125,000.00

Lawrence-Arendall-Humphries Real Estate, Inc. R & H, Inc. 2738 Cahaba Road Birmingham, Alabama 35223

This instrument was prepared by Peggy A. Werdehoff, General Attorney USX Corporation Fairfield, Alabama 35064

STATE OF ALABAMA COUNTY OF SHELBY

KNOW ALL MEN BY THESE PRESENTS that, for and in consideration of One Hundred Dollars (\$100.00) and other good and valuable consideration paid to USX CORPORATION, a Delaware corporation, hereinafter called "Grantor", by LAWRENCE-ARENDALL-HUMPHRIES REAL ESTATE, INC. an Alabama corporation, and R & H, INC., an Alabama corporation, hereinafter called "Grantees", the receipt and sufficiency of which are hereby acknowledged, the said Grantor does hereby grant, bargain, sell, and convey unto the said Grantees a parcel of land, MINERALS AND MINING RIGHTS EXCEPTED, located in the W 1/2 of the SW 1/4 of Section 3, Township 19 South, Range 2 West of the Huntsville Principal Meridian, Shelby County, Alabama, said tract of land being shown on Exhibit "A" attached hereto and made a part hereof and being more particularly described as follows, to wit:

Commence at the NW corner of the SW 1/4 of S3, T19S, R2W and run southerly along west line of said quarter 210.0 feet to the POINT OF BEGINNING of the herein described tract of land, said point also being on the centerline of a public road right-of-way, (Altadena Woods Drive) conveyed by USX Corporation to Shelby County, Alabama, May 12, 1986; thence continue along the last described course 1,428.38 feet; thence left 82°27'16" in a southeasterly direction 392.44 feet; thence left 40°37'13" in a northeasterly direction 181.25 feet, more or less, to a point on the centerline of a public road right-of-way (Caldwell Mill Road) conveyed by United States Steel Corporation to Shelby County, Alabama, October 30, 1964, said centerline being in a curve to the right having a central angle of 13°57'-20.96" and a radius of 1,910.08 feet; thence left 62°28'-42.35" (angle measured to the tangent) and run northerly along said centerline 465.24 feet, more or less, to the point of tangent; thence continue in the tangent in a northeasterly direction along said centerline 684.84 feet to the point of intersection with the centerline of a public road (Altadena Woods Drive) conveyed by USX Corporation to Shelby County, Alabama, May 12, 1986; thence left 90°03'-15.37" in a northwesterly direction and along last said roadway centerline 79.54 feet to the point of curve of a curve to the right having a central angle of 18°23'21" and a radius of 864.90 feet; thence along the arc of said curve and roadway centerline in a northwesterly direction 277.59 feet to the point of tangent; thence continue in the tangent and roadway centerline in a northwesterly direction 247.45 feet to the point of curve of a curve to the left having a central angle of 12°30'24" and a radius of 437.62 feet; thence along the arc of said curve and roadway centerline in a northwesterly direction 95.52 feet to the POINT OF BEGINNING.

RESERVING AND EXCEPTING, however, from this conveyance all of the coal, iron ore, gas, oil, methane, hydrocarbons, occluded natural gas, coalbed methane gas, gob gas, limestone, and all other minerals and non-

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mineral substances in and under said land, including water associated with the production of coalbed methane gas, together with the right to explore for, to drill for, to mine, to produce and to remove said coal, iron ore, gas, oil, methane, hydrocarbons, occluded natural gas, coalbed methane gas, gob gas, limestone, and all other minerals and non-mineral substances in and under said land, including water associated with the production of coalbed methane gas, without using or disturbing the surface of said land; and also the right to transport through said land coal, iron ore, gas, oil, methane, hydrocarbons, occluded natural gas, coalbed methane gas, gob gas, limestone, and all other minerals and non-mineral substances from adjoining or other land, including water associated with the production of coalbed methane gas, without using or disturbing the surface of the land hereby conveyed.

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This conveyance is made upon the covenant and condition that the Grantor, or its successors, assigns, licensees, lessees, or contractors, shall have the right to explore for, to drill for, to mine, to produce and to remove the coal, iron ore, gas, oil, methane, hydrocarbons, occluded natural gas, coalbed methane gas, gob gas, limestone, and all other minerals and non-mineral substances, including water associated with the production of coalbed methane gas, contained in said land, or other lands in which the said Grantor, its successors, assigns, licensees, lessees, or contractors, may at any time conduct mining and/or gas or oil producing operations; and that no right of action for damages on account of injuries to the land herein conveyed or to any buildings, improvements, structures, pipelines, or sources of water supply now or hereafter located upon said land, or to any owners or occupants or other persons in or upon said land, resulting from past mining and/or gas or oil producing operations of the Grantor, or its successors, assigns, licensees, lessees, or contractors, or resulting from blasting, dewatering, or the removal of coal, iron ore, gas, oil, methane, hydrocarbons, occluded natural gas, coalbed methane gas, gob gas, limestone and all other minerals and non-mineral substances, including water associated with the production of coalbed methane gas, or coal seam or other roof supports by the Grantor, or its successors, assigns, licensees, lessees, or contractors, whether said past mining and/or gas or oil producing operations be in said lands or other lands, shall ever accrue to or be asserted by the Grantees herein or by said Grantees' successors in title, this conveyance being made expressly subject to all such injuries, either past or future, and this condition shall constitute a covenant running with the land as against the said Grantees and all persons, firms, or corporations holding under or through said Grantees.

Grantees have made their own independent inspections and investigations of said land, and takes title to said land "as is" and based solely and in reliance upon such inspections and investigations of said land. Grantor makes no representation, warranty or agreement concerning the conditions of said land, the soil or the sub-soil. Grantees, for themselves and their successors and assigns, waives all claims, present and future, against Grantor based upon or in connection with the condition of said land, including but not limited to underground mines, tunnels, or sinkholes, and hereby releases Grantor from any liability whatsoever with respect thereto, and this covenant shall run with the land as against Grantees and all other successors in title.

TO HAVE AND TO HOLD unto the said Grantees, Grantees' successors and assigns, forever; SUBJECT, however, to the following: (a) such easements not specifically mentioned herein as may exist over, upon or across said land for public or private roads, electric power transmission lines, telephone lines, telegraph lines, or pipe lines; (b) applicable zoning and subdivision regulations; (c) ad valorem taxes due for the current tax year; (d) all matters of public record affecting the land conveyed hereunder; (e) any matter that would be disclosed by an accurate survey or inspection of said land; (f) easement for public road right-of-way granted by United States

Steel Corporation to Shelby County, Alabama by document dated October 30, 1964; (g) easement for public road right-of-way granted by USX Corporation to Shelby County, Alabama by document dated May 12, 1986; (h) easement for electric power transmission line granted by Tennessee Coal, Iron and Railroad Company to Alabama Power Company by document dated May 31, 1950; and (i) easement for installation of guy wires and anchors granted by USX Corporation to Alabama Power Company by document dated December 24, 1986.

And the Grantor does for itself and for its successors and assigns covenant with the Grantees, Grantees' successors and assigns, that it is seized and possessed of said land and has the right to convey it, and it warrants the title against all persons claiming by, through or under the Grantor.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and behalf and its corporate seal to be hereunto affixed and attested by its officers thereunto duly authorized this, the ______ day of ______ Februar

ATTEST:

USX CORPORATION

USX Realty Deve Division of U. S. Steel Group,

USX Corporation

STATE OF PENNSYLVANIA) COUNTY OF ALLEGHENY)

I, the undersigned, a Notary Public in and for said County in said Shate, hereby certify that W.W. Kree , whose name of USX Realty Development, a Division of as PRESIDENT U. S. Steel Group, USX 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 this conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

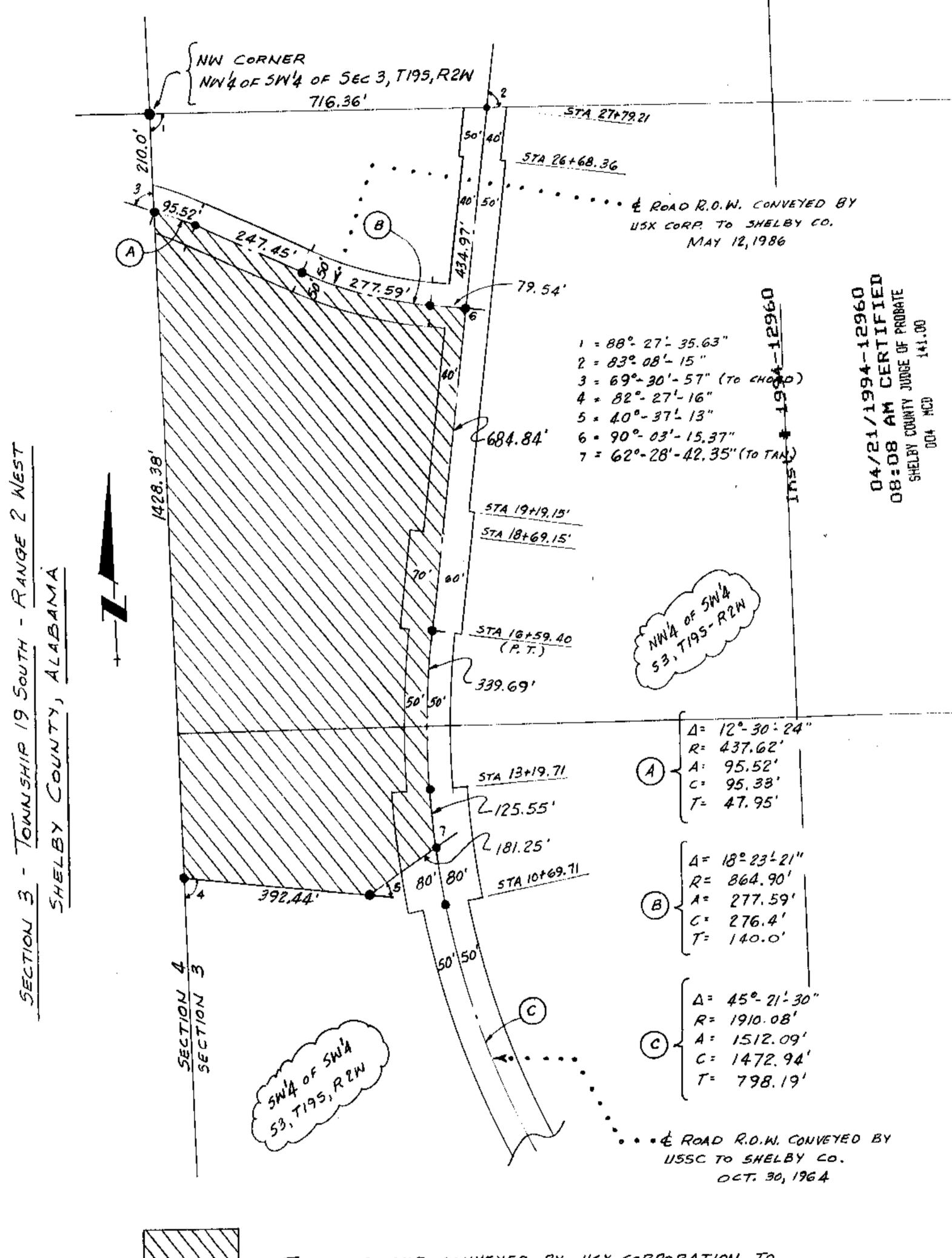
GIVEN UNDER MY HAND AND SEAL OF OFFICE this, the ZM ___, 1994.

My Commission

Hxp Triffe Burgh, Allegheny County My Commission Expires Dec. 1, 1997

Notarial Seal

Member, Pennsylvania Association of Notaries



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TRACT OF LAND CONVEYED BY USX CORPORATION TO LAWRENCE - ARENDALL - HUMPHRIES REAL ESTATE, INC. AND R & H, INC. ALSO KNOWN AS CALONELL MILL JOINT VENTURE BY DOCUMENT ATTACHED.

EXHIBIT "A"

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