STATE OF ALABAMA

SHELBY COUNTY

This lease, made this 7th day of March, 1936, between J. W. Minor, and Etherl I. Minor, parties of the first part, hereafter called the lessors, and B. V. Esary, M. L. Courington, E. Minor party of the second part hereafter called lessee.

WITNESSETH, that, whereas, the lessors are the owners of one hundred sixty (160) acres of land in Shelby County, Alabama located above six (6) miles in a Southwesterly direction from Chelsea, being in section 14, township 20, Range 2 West, of which said land J. W. Minor is the owner of one hundred twenty (120) acres, and Ethel I. Minor is the owner of forty (40) acres; and,

Whereas, party of the second part is desirous of obtaining by lease the right to mine coal known as the Martin Seam under said land, and lessors are desirous of leasing said coal mining rights to lessee upon the express conditions and stipulations herein set out,

Now, therefore, lessors do hereby lease to the lessee the coal mining rights of said Martin Seam under stad property for the purpose of maintaining said coal and for no other different object or purpose, for and during the term of five (5) years from 7th day of March 1936, to the 7th day of March 1941. This lease shall be subject to renewal at the option of the lessee for an additional period of five (5) years at a royalty not to exceed the maximum of twenty-five (25) cents per ton upon the performance of the terms and conditions of this lease by the lessee as herein set out.

It is understood and agreed that the work of mining coal under said land shall be begun by the lessee within ninety (90) days from the date hereof and continue regularly as possible at all times during the term hereof. It is further understood and agreed between the parties hereto that the minumum royalty for each year during the first (5) years that this lease may continue in force, shall be two hundred fifty (\$250.00) dollars per year, payable only before the fifteenth of each month in equal monthly installments.

It is further understood and agreed that lessee shall pay to lessors the sum of twenty (20) cents per ton for the first two years following date of contract, twenty-one (21) cents per ton for the third and fourth years following date of contract, and twenty-two and one-half (22½) cents per ton for the fifth year following date of contract for each ton of two thousand pounds of coal mined in said property above described, the total amount of said royalty is warranted by lessee to be as much as two hundred fifty (\$250.00) dollars per year during said first five years this lease may continue in force, and should said yoyalties not total, each month, as much as woudd pay two hundred fifty (\$250.00) dollars per year, the difference shall be paid by the lessee to the lessors in cash, regardless of the amount of coal mined.

If all of the terms and conditions of this lease have been fully complied with by the lessee, strictly in accordance with the terms of this lease during the first five years above mentioned, lessee shall have the right to renew this lease for an additional veriod of five years upon all the terms and conditions hereof, except that the minimum royalty paid shall be at the rate of two hundred eighty-seven and 50/100 (\$287.50) dollars per year, payable only before the fifteenth of month in equal monthly installments. In other words, lessee shall have the option to renew this lease for an additional five year period upon all the terms and conditions hereof, except that the maximum royalty provided for herein shall be at the rate of twenty-five (25) cents per ton over the period of five (5) years just ended. When renewal is to take place said oution to renew shall be exercised by written notice del livered to lessors not less than ninety days nor more than one hundred twenty days prior to the termination of any five year period, signifying the desire of lessee to renew this lease for an additional five year period. The breach of any of the conditions of this lease shall

All moneys to be paid by the lessee to the lessors shall be paid jointly to lessors or to either of them.

Lessee shall give lessor an itemized statement of all coal mined each month and all books kept in connection with the operation of the mine shall at any time be subject to the inspection of the lessors. His agent or attorney, and in the event lessors thinks he is not receiving royalty on all coal mined, he may employ &n engineer to make survey of mines to assert tonnage of coal which has been mined. After such survey if it is ascertained that the tonnage paid for is less than that shown by said survey, the lessee shall pay for said additional tonnage. The expense of the survey shall be paid by the lessee.

It is further mutually understood and agreed the lessee has the right to buy the one hundred twenty (120) acres belonging to J. W. Minor at a price of two thousand (\$2000.00) dollars and the forty (40) acres belonging to Ethel I. Minor at a price of one thousand (\$1000.00) dollars, provided lessee buys said one hundred sixty (160) acres before the first two years of this lease expires. The price includes land, timber, coal and all minerals that may be found on said property.

Lessee shall be responsible for all damages, actions, claims or suits of any kind, arising out of the maintenance and operation of said mine or mines or connected therewith, and in no event shall lessors or either of them have any control over such operations, but only the lessee and his employees. All operations in said mining and incident the reto, or connected therewith, being strictly the independent business of the lessee.

It is further mutually understood and agreed that lessee shall have the right to construct and maintain all reasonable or necessary roadways to and from any openings to said mines., highways or railroads for transporting coal from said mines and performing the business necessary and incident to the mining operations.

It is further mutually understood and agreed that the lessee shall have the right to cut and use in said mines as props and ties, tipples or top-houses, Such mining tembers growing on said land as maybe resonsable and necessary in maintenance and operation of said mines; provided that lessee shall not have the right to cut or use any timer measuring over twelve inches in diameter at the stump of such trees, measured not over twelve inches from the ground.

It is further mutually understood and agreed that lessee shall promptly pay and discharge all taxes on coal, liens for incident to mining and removing coal from said land, Government charges of any and all kinds assessed by The government, State of National and lessors shall in no wise be responsible therefor.

It is further mutually understood and agreed that the mining operation shall be conducted in a reasonable manner and in full and strict accordance and compliance with all laws, rules, regulations, directions, and with all equipment perscribed by any and all State and National Governments, or any branch, bureau or division thereof; the lessee being fully responsible for full, strict, and prompt compliance therewith.

It is further mutually understood and agreed by and between the parties hereto that lessee shall have the right to make any and all necessary and proper openings in the
surface of said real estate incident to the mining of coal from said real estate and that
each mine or opening shall be mined in an approved and proper manner, and upon cessation or
storage of mining in any excavation or mine, the same shall be left in a proper mining condition.

If lessee should be prevented at any time during the continuance of this lease or the renewal thereof for a period of as much as six months from performing any and all-

all mining solely by and on account of strikes, lock-outs, or any other condition commonly known as an "act of God", this lease shall remain in full force and effect during said period. During the interruption and cessation of said mining operations solely on account of such conditions mentioned in the preceding sentence for a period of six months, the party of the second part shall look after, care for in a reasonable manner all of the properties and mines herein leased and shall not be responsible for the payment of the minimum royalty specified herein.

Should the lessee fail to pay the regalties and sums due as they fall due hereunder, or violate any of the other conditions of this lease, the lessors shall then have the right at their option to reenter the said property and annul this lease. Such reentry shall not bar the recovery of rent or damages for breach of covenant, nor shall the receipt of rent after conditions broken be deemed a waiver of forfeiture. And in order to entitle the lessor to reenter it shall not be necessary to give notice of rent being due and uppaid, or of other conditions broken, nor to make demand for rent, the execution of this lease, signed by the parties hereto which signing is hereby acknowledged, being sufficient notice of the rents being due and a demand for the same, and Shall be so construed, any law, usage or custom to the contraty not withstanding. And this lease, or any renewal thereof, being terminated, to surrender quiet and peaceable possession of said premises in like good order as at the commencement of said term, natural wear and tear excepted. And if this lease should be annulled or at the expiration of this lease lessee shall have the right to remove from said premises all personal property and equipment which has been used in the operation of the mines, provided all royalty has been paid. No. building shall be removed from the premises.

In witness whereof, we have each hereinto set our hands and seals, in duplicate, each copy of which is hereby declared to be an original, this the date and place first above mentioned.

L. C. Norton

W. L. Hughes

Witnesses.

J. W. Minor

L.S.

Ethel I. Minor L. S.

Lessors.

B. V. Esary

Lessee.

L.S.

M. L. Courington L. S.

E. Minor

L.S.

Filed for record in this office the 11th day of March, 1936 at 9 AM and recorded in Deed Eage Record #999 and examined.

L. C. Walker, Judge of Probate.

STATE OF ALABAMA

SHELBY COUNTY

I hereby contilly that

Shell no Tax

has been period on the section
instrument as required by
law.

L. C. WALKER.
JUDGE OF PROBATE