


STATE OF ALABAMA       )  
COUNTY OF SHELBY     )

  
20120418000132130 1/5 \$318.00  
Shelby Cnty Judge of Probate, AL  
04/18/2012 08:04:24 AM FILED/CERT

**MEMORANDUM OF LEASE**

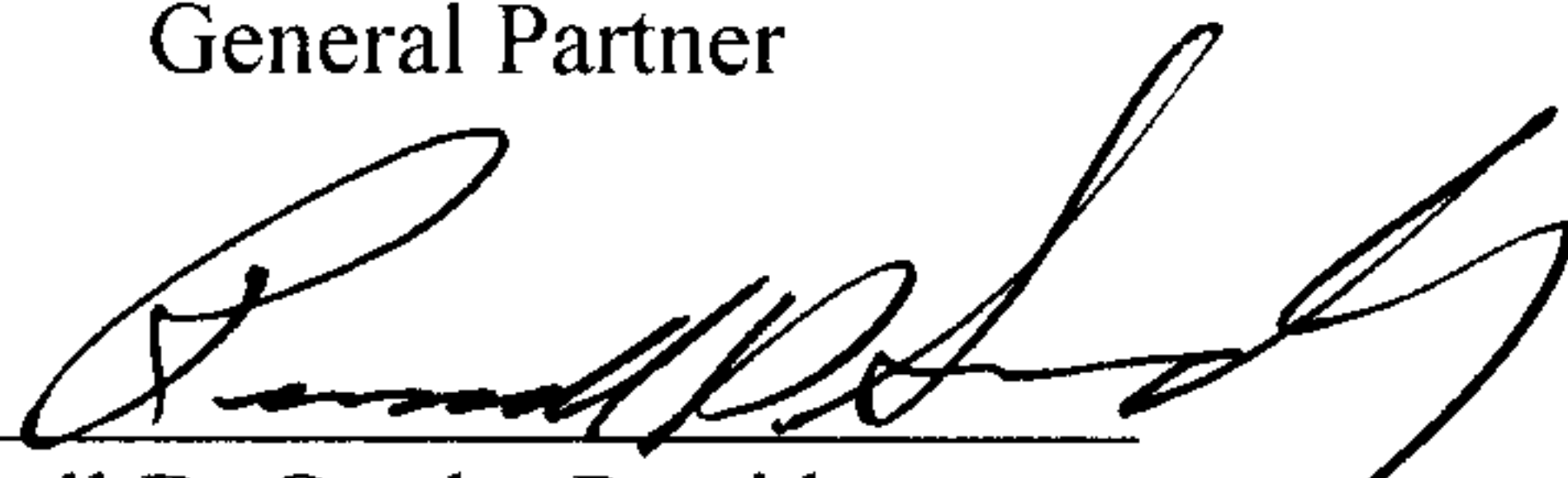
KNOW ALL MEN BY THESE PRESENTS, that **RGGS LAND & MINERALS LTD. L.P.**, a Delaware limited partnership, as the Lessor, and **TWIN PINES COAL COMPANY, INC.**, an Alabama corporation, as the Lessee, are parties to that certain "Coal Mining Lease" dated August 20, 2007 (the "Lease"), which granted to Lessee the right to mine coal by surface mining methods as may exist in certain lands located in Shelby County, Alabama, as more particularly described on **EXHIBIT A** and depicted on the map marked **EXHIBIT B** attached hereto and made a part hereof. The Lease provides for a primary term of five (5) years and provides for three (3) extensions of the term of the Lease for a period of three (3) years for each extension, subject to certain performances, for a total term of fourteen (14) years. The Lease was assigned in part by Lessee to **TWIN PINES II, LLC**, an Alabama limited liability company, effective as of January 13, 2011.

This Memorandum of Lease is placed of record by Lessor and Lessee to serve as notice of the execution and existence of the Lease, and does not supersede, abrogate, change, or modify any of the terms, conditions, rights, or obligations of any of the parties, all of which are set forth in detail in the Lease. The terms and conditions of the Lease are made a part hereof by reference for all purposes, to be the same effect as though written *in extenso* herein.

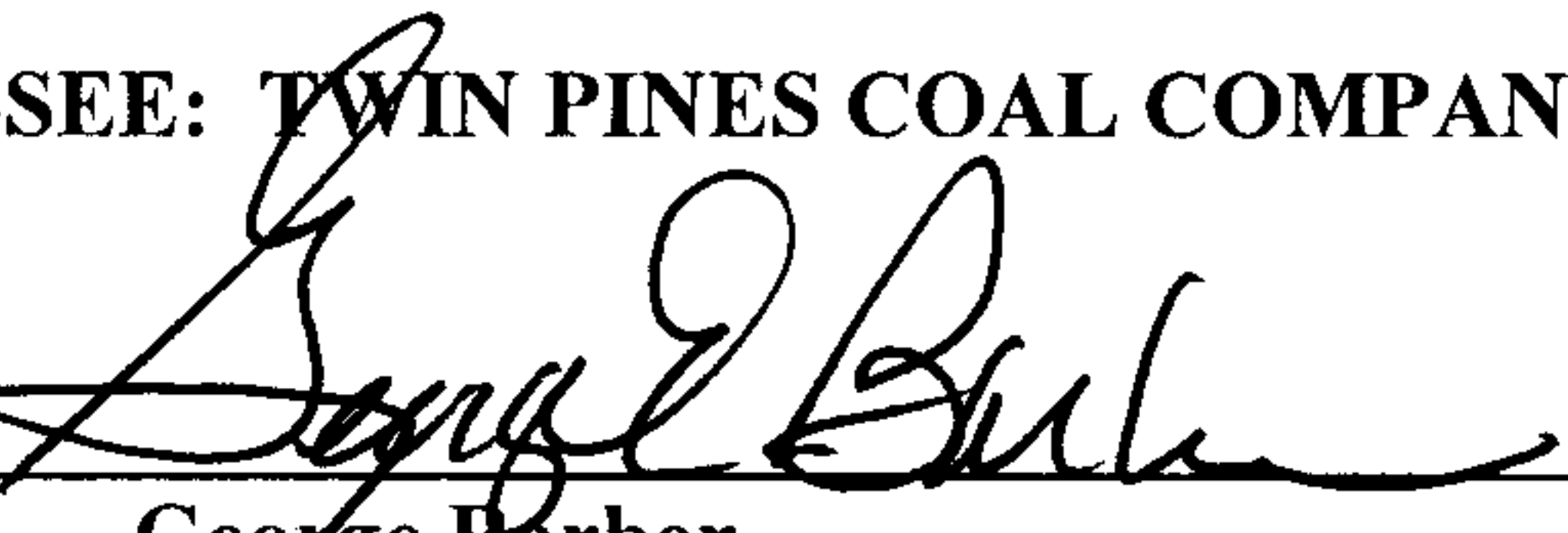
EXECUTED this is 12<sup>th</sup> day of April, 2012.

**LESSOR: RGGS LAND & MINERALS LTD. L.P.**

By: Gordy Oil Company, a Texas corporation  
Its: General Partner


By:   
Russell D. Gordy, President  
Date: April 2, 2012

**LESSEE: TWIN PINES COAL COMPANY, INC.**

By:   
George Barber  
Its President  
Date: 4-12-12

**TWIN PINES II, LLC**

By: Twin Pines, LLC  
Its: Sole Member

By:   
Its: Manager

STATE OF TEXAS )  
COUNTY OF HARRIS )

I, Peggy Lindow, a Notary Public, in and for said County in said State, hereby certify that Russell D. Gordy, whose name as President of Gordy Oil Company, a Texas Corporation, general partner of **RGGS LAND & MINERALS, LTD., L.P.**, a Delaware Limited Partnership, 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 said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

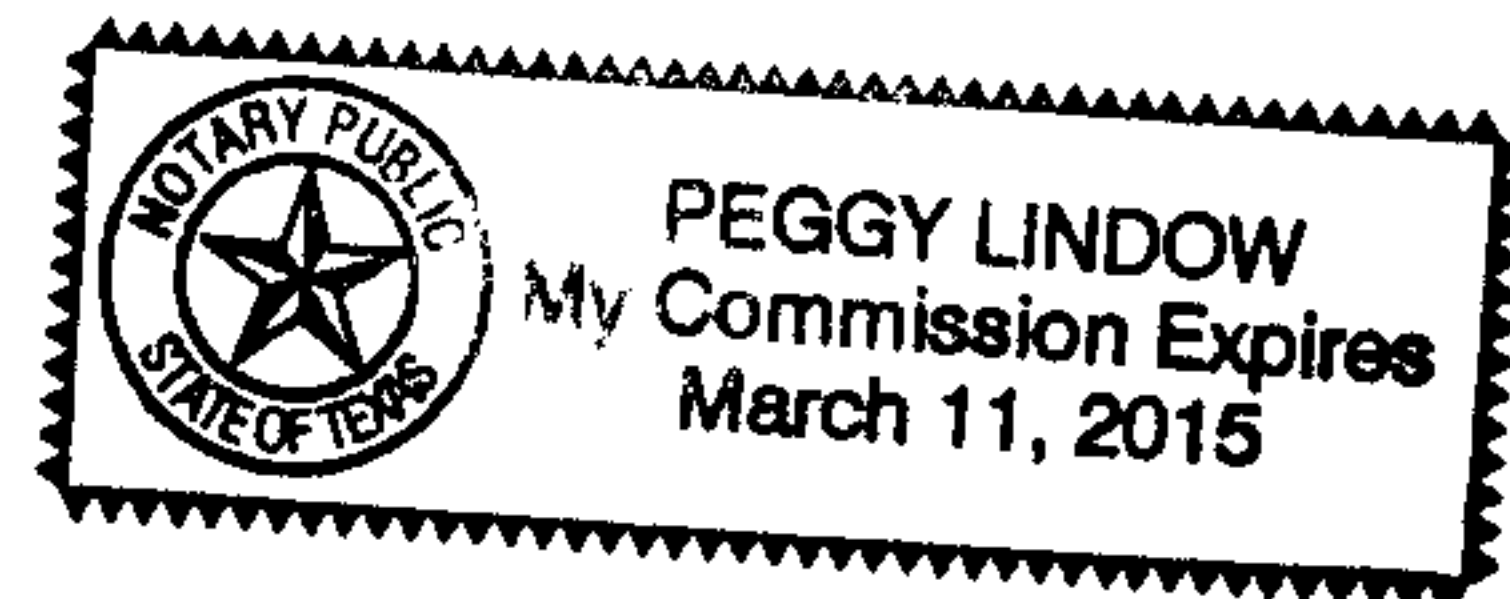
Given under my hand and seal this 2nd day of April, 2012.

{SEAL}

Peggy Lindow

Notary Public

My Commission Expires: 3-11-2015



STATE OF Alabama )

COUNTY OF Walter )

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that George Barber, whose name as President of Twin Pines Coal Company, Inc., an Alabama corporation, 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 said instrument, [s]he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

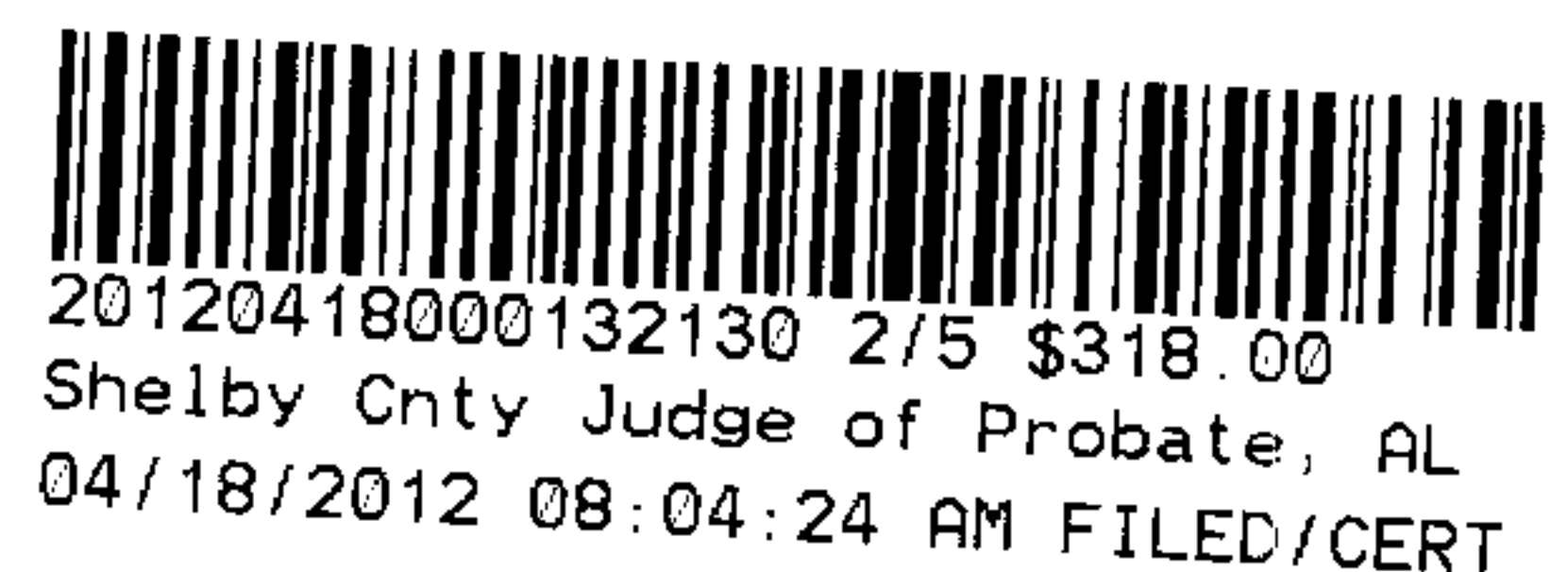
Given under my hand and official seal, this 12th day of April, 2012.

[Signature]

Notary Public

AFFIX SEAL

My commission expires: 9/22/12



STATE OF ALABAMA )

COUNTY OF Shelby )


I, Sarah Weingarten, a Notary Public in and for said County, in said State, hereby certify that John P. Stilwell, whose name as Manager of Twin Pines, LLC, an Alabama limited liability company, as Sole Member of **Twin Pines II, 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 said instrument, he, in such capacity and with full authority, executed the same voluntarily for and as the act of said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 12<sup>th</sup> day of April, 2012.

Sarah Weingarten  
Notary Public

[SEAL]

My Commission Expires: \_\_\_\_\_ NOTARY PUBLIC STATE OF ALABAMA AT LARGE  
MY COMMISSION EXPIRES: Mar. 8, 2016

  
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## EXHIBIT A

Lands where RGGS Land & Minerals Ltd., L.P. owns mineral rights beneath surface owned by United States Steel Corporation which are hereby leased to Twin Pines Coal according to the terms of the document hereto attached.

### Township 20 South, Range 3 West

Section	Description	Acres
31	South half of Northeast quarter, Northwest quarter of Northeast quarter, South half of section, South half of Northwest quarter, Northeast quarter of Northwest quarter.	560

### Township 20 South, Range 4 West

Section	Description	Acres
36	Southeast quarter of Northeast quarter, Southeast quarter, Southeast diagonal half of Southwest quarter.	280

### Township 21 South, Range 3 West

Section	Description	Acres
5	West half of Southwest quarter, Northwest quarter.	240
6	Entire section.	640
7	Entire section.	640
8	West half of West half of section.	160

### Township 21 South, Range 4 West

Section	Description	Acres
1	Entire section.	640
2	East half of section, Southwest quarter, Southeast diagonal half of Northwest quarter.	560
9	East half of Southeast quarter.	80
10	Entire section.	640
11	Entire section.	640
12	Entire section.	640
15	Northwest quarter	160

Total Acres:

5,880



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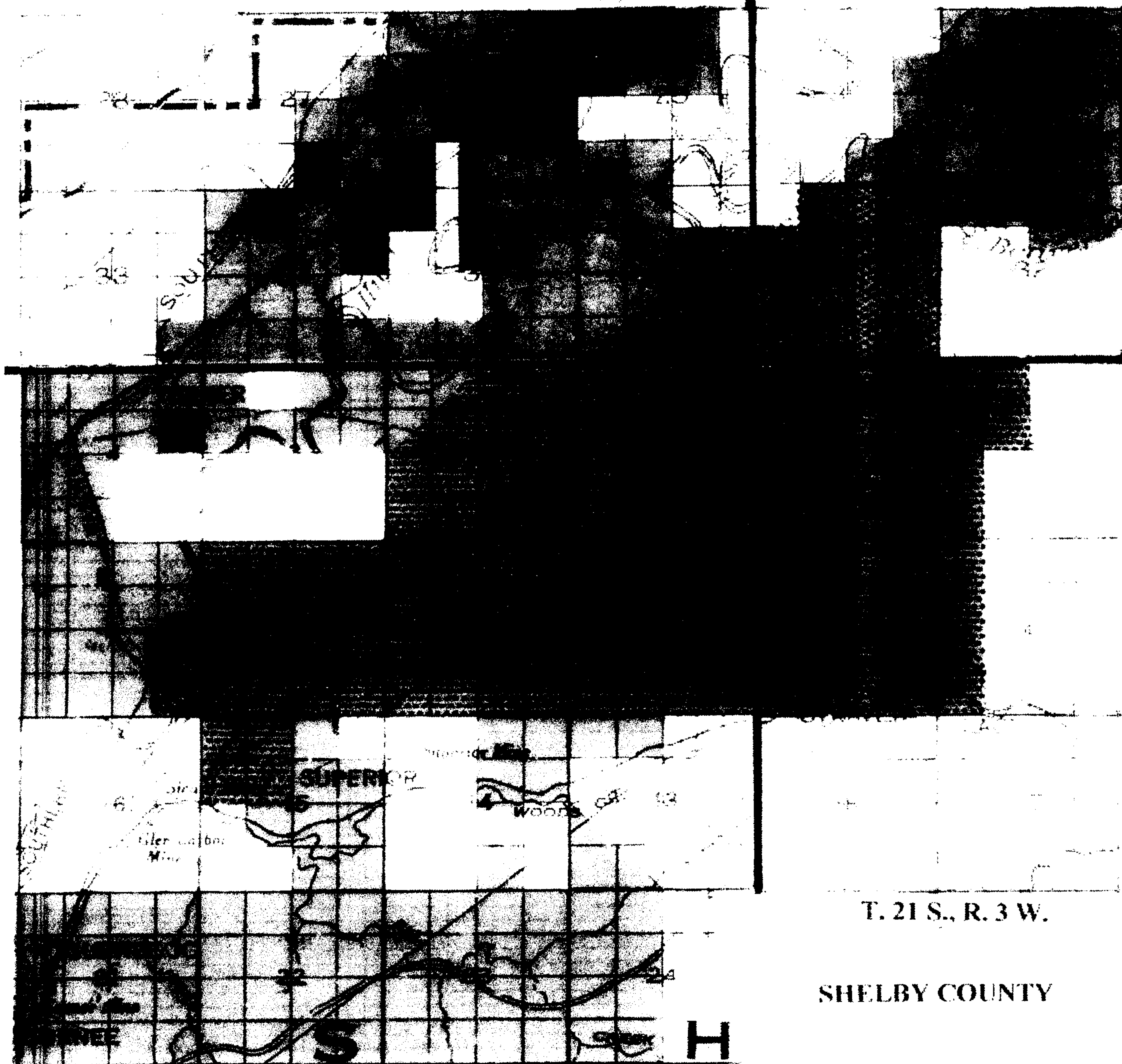
EXHIBIT B

**RGGS LAND & MINERALS LTD., L.P.**

Approx. scale 1 inch = 4,000 feet

T. 20 S., R. 4 W.

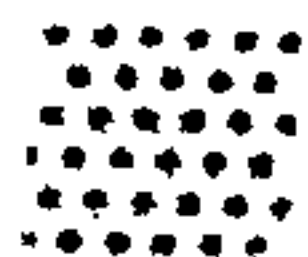
T. 20 S., R. 3 W.



Lands where RGGS Land & Minerals Ltd., L.P. owns minerals and rights to use surface owned by United States Steel Corporation.



Lands where RGGS Land & Minerals Ltd., L.P. owns mineral rights with no surface use rights.



Lands leased to Twin Pines Coal according to the document hereto attached.



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