

STATE OF ALABAMA

MINERAL DEED

1548

This conveyance of oil, gas and mineral interests and rights is executed on this 30th day of September, 1987, between the Federal Land Bank of Jackson ("GRANTOR"), formerly known as Federal Land Bank of New Orleans, a federally chartered corporate instrumentality, whose address is 1800 East County Line Road, Ridgeland, Mississippi 39157 (Telephone Number 601-957-4000) and the Federal Intermediate Credit Bank of Jackson, ("GRANTEE"), a federally chartered corporate instrumentality, whose address is 1800 East County Line Road, Ridgeland, Mississippi 39157 (Telephone Number 601-957-4000).

KNOW ALL MEN BY THESE PRESENTS, THAT premises considered for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10), and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the said GRANTOR does hereby GRANT, BARGAIN, SELL and CONVEY, subject to the reservations, disclaimers, exceptions, conditions, limitations and restrictions hereinafter set forth, unto the GRANTEE all of its right, title and interest in all oil, gas, coal, lignite and all other minerals in the State of Alabama in which Grantor owns an interest on this date and which are severed from the surface. For the same considerations GRANTOR hereby SELLS, TRANSFERS, ASSIGNS and CONVEYS unto GRANTEE all rights, royalties, rentals and other benefits, if any, payable to GRANTOR which GRANTOR has under all valid and subsisting leases affecting the interests herein conveyed or any portion thereof. Attached as Exhibit "A" is a listing of the number of acres that a review of the Grantor's records has indicated it may currently own in each county in the State of Alabama. However, this exhibit serves solely to assist in recordation of this instrument and in determining the amount of Mineral Documentary Tax. Said exhibit does not enlarge or restrict the grant in any way nor does it constitute a warranty or representation regarding the number of acres in which gas, oil and mineral interests are conveyed, nor their location and value.

TOGETHER WITH all rights GRANTOR may have of ingress and egress to and from the said properties for the purpose of exploring for, mining, drilling and removing said oil, gas, coal, lignite and all other minerals, herein conveyed, and TOGETHER WITH all rights, royalties, rentals and other benefits payable to GRANTOR which GRANTOR may have under any valid and

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NOTARIAL PUBLIC, BARKER, MANECKY, SCOPELAND

subsisting leases affecting the interests herein conveyed, or any portion thereof.

TO HAVE AND TO HOLD unto the said GRANTEE its heirs, successors, and assigns forever, subject to:

- (1) Reservation by GRANTOR herein, unto itself, of all its interest in and to oil, gas and other minerals in, on or under property in which property GRANTOR also owns the surface interest on the date of this conveyance.
- (2) Any and all equitable or statutory rights of redemption arising under State or Federal laws.
- (3) Existing rights-of-way, leases, servitudes, easements, restrictive covenants, building and zoning restrictions and the effect of any regulations adopted by any governmental unit having jurisdiction over the above-described property, or interests and rights herein conveyed.
- (4) Any and all conditions, reservations, restrictions, liens and encumbrances of record, if the same were created by predecessors in title to the Grantor.
- (5) All matters arising out of or in connection with acts or omissions of Grantor's predecessor or predecessors in interest.
- (6) Any and all matters arising out of or in connection with the acts or omissions of the GRANTEE or those claiming under or through the GRANTEE.
- (7) Reservations or conveyances of gas, oil, and mineral interests and rights in connection therewith, by persons or entities other than GRANTOR herein.
- (8) Defects in Grantor's title to, or claims against Grantor's title in, the interests and rights conveyed herein, arising out of or connected with any invalidity in the exercise by Grantor of a right of foreclosure.

AND the GRANTOR, for itself and its successors, and assigns, does hereby covenant with the GRANTEE, its successors, and assigns, at the time of the delivery of this deed, that, subject to all reservations, disclaimers, exceptions, conditions, limitations, restrictions and other matters set forth herein, since GRANTOR'S reservation of whatever interests and rights in gas, oil and minerals as are conveyed herein, the interests and rights in the above-described property as are conveyed herein are free from all encumbrances made by GRANTOR and that GRANTOR will warrant and defend the same against the lawful claims and demands of all persons claiming by, through or under it, but against none other.

This Mineral Deed is subject to that certain Purchase Agreement between the parties of September 30, 1987. Incorporated by reference from said Purchase Agreement are all terms that limit the special warranty hereof,

provide for rights of the GRANTOR in certain pending litigation, and otherwise create or continue rights or obligations of the parties that survive the execution of this Mineral Deed.

It is expressly understood and agreed the Grantor's liability for any breach of its express warranty contained herein shall be limited to an obligation of Grantor to return to Grantee a proportionate part of the monetary consideration paid for this conveyance. Simultaneous with the execution of this Mineral Deed, similar mineral deeds have been executed to convey the Grantor's mineral interests in the states of Louisiana and Mississippi. The parties hereto agree that for purposes of this paragraph, the mineral acre total for conveyances in all three states is stipulated to be 875,241. If the express warranty contained herein fails as to any property, the number of acres involved in each failure will be totaled. The percentage that such total represents of 875,241 acres will then be determined and that same percentage of the purchase price will be refunded by Grantor or its successors.

It is GRANTOR'S intent to convey to GRANTEE all of whatever severed interests GRANTOR may have in and to oil, gas, coal, lignite and other minerals in the State of Alabama, except in those which are on or under property to which Grantor owns a surface interest. GRANTOR further intends to convey whatever rights GRANTOR may have of ingress and egress as are reasonably necessary for the complete enjoyment of the interests hereby conveyed. GRANTOR further intends to convey whatever interests GRANTOR may have in and to royalties, rentals and other benefits payable under any valid and subsisting oil, gas and mineral leases affecting any of the interests hereby conveyed or any portion thereof as may be vested in GRANTOR as of the date of execution and delivery of this instrument, all without warranty, covenant, covenants of warranty, or representation, either express or implied, except such express warranty as is set forth herein, which express warranty is subject to all reservations, disclaimers, exceptions, conditions, limitations and restrictions set forth herein.

In Witness Whereof, Federal Land Bank of Jackson has caused multiple originals of this instrument to be signed, sealed and attested in its name and on its behalf by its officers thereunto duly authorized, as of the date first hereinabove set forth.

FEDERAL LAND BANK OF JACKSON

By:

As Its President

(CORPORATE SEAL)

ATTEST:

By:

As Its Vice President, Secretary
and General Counsel

FEDERAL INTERMEDIATE CREDIT BANK
OF JACKSON

By:

As Its President

(CORPORATE SEAL)

ATTEST:

By:

As Its Vice President, Secretary
and General Counsel

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STATE OF MISSISSIPPI

COUNTY OF MADISON

I, a Notary Public in and for said County in said State, hereby certify that James L. Toft and W. Brian Babin, whose names as President and Vice President, Secretary and General Counsel, respectively, of Federal Land Bank of Jackson, a federally chartered corporate instrumentality, 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, as such officers and with full authority, execute the same, voluntarily for and as the act of said corporation.

Given under my hand and notarial seal this the 30th day of September, 1987.

Lenny Raye Ayers (SEAL)
NOTARY PUBLIC

My Commission Expires April 24, 1990

My Commission Expires: _____

STATE OF MISSISSIPPI

COUNTY OF MADISON

I, a Notary Public in and for said County in said State, hereby certify that James L. Toft and W. Brian Babin, whose names as President and Vice President, Secretary and General Counsel, respectively, of the Federal Intermediate Credit Bank of Jackson, a federally chartered corporate instrumentality, 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, as such officers and with full authority, execute the same, voluntarily for and as the act of said corporation.

Given under my hand and notarial seal this the 30th day of September, 1987.

Lenny Raye Ayers (SEAL)
NOTARY PUBLIC

My Commission Expires April 24, 1990

My Commission Expires: _____

State of Ala. County of Mobile

I Certify that this instrument was filed on

Nov. 10, 1987, at 3:03 P.M.

Record Fee.....~~None~~ Fee.....

Mortgage Tax.....Miserai Tax.....
has been paid on this instrument

L.W. MOONAN
JUDGE OF PROBATE

THIS INSTRUMENT PREPARED BY:

E. ELLIOTT BARKER, ESQUIRE
NETTLES, BARKER, JANECKY & COPELAND
3300 First National Bank Building
Post Office Box 2987
Mobile, Alabama 36652

GRANTEE'S NAME AND ADDRESS:

FEDERAL INTERMEDIATE CREDIT BANK OF JACKSON
1800 East County Line Road
Ridgeland, Mississippi 39157

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PROPERTIES OWNED BY FEDERAL LAND BANK OF JACKSON

State of Alabama

As of July 1, 1987

PROPERTY STATUS - ACRES

<u>County</u>	<u>Held by Production</u>	<u>FLB Mineral Acres</u>
Autauga	-0-	3,138.17
Baldwin	-0-	2,052.62
Barbour	304.00	33,284.86
Bibb	-0-	704.13
Blount	-0-	1,266.64
Bullock	-0-	4,541.85
Butler	-0-	2,786.94
Calhoun	-0-	1,314.91
Chambers	-0-	12,971.22
Cherokee	-0-	1,707.13
Chilton	-0-	1,298.95
Choctaw	-0-	1,152.18
Clarke	160.00	1,081.88
Clay	-0-	2,353.47
Cleburne	-0-	1,133.50
Coffee	-0-	15,639.23
Colbert	-0-	518.56
Conecuh	-0-	8,781.18
Coosa	-0-	1,920.25
Covington	-0-	24,036.41
Crenshaw	-0-	12,099.77
Cullman	-0-	6,894.26
Dale	-0-	17,921.74
Dallas	-0-	2,902.67
DeKalb	-0-	1,390.30
Elmore	-0-	1,631.60
Escambia	52.00	4,075.57
Etowah	-0-	1,509.25
Fayette	489.54	939.92
Franklin	-0-	1,492.64
Geneva	-0-	17,273.09
Greene	-0-	106.25
Hale	-0-	1,864.43
Henry	83.44	15,450.40
Houston	-0-	10,477.17
Jackson	-0-	1,752.97
Jefferson	-0-	70.00
Lamar	208.85	1,224.17
Lauderdale	-0-	1,239.53
Lawrence	-0-	2,367.22
Lee	-0-	7,415.71
Limestone	-0-	1,101.33
Lowdnes	-0-	448.75
Macon	-0-	5,280.98
Madison	-0-	2,016.99
Marengo	-0-	3,329.86
Marion	-0-	859.72
Marshall	338.50	1,285.39
Mobile	-0-	1,490.48
Monroe	-0-	1,857.61
Montgomery	-0-	4,393.89
Morgan	-0-	4,593.66
Perry	-0-	2,105.11
Pickens	-0-	5,184.77
Pike	-0-	12,353.47
Randolph	-0-	6,971.23
Russell	-0-	8,625.06
St. Clair	-0-	1,884.26
Shelby	-0-	1,826.80
Sumter	-0-	818.57

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<u>County</u>	<u>FLB Held by Production</u>	<u>Mineral Acres</u>
Talladega	-0-	1,719.79
Tallapoosa	-0-	3,456.36
Tuscaloosa	-0-	2,068.03
Walker	-0-	79.34
Washington	-0-	992.35
Wilcox	-0-	1,399.33
Winston	-0-	1,737.15
Total	1,363.33	309,663.02

STATE OF ALA. SHELBY CO,
I CERTIFY THIS
INSTRUMENT WAS FILED

1987 NOV 23 PM 3:26

Thomas A. Snowden, Jr.
JUDGE OF PROBATE

1. Deed Tax	\$ 91.50
2. Mtg. Tax	
3. Recording Fee	17.50
4. Indexing Fee	1.00
TOTAL	110.00