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14,400

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THIS AGREEMENT dated this 27 <sup>BHO</sup> day of APRIL <sup>BHO</sup>, 1966  
between ALABAMA GAS CORPORATION, hereinafter called "Lessor,"  
and SHELBY SILICA SANDS, INC., with an office at LEEDS <sup>BHO</sup>,  
Alabama, hereinafter called "Lessee."

WITNESSETH:

1. Lessor agrees to do certain work and to install certain equipment at the plant site of Lessee located in Shelby County two and one-half miles south of Leeds, Alabama, on Alabama Highway No. 25. The equipment to be installed and the work and services to be furnished ... by Lessor are set out in Schedule A attached hereto, which Schedule A is hereby incorporated in and made a part of this Agreement. The equipment described in Schedule A is hereinafter referred to as the "Leased Equipment." The Leased Equipment shall be installed and the work and services described in Schedule A shall be completed within 60 <sup>BHO</sup> days after the Lessee shall give notice to Lessor to commence the same.

2. Lessee agrees to maintain all of the Leased Equipment and to make all necessary repairs and adjustments to the Leased Equipment and to install such replacement parts as may from time to time be necessary. Lessee will enter into an agreement with Thompson Tractor Company of Birmingham, Alabama, in substantially the form as set out in Schedule C attached hereto and made a part hereof. Lessee agrees to perform all of its obligations under said agreement during the term of this Agreement and to comply with all provisions thereof.

3. Lessor hereby leases the Leased Equipment to Lessee, and Lessee hereby hires the same from Lessor, on the terms and conditions hereinafter set forth.

4. In connection with the use of the Leased Equipment by Lessee, Lessee covenants with Lessor as follows:

(a) The gas-burning engines and the generators listed in Schedule A have been selected on the basis of the load requirements of Lessee's plant as given to Lessor by Lessee and as set out in Schedule B. Lessee agrees that the load requirements of its plant are not in excess of the designed capacity of such engines and generators as stated in Schedule A, and Lessor shall in no way be liable to Lessee for damages or otherwise in the event that such engines and generators fail to operate in excess of such capacities as set out in Schedule A. Lessee shall not during the term of this Agreement change the design of its plant in such a way as to increase the load upon such engines and/or such generators without prior written consent of Lessor. There are no terms, conditions, warranties, expressed, implied, or statutory of quality, capability, capacity, or otherwise of the Leased Equipment other than those specified in this Agreement. This Agreement contains the entire agreement between Lessor and Lessee respecting the Leased Equipment and the respective rights and duties of Lessor and Lessee, there being merged herein all prior and collateral representations, promises, and conditions in connection therewith; and any representation, promise, or condition not incorporated herein shall not be binding on either party.

(b) Legal title to the Leased Equipment shall at all times be vested and remain in Lessor. Lessee shall claim no right or title therein, except for the right to use the Leased Equipment as herein provided and except as provided in Section 13 hereof. Lessor shall furnish and Lessee shall attach to the Leased Equipment a sign, stencil, or plate in a prominent place on each piece of the Leased Equipment so

as to disclose the interest of Lessor and to indicate the Leased Equipment is personal property of Lessor.

(c) Lessee shall promptly notify Lessor of any mechanical breakdown or malfunction of the Leased Equipment.

(d) Lessee shall operate the Leased Equipment at its expense and shall pay all fuel charges, expenses, fees, and charges incurred in connection with the use and operation of the Leased Equipment.

(e) Lessee shall comply with and shall cause all persons operating the Leased Equipment to comply with all statutes, ordinances, and regulations regarding the use and operation of the Leased Equipment. Lessee will permit Lessor or any duly authorized representative of Lessor access to the Leased Equipment to inspect the Leased Equipment from time to time during reasonable business hours.

(f) Without the prior written consent of Lessor, Lessee shall not: (i) sublease the Leased Equipment, or (ii) permit any lien or encumbrance to remain thereon other than liens placed thereon by Lessor or persons claiming against Lessor, or (iii) assign any right or interest in this Agreement or in the Leased Equipment.

5. Term of Lease. The term of this Lease Agreement is ten (10) years, commencing on the first day of the month next following the installation of the equipment to Lessor's satisfaction or next following the date when equipment is placed in operation, whichever is later as specified by Lessor in a written notice to Lessee.

6. Rent.

(a) Lessee shall pay a total monthly rent in the amount of Four Hundred Fifty Dollars (\$450.00). Rental due hereunder shall be

paid prior to the fifth day of the month when due.

(b) The rent provided in subparagraph (a) shall be subject to the following adjustments:

(i) In the event that additions to or substitutions of the Leased Equipment are made with the approval in writing of Lessee, they shall be set forth in supplements to Schedule A and the rent shall be adjusted accordingly.

(ii) In the event that a license tax or sales tax shall be levied on account of the activities of Lessor hereunder, the amount thereof shall be added to the rents due hereunder and shall be paid by Lessee.

7. Indemnity and Liability Insurance.

(a) Lessee agrees to indemnify, hold harmless, and defend Lessor against any and all claims and demands of third parties against Lessor relating to or arising out of Lessee's negligence in the use, operation, possession, control, or disposition of the Leased Equipment.

(b) Lessee agrees to carry a policy of general liability insurance to insure its obligations under the Hold Harmless Agreement in subparagraph (a) of this Section 7. Such policy of insurance shall be written by an insurance company approved by Lessor and qualified to do business in Alabama and shall provide coverage of not less than \$100,000 for Individual Bodily Injury Liability, \$300,000 for Total Bodily Injury Liability, and \$100,000 for Property Damage. Proper evidence of such insurance shall be submitted to Lessor by Lessee.

(c) Lessee agrees to indemnify Lessor from any liability for damages to the premises of Lessee or the loss of use of same resulting from the use of the Leased Equipment unless such damage or loss results from the sole negligence of Lessor or from defective Leased Equipment.

(d) Lessee will provide an endorsement to its General Liability Policy provided for in subsection (b), above, naming Lessor as an additional insured with respect to any claim resulting from the use of the Leased Equipment.

(e) Lessee agrees to carry fire and extended coverage, vandalism and malicious mischief insurance to insure its obligations under Section 8 of this Agreement, with coverage at least equal to the cost of the Leased Equipment as set forth in Schedule A attached. Such insurance shall be written by a company recognized to do business in the State of Alabama and approved by Lessor. Said coverage shall name Lessor as an additional assured, with respect to the Leased Equipment, and may be obtained by purchasing a separate policy or adding to an existing policy by endorsement thereto. Proper evidence of insurance shall be submitted to Lessor by Lessee.

8. Loss or Destruction of Leased Equipment. Lessee hereby assumes all risks of loss or damage of the Leased Equipment caused by fire, theft, vandalism, malicious mischief, and by the events normally insured against in extended coverage insurance policies. Lessee shall notify Lessor of any loss or damage to the Leased Equipment and shall keep Lessor informed of all developments by correspondence regarding insurance rights and other rights and liabilities arising out of the loss or damage.

9. Surrender of Leased Equipment. Upon termination of the Lease, but subject to the provisions of Section 13, and this Section 9, Lessee shall surrender the Leased Equipment to Lessor, and Lessor shall have the right to remove the same within thirty (30) days after such termination, failing which Lessee may remove and dispose of same for its own benefit without accountability to Lessor.

10. Events of Default. The following events of default by Lessee shall give rise to rights on the part of Lessor described in Section 11:

(a) Default in the payment of rent beyond the fifteenth (15th) day of the month in which the rent is due; or

(b) Default in the payment or performance of any other liability, obligation, or covenant of Lessee to Lessor, and the continuance of any such default for ten (10) days after written notice is sent by Lessor to Lessee by ordinary mail; or

(c) The termination of existence or business failure of, or the making of an assignment for the benefit of creditors by, Lessee; or

(d) The institution of bankruptcy, reorganization, liquidation, or receivership proceedings by or against Lessee.

11. Rights of Lessor Upon Default of Lessee. Upon the occurrence of any of the events of default described in Section 10, and upon the failure of Lessee to correct or remedy the same within ten (10) days after written notice by Lessor of such default, Lessor may in its discretion do one or more of the following:

(a) Terminate this Agreement;

(b) Take possession of any or all the Leased Equipment and for such purpose enter upon any premises without liability for so doing, and sell any of such Leased Equipment (with or without the concurrence or request of Lessee);

(c) Remove and relet any or all Leased Equipment for such period, rental, and to such persons and on such terms and conditions as Lessor shall elect, holding Lessee for any deficiency between the amount of rent received on such reletting and the unpaid balance of the rental reserved hereunder.

Damages occasioned by taking possession as herein provided are hereby expressly waived by Lessee. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other remedy available to Lessor. In the event of such default, Lessee

will pay to Lessor a reasonable sum as and for attorneys' fees and such expenses as shall have been expended or incurred by Lessor in the enforcement of any right or privilege hereunder. Time is of the essence hereof.

12. Leased Equipment to Be and Remain Personal Property. It is the intention and understanding of both Lessor and Lessee that the Leased Equipment shall be and at all times remain personal property and Lessee agrees that the Leased Equipment will be so installed that it may be readily removed without damage to the property on which it is located. Lessee further agrees that prior to the installation of the Leased Equipment, Lessee will provide a written waiver from the holder of any legal title, mortgage, trust, lien, or encumbrance on the real estate to which the Leased Equipment is to be attached.

13. Option to Purchase. Lessee shall have the option to purchase all (but not less than all) of the Leased Equipment at any time during the term of this Agreement by giving notice to Lessor of its election so to do in the manner provided in Section 19 hereof. If Lessee shall exercise such purchase option Lessor shall, upon payment of such purchase price, deliver to Lessee a legal instrument or instruments conveying to Lessee or its designee unencumbered legal title to the Leased Equipment. Upon the transfer of such title, this Agreement shall be automatically rescinded and the obligations of the parties hereto shall be automatically terminated. The purchase price for the Leased Equipment shall be determined as follows:

(a) If the notice provided for above shall be given prior to the fifth anniversary of the date upon which the ten (10) year term of this Agreement begins, the purchase price shall be the sum of Thirty-Seven Thousand Dollars (\$37,000.00) less the sum of \$250.00 multiplied by the number of calendar months that have elapsed between such effective date of such ten (10) year term and the first day of the month

in which such notice shall be given; or

(b) If such notice shall be given on or after the fifth anniversary of the date upon which such ten (10) year term shall begin, the purchase price shall be the greater of (i) the sum of \$22,000.00 less the sum of \$350.00 multiplied by the number of calendar months that have elapsed between such fifth anniversary and the first day of the month in which such notice shall be given; or (ii) \$1,000.00.

14. Option to Terminate. Lessee may terminate this Agreement at any time after July 1, 1969, and before September 1, 1969, by giving written notice of its election so to do in the manner provided in Section 19 hereof.

15. Miscellaneous. Each of the parties hereto acknowledges that the other party shall not by act, delay, omission, or otherwise be deemed to have waived any of its rights or remedies hereunder unless such waiver is given in writing and the same shall be binding to the extent therein provided and only upon the parties signing the same. A waiver on any one occasion shall not be construed as a waiver on any future occasion. No executory agreement shall be effective to change, modify, or discharge, in whole or in part, this Leasing Agreement, unless such executory agreement is in writing and signed by the party to be charged therewith. All rights, remedies, and powers granted herein, shall be cumulative and may be exercised singularly or cumulatively.

16. Force Majeure. If either party to this Agreement shall fail to perform any obligation hereby imposed upon it and such failure shall be caused, or materially contributed to, by any Acts of God, strikes, lockouts, or other industrial disturbances, sabotage, earthquakes, floods, storms, fires, arrests, and restraints of rulers and peoples,

civic disturbances, explosions, or any occurrence beyond the control of the party concerned, such failure shall be deemed not to be a breach of the obligation of such party hereunder, provided, however, that no such cause affecting the performance of this Agreement shall relieve Lessee from its obligation to pay Lessor rent set forth in Paragraph 6 hereof.

17. This Agreement shall be governed and interpreted under the laws of the State of Alabama.

18. The parties hereto agree that Lessor shall retain a security interest in the Leased Equipment herein leased to Lessee to secure payment of the total rent under the provisions of Section 6 herein.

19. All notices pursuant to this Agreement, except notices with respect to a mechanical breakdown or malfunction of the Leased Equipment, shall be mailed to Lessor at 1918 First Avenue North, Birmingham, Alabama (35203) and to Lessee at P.O. Box 1272 BIRMINGHAM, ALABAMA 35201. All notices of mechanical breakdown or malfunction of the Leased Equipment shall be given to Lessor by Lessee by telephone to Lessor's Leeds office or to such other place or person as Lessor shall designate in writing to Lessee.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Lease Agreement.

SHELBY SILICA SANDS, INC. ALABAMA GAS CORPORATION

By [Signature] By [Signature]  
Its [Signature] Its Senior Vice President

ATTEST:

ATTEST:

[Signature] [Signature]  
Its Sec. - Treasurer Its Assistant Secretary

SEA1

## SCHEDULE A

### EQUIPMENT, WORK, AND SERVICES TO BE FURNISHED BY ALABAMA GAS CORPORATION

1. Run main extension to serve Lessee's plant.
2. Run service line into Lessee's plant and run all fuel lines to gas-burning appliances.
3. Furnish and install:
  - a. 1 - 125 HP gas-driven engine to drive Lessee's water pump at lake located approximately 1,500 feet from plant site.
  - b. 1 - 225 HP gas-driven engine to drive scrubber.
  - c. 2 - 75 kw gas engine-generator sets to furnish electricity for an initial total load of 137 HP (electric motors) and a future total load of 154.5 HP (electric motors), per Schedule B, and for plant lighting and incidental loads per Schedule B.
  - d. 1 - 15 kw gas engine-generator set to furnish electricity for night lighting and incidental office and plant loads when the 75 kw generators are not in operation.
4. Wire above generators to a common bus bar.

### EQUIPMENT TO BE INSTALLED

- 2 each - G 333 NA (75 kw each) Caterpillar gas engine-generator sets, complete with radiators, battery starting, batteries and charging generator, safety shut-down muffler, flexible exhaust pipe, switch gear and panel, shunt trips, frequency meter, sync. group, gas valve and regulator, and base.
- 1 each - G 333 NA (125 HP at 1800 RPM) Caterpillar gas engine, complete with base, "in line" heat exchanger, safety shut downs, battery starter, batteries and charging generator, muffler, flexible exhaust pipe, flywheel clutch, gas valve and regulator.
- 1 each - G 342 NA (225 HP at 1200 RPM) Caterpillar gas engine, complete with base and slide rails, radiator safety shutdowns, battery starting, batteries and charging generator, muffler, flexible exhaust pipe, heavy duty clutch with outboard bearing support, gas valve and regulator.
- 1 each - 15 RJC-4XR8 (15 kw) Onan gas engine-generator set complete with radiator, battery starting, batteries and charging generator, A.C. instrument panel, safety shutdowns, frequency meter, gas valve and regulator.
- 1 each - Square D, No. 82341F, three pole double throw switch, fused top and bottom, 30 amp., 3 phase, 480 volt.
- 1 each - Paragon "Dusk to Dawn" photoelectric cell switch.

# SCHEDULE B

## Plant Loads (Except lighting)

<u>Machine</u>	<u>H. P. Req'd.</u>	<u>KW Req'd.</u>	<u>Remarks</u>
Primary Feeder	15	13	1800 RPM - Design C
Primary Jaw Crusher	40	33.2	1170 RPM - Design C
Conveyor	7.5	6.7	
Swing Conveyor	7.5	6.7	
Classifier	1.5	1.5	
Screw De-waterer	15	13	
Dryer	20	16.8	
Dust Collector	20	16.8	
Air Comp. (Control air)	1	1	
Conveyor	7.5	6.7	
Air Comp. (Gen. use)	2	1.9	
(Future) Elevator	(10)	(8.8)	
Conveyor	(7.5)	(6.7)	
Conveyor	(Replaces swing conveyor above)		
Total Elec. Motor Loads, Present	137	117.3	
80%	109.6	93.8	
(Future)	(154.5)	(132.8)	
80%	(123.6)	(106.2)	

NOTE: Above loads to be 480/3/60

## Straight Engine Drive Loads

<u>Machine</u>	<u>H. P. Req'd.</u>	<u>RPM</u>
Scrubber	200	1200
Pump	100	1800

NOTE: Water line from pump to plant to be 8" dia.  
Est. 295' head, 1000 GPM

## SCHEDULE B

Plant Lighting & Incidental Elec. Loads  
(Plant motor loads not included)

<u>Item</u>	<u>Peak Day Load KW</u>	<u>Normal Day Load KW</u>	<u>Peak Night Load KW</u>	<u>Normal Night Load KW</u>
Office	5	3	5	1
Storage Shed	1	1	1	1
3 Plant Hand Tools @ 1/2 HP Ea.	2	1	2	-
<u>Night Lighting</u>				
(2) M. V. @ entrance and store shed				
(1) M. V. at office				
(1) M. V. at crusher				
(1) M. V. at classifier				
(1) M. V. at dryer				
(1) M. V. at R. R. bins				
(7) M. V. @ 400 W Ea.	-	-	2.8	2.8
(15) 150 W Floods	-	-	<u>2.3</u>	<u>2.3</u>
Totals	8	5	13.1	7.1

## NOTE:

- Above loads will be carried on the 75 KW Gen. (s) when the plant is operating. When the plant is shut down these loads will be carried by the 15 KW gen.
- Lighting at the pump will be by two (2) gaslites.

M. V. = Mercury Vapor

SCHEDULE C

THIS AGREEMENT dated this 27<sup>BHO</sup> day of APRIL<sup>BHO</sup>, 1966,

between THOMPSON TRACTOR CO., INC., Birmingham, Alabama, and  
SHELBY SILICA SANDS, INC., Leeds, Alabama, to cover maintenance and  
service to certain gas engines, generators, switchgear and controls owned  
by the Alabama Gas Corporation, leased to Shelby Silica Sands, Inc. and  
located at Shelby Silica Sands, Inc.'s plant approximately two and one-half  
(2 1/2) miles south of Leeds, Alabama on Alabama State Highway #25 in  
Shelby County, Alabama, for a period of ten (10) years beginning on the  
first day of equipment acceptance for operation and ending ten (10) calendar  
years from that date as set forth below. Shelby Silica Sands, Inc. shall  
have the option to renew this agreement for two five year periods.

Part I COVERED EQUIPMENT

Part II MAINTENANCE AND SERVICE AGREEMENT

Part III TERMS AND RATES

Part I

COVERED EQUIPMENT

This contract covers one (1) Caterpillar G-342 natural gas engine and  
it's accessories, one (1) Caterpillar G-333 natural gas engine and it's accessories,  
two (2) Caterpillar G-333 75KW natural gas engine driven generator sets, their  
switch gear, controls, accessories, and wiring through and including the  
common bus bars, and one Onan 15 KW natural gas engine driven generator set,  
it's switch gear, controls and accessories through and including a three pole,  
double throw lighting circuit transfer switch. Any and all other equipment is  
expressly excluded.

"Prior to the beginning date of this contract," a listing of applicable equip-  
ment serial numbers shall be made by Thompson Tractor Co., Inc. and become  
an attachment to this agreement.

Part II

MAINTENANCE AND SERVICE AGREEMENT

Thompson Tractor Co., Inc. will furnish all labor, necessary genuine Caterpillar or Onan parts, materials, and equipment necessary to:

1. Perform all recommended Caterpillar or Onan Service Manual preventative maintenance functions at recommended intervals, said Service Manuals will be furnished with the equipment.
2. Maintain proper engine oil, anti-freeze, and coolant levels.
3. Make any necessary equipment repairs.
4. Perform all necessary engine overhauls.

All routine service will be done during period when the engines are not scheduled to operate if such service necessitates stopping the engines; however, the Shelby Silica Sands, Inc. agrees to stop any engine for repairs at any time that Thompson Tractor Co., Inc. feels that continued operation under the then existing conditions might cause additional damage to the engine or it's accessories.

Thompson Tractor Co., Inc. agrees to initiate any and all emergency repairs within a reasonable time after notification of breakdown and to complete any routine or emergency repairs during regular working hours each day without interruption with reasonable dispatch unless an interruption should be caused by circumstances beyond it's control, provided however that in the event Thompson Tractor Co., Inc. fails for any cause to perform any of said repairs within <sup>10</sup>2 days after notice the Shelby Silica Sands, Inc. shall have the right to secure such necessary repairs from any other competent source and the cost thereof shall be deducted from any sums due Thompson Tractor Company, Inc. from Shelby Silica Sands, Inc. hereto.

It is understood between the parties that Thompson Tractor Co., Inc. will not be responsible, under this contract, for the cost of any repair made necessary by negligence on the part of or deliberate act on the part of any Shelby Silica Sands, Inc. employee, vandalism, fire, storm or other disaster, or an act of God, it being understood that Shelby Silica Sands, Inc. shall have no obligation

SCHEDULE C

in connection with the maintenance of said equipment except as expressly provided in the second paragraph of page three.

It is further understood between the parties that Thompson Tractor Co., Inc. makes no guarantee as to equipment availability and cannot be in any way held responsible for any loss suffered by Shelby Silica Sands, Inc. due to equipment downtime because of equipment unavailability, but shall be responsible for loss due to its failure to properly maintain said equipment in accordance with the recommendations contained in Caterpillar or Onan Service Manuals covering the applicable equipment or its failure to repair same within a reasonable time after notice of breakdown.

Shelby Silica Sands, Inc. accepts the responsibility for making or having made a daily check of engine oil and coolant levels and a visual inspection of the engines for leaks.

Shelby Silica Sands, Inc. agrees to report any irregularity in engine oil or coolant levels or any indication of equipment malfunction to Thompson Tractor Co., Inc. immediately if such conditions are detected by calling the following person or persons:

Monday through Friday from 7:00 A. M. to 5:30 P. M.

Jim Snow, Sudduth Hamilton, or Joe LeBlanc

at Birmingham telephone number 841-8601

Nights, weekends or holidays.

Sudduth Hamilton at Birmingham telephone number 833-1169

or Joe LeBlanc at Birmingham telephone number 822-2515

In the event that it becomes necessary to change the designated person or persons to be called from time to time, Thompson Tractor Co., Inc. agrees to notify Shelby Silica Sands, Inc. of such changes in writing.

Shelby Silica Sands, Inc. agrees not to allow any person or organization other than Thompson Tractor Co., Inc. to make any repair whatsoever to any equipment covered by this contract and that if any such repair by others should be allowed, Thompson Tractor Co., Inc. can, at its discretion, cancel this contract. Shelby Silica Sands, Inc. can at its discretion cancel this contract if

## SCHEDULE C

Thompson Tractor Co., Inc. fails to perform its obligations hereto to the reasonable satisfaction of Shelby Silica Sands, Inc. or if Thompson Tractor Co., Inc. ceases to be the authorized representative of Caterpillar Tractor Co. and after <sup>July 860</sup> ~~September 1, 1969~~, either party hereto may cancel this agreement by giving 60 <sup>860</sup> days written notice.

### Part III

#### TERMS AND RATES

Shelby Silica Sands, Inc. agrees to pay Thompson Tractor Co., Inc. in the amount of thirty cents (\$.30) per hour of operation of each of the four (4) Caterpillar engines covered by this contract and fifteen cents (\$0.15) per hour of operation of the Onan engine covered by this contract. All four (4) Caterpillar engines will be equipped with standard Caterpillar Service Meters and the Onan engine with an applicable hour meter. All charges will be based upon hours recorded by these meters.

Thompson Tractor Co., Inc. will read the engine service meters on the last normal working day of each calendar month and render an invoice based upon these readings on a calendar month basis. All invoices will be due and payable within ten (10) calendar days after date of invoice to Thompson Tractor Co., Inc., P. O. Box 2642, Birmingham, Alabama. Should Shelby Silica Sands, Inc. become delinquent by more than fifteen (15) calendar days on payment of any invoice, Thompson Tractor Co., Inc. can, at its discretion, cancel this contract.

The above rate will remain in effect for one (1) calendar year from the date of this contract. On each anniversary date during the life of this contract the charging rate per engine service meter operating hour will be adjusted as follows:

1. The rate will be raised or lowered five tenths of one percent (0.5%) for each one percent (1%) that Thompson Tractor Co., Inc. has changed its regular time charging rate for mechanic labor during the preceding twelve (12) months.
2. The rate will be raised or lowered by five tenths of one percent

### SCHEDULE C

(0.5%) for each one percent (1%) of any change in selling price of the following engine parts, applicable to the Caterpillar engines covered by this contract. This computation will be made as follows:

The price of one (1) each of the following parts will be totaled from the published list prices effective on the contract beginning date.

The price of one (1) each of the following parts will be totaled from the published list prices effective on each annual anniversary review date. The percentage increase or decrease will be calculated from the net difference between the total at the time of review and the total at the time of the previous review or the contract beginning date in the case of the first review.

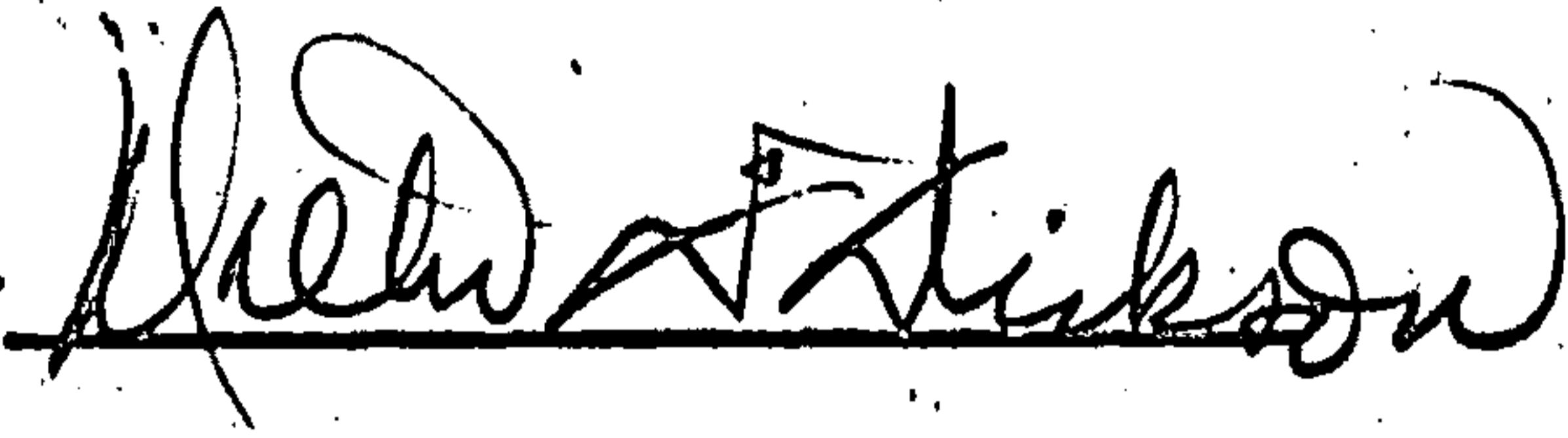
- A. - Crankshafts
- B. - Pistons
- C. - Valves
- D. - Valve Springs
- E. - Gasket Groups
- F. - Cylinder Liners
- G. - Piston Rings
- H. - Main Bearing Groups
- I. - Rod Bearing Groups
- J. - Cylinder Head Assemblies
- K. - Engine Oil Filter Elements

Thompson Tractor Co., Inc. agrees to make needed repairs to the engines covered by this contract using overtime labor hours, within the limits of their ability to do so, provided that the use of such overtime is requested in writing by Shelby Silica Sands, Inc. and Shelby Silica Sands, Inc. agrees to have added to their monthly invoice and pay the then applicable difference between Thompson Tractor Co., Inc.'s regular and overtime mechanic charging rate per man hour used in such repair. It is understood that this provision for the use of overtime labor applies only to repair and that normal

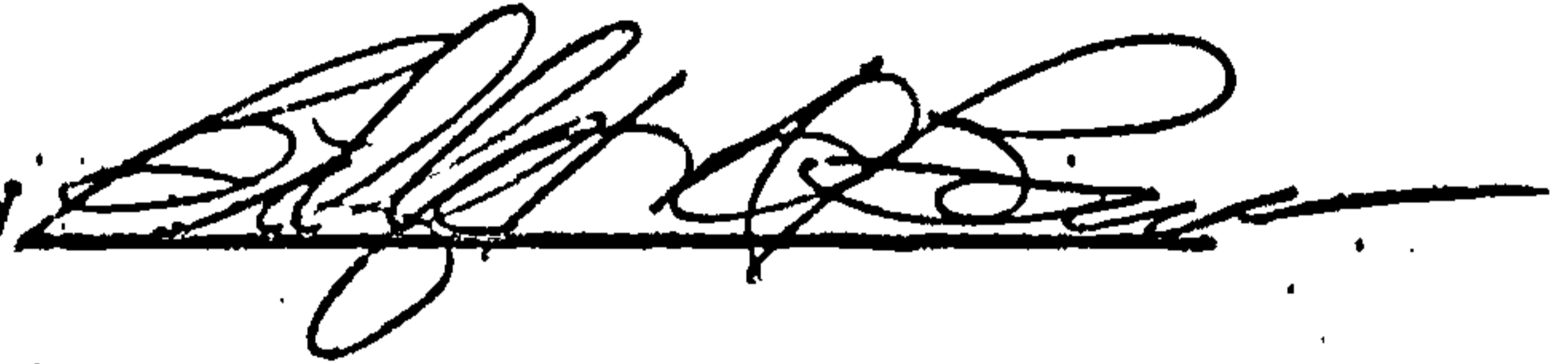
SCHEDULE C

service to the engine is expressly excluded.

THOMPSON TRACTOR CO., INC.

By 

SHELBY SILICA SANDS, INC.

By 

BOOK 254 PAGE 094

THIS AGREEMENT entered into this first day of November,  
1966 by and between ALABAMA GAS CORPORATION and SHELBY  
SILICA SANDS, INC.,

WITNESSETH:

Section 5 of that certain Lease Agreement between the parties  
hereto, dated April 27, 1966, under the terms of which said Alabama  
Gas Corporation leased unto Shelby Silica Sands, Inc. gas engine  
sets and other equipment, be and the same hereby is amended to  
read as follows:

"5. Term of Lease. The term of this Lease  
Agreement is ten (10) years, commencing on November 1,  
1966 and ending on and including October 31, 1976."

Said Lease Agreement dated April 27, 1966, as amended,  
shall in all other respects remain unchanged.

IN WITNESS WHEREOF, the parties hereto have  
this Agreement.

ALABAMA GAS CORPORATION

ATTEST:

P. E. Behl  
Its Secretary

By

Constance  
Its Senior Vice President

SHELBY SILICA SANDS, INC.

ATTEST:

Helen G. O'Barr  
Its Secretary

By

W. H. Bell  
Its President

STATE OF ALA. SHELBY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED  
1968 JUL 18 AM 9:59  
REC. & FILE NUMBER OR  
PAGE AS SHOWN ABOVE  
JUDGE OF REGISTRY