STATE OF ALABAMA )
SHELBY COUNTY )

THIS CONTRACT made and entered into by and between Mary E. Chancellor and Walter Chancellor, hereinafter to be known and designated as parties of the first part, and B. F. Johnston, hereinafter to be known and designated as the party of the second part, witnesseth:

l. Parties of the first part hereby grant to party of the second part, except as hereinafter noted, the exclusive right to the sand and/or gravel, and the mining thereof, on the following property, owned by parties of the first part, in Shelby County, Alabama, viz:

The south half of the southeast quarter ( $S_2^1$  of  $SE_4^1$ ) of Section thirteen (15) township twenty (20), range two (2) East; Also, that certain island situated in Coosa River, known and designated as Chancellor's Island, or Prince's Island also, the west half of the northwest quarter ( $W_2^1$  of  $NW_4^1$ ) of section twenty-four (24), township twenty (20), range two (2) East, known as the old "Woods Place". Also that certain island situated in Coosa River, known and designated as "Little Chancellor's Island" or "Woods Island".

- 2. This contract is to extend for a period of four years from the execution hereof, with the privilege of renewal by party of the second part for an additional four years period, provided written notice of the exercise of this option is given to parties of the first part at least thirty days prior to the expiration of the first four years period.
- 3. Party of the second part is to have the right to go upon and over said property, and to have the right of ingress and egress thereto for the purpose of removing sand and/or gravel from said land, such as may be reasonable and necessary for that purpose; especially does this right of ingress and egress and reasonable and necessary use apply to both banks of Coosa River in the immediate vicinity of old Chancellor's Ferry.
- . Party of the second part is to pay to parties of the first part ten cents per ton for all sand and/or gravel removed from said lands, payments to be made on the first and fifteenth days of each month for all sand and/or gravel removed from said lands during the previous period, and separate payments to be made to each of the parties of the first part, each of said parties of the first part receiving one-half of the total amount due.
- 5. Party of the second part shall have the right to install all necessary washing, screening, diggin, loading, and mixing equipment and buildings and plants, including concrete and asphalt, and shall have the right to build and maintain any roads or rail-roads necessary to carry out the contemplated operations on said lands, and shall have the privilege and right to remove the same at the expiration of this contract, or within sixty days afterwards, and all property not removed from said lands at the expiration of said period shall become the property of parties of the first part.
- 6. It is understood and agreed that the operations contemplated herein shall begin within sixty days from the execution of this contract, and party of the second part agrees to have all necessary machinery and equipment for the beginning of said operations on the premises within said period, and, failing, parties of the first part shall have the option on to declare this contract null and void.
- 7. Party of the second part agrees to store all merchantable sand/ and/or gravel, resulting from his digging, washing, screening, and mixing operations, and not immediately disposed of, in separate piles on the premises; all necessary storage space for such purposes to be furnished by parties of the first part.
- 8. Parties of the first part reserve the right hereunder to dispose of pit-run and and/or gravel from any of said lands, provided the same is unwashed, but parties of the first part shall not have the right to allow the installation of any washing or screening equipment on the premises, now shall parties of the first part have the right to dispose of any pit-run material to be washed and screened off the premises.
- 9. It is further understood and agreed that the minimum of sand and/or gravel to be removed from the premimes by party of the second part shall be four thousand (4,000)

tons per month, from the beginning of operations, and in the event said operations do not produce the minimum provided for herein, then, party of the second part shall pay to parties of the first part, each month, on the basis of said minimum monthly output.

- 10. It is further understood and agreed that party of the second part shall, immediately upon signing this contract, deposit the sum of two hundred (\$200.00) dollars with each of the parties of the first part, guaranteeing his faithful performance hereunder, which said sum all parties hereto agree shall be retained by parties of the first part as their reasonable liquidated damages, should party of the second part, for any reason, fail to perform his part hereunder; otherwise, parties of the first part agree to apply said sum upon the amount to become due from party of the second part to parties of the first part for the last monthly period of this contract.
- ll. It is further understood and agreed that party of the second part will not cause or permit any excapating or other harmful operations within two hundred fifty feet of any existing building, unless the same shall be first agreed to in writing by parties of the first part.
- 12. It is further understood and agreed that, if at any time after the operations contemplated hereunder have actually begun, parties of the first part shall contemplate or consider that the contract is subject to cancellation, under the terms and provisions hereof, they shall give to party of the second part ten days written notice of their intention to void the contract and declare the same terminated, specifying the ground upon which said concellation is contemplated, and party of the second part shall have ten days from the receipt of said written notice within which to remedy the fault conplained of, and, if remedied within said time, this contract shall not be forfeited.

Witness our hands and signed in duplicate this the 10th day of March, 1941.

Mary E. Chancellor L. S.

Walter Chancellor L. S. Parties of the first part.

B. F. Johnson L. S. Party of the second part.

Filed for redord in this office the 21st day of March, 1941 at 10 AM and recorded in Deed Record #111 on page 318 and examined.

L. C. Walker, Judge of Probate, Shelby County, Ala.

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