

MEMORANDUM NOTICE OF OPTION AGREEMENT

STATE OF ALABAMA)
COUNTY OF SHELBY) ss.

19810427000046650 1/3 \$.00
Shelby Cnty Judge of Probate, AL
04/27/1981 12:00:00 AM FILED/CERT

WHEREAS, on the 21st day of January, 1981, Jerry F. Colwell and his wife, Karen J. Colwell, referred to hereinafter as "Owner" and Mobil Coal Resources Inc. entered into an Option Agreement, hereinafter referred to as "said agreement", and

WHEREAS, the parties to the said agreement desire to provide a memorandum of such agreement in recordable form,

NOW THEREFORE, know all men by these presents that Owner in consideration of mutual promises contained in said agreement, together with Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, and does hereby grant to Mobil, its successors and assigns the sole exclusive and irrevocable option to purchase the Coal Lease attached to said agreement and signed by Owner as of the date of said agreement, at any time on or before the 21st day of July, 1981, at 12:00 a.m. by giving Owner written notice and certain agreed upon payment therefor.

Said agreement covers and affects lands situated in the State of Alabama, County of Shelby described in Exhibit "A" attached hereto, and by reference made a part hereof, and provides for the following rights and duties, among others: (a) Exclusive right to enter into, upon, over, across and through said lands during the Option Period and to examine, explore, drill, survey and evaluate (b) Payment of damages to Owner under certain conditions (c) Owner not to lease lands to anyone else for oil, gas, or any minerals during the option period.

All of the details of terms and provisions of said agreement are incorporated in this memorandum by reference for all purposes as fully as if said agreement were copied at length herein. Said agreement is available for review and inspection by any interested party during business hours at:

Mobil Coal Resources Inc.
1050 17th Street
Denver, Colorado 80202

XFC
JFC
JH

Owner and Mobil agree that this memorandum of option agreement shall in no way be construed to limit or enlarge the leasehold estate, rights or obligations of the parties from the estate, rights and obligations as set out in said agreement which is hereby adopted, confirmed and ratified in all of its terms for all purposes.

EXECUTED THIS 4th day of March, 1981.

OWNER

Jerry F. Colwell
Jerry F. Colwell

OWNER

Karen J. Colwell
Karen J. Colwell

MOBIL COAL RESOURCES INC.

BY:

J. F. Colwell
PRESIDENT

STATE OF Mississippi

COUNTY OF Louise

I, the undersigned Notary Public in and for said State and County, hereby certify that JERRY F. COLWELL and KAREN F. COLWELL, whose names are signed to the foregoing Memorandum Notice of Coal Lease, and who are known to me, acknowledged before me this date that, being informed of the contents of said document, they executed the same voluntarily on the day the same bears date.

Given under my hand and seal this 4th day of March, 1981.

My Commission Expires:

Nov. 24, 1984

Lisa Perkins
Notary Public, Louise County, Mississippi

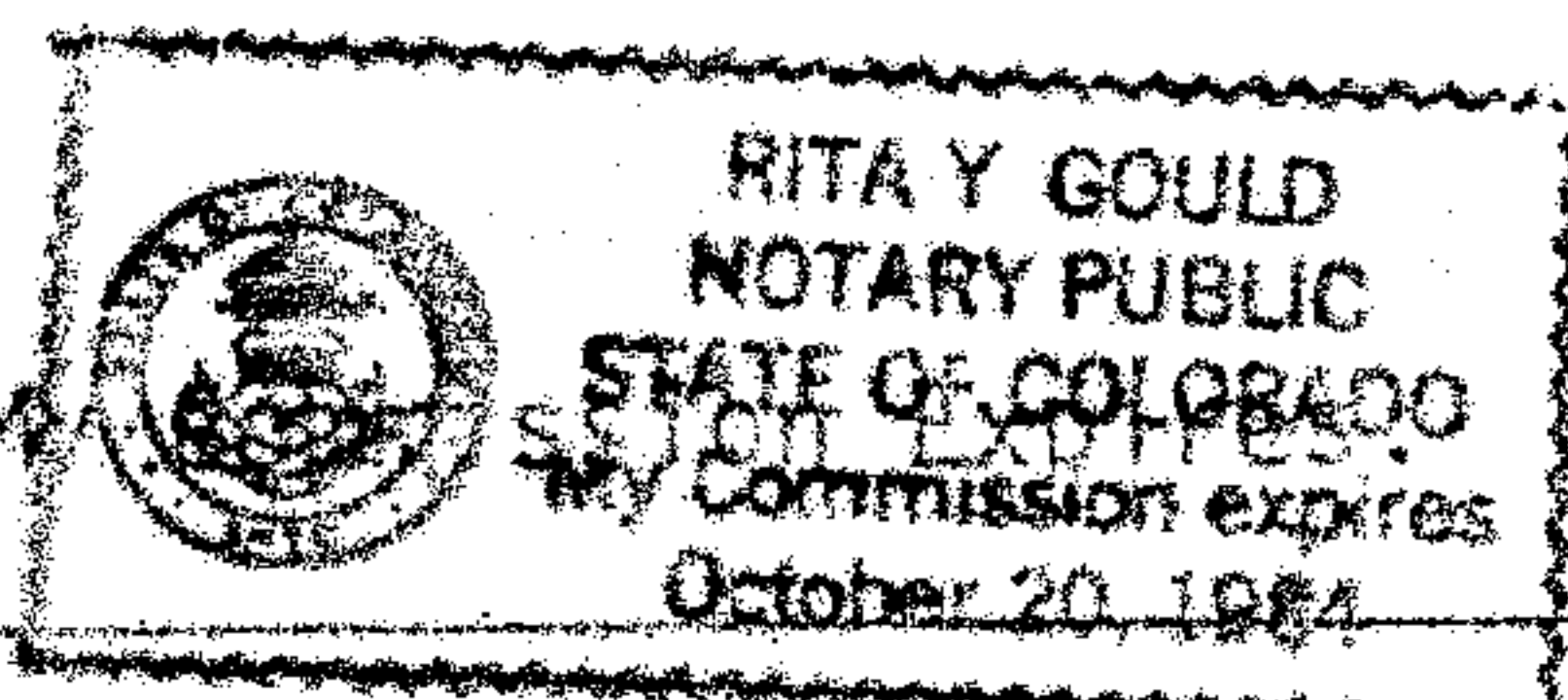
STATE OF COLORADO

COUNTY OF DENVER

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I, the undersigned Notary Public in and for said State and County, hereby certify that JL. GUY, whose name as PRESIDENT of Mobil Coal Resources Inc., is signed to the foregoing Memorandum Notice of Coal Lease, and who is known to me, acknowledged before me this date that, being informed of the contents of said document, 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 15th day of MARCH, 1981.



Rita Y. Gould
Notary Public, Denver County, Colorado

This document prepared by:

M. Dewitt Reams
P. O. Box 8158
Mobile, Alabama 36608

ALC-1

Released
BOOK 40 PAGE 449

EXHIBIT "A"

Township 18 South, Range 1 West

Section 13: NE 1/4 of SW 1/4; W 1/2 of SE 1/4; and NW 1/4 lying South and East of the mountain

Township 19 South, Range 1 West

Section 27: N 1/2

Township 20 South, Range 2 West

Section 1: S 1/2 of NE 1/4; S 1/2 of SW 1/4
Section 3: SE 1/4 of NE 1/4 and SE 1/4
Section 7: NE 1/4 of NW 1/4; W 1/2 of NW 1/4; NW 1/4 of SW 1/4; and SE 1/4 of SE 1/4
Section 9: N 1/2 of NE 1/4; SW 1/4 of NE 1/4; W 1/2 of SE 1/4; S 1/2 of NW 1/4; and SW 1/4
Section 11: S 1/2 of NE 1/4; SE 1/4 of NW 1/4; and S 1/2
Section 13: NE 1/4 of NW 1/4; and W 1/2 of NW 1/4
Section 15: E 1/2; NE 1/4 of NW 1/4; SW 1/4 of NW 1/4; E 1/2 of SW 1/4; and SW 1/4 of SW 1/4
Section 17: N 1/2 of SW 1/4; N 1/2 of SE 1/4; SW 1/4 of SE 1/4
Section 21: NE 1/4 of NE 1/4; S 1/2 of NE 1/4; SE 1/4 of NW 1/4; and S 1/2
Section 19: NE 1/4 of NE 1/4; S 1/2 of NE 1/4; SE 1/4 of NW 1/4; E 1/2 of SW 1/4; and W 1/2 of SE 1/4
Section 25: SE 1/4 of SW 1/4
Section 29: NE 1/4 of NE 1/4; W 1/2 of NE 1/4; SE 1/4 of NW 1/4; NE 1/4 of SW 1/4; S 1/2 of SW 1/4; and W 1/2 of SE 1/4
Section 31: E 1/2 of NE 1/4; and S 1/2
Section 35: N 1/2 of N 1/2; SW 1/4 of NE 1/4 and SE 1/4

Township 19 South, Range 2 West

Section 12: SE 1/4 of NE 1/4

Township 18 South, Range 1 West

Section 26: E 1/2 of NE 1/4; and SE 1/4 of SE 1/4

Township 21 South, Range 2 West

Section 5: NW 1/4 of NE 1/4; SE 1/4 of NE 1/4; NW 1/4; and W 1/2 of SE 1/4
Section 15: NE 1/4 of NE 1/4
Section 21: NE 1/4 of SE 1/4
Section 25: NE 1/4 of NE 1/4; W 1/2 of NE 1/4; NW 1/4 of NW 1/4
Section 35: NW 1/4 of NW 1/4; S 1/2 of NW 1/4; NE 1/4 of SW 1/4; and SW 1/4 of SW 1/4

Township 18 South, Range 1 East

Section 7: entire section
Section 9: SE 1/4 of SW 1/4; SW 1/4 of SE 1/4; and NE 1/4 of NW 1/4,

LOCATED IN THE COUNTY OF SHELBY, STATE OF ALABAMA.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
DOCUMENT WAS FILED

1931 APR 27 AM 10:10

Thomas A. Inman, Jr.
JUDGE OF PROBATE

Rec. 450
100
550

Signed for Identification

[Signature]
[Signature]
[Signature]

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