

KNOW ALL MEN BY THESE PRESENTS, That for and in consideration of the sum of three hundred dollars (\$300.00), (hereinafter referred to as "option consideration") and other valuable consideration in hand paid, receipt of which is hereby acknowledged, the undersigned C. B. Naish and Minnie O. Naish, his wife, of Saginaw, Alabama (hereinafter referred to as "grantor"), hereby grant unto Longview Lime Corporation, a corporation (hereinafter referred to as "grantee"), the right and option for a period of ninety days from date hereof to lease the following described land and premises in Shelby County, Alabama, to wit:

West Half of Northeast Quarter of the Southeast
Quarter of Section 7, Township 21, Range 2 West;

under the conditions, provisions and covenants hereinafter set out.

This option may be exercised at any time within the period provided above by grantee's notifying the grantor at Siluria, Ala. RI, in writing, of its decision to lease said property.

On grantee's notifying the grantor of its decision to lease said property, the grantor shall within fifteen (15) days thereafter furnish to grantee for examination a complete abstract of title, certified to date, compiled by a reputable abstracter, showing merchantable title to said premises and the right to enter into the proposed lease to be in the grantor; and grantee shall have thirty (30) days in which to examine the title, and grantor shall have fifteen (15) days after receipt of title opinion to correct defects, if any, in said title. If grantor has not cured the defects in order to establish his right to enter into the proposed lease agreement within that period, and if grantee shall elect not to waive the title defects, then grantee may at its option cancel this contract and the grantor will return the option consideration to it. If grantee's attorney's title opinion approves the title to the property as merchantable originally or upon defects being timely cured hereunder, or if grantee elects to accept the title and enter into the proposed lease agreement notwithstanding defects, the parties shall, within ten (10) days after acceptance of title in grantor or approval of grantor's right to enter into the proposed lease agreement, execute the proposed lease agreement attached hereto and marked Exhibit "A", with all the conditions, provisions and covenants of said lease agreement as set out therein being

binding on the parties.

In the event grantee does not exercise its option to enter into the proposed lease within the time or times above stipulated, then it shall have no further right or option to lease said property and the option consideration shall become the sole property of the grantor, but grantee shall have no other obligation to the grantor.

For and in consideration of the sum paid for this option as above stated, grantor hereby grants to grantee, its assigns, agents, and designees, the right and privilege to go upon said land above described at any and all times during the option period of this option, or any extension thereof by mutual agreement, to examine said land and premises to the fullest extent that grantee shall desire, including the right to conduct prospecting, core drilling, and any other operations necessary to ascertain the approximate quantity and quality of limestone thereon. In the event grantee does not exercise the option herein granted to lease said land, any information derived from said prospecting shall be given to the grantor at his request.

This option agreement is binding on the heirs, assigns, and successors of the respective parties. By executing this agreement the parties approve the terms and conditions of the proposed lease, as evidenced by said Exhibit "A".

IN WITNESS WHEREOF, The parties have hereto set their hands and seals, this 25 day of July, 1955.

C. B. Naisak (SEAL)

Minnie P. Naisak (SEAL)

LONGVIEW LIME CORPORATION

By Malone Moore
Its President

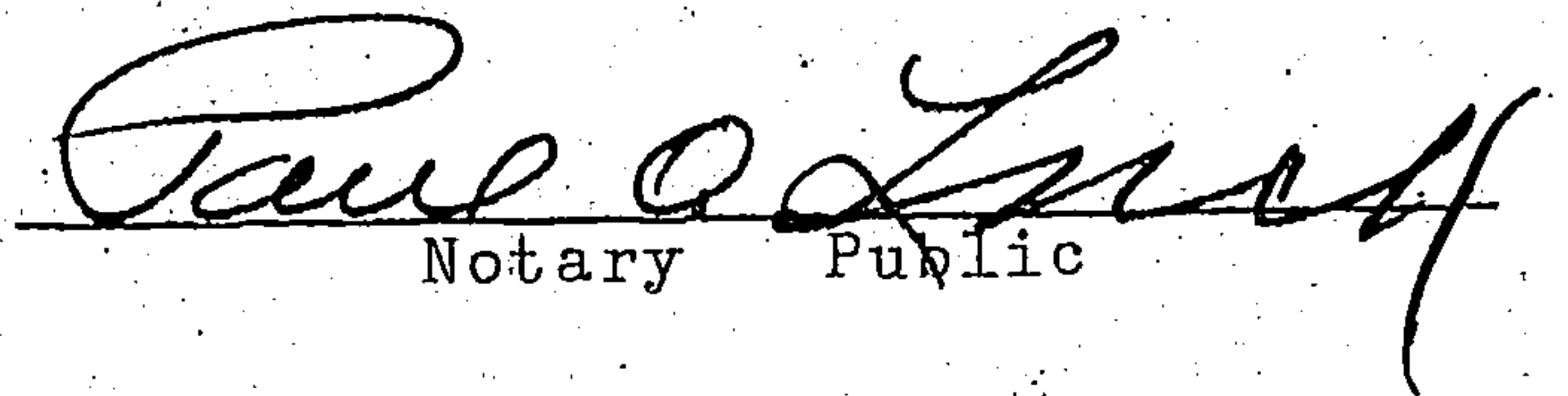
STATE OF ALABAMA

SHELBY COUNTY

BOOK 174 PAGE 211

I, Paul O. Luck, a notary public in and for said County, in said State, hereby certify that C. B. Naish and Minnie Naish, his wife, whose names are signed to the foregoing instrument and who are known to me, acknowledged before me on this day, that, being informed of the contents of this instrument, they executed the same voluntarily on the day the same bears date.

Given under my hand and seal, this 25th. day of July, 1955.

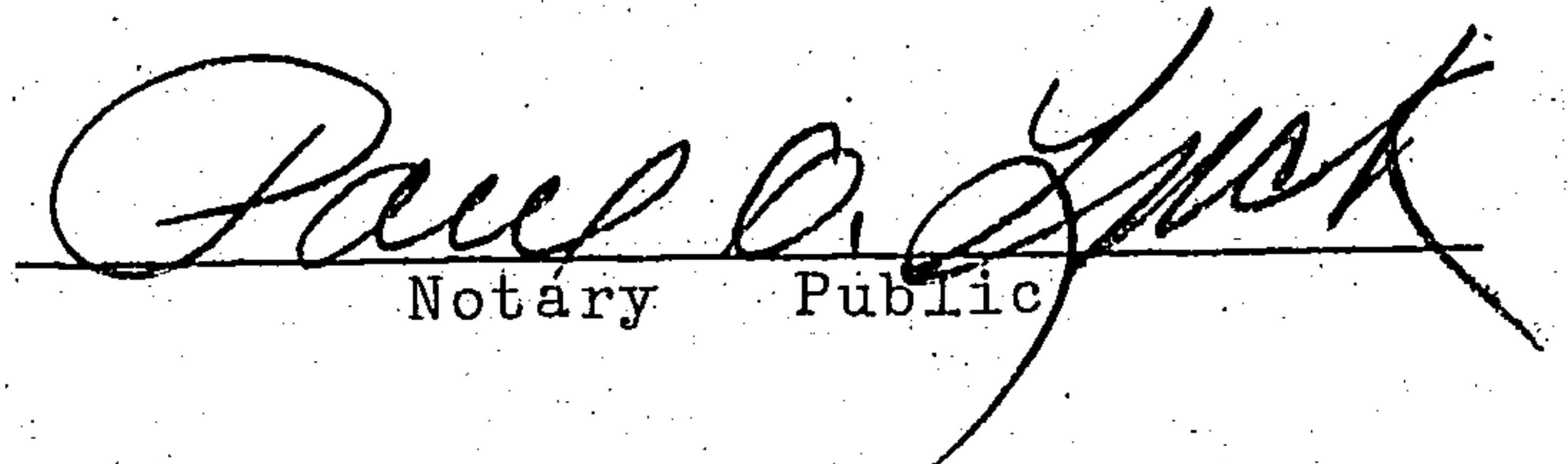

Notary Public

STATE OF ALABAMA

SHELBY COUNTY

I, Paul O. Luck, a notary public in and for said County, in said State, hereby certify that Malone Moore whose name as President of Longview Lime Corporation, a corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal, this 25th. day of July, 1955.


Notary Public

STATE OF ALABAMA

COUNTY OF SHELBY

THIS AGREEMENT made and entered into this 28 day of July, 1955, by and between C. B. Naish and wife, Minnie Naish, of Shelby County, Alabama, party of the first part (hereinafter for convenience referred to as "Naish"), and Longview Lime Corporation, a Delaware Corporation, party of the second part (hereinafter for convenience called "Longview"),

W I T N E S S E T H:

That for and in the consideration of the premises and of the covenants and promises herein contained, Naish grants unto Longview the right to quarry, strip, mine, crush, remove, and to otherwise recover and prepare limestone from the following described real property owned by Naish:

West Half of Northeast Quarter of the Southeast Quarter of Section 7, Township 21, Range 2 West, in Shelby County, Alabama;

subject to the terms and conditions hereinafter set forth.

1. Longview covenants and agrees to pay Naish monthly a royalty on all limestone quarried and removed from said property; said royalty to be determined as follows:

- a. For each month during which less than 2000 tons of limestone is quarried and removed, a minimum royalty of One Hundred Dollars (\$100.00) will be paid whether any limestone is quarried and removed or not.
- b. For each month during which 2000 tons or more of limestone is quarried and removed, a royalty of 5 cents () per ton of such limestone will be paid.
- c. A ton of limestone as referred to herein shall consist of two thousand (2000) pounds dry weight.

Longview agrees to determine the tonnage of limestone quarried and removed from said property monthly by means of survey of the working face of said quarry by a competent engineer and agrees to make all such engineering data and calculations available for inspection during business hours by Naish. The weight of limestone as quarried and removed from said property shall be determined on the basis of 4000

174-213

pounds per cubic yard displaced.

In order to verify the accuracy of Longview's calculations Naish may, at his own expense, have surveys and calculations made by a qualified engineer of his own choosing.

Surveys for the determination of limestone quarried and removed from said property shall be made by Longview on the last working day of each month and payment of royalties shall be made to Naish monthly on the 20th day of each month following.

Longview covenants and agrees with Naish that all barite so quarried and removed by Longview from the lands herein leased shall be placed in a separate pile on adjacent lands of Naish by Longview when mined, and said barite shall be the exclusive property of Naish; that all dirt, sand and muck taken by Longview from said quarrying operation on the lands herein described shall be placed upon the lands owned by Longview.

Upon the failure of Longview to pay the sums due hereunder on any due date, Naish shall have the right to give Longview written notice of his intention to cancel this agreement if the defaulted payment is not made good within a period of sixty (60) days after the date of said written notice, and in the event said payments are not paid within said period this agreement may at the option of Naish be terminated, and in the event of such termination, no further minimum royalties will be due.

2. The term of this lease agreement shall be for a period of fifteen (15) years from the date hereof, or until such time as the limestone on said property which is suitable for the manufacture of lime and which is economically removable for use in the manufacture of lime has been quarried out, whichever date or time occurs first. During such period the monthly minimum royalties provided for in Paragraph 1 hereof shall be paid. In the event any disagreement should arise between the parties as to the time when the usable and economically removable limestone has been quarried out, the parties agree to submit such question to an arbitration board composed of three qualified mining engineers, one of whom shall be appointed by each of the parties hereto and the third selected by the two arbitrators designated by the parties. In the event the two arbitrators designated by the parties are unable to reach an agreement concerning the appointment of a third arbitrator within a period of ten days time, either party may request the senior Judge of the Federal District Court situated in Jefferson County, Alabama, to

appoint a third impartial arbitrator to serve. The decision of a majority of the three arbitrators shall be binding upon the parties.

It is hereby agreed, however, that Longview may at its option, but shall not be required to, quarry and remove limestone below a depth of 125 feet from the surface and may, at its option, but shall not be required to, quarry and remove limestone of a grade unsuitable for the manufacture of lime.

3. Longview shall have the right to use the necessary surface area of said described land for the installation and maintenance of necessary plants, equipment, machinery, roads, structures, and power lines for quarrying, stripping, working and removing of limestone from said lands; with the right of ingress and egress for the establishment and operation of said quarrying and mining work over said lands. All machinery, structures, and equipment of every kind and nature placed on said property by Longview shall remain the property of Longview which shall have the right to remove the same within a period of six months after the expiration or termination of this agreement.

Naish further agrees in consideration of the obligations of Longview hereunder and in consideration of the premises, that in the event Longview quarries or mines the limestone on said property during the period of this lease by extending the quarry operations or quarry pit on and across said property until the quarry operations or quarry pit reaches other property owned by Longview contiguous to said property, to grant and does hereby grant to Longview a right of way over and across the floor of the quarry or pit of that portion of the property described above which Longview quarries and mines during the period of this lease and a reasonable ingress and egress over and across such quarried portion of such property for the quarrying and mining of the removable limestone on such contiguous property and for the transportation of such removable limestone over and across such quarried portion of the demised premises to Longview's plant premises,

such right of way shall be granted for a period of twenty-five (25) years or until such time as the contiguous property of Longview may be quarried or the operation may be terminated, or the non-use of said contiguous property for quarrying operations, the termination to be effective upon the first happening of either event, then all rights herein granted shall terminate, and all rights therein shall revert to and become the property of the grantors therein, his heirs or assigns.

4. Naish shall have the right to continue to use the surface of said land for pasture purposes only, except that portion which is being or has been stripped or quarried. It is understood, however, that Longview will not be liable, by reason of its operations on said property contemplated under this agreement or for any other reason, for damage to stock or property belonging to Naish or to any other person using such property as a pasture by permission or license of Naish, or for damages for any personal injury to Naish or any other person going on and upon said lands with permission or license of Naish.

Naish further agrees to indemnify and hold harmless Longview against the claims for damages by any third person for personal damages or for property damages suffered by reason of their presence or the presence of their cattle or other property on said land with permission or license of Naish.

5. Any water pumped from the quarry on said lands will be discharged by Longview upon the property of Naish adjacent to the quarry at a point designated by the owner not exceeding two hundred feet (200 feet) from the quarry site.

6. Naish shall pay the ad valorem taxes on said real property, provided, however, that Longview will assess and pay the ad valorem tax on any chattels or machinery placed on said land,

7. Naish agrees that in further consideration of Longview entering into this lease agreement, in the event that he should decide to lease the hereinafter described lands, Naish agrees to give the Longview Lime Corporation the first refusal of the leasing of said lands under such terms and conditions as may be mutually agreed upon between the lessor, Naish, and the lessee, Longview, herein on

BOOK 174 PAGE 216

257

the following lands, to-wit:

The East Half of the Northeast Quarter of the
Southeast Quarter of Section 7, Township 21,
Range 2 West, in Shelby County, Alabama.

This agreement shall be binding on and shall inure to the
benefit of the heirs, executors, administrators, assigns, or suc-
cessors in interest of either party.

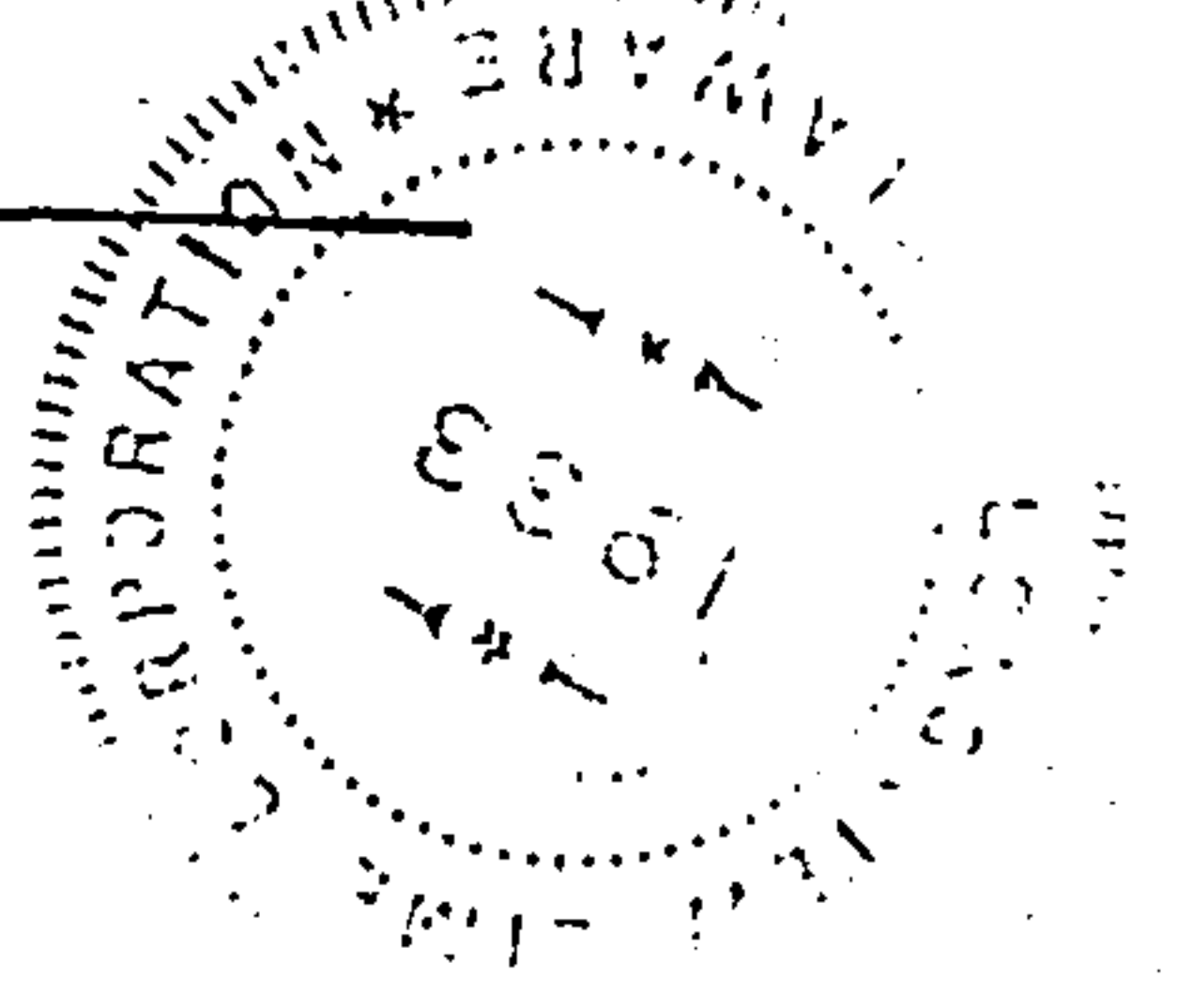
IN WITNESS WHEREOF, The parties have hereto set their hands
and seals on the day and year first above written.

C. B. Naish (SEAL).
(C.B. Naish).

Minnie Naish (SEAL).
(Minnie Naish).

LONGVIEW LIME CORPORATION

BY Malone Moore (SEAL).
ITS President



STATE OF ALABAMA,
SHELBY COUNTY.....

BOOK 174 PAGE 217

I, Virginia Johnson a Notary Public,
in and for said County, in said State, hereby certify that
C.B. Naish and wife, Minnie Naish, whose names are signed to
the foregoing instrument and who are known to me, acknowledged
before me on this day, that, being informed of the contents
of this instrument, they executed the same voluntarily on
the day the same bears date.

Given under my hand and seal, this the 28 day of
July, 1955.

Virginia Johnson
Notary Public, Shelby County,
Alabama.

STATE OF ALABAMA,
COUNTY OF Jefferson

I, Elva H. Caraway, a Notary Public,
in and for said County, in said State, hereby certify that
Malone Moore whose name as President of Longview Lime Corpora-
tion, a corporation, is signed to the foregoing instrument, and who
is known to me, acknowledged before me on this day that, being
informed of the contents of this instrument, he, as such officer,
and with full authority, executed the same voluntarily for and
as the act of said corporation.

Given under my hand and seal, this the 29th day of
July, 1955.

Elva H. Caraway
Notary Public.

STATE OF ALABAMA, SHELBY COUNTY
I, L.C. Walker, Judge of Probate, hereby certify that the within Deed
was filed for record the 1 day of Aug, 1955 at 3 o'clock, P M.
and recorded in Deed Record 174 Page 209, and the Mortgage Tax of
Deed Tax of 12.00 has been paid.

L.C. Walker Judge of Probate