State of Alabama } This Indenture, made and entered
Shelby County } into on this the 9th day of October,
1917, by and between Montevallo Dogwood Coal
Company, a Corporation, hereinafter called the
Lessor, and T. L. Hendrix, hereinafter called the
Lessee:

Witnesseth

That whereas, the lessor heretofore, on to-wit, July
13th, 1917, granted to lessee the option to lease
the property hereinafter described and located
in Shelby County, Alabama, for the purpose
of mining and marketing the coal located there-

on or thereunder, by the following instrument duly signed and executed by said Montevallo Dogwood Coal Company, acting by and through C. J. Simmons, its President, and J. C. Hendrix, its Secretary and Treasurer,

"Atlanta, Georgia
July 13, 1917.

Mr. T. L. Hendrix,
Birmingham Alabama,
Dear Sir,

The Montevallo Dogwood Coal Co. is willing to make to you or your associates a lease contract of its property located in Shelby County, Alabama, known as the Montevallo Dogwood Coal Company's property, consisting of appropimately 950 acres. The said Company is to receive 15¢ per ton for all coal mined on said property. The lease to continue for a term of 20 years, and the lessees, or their assigns are to have the privilege of purchasing said property at any time within five years at and for a price of $40,000; payable 1/3 cash on the acceptance of the option, and the balance in two equal payments, maturing on or before two and four years from the date of the acceptance of the option, with interest on the deferred payments at 5%.

"It is understood that the prospective lessees are to have ninety days within which to prospect the said property and determine whether or not they desire to enter into a permanent contract or lease.

It is understood that there will be no timber cut on the said property except that which is absolutely for the purpose of prospecting.

"Up the execution of the lease, the lessees are to execute a bond in a reasonable amount to protect the Montevallo Dogwood Coal Co, from any waste.

"The lease contract is to contain the usual and customary provisions now used in the Birmingham District in making leases of

a similar nature."

Whereas, the lessee entered on said premises heretofore under said agreement and conducted certain explorations and developments and spent large sums of money thereon in pursuance of said understanding; and

Whereas, the period within which said option may be exercised has not yet expired; and

Whereas, the said T.L. Hendrix is desirous of exercising said option and is ready, able and willing to give such bond as will reasonably protect the lessor against any waste and to do and perform all other provisions and conditions of the said option on him imposed;

Now, Therefore, in consideration of the premises and of the further sum of one dollar $1.00 to the lessor in hand paid by the lessee, the receipt of which is hereby acknowledged, and in consideration of the benefits accruing to it under the lease as hereinafter set out the Montevallo Hogwood Coal Company does hereby grant, demise, lease and let unto the said T.L. Hendrix the exclusive right and privilege of mining, removing and marketing any or all of the coal in under or upon the land described as follows, all situated in Shelby County, Alabama, to-wit; + (See margin) +

the ~~South half of the North West Quarter~~ and the ~~West half of the~~ North East Quarter of the South West Quarter and the South half of the North West Quarter, and the West half of the North East Quarter, and East half of the North East Quarter of the North East Quarter, and the South East Quarter of Section Thirty-two (32), Township Twenty One (21) Range Three (3) West; and

A tract comprising about Nine acres, more or less, being a part, to-wit the Southern one fourth of the Southeast quarter of the Northwest quarter of Section thirty-two (32), Township twenty one (21) Range Three (3) West.

The South half of the Southeast quarter, and the South-

+ West half of the Northeast Quarter and the West half of the Northeast Quarter of the Northeast Quarter (3) West. Range Three (3)

East Quarter of the South West Quarter of Section Twenty-Nine (29) Township Twenty One (21), Range Three (3) West.

To Have and to Hold unto the lessee, his heirs and assigns, for the term of Twenty (20) years, beginning on this date and ending on the 9th day of October, 1937, on the following terms and conditions, to-wit:

Section 1: The lessee shall have the right to open or sink such shafts, slopes or drifts as may be necessary or proper for mining Coal, and shall have the right to build roads or railroads over said lands for the convenient transportation of Coal thereon, and the transportation thereover of all materials, instruments, implements or employees that may be of use in mining said Coal or preparing the same for market, or marketing the same, and shall have the right to use the surface of said lands for the erection of Coke ovens, tipples, houses for employees, and such other stores and buildings as may be necessary in the prosecution of the lessee's business of mining Coal from the lands herein leased, and for any other purpose connected therewith.

Section 2: The lessee shall be entitled to the use and occupancy of any stores, office buildings, or dwellings or structures of any kind now on said properties or belonging to the lessor and shall be entitled to the use, benefit and services of all engines or locomotives, hoisting drums, pulleys, mining cars and equipment, grate bars, boilers, pumps, tanks, wheels and belting, tipple frames, pipes, valves, poles, wire, iron rail, trackage and tram equipment, wrenches, dies, plates and all other machinery, equipment or mining accessories which may now be on said property or which may belong to the lessor, whether on said property or not, and the lessee shall have the right and authority to use the name of the lessor, or any of its officers, agents or servants in and about recovering and securing the return to said premises of any of the above mentioned articles or other equipment which may belong to the lessor, and which may now be in the possession or control of others.

Section 3: The lessee shall have the right during the life of this lease, to purchase any or all of said equipments from the lessor, upon the payment to it of a price to be

agreed upon, or in the event the price cannot be agreed upon, then at a price to be determined by three arbitrators, one to be selected by the lessor, one by the lessee and the third by them; and the lessee shall return all the lessor's paid material, property and equipment that shall come into his possession during the life of this lease, to the lessor or its assigns, at the termination of this lease, and which he shall not have bought, in like condition as received, reasonable wear and tear and the action of unavoidable fire or explosions excepted.

Section 4: The lessee shall be authorized as herein limited to take possession of the lands embraced in this lease upon the execution and delivery of the same, and may begin mining and marketing coal on and from said lands, or any of them, as soon thereafter as he desires.

Section 5: The lessee shall pay the lessor a rent or royalty of fifteen cents (15¢) per ton of Two Thousand (2000) pounds on all coal mined from said lands of every quality and description, during the life of this lease, said rent or royalty to be paid in monthly installments on or before the twentieth (20th) day of the month succeeding the month in which the coal covered by said payment shall have been mined.

Section 6: The said lessor shall have the right to determine this lease after thirty (30) days written notice to the lessee, or his assigns, if royalty or rent of three (3) or more consecutive months shall remain unpaid at the expiration of said thirty days notice, upon like notice if the lessee shall at any time cease operations on said premises for a period of six (6) months out of any twelve (12) months, delays by reason of strikes or labor troubles or governmental interference excepted, or if in any other way the covenants of this contract be violated or broken to the damage of the lessor, and it is understood that a waiver of the right of forfeiture on any of the grounds hereinabove mentioned shall not constitute a bar to the right to declare said lease forfeited for any subsequent violation thereof, or other or like grounds of forfeiture.

Section 7: The lessee shall have the right upon giving

written notice of his action to the lessor, or its assigns, to sell, transfer or assign this lease or his rights thereunder in whole or in part, and to sublet the property herein mentioned, or a part thereof, upon any terms and conditions and for any purposes not in violation of this Contract.

Section 8: The lessee agrees to mine and handle the Coal taken from said lands in a proper and workmanlike manner in all respects and in such way as at no time to obstruct the advantageous working of the property or to impair the availability or value of the same for the future purpose of the lessor in case of reversion to it, and should there be a difference of opinion or Controversy between the parties at interest as to whether said operations were being conducted the matter shall be settled and the parties governed by the decision of a board of three arbitrators all of whom shall be Civil Engineers and shall be chosen as herein before provided for the selection of Arbitrators.

Section 9: The Lessee shall have the right at the expiration of this lease or prior thereto, to remove from said premises any building, structure, equipment or fixtures of whatsoever nature which he may place upon said property for any purpose whatsoever.

Section 10: The Lessee agrees to pay all taxes, licenses or charges in the nature of taxes levied upon the property herein leased during the continuation of this Contract, and upon his failure to pay the same when due, the lessor may pay the same and the amount so paid shall become a part of the rent or royalty due to the lessor hereunder, and shall be a lien on all the property of the lessee on said lands.

Section 11: The lessee shall have the right to use the timber on said land to the extent that it may be needed in the mining or marketing of Coal on said lands and in erecting houses, stores or offices or other structures necessary for said purpose on said land. And it is distinctly understood that no part of said timber shall be used by said lessee in mining Coal on any other land or for any

other purpose whatsoever.

Section 12: And in consideration of the premises and of the other and further sum of One Dollar ($1.00) in hand this day paid to the lessor by the lessee, the receipt of which is hereby acknowledged, the lessor hereby grants to lessee or his heirs or assigns, the exclusive right and privilege of purchasing all of its properties now located in Shelby County, Alabama, whether covered by this lease or not, at and for the total price of Sixty Thousand Dollars ($60,000.00), payable One-third (1/3) cash on the acceptance of the option and the balance in two equal payments maturing on or before two (2) and four (4) years respectively from the date of the acceptance of the option, with interest on the deferred payments at the rate of five per cent (5%) per annum. And said option shall be void and terminate unless exercised and the first payment made within five (5) years from the date hereof.

In testimony whereof, the said lessor has caused its name and seal to be affixed hereto by its duly authorized officers, and the lessee has signed the same in duplicate, on this the 9th day of October 1917.

Montevallo Dogwood Coal Company.
By C. J. Simmons (seal)
President.
T. L. Hendrix.

State of Georgia
County of Fulton. } I, Max H. Silverman, a Notary Public in and for said County in said State, hereby certify that C. J. Simmons whose name as President of the Montevallo Dogwood Coal Company, a Corporation designated to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they, as such officers and with full authority, executed the same voluntarily for and as the act of said Corporation.

Given under my hand this the 9th day of October 1917.

Max H. Silverman (seal)
Notary Public
Fulton Co. Ga.

State of Georgia,
County of Fulton. } I Max H. Silverman, a Notary Public in and for said County, in said State, hereby certify that T. L. Hardin whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, he executed the same voluntarily on the day the same bears date.
Given under my hand, this the 9 day of October 1917.
Max H. Silverman Clerk
Notary Public, Fulton Co. Ga.

The State of Alabama
Shelby County. } I hereby certify that the within contract was filed in this office for record 16 day of Oct. 1917, at 3 o'clock P.M. and recorded in Deed Record 6 Pages 539-546, and examined.
G. H. Weaver - Judge of Probate