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Shelby Cnty Judge of Probate, AL
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**MODIFICATION NO. 1 TO FUTURE ADVANCE
MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND
FINANCING STATEMENT (ALABAMA)**

made by and between

TACOA MINERALS, L.L.C.
as the Mortgagor

and

MADISON MANAGEMENT, L.L.C.,
as Agent, as the Mortgagee

PREPARED BY AND AFTER
RECORDING RETURN TO:

Balch & Bingham LLP
1901 6th Avenue North, Suite 2600
P.O. Box 306
Birmingham, AL 35201
(205) 251-8100
Attention: William S. Wright, Esq.

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**MODIFICATION NO. 1 TO FUTURE ADVANCE
MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT
AND FINANCING STATEMENT (ALABAMA)**

THIS MODIFICATION NO. 1 ("Modification Agreement") TO FUTURE ADVANCE MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT (ALABAMA) is made as of the 12th day of February, 2008, by and between TACOA MINERALS, L.L.C., an Alabama limited liability company ("Mortgagor"), having an office at 5308 Kenley Way, Birmingham, Alabama 35242 and MADISON MANAGEMENT, LLC, as Agent (in such capacity, "Mortgagee"), having an office at 711 Fifth Avenue - Fifth Floor, New York, New York 10022.

W I T N E S S E T H:

WHEREAS, terms which are defined in the Mortgage shall have their defined meanings when used herein, unless otherwise stated herein;

WHEREAS, Mortgagee, certain lenders and Mortgagor have entered into financing arrangements pursuant to which such lenders have made and may make loans and advances and provide other financial accommodations to Mortgagor as set forth in the Financing Agreements;

WHEREAS, Mortgagor is the owner of the Land described in Exhibit A attached to the Mortgage and a party to the Coal Leases described in Exhibit B attached hereto;

WHEREAS, in order to secure all existing and future obligations, liabilities and indebtedness of Mortgagor evidenced by or arising under the Note, up to the aggregate principal amount outstanding at any time of NINE MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$9,950,000), plus interest, costs and expenses and other amounts as provided therein, Mortgagor executed and delivered to Mortgagee the Mortgage, Assignment of Leases and Rent, Security Agreement and Financing Statement (Alabama) (the "Mortgage"), dated February 20, 2007, and recorded in the office of the Shelby County Judge of Probate as Instrument No. 200702220000082470 on February 22, 2007;

WHEREAS, the parties hereto wish to modify the Mortgage to provide for an increase in the maximum amount secured by the Mortgage by \$12,505,000 to \$22,000,000;

NOW, THEREFORE, in consideration of the above premises, Mortgagor and Mortgagee hereby agree as follows:

1. Increase in Maximum Aggregate Principal Amount Secured by the Mortgage. Each reference in the Mortgage to the maximum aggregate principal amount secured by the Mortgage is hereby increased from a sum not to exceed NINE MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$9,950,000) to a sum not to exceed TWENTY TWO MILLION DOLLARS (\$22,000,000) at any time and from time to time outstanding.

2. Ratification. Except as modified by this Modification Agreement, all other terms, conditions, covenants, representations and warranties contained in the Mortgage shall remain unmodified and in full force and effect and are hereby ratified by the parties hereto.

3. Execution by Mortgagee. The Mortgagee joins in the execution of this Modification Agreement to evidence its knowledge and consent hereto.

4. Counterparts. This Modification Agreement may be executed in any number of counterparts, but all of such counterparts shall together constitute but one and the same agreement. In making proof of this Modification Agreement, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Modification Agreement as of the day and year first above written.

"MORTGAGOR"

TACOA MINERALS, L.L.C.

By: [Signature]
Name: Jerry C. Whitt
Title: Managing Member

By: [Signature]
Name: DARVIN M. BOOKER
Title: Member

STATE OF ALABAMA

SHELBY COUNTY

I, Renea C. Lamb, a notary public in and for said county in said state, hereby certify that Jerry Whitt, whose name as Managing Member of TACOA MINERALS, L.L.C., an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such Managing Member and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand and official seal this 25TH day of June, 2008.

Renea C. Lamb
Notary Public

[Notarial Seal]

My commission expires: 12/29/2009

STATE OF ALABAMA

SHELBY COUNTY

I, Renea C. Lamb, a notary public in and for said county in said state, hereby certify that Darvin Booker, whose name as Member of TACOA MINERALS, L.L.C., an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such Member and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand and official seal this 25TH day of June, 2008.

Renea C. Lamb
Notary Public

[Notarial Seal]

My commission expires: 12/29/2009

IN WITNESS WHEREOF, the parties hereto have executed this Modification Agreement
as of the day and year first above written.

"MORTGAGEE"

MADISON MANAGEMENT, LLC

By: David W. Freeborn
Name: David W. Freeborn
Title: Manager

STATE OF NEW YORK

NEW YORK COUNTY

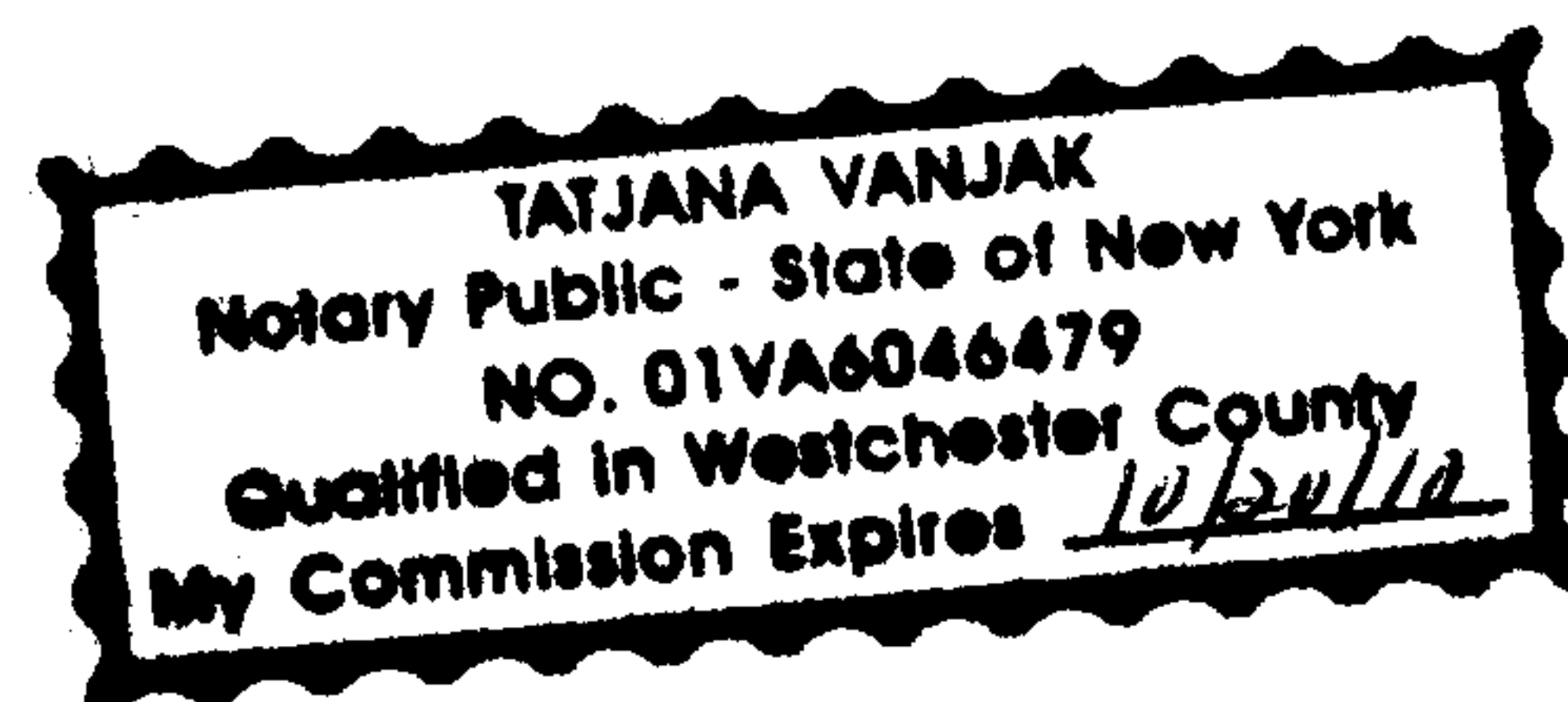
I, Tatjana Vanjak, a notary public in and for said county in said state,
hereby certify that David Freeborn, whose name as Manager of **MADISON
MANAGEMENT, LLC**, an Alabama limited liability company, is signed to the foregoing
instrument and who is known to me, acknowledged before me on this day that, being informed of
the contents of such instrument, he, as such Manager and with full authority, executed the
same voluntarily for and as the act of said company.

Given under my hand and official seal this 1st day of July, 2008.

Tatjana Vanjak
Notary Public

[Notarial Seal]

My commission expires: 10/20/10





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EXHIBIT A

Description of Fee Land

Parcel 1:

A tract of land, situated in the Northeast quarter and also in the East half of the Northwest quarter of Section 22, Township 21 South, Range 4 West more particularly described as follows:

Commence at the Northeast corner of Section 22, Township 21, South, Range 4 West; thence run Westerly along a straight line which is the North line of said Section 22, 1457.97 feet; thence turn left 90 degrees 00 minutes 19 seconds and run Southerly along a straight line 730.86 feet to the point of beginning; thence turn left 55 degrees 21 minutes 55 seconds and run Southeasterly along a straight line 199.96 feet; thence turn right 9 degrees 05 minutes 07 seconds and run Southeasterly along a straight line 190.73 feet to the centerline of a road; thence turn right 81 degrees 40 minutes 50 seconds and run Southwesterly along a straight line and along the centerline of said road 336.14 feet to the beginning of the arc of a curve tangent to straight line, said arc turning to the left, having a radius of 269.77 feet and being subtended by central angle of 43 degrees 09 minutes 15 seconds; thence in a Southwesterly direction along said arc which is the centerline of said road 203.19 feet; thence in a Southerly direction along said centerline and along a straight line tangent to said arc 94.79 feet to the beginning of the arc of a curve tangent to said straight line, said arc turning to the right, having a radius of 552.51 feet and being subtended by a central angle of 58 degrees 56 minutes 00 seconds; thence in a Southwesterly direction along said arc which is the centerline of said road 568.30 feet; thence in a Southwesterly direction along said road and along a straight line tangent to said arc 160.32 feet; thence turn right 78 degrees 15 minutes 52 seconds and run Northwesterly along a straight line 296.04 feet; thence turn left 62 degrees 53 minutes 50 seconds and run Southwesterly along a straight line 440.45 feet; thence turn right 22 degrees 46 minutes 07 seconds and run Westerly along a straight line 261.82 feet; thence turn right 46 degrees 40 minutes 01 seconds and run Northwesterly along a straight line 184.45 feet; thence turn right 28 degrees 41 minutes 00 seconds and run Northwesterly along a straight line 355.92 feet; thence turn right 0 degrees 49 minutes 02 seconds and run Northwesterly along a straight line 333.68 feet; thence turn right 40 degrees 15 minutes 31 seconds and run Northeasterly along a straight line 279.31 feet; thence turn right 14 degrees 59 minutes 29 seconds and run Northeasterly along a straight line 134.55 feet; thence turn right 25 degrees 52 minutes 33 seconds and run Northeasterly along a straight line 119.99 feet; thence turn right 12 degrees 47 minutes 52 seconds and run Northeasterly along a straight line 225.96 feet; thence turn left 5 degrees 57 minutes 24 seconds and run Northeasterly along a straight line 266.84 feet; thence turn right 60 degrees 56 minutes 19 seconds and run Southeasterly along a straight line 201.82 feet; thence turn left 20 degrees 50 minutes 53 seconds and run Southeasterly along a straight line 212.82 feet; thence turn left 67 degrees 55 minutes 36 seconds and run Northeasterly along a straight line 442.38 feet to the point of beginning.

Parcel 2:

A tract of land, situated in the Southwest quarter of the Southeast quarter and in the Northwest quarter of the Southeast quarter of Section 21, Township 21 South, Range 4 West, more particularly described as follows:

Commence at the Southeast corner of Section 21, Township 21 South, Range 4 West; thence run Westerly along the South line of said Section 21, 1875.40 feet; thence turn right an angle of 90 degrees and run Northerly and at right angles to said South line 978.69 feet to the point of beginning; thence turn left an angle of 86 degrees 42 minutes 02 seconds and run Westerly 333.28 feet; thence turn right an angle of 76 degrees 00 minutes 24 seconds and run Northwesterly 444.58 feet; thence turn right an angle of 78 degrees 53 minutes 05 seconds and run Northeasterly 230.20 feet; thence turn left an angle of 26 degrees 45 minutes 26 seconds and run Northeasterly 400.06 feet; thence right an angle of 31 degrees 49 minutes and run Northeasterly 266.25 feet; thence turn right an angle of 52 degrees 51 minutes 13 seconds and run Southeasterly 128.05 feet; thence turn right an angle of 64 degrees 49 minutes 30 seconds and run Southwesterly 675.16 feet; thence turn left an angle of 21 degrees 27 minutes 52 seconds and run

Southeasterly 360.58 feet; thence turn right an angle 123 degrees 39 minutes 23 seconds and run
Northwesterly 408.55 feet to the point of beginning.



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EXHIBIT B

DESCRIPTION OF COAL LEASE LAND

1. The September 6, 2005 RGGS Coal Lease relates to land situated in Sections 21, 22, 28, 29, 30 and 31 of Township 21 South Range 4 West in Shelby County, Alabama.
2. The September 6, 2005 U.S. Steel Coal Lease relates to land situated in Sections 15, 20, 21, 22, 23, 28, 29, 31, 32, 34 and 35 of Township 21 South, Range 4 West and Section 3 of Township 22 South, Range 4 West in Shelby County, Alabama.
3. The February 20, 2007 RGGS Coal Lease relates to land situated in Sections 21, 28, 29, 32, 33 and 34 of Township 21 South, Range 4 West in Shelby and Bibb Counties, Alabama, and grants to Mortgagor, among other things, underground mining rights with respect to the Upper Thompson Seam.