

ORIGINAL

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STATE OF ALABAMA

COUNTY OF SHELBY

OPTION

In consideration of One Hundred Forty-Four and 00/100 Dollars (\$144.00) cash in hand paid to T. A. Morse and wife, Maggie Morse, hereinafter called "Optionors," the Optionors do hereby convey and grant unto the UNITED STATES STEEL CORPORATION, a corporation duly authorized to do business in the State of Alabama, hereinafter called "Optionee," an exclusive option for a term of two (2) years from this date to purchase for the total sum of Twenty-Two Thousand and 00/100 Dollars (\$22,000.00) the following described property, to-wit:

The North-East quarter of the South-West quarter and all land owned by Optionors lying east of a public road (approximately eight acres) in the West half of the South-West quarter of Section 19, Township 20 South, Range 1 East, Shelby County, Alabama, together with all improvements located thereon.

During the term of this option, Optionee shall have the exclusive right to prospect and drill for minerals contained in, on or under the land by means of churn drills, diamond drills, and other prospecting methods, provided, however; (1) that said drilling and/or prospecting shall be done in such manner as to do the least damage to the surface of such lands commensurate with good prospecting practices; (2) that the Optionee shall be liable for actual damages done to growing crops and fences by such prospecting or drilling and shall indemnify and hold harmless the Optionors from any and all claims which may be asserted against Optionors arising out of the Optionee's prospecting and operation on the subject property; (3) at its own expense Optionee shall leave for use of the Optionors any flowing water well that it may encounter in its drilling operation, in the event Optionee does not exercise this option; and in lieu of this, one water well opening shall be suitably capped and left for use by the Optionors in the event the Optionee does not exercise this option, and Optionee shall fill up or plug in a suitable manner all other drill holes which it has placed on said land and leave the surface in a condition satisfactory to

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Optionors. Such well opening shall be one drilled by Optionee in the normal course of its operations hereunder and Optionee shall not be liable for the quality or quantity of water therein or for absence of water therefrom or for failure to drill any hole suitable for use as a well on the optioned property.

Optionee shall have the right during the term of this option or any extension thereof to enter upon said lands, and to place thereon machinery, tools and equipment necessary for prospecting and shall also have the right, during the term of this option and for ninety (90) days thereafter, to remove from said land all such machinery, tools and equipment.

In event Optionee elects to exercise this option and buy the land described herein, Optionor shall have six months, after date said option is exercised, within which to cut and remove all merchantable timber.

If Optionee does not exercise this option but has made exploration, analysis, and drilling on the subject property, Optionee shall, upon written request made within six (6) months after the expiration hereof, furnish to Optionors a copy of all information obtained by Optionee resulting from its exploration, drilling and analysis.

During the term of this option, and before exercising the same, Optionee shall, at its expense, satisfy itself as to Optionors' title to the subject property. If Optionee finds the title acceptable, and elects to exercise this option, it shall do so by notifying Optionors in writing of its intention so to do prior to the expiration of the term of this option. Upon receipt of such notice, Optionors shall, within ten (10) days, execute a deed substantially in form attached and marked Exhibit A conveying subject property to the Optionee, and shall notify Optionee that the deed has been executed and is ready for delivery to Optionee upon payment of the purchase price. Within ten (10) days from receipt of such written notice from the Optionors, Optionee shall make payment of the purchase price in full and

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shall thereupon receive the executed deed.

IN WITNESS WHEREOF, the Optionors have hereunto set their hands and seals, this, the 16th day of March, A.D., 1966.

T A Morse (SEAL)
T. A. Morse

Maggie Morse (SEAL)
Maggie Morse

STATE OF Alabama

COUNTY OF Shelby

I, H. D. Cannon, a Notary Public in and for said County in said State, hereby certify that T. A. Morse and wife, Maggie Morse, 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 said instrument, they executed the same voluntarily on the day the same bears date.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this, the 16th day of March, 1966.

H. D. Cannon
Notary Public
H. D. CANNON
Notary Public, State of Lousie Alabama
My commission expires August 27, 1968

EXHIBIT A

STATE OF ALABAMA
COUNTY OF SHELBY

KNOW ALL MEN BY THESE PRESENTS, that, for and in consideration of Twenty-Two Thousand and 00/100 Dollars (\$22,000.00) paid to T. A. Morse and wife, Maggie Morse, hereinafter referred to as "Grantors," by UNITED STATES STEEL CORPORATION, a corporation, hereinafter referred to as "Grantee," receipt whereof is acknowledged, Grantors do hereby grant, bargain, sell, and convey unto Grantee the following described real estate:

The North-East quarter of the South-West quarter and all land owned by Grantors lying east of a public road (approximately eight acres) in the West half of the South-West quarter of Section 19, Township 20 South, Range 1 East, Shelby County, Alabama, together with all improvements located thereon.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, forever, SUBJECT, however to: (a) Such easements as may exist over, upon and across said land for roads, power transmission lines, telephone lines, pipe lines, or any other purposes; and (b) Taxes for the current tax year.

Grantors do, for themselves, and for their heirs and assigns, covenant with Grantee, its successors and assigns, that they are lawfully seized in fee simple of the real estate conveyed hereby, that it is free from all encumbrances, except as herein mentioned; that they have a good right to sell and convey the same as aforesaid; and that they will and their heirs and assigns shall warrant and defend the same to Grantee, its successors and assigns, forever, against the lawful claims of all persons.

IN WITNESS WHEREOF Grantors have hereunto set their hands and seals this, the _____ day of _____, 196__.

T. A. Morse (SEAL)

Maggie Morse (SEAL)

STATE OF _____
COUNTY OF _____

I, _____, a Notary Public in and for said County in said State, hereby certify that T. A. Morse and wife, Maggie Morse, whose names are signed to the foregoing conveyance and who are known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, they executed the same voluntarily on the day the same bears date.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this, the _____ day of _____, 196__.

Notary Public

