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OPTION AND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this the 7th day of DECEMBER, 1960, by and between FRANCIS M. RANDALL & WIFE HARRIETT ANN RANDALL whose address is 2129 CANABA RD. BHAM 13, ALABAMA, known hereafter as the First Parties and Southeastern Raw Materials Company of Birmingham, Alabama, hereafter known as Second Party.

First Parties warrant and covenant that they are the owners in fee simple of, and have good title to, certain property located in the W 1/2 OF NE 1/4 of Sec. 28, Township 21 Range 3 N, Shelby County, State of Alabama, containing 80 acres, more or less, being (~~est~~) (a portion) of the property conveyed to First Parties by deed from MR. & MRS. HUDSON C. EVANS. Dated DEC. 19, 1958 and recorded in Book 198 Page 203, Shelby County Courthouse.

1. First Parties in consideration of the Second Parties obligation herein contained to investigate, explore, test drill if necessary, and evaluate the limestone and other mineral deposits, if any, situated on the above property, does hereto agree and intend to be legally bound as follows:

A. First Parties do for themselves, their heirs, administrators, executors, beneficiaries, and/or assigns, hereby grant to Second Party, its successors and/or assigns, an exclusive option to lease the above-described property on the terms and conditions hereinafter set forth.

B. Said option shall commence on this date and shall extend to 11:59 P.M. on JUNE 10, 1961.

C. During the existence of this option, First Parties do hereby grant to Second Party the right to explore and core drill upon, and to remove samples of stone from said property, the right to use equipment necessary for such purpose and the right to ingress and egress in and from such property, provided, that such rights shall be exercised in a manner designed to minimize any inconvenience and damage to First Parties.

D. The only act required by Second Party to exercise its option to lease, which is herein granted, is written notice to First Parties of Second Parties decision to exercise said option, such notice shall be accompanied by a payment by Second Party to First Parties in the amount of \$ 500.⁰⁰, which payment shall be credited against the royalty, if and when the same becomes due and payable.

2. First Parties do for themselves, their heirs, administrators, executors, beneficiaries and/or assigns, hereby lease, demise and let to the Second Party, its successors and/or assigns the above-described property, subject to the other provisions herein contained, this lease shall be for a term of twenty years from this date with exclusive option to renew lease for an additional like term by giving First Parties written notice of its intention to renew thirty (30) days prior to the expiration of this agreement.

A. The royalties to be paid by Second Party are:

On sand, gravel, and dolomitic limestone \$.05 per ton.

Royalties on other minerals, if any, shall conform to the established royalty being paid elsewhere for similar materials.

It is understood and agreed that this lease does not include the mineral rights to the oil and gas and shall in no way interfere with the leasing, drilling or operating on said lease of any exploration or production of the petroleum products except where such drilling or operation would interfere with the actual operation then in progress by the Second Party.

B. Adequate facilities shall be provided by the Second Party for the accurate weighing and or measurement of the merchantable materials mined or quarried ~~and~~ marketed from the said leased property and a complete and accurate record of same shall be kept and available for examination by First Parties at all times.

C. The said royalties herein provided shall become due and payable on or before the 15th day of the month following processing and shipping of same.

D. If construction of facilities for the operation, production and marketing of one or more merchantable materials are not commenced on said land as above provided for this lease shall then terminate as to both parties.

E. It is understood and agreed that Second Party shall have the exclusive right to mine, quarry, crush, process, remove and market stone, gravel, sand, and/or any other merchantable material which Second Party may wish to mine, quarry or remove from said leased premises, and the right to stockpile such materials upon the leased premises, the right to store overburden and other materials upon the leased premises.

F. The right to erect, operate and maintain on the leased premises, crushing plants, storage facilities, transportation facilities and all other

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building, fixtures and facilities necessary to the efficient operation and marketing of said materials by the Second Party or associated parties.

G. The right to remove all or any of said plants, buildings, fixtures and all other facilities put on said leased land by Second Party or associated parties at any time during the existence of this lease or any extension thereto and for a period of one hundred and eighty (180) days from the expiration of the lease or any extension thereof.

H. The rights of either party hereunder may be assigned in whole or in part and the provision hereof shall extend to their heirs, successors, beneficiaries, and/or assigns but no change or division in ownership of the land, however accomplished, shall operate to enlarge the obligations or diminish the rights of Second Party and no change or division in such ownership shall be binding on Second Party until thirty (30) days after First Party shall have furnished Second Party, by registered U. S. Mail at Second Parties principal place of business with certified copy of recorded instrument evidencing same.

I. Second Party does hereby agree to give First Party no less than thirty (30) days prior notice of the commencement of operation on any land, on which merchantable timber or crops may exist so that First Party may have adequate time for the salvage of same.

J. It is understood and agreed by both parties hereto that the royalties herein provided for shall apply to the materials that are actually mined, processed and shipped from the leased premises, that Second Party shall have the right to process and stockpile materials in sufficient quantities to insure prompt delivery of materials as ordered. The royalty here referred to shall be five (.05) cents per ton with a minimum payment of one hundred twenty-five (\$125.00) dollars per month which payment shall be credited to the royalty account until such time a sufficient amount of materials have been shipped figured at five (\$.05) cents per ton exceeds that amount which shall have been paid on the minimum monthly basis at which time the monthly royalty payments shall be one hundred twenty-five (\$125.00) dollars per month or five (\$.05) cents per ton whichever is the greater.

K. The failure of the Second Party to fulfill the terms and conditions of this agreement renders the agreement null and void. It is further understood and agreed that if for any reason the operation becomes unprofitable and the Second Party deems it wise to discontinue his operation he shall have the right to do so by giving the First Party ninety (90) days notice and shall continue to pay the minimum royalty for the full ninety (90)

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days, even tho operations has ceased.

L. Second Party does hereby agree to idemnify and hold harmless First Party from all losses, damaces and expense resulting from any and all claims, demands or right of action that may be asserted at any time against First Parties for injury or loss which occurs during the term of this lease, or any extension thereof, and which is caused by or results from the operations on said premises by Second Party.

M. First Parties do hereby agree to indemnify andhold harmless Second Party from all losses, damages and expenses resulting from all claim, demand or right of action that is asserted against Second Party for damage to property or injury to or death of any person accuring on the above-described property after the expiration date of this lease, or any extension thereof, and after complete surrender by Second Party of possession of the leased premises.

N. The parties hereto agree that all the terms and provisions of this agreement shall be binding upon and shall inure to the benefits of the parties hereto, their heirs, administrators, beneficiaries, executors, successors and/or assigns.

Signed and executed this the 7th day of DECEMBER, 1960.

Francis M. Randall
Ernest Ann Randel

Witness:

First Parties

Mrs. W. L. Adams

Mrs. R. W. Bates

W L Adams
For Southeastern Lumber Co
Second Party

STATE OF ALABAMA, SHELBY COUNTY

I, Conrad M. Fowler, Judge of Probate, hereby certify that the within Deed was filed for record in this office on the 10 day of Mar 1961 at 10 M. o'clock and recorded in Book 214 at page 321 on the 10 day of Mar 1961.
Mortgage Tax _____ Deed Tax _____ has been paid.

Conrad M. Fowler
Judge of Probate