

✓ \$499.150.00
SHELBY COUNTY
STATE OF ALABAMA

20070521000234370 1/7 \$30.00
Shelby Cnty Judge of Probate, AL
05/21/2007 11:22:05AM FILED/CERT

Send tax notice to:
Hope Coal Co., Inc.
P. O. Box 249
Maylene, Alabama 35114

SPECIAL (STATUTORY) WARRANTY DEED
R.E. No. SA105 IP01 (RS 6049 Part)

THIS INDENTURE, made this 18th day of April, 2007, between **JOHN HANCOCK LIFE INSURANCE COMPANY**, a Massachusetts corporation, having its principal place of business at 197 Clarendon Street, Boston, Massachusetts 02117 (Grantor), and **HOPE COAL CO., INC.**, an Alabama corporation, having a mailing address of P. O. Box 249, Maylene, Alabama 35114 (Grantee).

WITNESSETH, that the Grantor, for the sum of Ten and 00/100 (\$10.00) Dollars, and other good and valuable consideration, to it paid by the Grantee, the receipt and sufficiency of which is hereby acknowledged, does hereby GRANT, BARGAIN, SELL and CONVEY unto the said Grantee the following land and the standing timber thereon (Premises), situated in the County of Shelby, and State of Alabama, being more particularly described as follows; to wit:

(SEE EXHIBIT "A" ATTACHED HERETO AND
BY THIS REFERENCE MADE A PART HEREOF)

EXCEPTING AND RESERVING, HOWEVER, UNTO GRANTOR, ITS AFFILIATES, PERMITTEES, SUCCESSORS AND ASSIGNS, the rights hereinafter provided with respect to the portions of the Premises described on Exhibit "B" attached hereto (the "Timber Reservation Area") and such other portions of the Premises as hereinafter provided:

1. The Grantor hereby reserves unto Grantor, its affiliates, permittees, successors and assigns, the exclusive right to manage and harvest all existing pine timber located on the Timber Reservation Area; Grantor's right to manage and harvest said timber shall expire at 5:00 p.m. on December 31, 2007 (the "Timber Reservation Expiration Date"). Grantor agrees to conduct the management and harvesting of said timber in accordance with the following conditions, and assumes responsibility for the actions and obligations of logging, surveying, and other crews operating in consequence of this reservation:

(a) Unless written extension is granted by Grantee, Grantor will forfeit all rights and claims to said timber, or portions thereof, remaining on the Timber Reservation Area after the Timber Reservation Expiration Date.

(b) Grantor, or its representative, shall give Grantee at least seven (7) days notice prior to construction of any improvements, including buildings and bridges, and prior to the cutting of any live trees, in clearing for roads, skid trails, and landings; during this time, Grantee may inspect the planned construction or clearing sites and either approve the plans or reach an alternative understanding with Grantor or its representative.

(c) Grantor shall conduct its timber cutting and removal under this reservation in a prudent and responsible manner, using generally accepted and sound silvicultural and harvesting procedures and practices in accordance with Alabama's "Best management practices," as published by the Alabama Water Improvement Commission and the Alabama Forestry Commission, in order to protect and preserve, in all respects, the land upon which said timber is located and any adjoining timber and lands of Grantee. Trees shall be cut as low as practical to the ground. Grantor shall repair all fences or structures damaged by its operations, maintain and leave all roads used by Grantor as they were prior to this Deed, and leave all fire breaks, property lines, running streams and drainage ditches clear of logs, timber, limbs or debris.

(d) Residual tops and branches usable for fuel-wood shall belong to Grantor; Grantee shall permit no other parties to cut and remove such fuelwood without Grantor's prior consent, by name. Any such fuelwood remaining on the logging site after the Timber Reservation Expiration Date shall be Grantee's exclusive property.

(e) Grantor agrees to abide by all state and local open burning and forest fire laws, during harvesting operations governed by this reservation. Grantor agrees to do all in its power to prevent and suppress fires in and near the harvesting area.

(f) Grantee will pay to Grantor the value of any and all harvested or damaged trees, where such harvesting or damage occurs as the result of action by Grantee or Grantee's agents. The volume of such trees shall be determined at Grantee's expense by a registered forester mutually acceptable to both Grantor and Grantee; and rate of payment shall be twice the trees' stumpage value as determined by that forester.

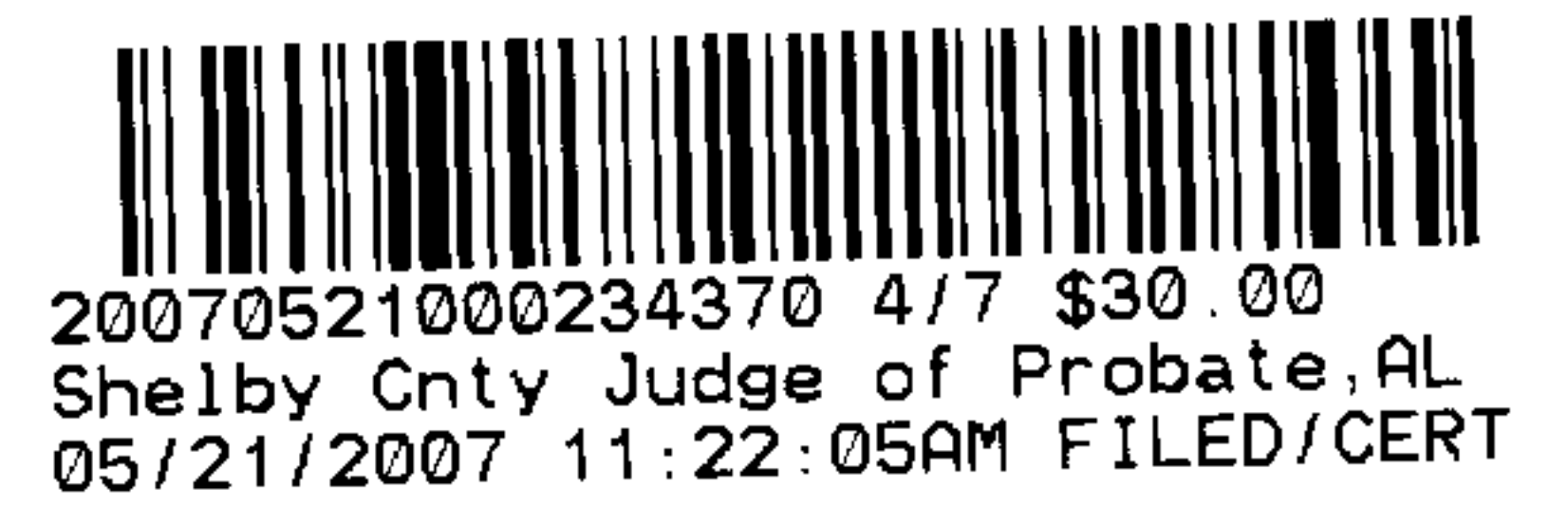
2. By acceptance of this deed, Grantee expressly grants to Grantor the reasonable rights of ingress and egress upon the Premises, including, without limitation, the Timber Reservation Area, and across other property owned by Grantee, as necessary for all men, materials, and logging and hauling equipment necessary for the management and harvesting of the timber. Grantor agrees to conform to all Federal and State laws governing the employment, payment, and safety of employees while engaging in its timber management and harvesting operations on the Timber Reservation Area. Grantor agrees to furnish to Grantee a certificate showing that Grantor has comprehensive general liability insurance in force during its performance of the activities contemplated by this reservation. No relationship of employer/employee, master/servant, principal/agent, partnership or joint venture, or any similar relationship, is intended by this Deed nor shall it be construed to exist. The selection and payment of servants, agents, employees, and/or suppliers shall be Grantor's responsibility; and neither Grantor nor Grantor's servants, agents, employees or suppliers shall be subject to any orders nor the supervision or control of Grantee. Grantor hereby indemnifies and holds harmless Grantee in connection with and from any and all causes of action, liabilities, losses, damages, injuries, claims and litigation arising out

of or incurred due to Grantor's cutting and removal activities and operations in respect to said timber. Grantor shall reimburse Grantee for any and all reasonable fees and expenses incurred by Grantee in connection herewith.

3. All rights, duties and obligations of each of Grantor and Grantee under this reservation shall be deemed covenants running with the land with respect to the period of its ownership and shall bind and inure to the benefit of Grantor, Grantee and their respective successors and assigns; provided that no conveyance of the land or timber shall relieve a party of any obligation accrued while such party held title thereto.

The Premises described hereunder are hereby conveyed "as is," by the tract and not by the acre, the acreage not being guaranteed by the Grantor, and are also conveyed subject to the rights of any tenants or lessees, any persons in possession; all outstanding mineral rights or reservations, oil, gas or mineral leases; water districts, water rights; restrictions or reservations; roadways, rights of way, easements; any contracts purporting to limit or regulate the use, occupancy or enjoyment of said Premises; and any matters which could be disclosed by an accurate, current survey or inspection of said Premises.

TO HAVE AND TO HOLD the above-described Premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, its successors and assigns, forever.



IN WITNESS WHEREOF, the Grantor has executed the foregoing deed as of the day and year first-above written.


JOHN HANCOCK LIFE INSURANCE COMPANY

By: Hancock Natural Resource Group, Inc., Its
Investment Manager

By Peter A. D'Anieri
Peter A. D'Anieri
Its: Vice President

ATTEST:

ATTEST:




Tiffanie Starr, (Assistant) Secretary

COMMONWEALTH OF MASSACHUSETTS)
) SS
COUNTY OF SUFFOLK)

I, Karen M. Bonner, a Notary Public in and for said County and Commonwealth, hereby certify that Peter A. D'Anieri, whose name as Vice President of Hancock Natural Resource Group, Inc., on behalf of John Hancock Life Insurance Company, is signed to the foregoing instrument and who is known to me (or satisfactorily proven), acknowledged before me on this day that, being informed of the contents of the instrument, s/he, as such officer and with full authority, executed the same voluntarily (on the day the same bears date) on behalf of such entities for and as the act of said entities.

Given under my hand and official seal on April 18, 2007.




Karen M. Bonner, Notary Public

My commission expires: July 23, 2010

Prepared by:

Mr. Timothy D. Davis
Sirote & Permutt, P.C.
2311 Highland Avenue South
Birmingham, Alabama 35205

Note: Section 25, Township 21 South, Range 4 West, Shelby County, Alabama

EXHIBIT "A"

Legal Description

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

Section 25: The South One-Half of the Northwest Quarter of the Northeast Quarter
(S1/2 of NW1/4 of NE1/4);

The Northwest Diagonal One-Half of the Southwest Quarter of the Northeast
Quarter (NW1/2 of SW1/4 of NE1/4);

The Southeast Diagonal One-Half of the Northeast Quarter of the Northwest
Quarter (SE1/2 of NE1/4 of NW1/4);

The Northwest Diagonal One-Half of the Northeast Quarter of the Southwest
Quarter (NW1/2 of NE1/4 of SW1/4);

The East One-Half of the Northwest Quarter of the Southwest Quarter
(E1/2 of NW1/4 of SW1/4).

AND SAID PROPERTY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TWO PARCELS OF LAND ALL LOCATED IN THE NE1/4 OF THE NW1/4, THE NW1/4 OF
THE NE1/4, THE SW1/4 OF THE NE1/4, THE NE1/4 OF THE SW1/4 AND THE NW1/4 OF
THE SW1/4 OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 4 WEST; HUNTSVILLE
MERIDIAN, SHELBY COUNTY, ALABAMA; BEING MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

PARCEL 1

BEGIN AT THE SW CORNER OF THE SW1/4 OF THE NE1/4 OF SECTION 25,
TOWNSHIP 21 SOUTH, RANGE 4 WEST; THENCE RUN N00°09'32"W ALONG THE
WEST BOUNDARY OF SAID QUARTER-QUARTER SECTION, 1,318.54 FEET TO THE SE
CORNER OF THE NE1/4 OF THE NW1/4 OF SAID SECTION 25; THENCE RUN
S87°38'48"W ALONG THE SOUTH BOUNDARY OF SAID QUARTER-QUARTER
SECTION, 1,321.00 FEET TO THE SW CORNER OF SAID QUARTER-QUARTER
SECTION; THENCE RUN N43°47'43"E, 1,901.83 FEET TO THE NW CORNER OF THE
NW1/4 OF THE NE1/4 OF SAID SECTION 25; THENCE RUN S00°09'32"E ALONG THE
WEST BOUNDARY OF SAID QUARTER-QUARTER SECTION, 659.27 FEET; THENCE
RUN N87°38'28"E, 1,321.77 FEET TO A POINT LYING ON THE EAST BOUNDARY OF
SAID QUARTER-QUARTER SECTION; THENCE RUN S00°05'31"E ALONG SAID EAST
BOUNDARY, 659.43 FEET TO THE NE CORNER OF THE SW1/4 OF THE NE1/4 OF SAID
SECTION 25; THENCE RUN S43°47'43"W, 1,901.83 FEET TO THE POINT OF
BEGINNING.

[CONTINUED ON NEXT PAGE]

PARCEL 2

BEGIN AT THE NE CORNER OF THE NE1/4 OF THE SW1/4 OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 4 WEST; THENCE RUN S43°44'30"W, 1,899.24 FEET TO THE SE CORNER OF THE NW1/4 OF THE SW1/4 OF SAID SECTION 25; THENCE RUN S87°40'09"W ALONG THE SOUTH BOUNDARY OF SAID QUARTER-QUARTER SECTION, 658.95 FEET; THENCE RUN N00°15'34"W, 1,318.06 FEET TO A POINT LYING ON THE NORTH BOUNDARY OF SAID QUARTER-QUARTER SECTION; THENCE RUN N87°39'28"E ALONG SAID NORTH BOUNDARY, 1,979.17 FEET TO THE POINT OF BEGINNING.

Being a portion of the premises conveyed to Grantor by deed, dated February 10, 2000, recorded in the Probate Office of Shelby County, Alabama in Instrument Number 2000-04452.

EXHIBIT "B"

Description of Timber Reservation Area

That certain cross-hatched area shown below comprising a portion of the Premises, and being located in Section 25, Township 21 South, Range 4 West, Shelby County, Alabama:

