

1410

Shelby County, Alabama

DEED OF QUITCLAIM

THIS DEED OF QUITCLAIM is made as of April 15, 1988, between CSX TRANSPORTATION, INC., a Virginia corporation with offices at One James Center, Richmond, Virginia 23219 ("Grantor") and CSX OIL & GAS CORPORATION, a Louisiana corporation with offices at Two Houston Center, Suite 2000, 909 Fannin Street, Houston, Texas 77002 ("Grantee").

WITNESSETH:

For and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid to Grantor by Grantee, the receipt and sufficiency of which consideration are hereby acknowledged, Grantor hereby releases and forever quitclaims unto Grantee all right, title and interest which Grantor may have in and to the following (collectively, the "Oil and Gas Rights"):

BOOK 180 PAGE 715  
A. All oil, gas and constituent liquids and gaseous substances or minerals (including sulphur) which may be produced from the well bore of an oil and/or gas well in association with oil or gas (collectively, "Oil and Gas"), now or hereafter located in, on or under or otherwise associated with the properties described in Exhibit A attached hereto (the "Properties");

B. The right of ingress and egress over, upon and across the Properties for the purpose of exploring for (including, but not by way of limitation, seismographic exploration) Oil and Gas and for drilling wells or producing the same and for storing and removing the same when so produced. This right to ingress and egress shall include the right to make use of so much of the surface of the Properties as may be reasonably incident or convenient to any exploration, development, storage or production of Oil and Gas, including construction of pipe lines, storage tanks, slush pits, roads and other surface structures incident or convenient to such exploration, development, production, storage or removal. All such structures, material, machinery, or equipment placed upon the Properties by Grantee or anyone claiming under Grantee may be removed by Grantee or those claiming under it within a reasonable time after the use thereof permanently ceases;

C. All existing leases and operations for Oil and Gas associated with the Properties, including any royalties, overriding royalties, production payments, net profits interests or carried interests, and any reversion or conversion rights related thereto;

✓  
Armstrong, Jackson  
Mobile Ala - 36601

D. The nonexclusive right to drill water wells and take water therefrom, but only to the extent reasonably necessary or incident to its Oil and Gas operations or development of the Properties; and

E. The nonexclusive right, at Grantee's sole cost, risk and expense, to use any easements, servitudes, rights-of-way, surface leases and other surface rights (subject to the terms and conditions thereof) included in the Properties to the extent and only to the extent reasonably necessary in connection with Grantee's operations and only so long as Grantee's use thereof does not unreasonably interfere with the exploration, development, operation or maintenance of the Properties by Western Pocahontas Properties Limited Partnership, a Texas limited partnership, its successors and assigns (hereinafter collectively referred to as "Western Pocahontas"), in connection with their operations thereon.

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TO HAVE AND TO HOLD the Oil and Gas Rights, together with all and singular the rights and appurtenances thereto belonging, unto Grantee, its successors and assigns forever. Grantor makes no, and disclaims any, warranties of title, express or implied, with respect to the Oil and Gas Rights or the Properties.

This conveyance of the Oil and Gas Rights is made subject to the conditions, covenants and restrictions set forth in a Conveyance dated December 31, 1986 between Grantor and Western Pocahontas, recorded in the land records of Shelby County, Alabama in Volume 112, page 876. By its execution of this Deed, Grantee agrees to comply with and observe all of such conditions, covenants and restrictions. In addition, Grantee agrees, for itself and its successors and assigns, that to the extent any rail lines are now or may be hereafter located on or over the Properties or within two hundred (200) feet of the boundary lines thereof, no well shall be drilled, no building or storage facilities shall be constructed, no equipment or supplies shall be stored or allowed to accumulate and no other use shall be made or operations conducted upon the surface within two hundred (200) feet of such rail lines. The restriction set forth in the immediately preceding sentence is intended for the benefit of CSX Transportation, Inc., its successors and assigns, which shall have the right to enforce the same.

In addition, and not in lieu of the foregoing conveyance, Grantor hereby releases and forever quitclaims unto Grantee all right, title and interest which Grantor may have in and to any Oil and Gas Rights in and under the lands and interests covered by the leases described in Exhibit B attached hereto; but only to the extent such lands and interests are not described in Exhibit A attached hereto. To the extent any Oil and Gas Rights pass to Grantee by virtue of this paragraph, the provisions of the

foregoing paragraphs of this Deed are, and shall be, applicable thereto.

This Deed shall be binding upon and shall inure to the benefit of the Grantor and the Grantee and their respective successors, legal representatives and assigns, including without limitation, any lessees from Grantee of the Oil and Gas Rights.

WITNESS the following duly authorized signatures.

GRANTOR

CSX TRANSPORTATION, INC.

By: P. Michael Giftos

Name: P. Michael Giftos

Title: Authorized Agent

GRANTEE

CSX OIL & GAS CORPORATION

By: P. Michael Giftos

Name: P. Michael Giftos

Title: Vice President

GRANTEE'S MAILING ADDRESS:

Two Houston Center, Suite 2000  
909 Fannin Street  
Houston, Texas 77002

THIS INSTRUMENT WAS PREPARED BY:

Charles L. Menges, Esq.  
McGuire, Woods, Battle & Boothe  
One James Center  
Richmond, Virginia 23219

A:CSXT-AS.CLM

Alabama Corporate  
Acknowledgment

THE STATE OF VIRGINIA   §  
                                  §  
CITY OF RICHMOND       §

I, Carla E. DeRose, a notary public in and for said city in said state, hereby certify that P. MICHAEL GIFTOS, whose name as Authorized Agent of CSX TRANSPORTATION, INC., a Virginia corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, 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 of office this 15th day of April, A.D., 1988.

[SEAL]

Carla E. DeRose  
Notary Public in and for  
The State of Virginia

My Commission Expires:

Printed Name of Notary:

10-13-91

CARLA E. DE ROSE

THE STATE OF VIRGINIA   §  
                                  §  
CITY OF RICHMOND       §

I, Carla E. DeRose, a notary public in and for said city in said state, hereby certify that P. MICHAEL GIFTOS, whose name as Vice President of CSX OIL & GAS CORPORATION, a Louisiana Corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, 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 of office this 15th day of April, A.D., 1988.

[SEAL]

Carla E. DeRose  
Notary Public in and for  
The State of Virginia

My Commission Expires:

Printed Name of Notary:

10-13-91

CARLA E. DE ROSE

Alabama

EXHIBIT "A"

PREAMBLE

This Exhibit describes the Properties, as defined in the Deed of Quitclaim to which it is attached.

The Properties shall mean all of the real property, rights, titles and interest as described in the following pages. The Properties are conveyed subject to (a) those matters set forth in the Deed of Quitclaim, (b) the terms, provisions and conditions of the matters to which this deed is made expressly subject. In addition, Grantor hereby reserves a fee simple interest in and to the surface of the "Railroad Parcels" described below.

For purposes of this Exhibit the following terms shall have the following meanings:

1. "Fee" shall mean the entire undivided fee simple interest in and to the lands described on this Exhibit where such designation appears.

2. "Mineral Rights" or "Mineral Interests" shall mean those rights in the minerals under the lands described in this Exhibit where such designation appears as were reserved by or conveyed to Grantor, as the case may be, pursuant to the terms of instruments covering such property; provided, however, the terms "Mineral Rights" or "Mineral Interests" shall in any event mean and be deemed to cover the Oil and Gas Rights associated with such property where such designation appears.

3. "Half Interest in Mineral Rights" shall mean a fifty percent (50%) ownership interest in the Mineral Rights.

4. "One-Fourth Interest in Mineral Rights" shall mean a twenty-five percent (25%) ownership interest in the Mineral Rights.

5. "Acres" shall mean the approximate number of acres covered by each respective entry on the following pages.

BOOK 180 PAGE 719

50.00 3.000.12  
16.65  
34.17  
50.00.12

### RAILROAD PARCELS

1. A parcel of land 115 feet wide lying 65 feet on the east side and 50 feet on the west side of the centerline of the main railroad track owned by CSX Transportation, Inc., beginning on the north line NW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of Section 9, Township 20 South, Range 3 West, Shelby County, Alabama, and running southeastwardly 6306 feet, more or less, to the south line of said Section 9, SW  $\frac{1}{4}$  of SE  $\frac{1}{4}$ , Township 20 South, Range 3 West, Shelby County, Alabama.

2. A parcel of land, of various widths, beginning in the north line of the SW  $\frac{1}{4}$  of SW  $\frac{1}{4}$  of Section 5, Township 20 South, Range 3 West, Shelby County, Alabama, and running southwestwardly, with a width of 100 feet, being 50 feet on each side of the centerline of the main railroad track owned by CSX Transportation, Inc., 2855 feet, more or less, to a point; thence with a width of 150 feet, 75 feet on each side of the centerline of said main track, 1160 feet, more or less to a point; thence with a width of 200 feet, 75 feet on the east side of main track and 125 feet on the west side of said main track, 2495 feet, more or less to the north line of a road crossing; thence with a width of 150 feet, being 75 feet on each side of the centerline of the main track, 1884 feet, more or less, to a point; thence with a width of 200 feet, 100 feet on each side of the centerline of the main track, 1600 feet, more or less to a point; thence with a width of 100 feet, 50 feet on each side of the centerline of the main tract, 2943 feet, more or less, to the east line of the SE  $\frac{1}{4}$  of NE  $\frac{1}{4}$  of Section 17, Township 20 South, Range 3 West; the distances set forth herein being along the centerline of the main track which runs through Sections 5, 7, 8 and 17, Township 20 South, Range 3 West.

<u>County</u>	<u>Description</u>	<u>Sec.</u>	<u>Town- ship</u>	<u>Range</u>	<u>Acres</u>
Shelby [Mineral Rights]	N $\frac{1}{2}$ of NE $\frac{1}{2}$ , N $\frac{1}{2}$ of NW $\frac{1}{2}$	10	19S	2W	160
	NW $\frac{1}{2}$ of SW $\frac{1}{2}$	3	20S	3W	40
	S $\frac{1}{2}$ of section				
	W $\frac{1}{2}$ of NW $\frac{1}{2}$	4	20S	3W	400
	SE $\frac{1}{2}$ of NE $\frac{1}{2}$ , S $\frac{1}{2}$ of SE $\frac{1}{2}$ ,	5	20S	3W	120
	That portion of NW $\frac{1}{2}$ that lies northeast of mean low water line of Cahaba River	9	20S	3W	40
	SE $\frac{1}{2}$ of SE $\frac{1}{2}$	18	20S	3W	40
	E $\frac{1}{2}$ of NE $\frac{1}{2}$ , NE $\frac{1}{2}$ of SE $\frac{1}{2}$ , SE $\frac{1}{2}$ of SW $\frac{1}{2}$ , the northwest diagonal 20 acres of SW $\frac{1}{2}$ of SE $\frac{1}{2}$ lying west of Cahaba River	19	20S	3W	180
	The northwest diagonal 20 acres of NE $\frac{1}{2}$ of NW $\frac{1}{2}$ west of Cahaba River	30	20S	3W	20
	That portion of NE $\frac{1}{2}$ located in Shelby County	14	20S	4W	25
	NE $\frac{1}{2}$ of SW $\frac{1}{2}$	3	20S	3W	40
	S $\frac{1}{2}$ of SW $\frac{1}{2}$	5	20S	3W	80
	E $\frac{1}{2}$ of NE $\frac{1}{2}$ , N $\frac{1}{2}$ of SE $\frac{1}{2}$	7	20S	3W	160
	All of section (Less 2.88 acres sold to Atlantic Coastline RR 4/17/61)	8	20S	3W	637.12
	NE $\frac{1}{2}$ , NE $\frac{1}{2}$ of SE $\frac{1}{2}$ , W $\frac{1}{2}$ of SE $\frac{1}{2}$ , SW $\frac{1}{2}$ , all that portion of NW $\frac{1}{2}$ west of the northeast bank of Cahaba River on mean low water line	9	20S	3W	560
[Fee]	N $\frac{1}{2}$ of section SE $\frac{1}{2}$ of SW $\frac{1}{2}$ , E $\frac{1}{2}$ of NE $\frac{1}{2}$ of SW $\frac{1}{2}$	17	20S	3W	540
	N $\frac{1}{2}$ of NE $\frac{1}{2}$ , N $\frac{1}{2}$ of NW $\frac{1}{2}$ , SE $\frac{1}{2}$ of NE $\frac{1}{2}$ , NE $\frac{1}{2}$ of SE $\frac{1}{2}$ , SW $\frac{1}{2}$ of SE $\frac{1}{2}$ , SE $\frac{1}{2}$ of SW $\frac{1}{2}$	18	20S	3W	320
	NW $\frac{1}{2}$ of NE $\frac{1}{2}$	19	20S	3W	40

CSX/f4ex  
123186, 12:00 a.m.

EXHIBIT "A"

BOOK 180 PAGE 722

STATE: Alabama  
COUNTY: Shelby

III. SUBJECT TO the estates granted by, and the terms, provisions and conditions of the following, as same may have been amended, extended, supplemented or modified, but only to the extent that any of same are valid, existing and enforceable and affect the properties on the date hereof:

<u>GRANTOR</u>	<u>GRANTEE</u>	<u>INSTRUMENT DATE</u>	<u>BOOK</u>	<u>PAGE</u>
Louisville and Nashville Railroad Company	Alabama Power Company	03/24/1913		



There is no Exhibit B.

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

88 APR 20 AM 10:41

*Thomas A. Sherrill, Jr.*  
JUDGE OF PROBATE

MINERAL TAX	517.93
1. Deed Tax	\$ 17.50
2. Mtg. Tax	
3. Recording Fee	22.50
4. Indexing Fee	1.00
TOTAL	558.93