 13, Page 41, Shelby County, Alabama. (#2006)

On October 1, 1892, Excelsior Coal Company conveyed to Cahaba Coal

Mining Company all of the lands belonging to Excelsior Coal Company. (2/3 interest in subject lands). This deed was filed of record on October 18, 1892, Volume 16 of Deeds, Page 374, Shelby County, Alabama. (#3305)

On December 19, 1892, Cahaba Coal Mining Company conveyed to Tennessee Coal, Iron and Railroad Company all of the property and plant of Cahaba (an undivided 2/3 interest in subject lands). The deed was filed of record on February 4, 1893, Volume 17 of Deeds, Page 200, et. seq., Shelby County, Alabama. (#3914)

J. N. Smith - 1/3 interest:

J. N. Smith conveyed to Brierfield Coal & Iron Co. by Warranty Deed dated January 27, 1883, an undivided 1/3 interest in subject land and was filed of record on April 9, 1883, Deed Book 5, Page 482, Shelby County, Alabama. (Abstract Book 9, Page 207) (Abstract #1191, Page 86) (M-3403)

Brierfield Coal & Iron Co., by Joseph W. Dimmick, Commissioner, conveyed by Deed by Commissioner dated October 3, 1889, to Thomas J. Peter and Thomas S. Krutz, an undivided 1/3 interest in subject land. The deed was filed of record on November 14, 1889, Deed Book 12, Page 276, Shelby County, Alabama. (Abstract Book 9, Page 468)

Thomas J. Peters and Thomas S. Krutz conveyed to Alabama Iron & Steel Co. by deed dated October 8, 1889, an undivided 1/3 interest in subject land which was filed of record on November 14, 1889, Deed Book 12, Page 259, Shelby County, Alabama. (Abstract Book 9, Page 451)

Alabama Iron & Steel Co. conveyed to Southern Mineral Land Co., by Commissioner's Deed dated April 27, 1899, an undivided 1/3 interest in subject land. This deed was filed of record on May 8, 1899, Deed Book 22, Page 71, Shelby County, Alabama. (Abstract Book 11, Page 451)

November 1, 1921, Warranty Deed from Southern Mineral Land Co. conveys to Tennessee Coal, Iron and Railroad Co. an undivided 1/3 interest in subject lands which deed was filed of record on April 14, 1922, Volume 71 of Deeds, Pages 455-59, Shelby County, Alabama. (#10832)

The Tennessee Coal, Iron and Railroad Co. (TCI), et al, merged into United States Steel Company in the year 1951. United States Steel

Company merged into United States Steel Corporation in the year 1953 and into USX Corporation in the year 1986.

The following activities constituting authority by USX Corporation (or its predecessors in title) occurred on the subject property in Section 28, Township 21 South, Range 4 West. The activity information was taken from the files of USX and is listed below under an appropriate heading and date.

Timber Sales Cutting Contracts of USX

<u>No.</u>	<u>Dates</u>	<u>Cutting Entity</u>	<u>Location in S28-T21S-R4W</u>
(1)	1976	Belcher Lumber Company	The NE/4 of NW/4
(2)	1975	Belcher Lumber Company	The SW/4 of NW/4
(3)	1975	George Desmond	The NE/4 of NW/4
(4)	1972	Kimberly Clark Corp.	The W/2 of NW/4
(5)	1971	Harold Randolph	The N/2 of NW/4 & The SW/4 of NW/4
(6)	1966	George Desmond	The SW/4 of NW/4
(7)	1965	Seaman Timber Company	The NE/4 of NW/4
(8)	1963	Seaman Timber Company	The N/2 of NW/4 & The SW/4 of NW/4
(9)	1961	John Martin	The W/2 of NW/4

Road Leases

- (1) Dec. 16, 1968 Rights to construct, maintain and use a private heavy duty haul road for coal mining purposes were granted for a term of five (5) years to A. E. Burgess Company, Inc. across several miles of USX interests including the subject property in part of the NW/4.

Electric Power Transmission Line

United States Steel Corporation (USSC) granted Alabama Power Company (APC) by contract, dated October 13, 1977, the right to construct a metering station and guy wires on a tract of USSC land located in the North-East quarter of South-West quarter of Section 28, Township 21 South, Range 4 West. The purpose of the metering station adjacent to the Helena-Blocton 44 kv transmission line of APC was to serve electric power to the Gurnee Coal Mine of USSC. USSC proceeded to construct a service line from the APC metering station northwesterly to its Gurnee Mine crossing the subject property of this affidavit located in the West half of the North-West quarter of said Section 28.

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Coal Mining and Gas Leases - USX, as Lessor

- (1) June 1, 1971 - United States Steel Corporation, (owner and predecessor in title to USX Corporation), and Black Diamond Coal Mining Company as a contractor, entered into an initial contract of one (1) year whereby the contractor agreed to mine by strip mining methods, transport, wash and load coal into railroad cars for delivery to the owner's (USX) Fairfield, Alabama Coke Plant. The coal interest of the owner (USX) mined by the contractor included several thousand acres in Bibb and Shelby Counties, Alabama, including ownership of USX Corporation in Section 28, Township 21, South, Range 4 West. The contract between USX Corporation and Black Diamond Coal Mining Company was extended each year from June 1, 1971 ending December 5, 1974.
- (2) Nov. 1, 1977 - United States Steel Corporation (owner and predecessor in title to USX Corporation) and Burgess Mining and Construction Company, as a contractor entered into a four (4) year agreement which was terminated early on December 31, 1980, whereby the contractor agreed to mine by strip mining methods and to transport, wash and load coal into railroad cars or trucks for delivery to the owner's (USX) coke plant located in Fairfield, Alabama. The coal interests of the owner (USX) mined by the contractor included several thousand acres in Bibb and Shelby Counties, Alabama, including ownership of USX Corporation located in the subject property in Section 28, Township 21 South, Range 4 West.
- (3) Sept. 30, 1988- USX Corporation and McKenzie Methane Corporation entered into an agreement for an option of six (6) months duration on approximately 55,000 acres of USX lands for anticipated production of coalbed methane. The option was exercised in its entirety including all USX acreage in Section 28, Township 21 South, Range 4 West.

Gas Well Locations

A coalbed methane gas well has been drilled and completed on interests of USX Corporation in the North-West quarter of North-West quarter of the subject property in Section 28 under the provisions of the above stated coal seam gas lease, dated September 30, 1988, between USX Corporation and McKenzie Methane Corporation.

Drill Hole Locations

USX Corporation has contracted in the past for the drilling of test holes on the subject property located in Section 28, Township 21 South, Range 4 West for the purposes of determining thickness of coal seams and quantities of coal seam gas. Diamond drill hole, DDH M-701, was drilled in 1976 in the South-West quarter of North-West quarter of said Section 28. Also, Diamond drill hole, DDH M-706 was drilled in

1976 and is located in the North-East quarter of North-West quarter of said Section 28.

Coal Prospecting Permit

Southern Electric Generating Company was granted permission on December 1, 1965 for ninety (90) days to prospect for coal in the Helena Seam in an area of Shelby County, Alabama, that included the subject property in Section 28, Township 21 South, Range 4 West.

The boundaries of said land have been well defined and there has been no dispute or controversy with respect to the location thereof, but on the contrary, they have been well established. The surveyors/engineers for the Tennessee Coal, Iron and Railroad Company (TCI) initially undertook in 1907 the task of retracing the footsteps of the deputy surveyor for the USA in Section 28, Township 21 South, Range 4 West of the Huntsville Principal Meridian. The deputy surveyors for the USA had surveyed and marked the land lines and placed corners in this Section 28 subsequent to the acceptance of Alabama Statehood in 1819.

The assistant engineers, J. W. Gwinn and H. L. Cornelius, of TCI re-surveyed and re-established the government land lines by marking trees with hacks and blazes and placing prominent iron corners at the government section corners. H. L. Cornelius prepared the final section plat of his re-surveys in July 1912 and November 1913.

The index of all past and present surveys including interior surveys of this section with records and maps are on file in the offices of Southern Lands & Minerals of USX Corporation in Fairfield, Alabama.

No churches, schools or cemeteries have ever existed on the subject property to the best knowledge of the affiant.

Except as otherwise noted herein above, during all of said period of time, the land described has been actually occupied as stated above, and such occupancy and claim of title has been open, visible, notorious, continuous, peaceable, exclusive and hostile to all of the world and those claiming said lands, as aforesaid, have recognized no title superior to theirs during all of said period of time, without any hostile claim or interference from any source whatsoever, so as to put

the true owner on notice that the land is held upon an adverse claim of ownership, and that said possession has been continuous for at least the last thirty-seven (37) years, and the aforesaid property has been commonly known in the surrounding area as the property of said person in possession of said property at that time.

The title information secured by the Affiant and related in this affidavit is advisory only and does not in any way constitute a warranty of title.

I have read the above and foregoing affidavit and all facts and matters set out therein are true and correct to the best of my knowledge and belief.

Witness my signature this the 18th day of February, 1991.

Robert L. Taylor
Robert L. Taylor

STATE OF ALABAMA
JEFFERSON COUNTY

Personally appeared before the undersigned, a Notary Public, in and for said County in said State, Robert L. Taylor, who being by me first duly sworn, says that the above and foregoing Affidavit and the facts stated therein are true and correct according to the best of his knowledge, information and belief.

Given under my hand and official seal, this 18th day of February, 1991.

Letty S. Vernon
Notary Public

My Commission Expires: 3-16-92



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1. Deed Tax	0
2. Mtg. Tax	0
3. Recording Fee	7.50
4. Indexing Fee	3.00
5. No. of Pages	0
6. Commission	1.00
Total	11.50

STATE OF ALA. SHELBY CO.
I CERTIFY THIS INSTRUMENT WAS FILED

91 FEB 27 PM 2:46

John W. ...
JUDGE OF PROBATE