

STATE OF ALABAMA
COUNTY OF SHELBY

TIMBER DEED

Inst # 1993-18181
06/22/1993-18181
11:51 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
007 MCD 171.50

KNOW ALL MEN BY THESE PRESENTS, That MICHAEL H. STRONG, a married man, and in consideration of the sum of Ten and no/100 (\$10.00) Dollars and other good and valuable consideration to Michael H. Strong, (hereinafter called "Grantor") in hand paid by Inland Rome, Inc., a Delaware Corporation with its principal office in Floyd County, Georgia, (hereinafter called "Grantee") the receipt whereof is hereby acknowledged, do grant, bargain, sell, and convey unto said Inland Rome, Inc., the following described timber, to-wit:

ALL UNMARKED PINE TIMBER, EXCLUDING APPROXIMATELY 40 ACRES SHOWN IN THE HATCHED AREA ON EXHIBIT "B", WHICH AREA SHALL BE FLAGGED BY GRANTOR OR AGENT.

Said timber now being, standing, and growing upon the following described lands, situated in the County of SHELBY, and State of ALABAMA, to-wit:

PARCEL 1

THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE 1/4 OF SE 1/4) OF SECTION 26, TOWNSHIP 18 SOUTH, RANGE 1 EAST.

THE EAST HALF (E 1/2) OF SECTION 25, TOWNSHIP 18 SOUTH, RANGE 1 EAST, LESS AND EXCEPT THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (E 1/2 OF SE 1/4 OF SE 1/4).

THE WEST HALF (W 1/2) OF SECTION 25, TOWNSHIP 18 SOUTH, RANGE 1 EAST, LESS AND EXCEPT THE NORTH HALF OF THE NORTH HALF OF THE NORTHWEST QUARTER (N 1/2 OF N 1/2 OF NW 1/4).

PARCEL 2

BEGIN AT THE NE CORNER OF SECTION 36, TOWNSHIP 18 SOUTH, RANGE 1 EAST, SHELBY COUNTY, ALABAMA; THENCE RUN WESTERLY ALONG THE NORTH LINE OF SAID SECTION A DISTANCE OF 1,334.32 FEET TO THE NORTHWEST CORNER OF THE NE 1/4 OF THE NE 1/4 OF SAID SECTION 36, THENCE TURN AN ANGLE OF 93 DEGREES 09' 30" TO THE LEFT AND RUN SOUTHERLY ALONG THE WEST LINE OF SAID 1/4-1/4 A DISTANCE OF 210.0 FEET TO A POINT; THENCE TURN AN ANGLE OF 86 DEGREES 51' 20" TO THE LEFT AND RUN EASTERLY A DISTANCE OF 1,339.20 FEET TO A POINT ON THE EAST LINE OF SECTION 36; THENCE TURN AN ANGLE OF 94 DEGREES 28' 40" TO THE LEFT AND RUN NORTHERLY A DISTANCE OF 210.0 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PROPERTY DOES NOT CONSTITUTE THE HOMESTEAD OF THE GRANTOR OR HIS SPOUSE.

together with all rights of ingress, egress, and regress owned by Grantor or available to the public across existing roads in Section 36, Township 18 South, Range 1 East and Section 24,

Blair, Holliday

Township 18 South, Range 1 East for said Inland Rome, Inc., its agent, servants, contractors, employees, successors, and assigns, over, across, and along said lands, and any other lands owned by undersigned for the purpose of cutting, removing and manufacturing said timber and the right to install on said lands machinery, equipment, roads and bridges, and structures that may be useful, necessary, or convenient in the business of logging, sawing, and removing said timber together with the right to remove same within 60 days after final date for cutting and removal hereunder. At the expiration of said 60 days, all rights of the parties growing out of the execution of this contract shall terminate with the exception of any unpaid amounts owing Grantor. The Grantee shall have 18 months from the date of execution of this timber deed to cut and remove said timber, and all timber remaining on said lands at the expiration of said time shall then revert to and vest in the Grantor, MICHAEL H. STRONG, or their heirs or assigns. It is understood and agreed that the exercise of grantee's rights hereunder, including the work of harvesting the timber herein conveyed and its removal from the property hereinabove described, will, because of the very nature of such work and the use of the machinery and equipment which must be used to accomplish such work with reasonable efficiency, inevitably cause some alteration and damage to said property as well as damage to understory and small trees not to be cut. Such alteration and damage to said property and damage to understory and small trees not to be cut has been taken into consideration by grantor in agreeing to the amount of the consideration to be paid by grantee to grantor hereunder at the time of the execution and delivery of this indenture. In no event shall grantee be liable for any such alteration or damage to said property or damage to understory or smaller trees not to be cut, nor shall grantee bear any responsibility for restoring or attempting to restore such property to its condition as same existed prior to grantee's commencing the exercise of the rights granted it hereunder.

The initial lump sum consideration paid hereunder has been computed on the same per cord basis as stated in that certain letter by Inland Rome, Inc. to Applegate Realty Company, Inc. (the "Letter") bearing even date with this deed. After Grantee cuts all timber purchased with the initial lump sum consideration paid at the time of the execution of the Timber Deed, the Grantee agrees to pay and the Grantor agrees to accept the prices for each cord of wood delivered by the Grantee's contractor, employees, or agents to any Inland Rome wood using facility or any other such wood using facility designated by the Grantee, on a pay-as-cut basis in accordance with the letter by Inland Rome, Inc. to Applegate Realty Company, Inc. Grantee and Grantor each hereby acknowledge receipt of a copy of said letter.

Both Grantee and Grantor understand that one cord of Pine weighs 5,350 pounds, net.

The price per cord is to be paid once a week and mailed to the Grantor at the following address:
90 MIKE STRONG RESOURCES INCORPORATED 3918 MONTANA RD.
SUITE 210 BIRMINGHAM AL 35213.

The Grantor's Social Security or Tax Identification number is
_____.

BY ACCEPTANCE OF THIS DEED, INLAND ROME, INC. AGREES TO THE FOLLOWING:

A. GRANTEE AGREES AND WARRANTS THAT IT WILL AT ALL TIMES INDEMNIFY AND SAVE HARMLESS GRANTOR AGAINST ANY AND ALL CLAIMS, DEMANDS, ACTIONS, OR CAUSES OF ACTION, FOR INJURY OR DEATH OF ANY PERSON OR PERSONS, OR DAMAGE TO THE PROPERTY OF ANY THIRD PERSON OR PERSONS, WHICH MAY BE DUE IN ANY MANNER TO OPERATIONS OF GRANTEE UNDER THIS INSTRUMENT UPON SAID LANDS OR ANY OTHER LANDS OF GRANTOR. GRANTEE MUST BE SUFFICIENTLY INSURED INCLUDING BUT NOT LIMITED TO WORKMAN'S COMPENSATION AND SHOW PROOF OF INSURANCE TO COVER INJURIES AND DAMAGES.

B. GRANTEE MUST CONTACT GRANTOR OR HIS AGENT 48 HOURS PRIOR TO LOGGER MOVING ON TRACT OR MOVING LOADING AREAS ON TRACT. GRANTOR WILL HAVE CHOICE OF WHERE LOGGER SHOULD START UNLESS BEETLE DAMAGE BECOMES A PROBLEM AND MUST START HARVESTING ELSEWHERE. NOTWITHSTANDING THE FOREGOING, GRANTEE SHALL HAVE THE RIGHT TO INITIALLY CUT ALL UNMARKED TIMBER LOCATED IN THE NORTH 1/2 OF SECTION 25 AS SHOWN IN THE HATCHED AREA ON EXHIBIT "A" ATTACHED HERETO AND INCORPORATED BY REFERENCE HEREIN (EXCLUDING THE AREA SHOWN ON EXHIBIT "B"). WITH REGARD TO THIS HATCHED AREA, GRANTOR SHALL PROVIDE SUITABLE ACCESS TO SUCH AREA ON OR BEFORE SEPTEMBER 1, 1993. IN THE EVENT SUCH ACCESS IS NOT AVAILABLE BY SEPTEMBER 1, 1993, GRANTEE MAY BEGIN OPERATIONS IN THE SOUTH 1/2 OF SECTION 25 (EXCEPT THOSE AREAS SHOWN ON EXHIBIT "B").

C. ONLY UNMARKED TIMBER TO BE CUT. TIMBER SHALL BE MARKED BY GRANTOR OR HIS AGENTS AND THE PAINT FOR THESE TREES SHALL BE FURNISHED BY THE GRANTEE. GRANTOR OR GRANTOR'S AGENT WILL MARK THE TIMBER TO BE CUT TO LEAVE A MINIMUM OF 16 TREES AND A MAXIMUM OF 21 PINE AND HARDWOOD TREES PER ACRE (WITH THE EXCEPTION OF THE CROSS HATCHED AREA SHOWN ON EXHIBIT "B" WHICH IS EXCLUDED). NO MORE THAN 14 PINE TREES PER ACRE WITH A D.B.H. OF 8" OR MORE SHALL BE MARKED. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS DEED, SO LONG AS GRANTEE HAS ACQUIRED SUFFICIENT TIMBER TO EQUAL THE INITIAL CONSIDERATION PURSUANT TO THE LETTER BEARING EVEN DATE, GRANTOR MAY TERMINATE GRANTEE'S RIGHTS TO CUT ANY FURTHER TIMBER BY NOTICE FROM GRANTOR TO GRANTEE.

D. GRANTEE AGREES TO COMPLY WITH ALL REGULATIONS, LAWS AND ORDINANCES IN FORCE ON THE DATE OF THIS DEED, APPLICABLE TO THE REMOVAL OF TIMBER AS CONTEMPLATED BY THIS DEED, AND TO COMPLY WITH BEST MANAGEMENT PRACTICES (BMP'S), AND STREAM SIDE MANAGEMENT ZONES (SMZ'S) AND ANY OTHER REGULATIONS, LAWS OR ORDINANCES PROMULGATED BY ANY GOVERNMENTAL AGENCY HAVING JURISDICTION AND/OR AUTHORITY.

E. GRANTEE AGREES TO LEAVE EXISTING HAUL ROADS AND ANY HAUL ROADS ESTABLISHED BY GRANTEE DURING ITS REMOVAL OF THE TREES CONTEMPLATED BY THIS DEED PASSABLE TO A CONDITION AS EXISTS ON THE DATE OF EXECUTION OF THIS DEED.

F. GRANTEE AGREES TO PICK UP ALL OIL CANS, FILTERS, LITTER AND ANY OTHER DEBRIS THAT ARE GENERALLY USED IN THE CARE AND MAINTENANCE OF EQUIPMENT OR PERSONNEL, AND REMOVE SAME FROM PREMISES AND SHALL LEAVE THE PROPERTY DESCRIBED HEREIN IN A CLEAN CONDITION WITHIN 60 DAYS AFTER THE DATE OF EXPIRATION OF THIS TIMBER DEED. GRANTEE SHALL HAUL OUT AND PAY FOR ALL TIMBER CUT. THERE SHALL BE NO TIMBER LEFT ON THE GROUND.

G. THIS DEED AND THE OBLIGATIONS AND RIGHTS CONTAINED HEREIN SHALL INURE TO THE BENEFIT OF AND BE BINDING UPON THE SUCCESSORS AND ASSIGNS OF GRANTOR AND GRANTEE.

H. GRANTOR OR GRANTOR'S AGENT SHALL MARK THE BOUNDARIES OF THE PROPERTY. GRANTEE SHALL INDEMNIFY AND HOLD GRANTOR HARMLESS FOR ANY TIMBER REMOVED OUTSIDE OF SUCH BOUNDARIES.

An equitable adjustment to the purchase price shall be made and refunded by Grantor to Grantee in the event that endangered or threatened species (as defined by the Endangered Species Act and the rules and regulations promulgated pursuant thereto) are discovered upon the Land which adversely affect or prohibit the harvesting of part or all of the timber purchased herein, and to the extent such species were not disclosed by Grantor to Grantee prior to execution of this Timber Deed. The portion or amount of Land and timber affected by the presence of the endangered or threatened species shall be determined by applying the guidelines then in effect and adopted by Grantee and as applied by Grantee to timber management and harvesting practices upon its own land and as required by federal, state or local law or regulation. In the event Grantee and Grantor can not agree upon an equitable adjustment, such adjustment shall be determined by binding arbitration conducted according to the rules of the American Arbitration Association.

TO HAVE AND TO HOLD the same to the said Inland Rome, Inc., its successors and assigns forever. And we do, for ourselves and our heirs, executors, and administrators, covenant with the same Inland Rome, Inc., its successors and assigns, that we are lawfully seized in fee simple of the property herein conveyed; that we shall continue to pay all ad valorem taxes against the above described land the trees located thereon; that it is free from all encumbrances; and that we have a good right to sell and convey the said property; that we will and our successors and assigns, and our heirs, executors, and administrators shall warrant and defend the same to the said Inland Rome, Inc., its successors and assigns, forever, against the lawful claims of all persons whomsoever.

Given under my hand and seal this the 15th day of June, 1993.

Michael H. Strong
MICHAEL H. STRONG

STATE OF ALABAMA

COUNTY OF St. Clair

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Michael H. Strong, a married man, whose name 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 executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 15th day of June, 1993.

Donna Ray Leonard
Notary Public

(09495-93)

EXHIBIT 'A'

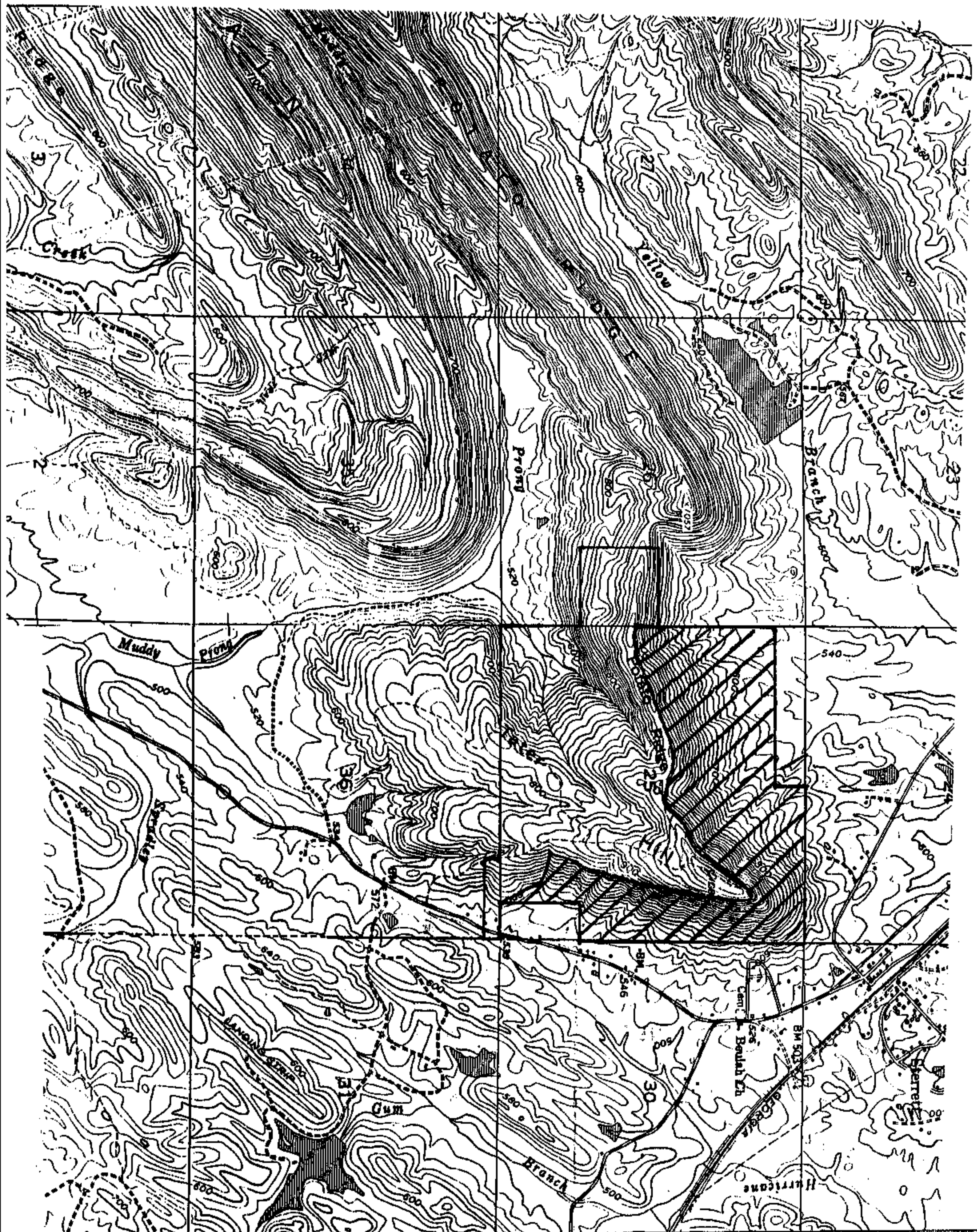


EXHIBIT 'B'

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