

This instrument was prepared by

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Jefferson Land Title Services Co., Inc.
318 21ST NORTH • P. O. BOX 10481 • PHONE (205) 328-8828
BIRMINGHAM, ALABAMA 35201
AGENTS FOR
Mississippi Valley Title Insurance Company

MORTGAGE-

STATE OF ALABAMA
SHELBY COUNTY }

KNOW ALL MEN BY THESE PRESENTS: That Whereas,

American Drilling of Alabama, Inc.

(hereinafter called "Mortgagors", whether one or more) are justly indebted, to
Dolores V. Lawley and husband, Billy Jack Lawley

(hereinafter called "Mortgagee", whether one or more), in the sum
Dollars

of Seventy Thousand and no/100ths
(\$ 70,000.00), evidenced by a note of even date.

Inst # 1994-26335

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SHELBY COUNTY JUDGE OF PROBATE
003 MCD 118.50

And Whereas, Mortgagors agreed, in incurring said indebtedness, that this mortgage should be given to secure the prompt payment thereof.

NOW THEREFORE, in consideration of the premises, said Mortgagors,
American Drilling of Alabama, Inc.

and all others executing this mortgage, do hereby grant, bargain, sell and convey unto the Mortgagee the following described real estate, situated in Shelby County, State of Alabama, to-wit:

See Attached Exhibit A for Legal Description

The proceeds of this loan have been applied on the purchase price of the herein described property.

Mortgagors agree to provide Mortgagee with an insurance policy naming Mortgagee as Loss Payee on or before the August 22nd of each year. Said insurance policy shall be paid a year in advance. Failure to comply with either or both of the above, shall constitute a default under the terms of this mortgage. Mortgagors also agree to provide Mortgagee with a copy of a paid receipt of the property taxes every year prior to December 15.

This mortgage obligation cannot be assumed without the prior approval by the mortgage holder. Said approval must be obtained in writing prior to the assumption of this mortgage. If the property which is the subject of this mortgage and note executed simultaneously herewith is transferred without the mortgage holder's prior approval as specified above, the mortgagee has the option to declare the entire balance of the indebtedness due and payable. THE MORTGAGEE MAY CHOOSE NOT TO ALLOW THIS LOAN TO BE ASSUMED.

Said property is warranted free from all incumbrances and against any adverse claims, except as stated above.

To Have And To Hold the above granted property unto the said Mortgagee, Mortgagee's successors, heirs, and assigns forever; and for the purpose of further securing the payment of said indebtedness, the undersigned agrees to pay all taxes or assessments when imposed legally upon said premises, and should default be made in the payment of same, the said Mortgagee may at Mortgagee's option pay off the same; and to further secure said indebtedness, first above named undersigned agrees to keep the improvements on said real estate insured against loss or damage by fire, lightning and tornado for the fair and reasonable insurable value thereof, in companies satisfactory to the Mortgagee, with loss, if any, payable to said Mortgagee, as Mortgagee's interest may appear, and to promptly deliver said policies, or any renewal of said policies to said Mortgagee; and if undersigned fail to keep said property insured as above specified, or fail to deliver said insurance policies to said Mortgagee, then the said Mortgagee, or assigns, may at Mortgagee's option insure said property for said sum, for Mortgagee's own benefit, the policy if collected, to be credited on said indebtedness, less cost of collecting same; all amounts so expended by said Mortgagee for taxes, assessments or insurance, shall become a debt to said Mortgagee or assigns, additional to the debt hereby specially secured, and shall be covered by this Mortgage, and bear interest from date of payment by said Mortgage, or assigns, and be at once due and payable.

Upon condition, however, that if the said Mortgagor pays said indebtedness, and reimburses said Mortgagee or assigns for any amounts Mortgagee may have expended for taxes, assessments, and insurance, and interest thereon, then this conveyance to be null and void; but should default be made in the payment of any sum expended by the said Mortgagee or assigns, or should said indebtedness hereby secured, or any part thereof, or the interest thereon, remain unpaid at maturity, or should the interest of said Mortgagee or assigns in said property become endangered by reason of the enforcement of any prior lien or incumbrance thereon, so as to endanger the debt hereby secured, then in any one of said events, the whole of said indebtedness hereby secured shall at once become due and payable, and this mortgage be subject to foreclosure as now provided by law in case of past due mortgages, and the said Mortgagee, agents or assigns, shall be authorized to take possession of the premises hereby conveyed, and with or without first taking possession, after giving twenty-one days' notice, by publishing once a week for three consecutive weeks, the time, place and terms of sale, by publication in some newspaper published in said County and State, sell the same in lots or parcels or en masse as Mortgagee, agents or assigns deem best, in front of the Court House door of said County, (or the division thereof) where said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of the sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; Second, to the payment of any amounts that may have been expended, or that it may then be necessary to expend, in paying insurance, taxes, or other incumbrances, with interest thereon; Third, to the payment of said indebtedness in full, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the day of sale; and Fourth, the balance, if any, to be turned over to the said Mortgagor and undersigned further agree that said Mortgagee, agents or assigns may bid at said sale and purchase said property, if the highest bidder therefor; and undersigned further agree to pay a reasonable attorney's fee to said Mortgagee or assigns, for the foreclosure of this mortgage in Chancery, should the same be so foreclosed, said fee to be a part of the debt hereby secured.

IN WITNESS WHEREOF the undersigned

American Drilling of Alabama, Inc.

have hereunto set our signature and seal, this 22nd day of August, 19 94

American Drilling of Alabama, Inc. (SEAL)

By: Susan E. Poskey (SEAL)
Susan E. Poskey, Secretary/Treasurer

(SEAL)
(SEAL)

THE STATE of

COUNTY }

I, , a Notary Public in and for said County, in said State, hereby certify that

whose name signed to the foregoing conveyance, and who known to me acknowledged before me on this day, that being informed of the contents of the conveyance executed the same voluntarily on the day the same bears date. Given under my hand and official seal this day of , 19 Notary Public.

THE STATE of Alabama

SHELBY COUNTY }

I, the undersigned , a Notary Public in and for said County, in said State, hereby certify that Susan E. Poskey

whose name as Secretary/Treasurer of American Drilling of Alabama, Inc. a 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 such 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 official seal, this the 22nd day of August, 1994

COURTNEY H. MASON, JR.
MY COMMISSION EXPIRES
3-5-95

Notary Public

Return to:

TO

MORTGAGE DEED

Recording Fee \$
Deed Tax \$

This form furnished by

Jefferson Land Title Services Co., Inc.

210 21ST NORTH • P.O. BOX 10421 • PHONE (205) 328-8220

BIRMINGHAM, ALABAMA 35201

AGENTS FOR

Minneapolis Valley Title Insurance Company

Parcel I

From the Northeast corner of the NE 1/4 of the SE 1/4 of Section 12, Township 21 South, Range 3 West, run Westerly along the North boundary line of the said NE 1/4 of the SE 1/4 of Section 12, Township 21 South, Range 3 West for 309.71 feet; thence turn an angle of 64 deg. 10 min. to the left and run Southwesterly 121.71 feet to the point of beginning of the land herein described and conveyed; thence turn an angle of 86 deg. 40 min. to the left and run Southeasterly 95.60 feet; thence turn an angle of 86 deg. 40 min. to the right and run Southwesterly for 150.0 feet; thence turn an angle of 93 deg. 20 min. to the right and run Northwesterly for 95.60 feet; thence turn an angle of 86 deg. 40 min. to the right and run Northeasterly 150.0 feet, more or less, to the point of beginning. This land being a part of the NE 1/4 of the SE 1/4 of Section 12, Township 21 South, Range 3 West, Shelby County, Alabama.

Parcel II

From the Northeast corner of NE 1/4 of SE 1/4 of Section 12, Township 21 South, Range 3 West, run Westerly along the North boundary line of the said NE 1/4 of SE 1/4 of Section 12, Township 21 South, Range 3 West for 309.71 feet; thence turn an angle of 64 deg. 10 min. to the left and run Southwesterly 121.71 feet to a point; thence turn an angle of 86 deg. 40 min. to the left and run Southeasterly 95.60 feet to point of beginning of land herein described; thence continue in the same direction a distance of 17 feet; thence turn an angle of 86 deg. 40 min. right and run Southwesterly 150.0 feet; thence turn an angle of 93 deg. 20 min. to the right and run Northwesterly 17 feet; thence turn an angle of 86 deg. 40 min. right and run Northeasterly 150 feet to point of beginning. This land being a part of NE 1/4 of SE 1/4 of Section 12, Township 21 South, Range 3 West, Shelby County, Alabama.

Also, an easement 16 feet in width in easement and right of way described as follows: An easement 16 feet in width situated in the NE 1/4 of SE 1/4, Section 12, Township 21 South, Range 3 West, Shelby County, Alabama, said easement being more particularly described as follows: From the NE corner of said NE 1/4 of SE 1/4, run West along North line of said 1/4 1/4 Section for a distance of 309.71 feet; thence turn an angle to the left of 64 deg. 10 min. and run Southwesterly for a distance of 121.71 feet; thence turn an angle to the left of 86 deg. 40 min. and run Southeasterly for a distance of 95.60 feet; thence turn an angle to the right of 86 deg. 40 min. and run Southwesterly for a distance of 150 feet to the point of beginning of said easement; thence turn an angle to the right of 93 deg. 20 min. and run Northwesterly for a distance of 16 feet; thence turn an angle to the left of 93 deg. 20 min. and run Southwesterly for a distance of 104.62 feet to the NE right of way line of U. S. Highway #31; thence turn an angle to the left of 71 deg. 50 min. and run Southeasterly along said highway right of way line for a distance of 16.81 feet; thence turn an angle to the left of 108 deg. 10 min. and run Northeasterly for a distance of 108.93 feet to the point of beginning; being situated in Shelby County, Alabama.

Parcel III

Part of the NE 1/4 of SE 1/4 of Section 12, Township 21 South, Range 3 West, Shelby County, Alabama, more particularly described as follows: From the Northeast corner of said 1/4 1/4 Section, run in a Westerly direction along the North line of said 1/4 1/4 Section for a distance of 309.71 feet; thence turn an angle to the left of 64 deg. 10 min. and run in a Southwesterly direction for a distance of 271.71 feet to the point of beginning; thence continue along last mentioned course for a distance of 83.17 feet to a point on the Northeast right of way line of U. S. Highway #31; thence turn an angle to the left of 71 deg. 50 min. and run in a Southeasterly direction along said Northeasterly right of way line for a distance of 118.31 feet; thence turn an angle to the left of 108 deg. 10 min. and run in a Northeasterly direction for a distance of 113.51 feet; thence turn an angle to the left of 86 deg. 40 min. and run in a Northwesterly direction for a distance of 112.60 feet to the point of beginning; being situated in Shelby County, Alabama.

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B.P.
J.E.L.