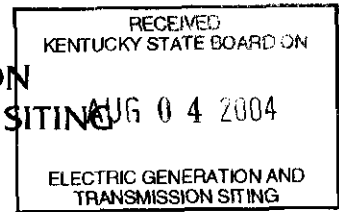


COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY STATE BOARD ON
ELECTRIC GENERATION AND TRANSMISSION SITING



In the Matter of:

ESTILL COUNTY ENERGY PARTNERS, LLC,)
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO CONSTRUCT A COAL)
COMBUSTION FACILITY IN ESTILL COUNTY,)
KENTUCKY)

CASE NO. 2002-00172

TESTIMONY OF DONALD G. LAVIERS

* * * * *

Come DLX, Inc. ("DLX"), and Harry LaViers, Jr., as Trustee of a Trust established for the benefit of Donald G. LaViers, Stephen D. LaViers, Henry LaViers, IV, and Elizabeth LaViers Owen, all under the Will of Maxie LaViers, deceased (the "Trust")¹, by counsel, and submit the following testimony in support of their positions in these proceedings for all purposes permitted by KRS § 278.700-.716, 807 KAR 5:110, all applicable rules of administrative procedures and the Civil Rules:

¹ The Trust was created under the will of Maxie LaViers, deceased, which is of record in Will Book J, Page 375, in the Estill County Clerk's Office.

1 TESTIMONY OF DONALD G. LAVIERS UPON WRITTEN QUESTIONS

2 On the 4th day of August, 2004, beginning at 2:53 p.m., at Kinkead & Stilz, PLLC, 301
3 East Main Street, Suite 800, Lexington, Kentucky, before Rosetta M. Mitchell, a notary public for
4 the Commonwealth of Kentucky, appeared Donald G. LaViers, who, after having first been duly
5 sworn, was examined by Wayne F. Collier, Esq., and testified as follows:

6 Q1. Please state your name, occupation and business address for the record.

7 A1. My name is Donald G. LaViers, I am presently the President of DLX, Inc. ("DLX"), the
8 business address for which is 2539 Highway 11E, P.O. Box 447, Strawberry Plains, Tennessee
9 37871-0447. My wife and I own all of the stock in DLX.

10 Q2. Please describe your educational background and experience in the mineral industry.

11 A2. Degree in Engineering from Penn State University in 1981, Received Registration No. 14,521,
12 in 1986.

13 Q3. Does DLX own any land in Estill County, Kentucky?

14 A3. Yes. DLX owns land that is located on the eastern side of a bend in the Kentucky River north
15 of Irvine, Kentucky, which it acquired by virtue of a deed dated March 14, 1993, from South-
16 East Coal Company ("South-East") which is of record in Deed Book 202, Page 426, in the
17 Estill County Clerk's Office (the "South-East Property"), pursuant to that certain Order
18 Authorizing Sale Of Substantially All Of Debtor's Assets Outside The Ordinary Course Of
19 Business, filed on January 19, 1993, in the United States Bankruptcy Court, Eastern District
20 of Kentucky, Lexington Division, styled *In Re: South-East Coal Company*, Case No. 90-2183
21 (the "South-East Bankruptcy. A true copy of the March 14, 1993, deed is attached as Exhibit
22 A, which has a true copy of the January 19, 1993, order attached to it.

1 Q4. Are you familiar with the South-East Property?

2 A4. Yes, very much so. I was an engineer and was employed by South-East for many years and
3 became knowledgeable about South-East's boundaries and maps. My father also had a
4 residence on the property, so I knew it very well.

5 Q5. Were any deeds of correction required to conform the property described in the deed from
6 South-East to DLX to that which was to be conveyed according to the January 17, 1993, Order
7 in the South-East Bankruptcy.

8 A5. Yes, several were signed, the last of which was entered in December, 2001, to include the
9 majority of the acreage under a pre-law refuse pile. True copies of those orders, without
10 exhibits, are attached as Exhibits B and C. Most of this property was acquired by South-East
11 under two deeds, one being of record in Deed Book 101, Page 488 (from Nellie Osborne, *et*
12 *al.*, to South-East Coal Company, the "Osborne Deed", the property described therein being
13 the "Osborne Tract"), and the second being of record in Deed Book 101, Page 493 (from Mr.
14 and Mrs. Spicer to South-East Coal Company, the "Spicer Deed", the property described
15 therein being the "Spicer Tract"). True copies of these deeds are attached as Exhibit D.

16 Q6. Did DLX ever sell any of the South-East Property to others?

17 A6. Yes, it sold several parcels, one being to Estill County, Kentucky for an industrial park, and
18 another portion that was under lease and permit to Kentucky Processing Corporation ("Old
19 KPC") on August 4, 1994, which is of record in Deed Book 209, Page 143, and the other being
20 a deed of correction dated October 18, 1994, from DLX, Inc., to Old KPC, which is of record
21 in Deed Book 210, Page 291. A true copy of the August 4, 1994, deed is attached hereto as
22 Exhibit E (collectively the "Deeds"). The leased premises are shown on a map that is attached

1 to DLX's response to Data Request No. 2 of the Staff's First Data Request to DLX and the
2 Trust. DLX was to retain certain parcels, including the unpermitted land that lay outside leased
3 boundary in the bend of the Kentucky River, which is known as the "pre-law" refuse pile and
4 a right-of-way thereto (the latter tract and easement being referred to herein collectively as the
5 "Refuse Pile Tract"). The parties failed to survey the permit boundary line prior to the closing
6 on August 4, 1994, old parcel boundaries were not corrected in the deeds. Even so, DLX
7 retained the majority of the pre-law refuse pile tract (the exclusion to the Osborne Tract and
8 that portion of the Spicer Tract that is not described in any of the deeds from DLX to Old
9 KPC), but the boundary included a small amount of land that should have been sold to Old
10 KPC and did not include part of the unpermitted Refuse Pile Tract. This is shown by the
11 survey of Richard Hall and his affidavit, true copies of which are already filed in this record
12 as an exhibit to DLX's Motion to Intervene and the other attachments are attached to DLX's
13 response to Data Request Nos. 1 and 2 of the Staff's First Data Request to DLX and the Trust.
14 The Refuse Pile Tract has been referred to in DLX's and the Trust's Motion to Intervene and
15 all of the information and documents attached thereto are true and correct to the best of my
16 knowledge and belief and the terms used therein shall also be used in my testimony.

17 Q7. What happened to Old KPC?

18 A7. It became Kentucky Processing Company ("KPC"). On September 25, 1998, KPC filed a
19 petition for relief under Chapter 11 of the United States Bankruptcy Code, which matter is now
20 pending as *In the Matter of: Kentucky Processing Company*, United States Bankruptcy Court,
21 Eastern District of Kentucky, Lexington Division, Case No. 98-52437 (the "Bankruptcy
22 Action").

1 Q8. Prior to that time, had anyone besides DLX claimed to own the Refuse Pile Tract?

2 A8. No. In fact, the reason that Old KPC did not want it was because it presented a substantial
3 reclamation liability. I did learn that Chuck Yates, who owned KPC, was interested in buying
4 KPC's property and had let it be known that he thought that KPC owned the Refuse Pile Tract.
5 DLX investigated the matter, had the land constituting the Refuse Pile Tract surveyed, and
6 filed an adversary action, No. 01-5199, in the Bankruptcy Action to have the boundary to the
7 Refuse Pile Tract corrected prior to any sale (the "Adversary Action"). A copy of DLX's
8 Amended Complaint and most of the exhibits, except for the lease, is attached as Exhibit F.
9 If you look at Exhibit 5 to the Amended Complaint, you will see that DLX filed a lis pendens
10 in the Estill County Clerk's Office just before the auction. In addition, Judge Lee issued orders
11 prior to the sale that made it subject to the outcome of the Adversary Action and forbid the
12 trustee to issue any deeds until it was concluded. *See* Exhibit C. Another order also required
13 the trustee to make an announcement about DLX's claims to the Refuse Pile Tract. *See* the
14 May 31, 2001, Order of Confirmation that is attached to ECEP's response to the Staff's First
15 Data Request under Tab 8. Consequently, although Fox Trot Properties, LLC ("Fox Trot") was
16 the high bidder at the auction, it was put on notice of the situation and has not yet received a
17 deed.

18 Q9. What is the status of that case?

19 A9. Judge Lee denied all of the parties' motions for summary judgment and tried the case in June,
20 2003. The case has been fully briefed and stands submitted.

21 Q10. Are you aware that Estill County Energy Partners, LLC ("ECEP") wishes to build a merchant
22 electric generating facility on the Refuse Pile Tract and to burn the coal byproducts in that

1 facility that are stored on the Refuse Pile Tract?

2 A10. Yes, I learned about that when I received a copy of ECEP's application in this case and
3 discovered that it plans on building the merchant facility on part of the Osborne Tract that DLX
4 owns and that it wants to burn the coal on DLX's land in the plant. ECEP has claimed that
5 only a small portion of the site is subject to the Adversary Action, but it actually concerns the
6 land where ECEP proposes to build the facility and the best and largest pile of coal byproducts
7 that are to fuel the plant. These are essential components of ECEP's application. This really
8 surprised me because the Deeds from DLX to Old KPC exclude that part of the Osborne Tract
9 and do not even describe the portion of the Spicer Tract upon which the northern half of the
10 pre-law refuse pile sits. Not only that, but no ruling has been issued by Judge Lee in the
11 Adversary Action, so Fox Trot has no interest in the Refuse Pile Tract, nor could it grant
12 anything to anyone else, such as ECEP. In fact, ECEP has represented that it does not even
13 have a lease or other instrument from Fox Trot granting it any interest in the Refuse Pile Tract.

14 Q11. Does DLX own any of the coal products that ECEP plans to burn in the merchant facility?

15 A11. Yes. The best quality coal byproducts are located on DLX's Refuse Pile Tact and are closest
16 to the facility. The volume of this reserve is substantial and is probably critical to the success
17 of the facility.

18 Q12. Has DLX agreed to sell, lease or transfer any interest in the Refuse Pile Tract to Fox Trot or
19 ECEP

20 A12. Absolutely not.

21 Q13. Does DLX object to ECEP's application for a permit? If so, please briefly state its principal
22 reasons.

1 A13. Yes, DLX does object. The main reason is that ECEP purports to own or have an interest in
2 land that DLX owns. DLX cannot see how anyone can obtain a permit to someone else's land
3 without at least having a deed or lease to it. The siting map itself is not a survey, is not signed
4 by a licensed surveyor, does not meet the requirements for a valid survey and has a disclaimer
5 on it that, even if it were signed, would make it meaningless. As a consequence, the legal
6 description is incorrect, does not show DLX's property and does not show DLX's right to use
7 the road from the Refuse Pile Tract to the highway. DLX does not want this right to be
8 impaired in any way. DLX believes that the statutory requirements for the permit application
9 cannot be satisfied without having ECEP submit an accurate survey that conforms to Kentucky
10 law and is signed by a licensed surveyor.

11 Furthermore, DLX cannot see how ECEP or Fox Trot will be able to obtain a permit to remove
12 the coal byproducts from the Refuse Pile Tract until the Adversary Action is finally concluded,
13 if one could even presume that Fox Trot will prevail. A likely outcome is that the Court will
14 leave the boundaries as they are, which means that ECEP will not be able to build the facility
15 and will not be able to burn the best coal byproducts in the area. Finally, I have taken a look
16 at KRS § 278.710 and if the PSC must take the interests of adjoining landowners and other
17 esthetic considerations into account in deciding whether to issue a permit, then the interests of
18 the actual owner of the land ought to be paramount. DLX is certain that if the permit is issued,
19 if construction begins and if the coal on the Refuse Pile Tract is burned that it will certainly
20 affect the property value of DLX's Refuse Pile Tract, and will certainly impact its access road.
21 Any security measures ECEP must implement should not affect DLX's access in any way.
22 Since these criteria must be taken into account and since they would permanently destroy the

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served via first class mail on this the 4th day of August, 2004, to the following:

Lisa E. Underwood, Esq.
Lisa E. Underwood PLC
314 Holiday Road
Lexington, Kentucky 40502
Counsel for Estill County Energy Partners, LLC

Mr. Darrell D. Brock, Jr.
Commissioner/Assistant to Governor
Office of Local Government
1024 Capital Center Drive
Suite 340
Frankfort, KY 40601

Judge Wallace Taylor
Estill County Judge Executive
Room 101
130 Main Street
Irvine, KY 40336

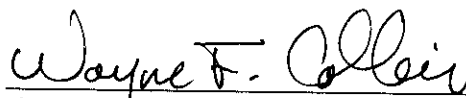
Hon. Gene Strong, Secretary
Economic Development Cabinet
2300 Capital Plaza Tower
500 Mero Street
Frankfort, KY 40601

Hon. LaJuana S. Wilcher, Secretary
KY Environmental and Public Protection
Department for Natural Resources
Division of Energy
500 Mero Street, Fifth Floor
Capital Plaza Tower
Frankfort, KY 40601

Mr. Danny P. Woods
Brighton A&E, Inc.
201 Brighton Park Boulevard
Frankfort, KY 40601

Mr. John M. St. Clair, Jr.
Citizens Guaranty Bank
25 River Drive
Irvine, KY 40336

Thomas J. Fitzgerald, Esq.
Kentucky Resources Council, Inc.
P.O. Box 1070
Frankfort, KY 40602
Counsel for Will Herrick


Counsel for DLX and the Trust

J:_Wf\DLX\PSC\TestimonyPSCDonLaViers.wpd

EXHIBIT A

MAILED TO: NEWSBERRY HARGROVE & RAMBICURE, 2800 LEXINGTON FINANCIAL CENTER, 250 W MAIN ST., LEXINGTON, KY 40507 3/30/93

TAX PAID
\$ 201.50

THIS DEED made and entered into this the 14th day of March, 1993, by and between SOUTH-EAST COAL COMPANY, a Kentucky corporation, whose mailing address State Route 1840, P. O. Box 332, Irvine, Kentucky 40336, Grantor, and DLX, INC., a Kentucky corporation, of State Route 1840, P. O. Box 332, Irvine, Kentucky 40336, Grantee.

W I T N E S S E T H:

THAT for and in consideration of the sum of Two Hundred One Thousand Three Hundred Eighty Two Dollars and no/100 (\$201,382.00) and pursuant to the terms of that certain Order Authorizing Sale Of Substantially All Of Debtor's Assets Outside The Ordinary Course of Business, filed January 19, 1993, in United States Bankruptcy Court, Eastern District Of Kentucky At Lexington, In Re: South-East Coal Company, Case No. 90-2183, a copy of which is attached and marked "Exhibit A", and ~~other good and valuable consideration~~, the Grantor has this day bargained and sold and does hereby grant and convey unto the Grantee, its successors and assigns, forever, all of the following property located in Estill County, Kentucky, and more fully described as follows, to wit:

SEE EXHIBIT B ATTACHED

TO HAVE AND TO HOLD the above property together with all rights, privileges, appurtenances and improvements thereunto belonging unto the Grantee, its successors and assigns, forever.

AND the Grantor does hereby release and relinquish unto the Grantee, its successors and assigns, forever, all of Grantor's right, title and interest in and to the above property including

Deed of Correction
SEE ~~RELEASE~~ in Deed
BOOK 215 PAGE 589
DATE 12/15/95
ATTEST: SHERRY L. FOX, CLERK
BY J. Frederick D.C.

Return to Prepare

all exemptions allowed by law and does hereby covenant to and with said Grantee, its successors and assigns, forever, that Grantor is lawfully seized in fee simple of said property and has good right to sell and convey the same as herein done; that the title to said property is clear, and that Grantor will WARRANT SPECIALLY the said title.

PROVIDED, HOWEVER, there is excepted from the foregoing warranty and covenants of title and this conveyance is made subject to any restrictions, easements and agreements of record in the aforesaid Clerk's Office affecting the subject property.

The undersigned Grantor and Grantee hereby certify, swear and affirm that the consideration stated herein is the full actual consideration paid for the property transferred herein. The Grantee signs this deed for the sole purpose of certifying the consideration pursuant to KRS 382.

IN TESTIMONY WHEREOF, the Grantor and Grantee have hereunto executed this instrument this the day and year first above written.

SOUTH-EAST COAL COMPANY,

BY: *[Signature]*

ITS: Pres.

DLX, INC.

BY: *[Signature]*

ITS: PRESIDENT

STATE OF KENTUCKY

COUNTY OF Jay

The foregoing instrument was subscribed, sworn to and acknowledged before me this the 14th day of March, 1993, on behalf of South-East Coal Company, a Kentucky corporation by Harry L. Vero, its President.

My commission expires: Sept 23, 1993

B. Owen Cook
NOTARY PUBLIC
STATE AT LARGE, KENTUCKY

STATE OF KENTUCKY

COUNTY OF Jay

The foregoing instrument was subscribed, sworn to and acknowledged before me this the 14th day of March, 1993, on behalf of DLX, Inc., a Kentucky corporation, by Don Sellers, its President.

My Commission Expires: Sept 23, 1993

B. Owen Cook
NOTARY PUBLIC
STATE AT LARGE, KENTUCKY

Prepared By:

NEWBERRY, HARGROVE & RAMBICURE
2800 Lexington Financial Center
250 West Main Street
Lexington, Kentucky 40507

By: B. Owen Cook

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
AT LEXINGTON

EASTERN DISTRICT OF KENTUCKY

FILED

JAN 19 1993

AT LEXINGTON
BETTY L JENNETTE, CLERK
U S BANKRUPTCY COURT

In Re:)
SOUTH-EAST COAL COMPANY)
Debtor)

CHAPTER 11
CASE NO. 90-2183

ORDER AUTHORIZING SALE OF
SUBSTANTIALLY ALL OF DEBTOR'S ASSETS
OUTSIDE THE ORDINARY COURSE OF BUSINESS

* * * * *

This matter having come before the Court upon the Motion of the debtor and debtor-in-possession, South-East Coal Company (the "Debtor"), for an Order authorizing the sale outside the ordinary course of business of certain Mine and Related Assets and the Debtor's interest in the Sales Agreement between the Debtor and Amax Coal Sales Company ("Amax") (the "Coal Sales Agreement"), as amended by that certain Second Amendment to such motion (the "Motion") (all terms defined in the Motion and not defined herein having the same meaning as was attributed to them in the Motion), a hearing having been held thereon, and the Court being in all respects duly and sufficiently advised, pursuant to 11 U.S.C. §§ 363(b)(1), (f), (k), 365(F)(1) and 105, it is hereby ORDERED AND ADJUDGED as follows:

1. Pursuant to 11 U.S.C. §363(b)(1), the Court hereby authorizes the Debtor to sell the following assets, for the amounts shown, to DLX, Inc. ("DLX"), in accordance with the terms and conditions of that certain letter dated December 17, 1992, a copy of which was attached as Exhibit A to the Second Amendment to the Motion: (i) the preparation plant located in Irvine, Kentucky, which is a portion of the real property described in Section 8IIA of the Offering Memorandum (the "Preparation Plant") for the sum of \$500,000; (ii) the Lexington Office, as described in Section 8IIC of the Offering Memorandum, for the sum of \$190,000; and (iii) the Mine and Related Assets, as described in Sections 8IIA (all other real property other than the Preparation Plant), 8IIB, 8III, 8IV, 8V, 8VIA, 8VIB, 8VID and 8VIE, for the sum of \$5,060,088, for a total purchase price of \$5,750,088. That purchase price of \$5,750,088 will be paid by (i) tender of cash in the amount of \$3,010,000; (ii) assumption of certain liabilities in the amount of \$1,250,000; and (iii) replacement by DLX of the reclamation bonds currently posted by the Debtor with the Kentucky Natural Resources and Environmental Protection Cabinet (the "Reclamation Bonds") and the release of certain letters of credit in the amount of \$1,490,088 which are currently held by the Cabinet as collateral for the Reclamation Bonds. In addition, the Banks will receive an overriding royalty more fully described in the letter of intent attached as Exhibit A to the Second Amendment to the Motion.

2. Pursuant to the terms of a separate letter agreement, a copy of which is attached as Exhibit B to the Second Amendment to the Motion, the Debtor shall create a wholly-owned subsidiary (referred to herein as "New Company") and transfer its interest in the Coal Sales Agreement to New Company in exchange for New Company's assumption of indebtedness owed to the Banks in the amount of \$8,000,000 (the "Assumed Bank Debt"), the assumed debt to be paid on such terms and conditions as are acceptable to the Banks. The Banks shall continue to have a security interest in New Company's interest in the Coal Sales Agreement and will take a credit against the debt owed to the Banks by the Debtor in the amount of \$8,000,000. Pursuant to the terms of the letter agreement, DLX and Cannelton Sales Company shall then enter into one or more coal purchase agreements with New Company, under which DLX and/or Cannelton will supply coal to New Company at fixed prices. In turn, New Company will supply that coal to Amax under the terms of the Coal Sales Agreement. The difference between the price for coal paid and received by New Company will be used to repay the Assumed Bank Debt.

3. The sale of the Purchased Assets to DLX shall be contingent upon the simultaneous closing of (i) the acquisition of the Preparation Plant, the Lexington Office and the Mine and Related Assets, as set forth on Exhibit A to the Second Amendment to the Motion; (ii) transfer of the Coal Sales Agreement to New Company and the execution of the coal purchase agreement(s) by and among DLX, Cannelton and/or New Company (collectively, the

"Coal Sales Agreement Transactions"), as set forth on Exhibit B to the Second Amendment to the Motion; (iii) the settlement agreement by and between South-East, DLX, the Banks and Ruth Swanson more fully described in that certain January 7, 1993 letter from counsel to the Banks to counsel for Ruth Swanson offered into evidence at the hearing on this matter (the "Swanson Settlement"); and (iv) and subject to the satisfaction of the conditions precedent set forth in the January 6, 1993 letter executed by Amax Coal Industries, Inc. and Amax Coal Sales Company, a copy of which is attached hereto as Exhibit C (the "Amax Letter").

4. A condition precedent to the closing of the acquisition of the Purchased Assets by DLX shall be the requirement that DLX pay or provide for the payment of approximately \$558,000 in expenses related to closing, including \$250,000 in previously approved fees and expenses for Wyatt, Tarrant & Combs, counsel for the Debtor, which expenses shall be paid at closing. In the event DLX fails to pay these amounts, the claim of Wyatt, Tarrant & Combs for \$250,000, without further adjustment or dilution, shall constitute a claim against the net proceeds of sale with the priority as to all creditors other than the Banks provided for such fees under the earlier financing order entered in this case, and shall not be reduced by the Banks irrespective of the actual proceeds received. This agreement of Wyatt, Tarrant & Combs shall not constitute a compromise of its claim for approved fees to date unless the closing contemplated hereunder occurs.

5. The Court hereby authorizes the sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions, subject to the terms and conditions set forth herein and in the Motion, on the grounds that such bid constitutes the best and highest offer that the Debtor has received for these assets. The Debtor has received no other firm offers for the Preparation Plant or the Lexington Office. DLX's proposed purchase price for the Mine and Related Assets, of \$5,060,088, exceeds Golden Oak's bid of \$4,350,000 for these assets. Finally, the \$8,000,000 in Assumed Bank Debt provided for the Coal Sales Agreement is superior to the offer from Westmoreland for the contract. The sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions is therefore in the best interests of all creditors of this estate.

6. The sale of the Purchased Assets and the completion of the Coal Sales Agreement Transactions are subject to the completion or satisfaction (as approved by the Banks and Amax) on or before the closing of the following additional conditions precedent:

a. The resolution of the bonding commitment to DLX from Van American Insurance Company, including, without limitation the establishment of the \$460,888 letter of credit as collateral for such bonding, all on terms acceptable to the Banks and Amax.

b. The approval of all transactions by the applicable committees of each of the Banks.

c. The full payment by South-East or DLX of all amounts due to the date of closing of (i) royalties (of any type) due to Kentucky River Coal Corporation ("Kentucky River") and/or Prospect Land and Development ("Prospect") for coal production by South-East or DLX to and including the date of closing

d. The full payment by South-East or DLX of all amounts due to the date of closing, for state taxes, including, without limitation, taxes which accrued or accrue post-petition with respect to the sale or production of coal by South-East or DLX.

7. The Banks must approve the satisfaction of all conditions to, and the terms and conditions of, the sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions.

8. The Preparation Plant shall be sold to DLX for the sum of \$500,000 in cash (which is included in the \$3,010,000 cash portion of the purchase price for the Purchased Assets), provided that DLX also replaces the Reclamation Bonds in the amount of \$1,042,300 and is otherwise qualified to operate the Preparation Plant. This sale shall be free and clear of all liens and interests in the Preparation Plant of any parties, including the security interests of Ruth Swanson, the Banks, Kentucky Utilities and IteL Rail Corporation, with such liens and interests to attach only to the \$500,000 in proceeds from the sale. The

Preparation Plant proceeds shall be paid directly to Ruth Swanson in exchange for a release of all security interests and liens on such assets. Further, from the remaining cash portion of the purchase price, the Banks shall pay \$300,000 to Ruth Swanson in accordance with the terms of the Swanson Settlement.

9. The Court incorporates by reference its previous Order authorizing a process for the sale of the Debtor's assets, including specifically the finding therein that the Debtor has demonstrated a sound business purpose for an immediate sale under Section 363, as a result of (i) the material risk of the loss of assets and/or asset value; and (ii) the incurring of substantial expenses in an effort to preserve assets for true liquidation.

10. The Debtor has provided all proper parties in interest with appropriate notice of the sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions. The sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions is being proposed by the Debtor in the good faith belief that it is in the best interests of all creditors and will result in the greatest value being achieved for these assets.

11. Under 11 U.S.C. Section 363(f), and except as otherwise provided herein, upon closing and consummation of the purchase, the sale of the Purchased Assets authorized herein shall be free and clear of all liens and encumbrances of whatsoever nature, with such liens, including the liens of the Banks, Itel Rail Corporation, Ruth Swanson and any other secured creditors, to

attach to the proceeds of the sale in accordance with their relative priorities as determined pursuant to Orders of this Court.

12. Under the Court's general equitable powers set forth in 11 U.S.C. Section 105(a), the Purchased Assets shall be sold free and clear of any and all liabilities whatsoever, whether contingent, unliquidated, unmatured or otherwise, including, but not limited to, any successor liability for claims for benefits under the Federal Black Lung Benefits Act (30 U.S.C. Section 901 et. seq.) or the Kentucky Worker's Compensation Act (KRS Chapter 342) that may be asserted after the date of the sale by former employees of the Debtor.

13. The completion of the Coal Sales Agreement Transactions shall be subject to the satisfaction by Newco, DLX and Cannelton. Under both the Coal Sales Agreement and the AEP Contract, Amax's acceptance of coal supplied under the Coal Sales Agreement, as well as the source of that coal, is subject to acceptance by AEP.

14. The sale of the Purchased Assets to DLX and the completion of the Coal Sales Agreement Transactions will be subject to (i) the conditions in the DLX letters attached as Exhibits A and B to the Second Amendment to the Motion; (ii) the conditions set forth in the Amax Letter and (iii) obtaining any necessary third party consents. Specifically, Kentucky River shall retain all of its rights pursuant to the terms of that certain Agreed Order dated February 14, 1991, including the rights set forth in paragraph 11 thereof, and all of its rights

under its leases with the Debtor and applicable law. The prior written consent of Kentucky River must be obtained prior to any assignment or sale of Kentucky River's leases with the Debtor. The Debtor or DLX shall cause all royalty payments to Kentucky River and Prospect accrued to the date of any transfer of their leases to be paid or provided for to the reasonable satisfaction of Kentucky River and Prospect. All rights of both Kentucky River and Prospect under their respective leases, including the right to assert contractual or statutory liens against DLX, are hereby reserved.

15. The purchase price to be paid by DLX for the Purchased Assets and the consideration for the completion of the Coal Sales Agreement transactions constitute fair and reasonable purchase prices for these assets. The Debtor, DLX, and the Banks have acted in good faith in regards to the sale and transfer as set forth in the Debtor's Motion.

16. The Debtor is further authorized to compromise and settle the claims of the Kentucky Revenue Cabinet and in consideration therefore to convey its interest in the real property surface rights to a certain coal haul road, which connects Kentucky Highway 1103, to Tolson Branch Road and Kentucky Highway 588 to the Kentucky Turnpike Authority.

17. The Debtor has, for purposes of 11 U.S.C. § 365(f)(2), made a showing of "adequate assurance of future performance" by Newco, DLX and Cannelton with respect to its agreements with Amax, Kentucky River and Prospect Land and Development Company,

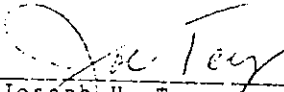
Inc., provided that the conditions more particularly set forth in the Debtor's Motion in this regard are met to the reasonable satisfaction of these parties and AEP.

This the 19 day of January, 1993.

BY THE COURT:


~~BANKRUPTCY COURT JUDGE~~

THIS INSTRUMENT TENDERED BY:



Joseph H. Terry
WYATT TARRANT & COMBS
Lexington Financial Center
250 West Main Street
Lexington, Kentucky 40507
(606) 233-2012

EXHIBIT B

SCHEDULE 1

Situated in Estill County, Kentucky, and being further described as follows:

Parcel I (Morris Elliott Tract)

Being a portion of the real property conveyed to South-East Coal Company by Morris Elliott and Lucille Elliott, his wife, by deed dated May 31, 1957, and recorded in Deed Book 101, page 490, Estill County Records, (all the real property conveyed by said deed hereinafter the "Morris Elliott Tract") and being further described as follows:

Beginning at a point on L. & N. Right of Way at L. & N. survey station 6358+82 and following a natural drain S 46° 27' W 133.2 ft., S 34° 46' W 109.4 ft., S 66° 32' W 211.0 ft., S 68° 13' W 122.0 ft., S 78° 14' W 108.9 ft., N 81° 38' W 77.6 ft., S 75° 35' W 59.6 ft., to the Kentucky River; thence down the river N 38° 17' W 200.0 ft., N 30° 53' W 163.3 ft., N 27° 23' W 271.4 ft., N 30° 04' W 239.3 ft., N 24° 20' W 396.0 ft., N 30° 10' W 308.2 ft., N 39° 27' W 364.5 ft., N 58° 45' W 349.1 ft., N 69° 14' W 105.2 ft., a distance of approximately 2397 ft.; thence leaving the river in a direction of N 39° 25' E 487.4 ft., to the L. & N. Right of Way; and proceeding along the L. & N. Right of Way to the beginning, a distance of approximately 2623.5 ft.

EXCLUDING THEREFROM the following described real property:

Beginning at a point in the L&N Railroad's West right-of-way line, said point being located 2,280 feet South of Mile Post 230 and also being in the line between the Morris Elliott Tract and the property sold to South-East Coal Company by Edgar Puckett

by deed dated April 5, 1974, and recorded in Deed Book 139, page 197, Estill County Clerk's office (hereinafter the "Edgar Puckett Tract");

thence in a northerly direction with the L&N Railroad's West right-of-way line 170 feet to a point which is 10 feet south west of the centerline of South-East Coal Company's lead track;

thence in a north westerly direction 10 feet from and parallel to the centerline of said lead track 490 feet to a point which is 300 feet north of the north end of a railroad car shop building; thence in a Westerly direction 300 feet from and parallel to the North end of said railroad car shop building, if extended, 285 feet to a point which is also on a line 300 feet from the West line of the said railroad car shop building, if extended;

thence in a southerly direction 300 feet from and parallel to the West line of the said railroad car shop building, as extended, 615 feet to a point in the line between the Morris Elliott Tract and Edgar Puckett Tract; thence with the line between the said Morris Elliott Tract and Edgar Puckett Tract an easterly direction 370 feet to the point of beginning.

Parcel II (Nellie Osborne Tract)

Being a portion of that real property conveyed to South-East Coal Company by Nellie Osborne, single, and J. R. Calmes, single, by deed dated May 31, 1957, and recorded in Deed Book 101, page 488, Estill County Records. (all the real property conveyed by said deed being hereinafter the "Osborne Tract") and being further described as follows:

Consisting of 65 acres, more or less, situated 2 1/2 miles northeast of Irvine, Kentucky, on the County Road leading to

Irvine and Winchester Highway and more particularly described as follows:

On the East side of the Kentucky River at and near what is known as Cubbard Rock; and bounded and described as follows, to-wit: For boundary beginning at a stone in the right of the Louisville & Nashville Railroad; thence with the said right-of-way north 29 degrees west 10 poles, north 17 degrees west 14 poles, north 8 degrees west 13 1/3 poles; thence departing from the railroad right-of-way S 88 1/2 degrees West 132 poles north 8 degrees east 21 poles; thence with common line between Chris Tipton and Arch Miller, north 64 degrees west 71 poles to the Kentucky River; thence up said river south 58 degrees west 10 1/3 poles; thence south 44 degrees west 12 1/3 poles, south 52 degrees west 6 1/3 poles; south 60 degrees west 15 poles; south 35 degrees west 24 poles, south 12 degrees west 11 poles, south 14 degrees east 8 poles, south 24 degrees east 7 poles, S 31 degrees east 8 1/2 poles, south 64 degrees east 12 poles, south 69 degrees east 6 poles, south 56 degrees east 15 1/3 poles, S 77 degrees east 13 poles, South 85 degrees east 5 poles, south 81 degrees east 14 poles, south 79 degrees east 19 poles, south 78 degrees east 42 poles; thence departing from the river, and with common line between Arch Miller and Powell north 39 degrees east 31 poles to the beginning, containing 65 acres, more or less.

EXCLUDING THEREFROM the following described real property:

Beginning at a point at the south-west corner of a parcel of land conveyed to South-East Coal Company by the Louisville and Nashville Railroad Company by deed dated January 20, 1938, and recorded in Deed Book 102, page 507, Estill County Clerk's Office (said land hereinafter the "L & N Tract"), said point being also 363.2 feet westwardly along a radial line from a point in the centerline of the main track of the L & N at Valuation Station 6127+18; thence S 54° 10' W 143.9 feet; thence S 21° 20' E 470 feet;

thence S 68° 40' W 600 feet; thence S 3° 20' W 118 feet to a point at the Kentucky River, said point being also approximately 697 feet downstream from the westernmost corner of the Morris Elliott Tract; thence with the meanders of the Kentucky River downstream approximately 3,495 feet to a point which is the northwest corner of the Osborne Tract, and which is also the Southwest corner of Spicer Tract 2 as hereinafter defined in Parcel III; thence with the line between Spicer Tract 2 and the Osborne Tract S 64° 00' E 1,218.5 feet to a point which is the northwest corner of Spicer Tract 1 as hereinafter defined in Parcel III; thence following the westerly line of Spicer Tract 1 and the L & N Tract S 13° 27' W 337.8 feet to the point of beginning.

Parcel III (Spicer Tracts)

Being a portion of that real property conveyed to South-East Coal Company by J. W. Spicer and Cassie Spicer, his wife, by deed dated May 31, 1957, and recorded in Deed Book 101, page 493, Estill County Records (all the real property conveyed by said deed being hereinafter the "Spicer Tracts" with Tract 1 so conveyed hereinafter referred to as "Spicer Tract 1" and Tract 2 so conveyed hereinafter "Spicer Tract 2") said portion being further described as follows:

Tract No. 1. Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. Railroad at Valuation Station 6325+80.5, which is 1,019.5 (one thousand nineteen and five-tenths) ft. measured in a general northerly direction along said center line of main track from Mile Post 210 from Louisville Kentucky; thence N 64° 00' W 321.0 ft. along a line common to the L. & N. Tract as described in Parcel II above to a point; thence N 15° 53' E 70.00 ft. to a point common to Spicer Tract 2; thence S 64° 01' E 324.6 ft. along

the boundary of Spicer Tract 2 to a point 50 (fifty) ft. westwardly, as measured along a radial line from a point at said center line of main track at Valuation Station 6325+14.5; thence in a southerly direction fifty feet westwardly from and parallel to said center line of main track, a distance of 70 ft. to the point of beginning (0.5 Acres).

Tract No. 2 Being a portion of Spicer Tract 2, which portion is further described as follows:

Beginning at a point in the L&N Railroad's West right-of-way line, said point being 1,089.5 feet northerly from Mile Post 230; thence along the line between the Spicer Tracts 1 and 2 N 64°03'W 324.6 feet to a point; thence N 39°50'E 1,385 feet to a point in the line between the Spicer Tract 2 and tract 2 of the property sold to South-East Coal Company by Russell Powell and wife by deed dated April 7, 1958 and recorded in Deed Book 102, page 498, Estill County Clerk's office (hereinafter the "Powell I Tracts") thence along the said line between the Spicer Tracts and the Powell I Tracts S46°00'E 285 feet to a point in the Railroad's West right-of-way line; thence a southerly direction along the said right-of-way line approximately 1,273 feet to the point of beginning.

Parcel IV (L&N Tract)

Being the L&N Tract as defined in Parcel II above and being further described as follows:

Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. at Valuation Station 6327+18, which point is eight hundred sixty-two (862) feet measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville, Kentucky, thence N 82°45' W 318.2 ft. to a point common with the Osborne Tract; thence N 13°27' E 267.8 ft. along the Osborne Tract

line to a point common with a portion of the Spicer Tracts; thence S 64°26' E 121.0 ft. to a point which is 50 (fifty) ft. westwardly along a radial line from a point in said center line of main track at Valuation Station 6325+80.5; thence southwardly along a line fifty (50) feet westwardly from and parallel to said center line of main track, a distance of approximately 167.0 to the point of beginning.

Parcel V (Powell I Tract)

Being a portion of the Powell I Tracts as defined in Parcel III above, said portion being further described as follows:

Beginning at a point in the West right-of-way line of the L&N Railroad, said point being located 2,358 feet North of Mile Post 230, and also being in the line between the Powell I Tracts and the Spicer Tracts; thence with the Spicer and Powell line N46°00'W 1,128.9 feet to the Kentucky River; thence down the river 1,960 feet; thence leaving the river S46°00'E 500 feet to the West right-of-way line of the Railroad; thence a southwesterly direction with the railroad right-of-way 1,880 feet to the point of beginning.

Parcel VI (William Morris Elliott, Jr., Tract)

Being a portion of the real property conveyed to South-East Coal Company by William Morris Elliott, Jr., et al., by deed dated June 16, 1969, and recorded in Deed Book 124, page 228, Estill County Records (all the real property conveyed by said deed being hereinafter the "William Elliott, Jr., Tract"), said portion being further described as follows:

Beginning at a point in the West right-of-way line of Ky. 1840, said point being also a corner to the William Elliott, Jr., Tract and to the Edgar Puckett Tract as defined in

310

Parcel I above, thence in a northwesterly direction with the said right-of-way line 840 feet to a point; thence leaving the said right-of-way S50°50'W 1,270 feet to a point; thence S36°20'E 1,235 feet to a point; said point being also in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence N34°E 1,470 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for refuse slurry pipeline purposes, in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a refuse slurry pipeline (presently 12" I. D.) across the said William Elliott, Jr. Tract, said pipeline entering said William Elliott, Jr. Tract at a point 250 feet South of Mile Post 230 and in the East right-of-way line of the L&N railroad; thence in an easterly direction 2,100 feet to Parcel VIII hereinafter described.

Parcel VII (Calmes Tract)

Being that real property conveyed to South-East Coal Company by John R. Calmes, Sr., by deed dated February 17, 1978, and recorded in Deed Book 151, page 172, Estill County Records (all the real property conveyed by said deed being hereinafter the "Calmes Tract"), said real property being further described as follows:

Beginning at a point in the East right-of-way of the L&N Railroad, said point being 3,049 feet South of Mile Post 230 and 75 feet from the center line of the main track, said point also being in the centerline of a small drain and near the upper end of a concrete box culvert underneath the railroad tracks; thence in a northeasterly direction up the drain 3,270 feet to a point in the

West right-of-way line of a county road known as Stump Road, said point also being near the lower end of a culvert which carries the drain underneath the County Road; thence in a southerly direction with the said County Road right-of-way line 70 feet to a point which is 725 feet above mean sea level; thence following a contour line 725 feet above mean sea level in generally a southwesterly direction 6,150 feet to a point where it meets a road or driveway which leads from the Stump Road to the Calmes house; thence down the hill in a westerly direction 538 feet to a point in the East right-of-way line of the L&N Railroad, said point also being 4,087 feet South of Mile Post 230 and 50 feet East of the centerline of the main track; thence in a northerly direction with the said East right-of-way line of the L&N Railroad to the point of beginning, containing 55 acres more or less.

Parcel VIII (Edgar Puckett Tract)

Being a portion of the Edgar Puckett Tract as defined in Parcel I above, said portion being further described as follows:

TRACT NO. I: -- Known as the J. M. Witt farm, adjoining the land of Dave Powell and James F. Harris and bounded and described as follows-to wit: -- Beginning at the division line between John and Joseph Brandenburg on the Kentucky River; thence N 60 E 4 poles to a small black walnut N 85 E 13 poles N 62 E 11 poles to a willow N 47 E 19 poles to a sycamore N 8 E 6 poles to a stake; N 43 W 22 1/2 poles to a stake on the fence; thence N 30 1/2 E 166 poles to a stone; thence E 29 poles to two white oaks; thence S 23 E 34 poles to a sycamore on a branch; thence down the same as it meanders 120 poles to the Kentucky River; thence down the same as it meanders N 34 W 53 poles to the beginning.

There is excepted out of this boundary a certain tract or parcel thereof formerly sold by first parties to Dave Powell and

same is described as follows, being that portion of the above described tract lying North and West of a certain line agreed on by the said E. B. Powell and David Powell, said line is described as follows: to-wit: Beginning at a sycamore on the ditch or old line between the two pieces of meadowland owned by E. B. Powell and David Powell; thence east with the old line to the fence at the foot of the hill; thence east or northeast a straight line to the cliff to small white oak; thence same course to two small white oaks at the top of the ridge; thence to a small black jack at or near the northeast corner of Dave Powell's apple orchard.

There is further EXCEPTED and not hereby conveyed a tract of 2.07 acres formerly conveyed by R. W. Masters to L&N Railroad Company by deed of record in Deed Book 31, page 571, Estill County Court Clerk's Office.

TRACT NO. 2: -- Beginning at the road in Robt. Masters line; thence with the road to a stone near the branch; thence a straight line to a mulberry in Robt. Masters line; thence with said Masters line to the beginning.

EXCEPTING FROM TRACTS NO. 1 AND 2 the following described real property:

Exception 1: Beginning at a point in the Railroad's East right-of-way line, said point being located 2,280 feet South of Mile Post 230, and also being in the line between the Edgar Puckett Tract and Tract 2 of the William Elliott, Jr. Tract;

thence following the L&N Right-of-way line in a southerly direction approximately 800 feet to a point in the line between the Puckett Tract and Calmes Tract; thence leaving the L&N right-of-way and following the line between the Puckett Tract and the Calmes Tract in a northeasterly direction 426 feet to a point which is 300 feet East of the centerline of the Calla Airport runway, if extended; thence in a north

Westerly direction 300 feet from and parallel to the Center line of said runway 1,190 feet to a point in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence with the said line between the Edgar Puckett Tract and the William Elliott, Jr., Tract a southwesterly direction 640 feet to the point of beginning.

Exception 2: Beginning at a point in the L&N Railroad's West right-of-way line, said point being located 2,280 feet South of Mile Post 230, and also being in the line between the Edgar Puckett Tract and the Morris Elliott Tract; thence leaving the L&N right-of-way and following the line between the Edgar Puckett Tract and the Morris Elliott Tract a westerly direction 170 feet to a point which is 300 feet West of the West line of a railroad Car shop building; thence in a Southerly direction 300 feet from and parallel to the West line of said railroad car shop building, if extended, 400 feet to a point which is 300 feet South of the South line of said railroad car shop building if extended; thence in an easterly direction 300 feet from and parallel to the south line of said railroad car shop building 340 feet to a point in the west right-of-way line of the L&N Railroad; thence following the said West right-of-way line in a northerly direction 355 feet to the point of beginning.

Parcel IX (Williams Tract)

Being a portion of the real property conveyed to South-East Coal Company by C.T. Williams and Geneva Williams, his wife, by deed dated September 21, 1974, and recorded in Deed Book 140, page 704, Estill County Records (all the real property conveyed by said deed being hereinafter the "Williams Tract"), said portion being further described as follows:

Beginning at a point in the East right-of-way line of Ky. 1840, said point being also the Southeast Corner of the real property

conveyed to South-East Coal Company by Russell Powell, a single person, by deed dated June 19, 1975, and recorded in Deed Book 143, page 238, Estill County Records (said real property hereinafter the "Powell II Tract") thence N 15° 43' E 553 feet to a point, corner to the Powell II Tract and to certain real property conveyed to South-East Coal Company by Joe Berryman and Retta Berryman, his wife, by deed dated May 17, 1975, and recorded in Deed Book 143, page 16, Estill County Records (said real property hereinafter the "Berryman Tract"), thence with the line of the Berryman Tract S 81° 05' E 315 feet to a point, the southeast corner of the Berryman Tract;

thence continuing with the line of the Berryman Tract N 15° 20' E 900 feet to a point; thence leaving the line of the Berryman Tract S 73° 10' E 825 feet to a point; thence S 15° 20' W 460 feet to a point; thence S 27° 30' W 1,175 feet to a point; thence West 605 feet to a point in the East right-of-way line of Ky. 1840; thence with said right-of-way line a northerly direction 470 feet to the point of beginning.

Parcel X (Powell II Tract)

Being a portion of the Powell II Tract as defined in Parcel IX above, said portion being further described as follows:

Beginning at a point in the North right-of-way line of Ky. 1840, and in the West right-of-way line of a former County road (Witt Ridge Road), said point being also the southeast corner of the Powell II Tract; thence with the right-of-way line of former County road N 15° 43' E 553 feet to a point; thence N 8° 15' E 620 feet to a point; thence West 730 feet to a point on top of the hill; thence S 45° W 130 feet to a point in the saddle, said point being also a corner to the Powell I Tracts; thence S 10° 50' W 100 feet; thence S 42° 23' E 177 feet; thence S 22° 20' E 711 feet; thence

S 13° 52' E 45 feet to a point in the North right-of-way line of Ky. 1840; thence with said right-of-way line 215 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for process water pipeline purposes, in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a Process water pipeline (presently 26" O. D.) across the Powell II Tract as defined in Parcel IX above, said pipeline entering the Powell II Tract at a point 4,088 feet North of Mile Post 230 and in the East right-of-way of the L&N Railroad; thence in a south-easterly direction 500 feet to real property described above as part of Parcel X.

Parcel XI (Perryman Tract)

Being a portion of the Berryman Tract as described in Parcel IX above, said portion being further described as follows:

Beginning at a point in the West line of a former County road (Witt Ridge Road), said point being also a corner in the Powell II Tract, said point being also N 15° 43' E 553 feet from the North right-of-way line of Ky. 1840 and the Southeast corner of the said Powell II Tract; thence S 31° 05' E 115 feet to a point, the southeast corner of the Berryman Tract; thence with the Berryman Tract East line N 15° 20' E 900 feet to a point; thence N 79° 40' W 440 feet to a point in Berryman Tract West line;

thence with the West line of the Berryman Tract S 8° 20' W 930 feet to the point of beginning.

CALMES TRACT NO. 2

Beginning at a point on the easterly Right-of-way Limit of the L. & N. Railroad approximately opposite center line Valuation Station 6312+42 on said railroad; thence with the right-of-way Limit of the L. & N. Railroad in a general southerly direction for a distance of approximately 1732.7 ft.; thence departing from the L. & N. Right-of-way, N 85°21' E 234.0 ft., N 55°01' E 95.5 ft., S 64°08' E 706.7 ft., N 64°58' E 130.0 ft., N 63°02' E 105.2 ft., N 55°52' E 104.9 ft., N 54°02' E 431.7 ft., N 39°01' W 398.0 ft., N 36°19' W 44.7 ft., N 33°36' W 171.5 ft., N 33°27' E 488.1 ft., N 35°05' W 42.7 ft., to a point common with the Powell Tract; thence along a common line with the Powell Tract S 63°57' W 444.7 ft., N 50°22' W 514.3 ft. to the beginning.

Being that land conveyed to South-East Coal Company by John R. Calmes, single, by deed dated February 6, 1933, and recorded in Deed Book 102, page 484, Estill County Records.

EXHIBIT B CONTINUED

TRACT M

A certain tract or parcel of land lying in Estill County, Kentucky and described as follows:

Beginning at a white oak at the foot of Slaty Hill; N 81 E 775 feet to a sycamore; N 25° 30 E 1377 feet to a stone post; N 28 E 823 feet to a stone; N 71 W 254 feet to a branch; with branch to a river; N 72 W 300 feet with river; N 56.30 W 610 feet; N 19.30 W 217 feet, leaving river S 38 W 2200 feet to buckeye at cliff, with cliff as it meanders to a hickory; S 39.30 W 874 feet to a stake in road; S 47.30 E 480 feet; S 20 E 100 feet to a white oak at beginning.

Being the same land conveyed to R. A. Selby and Pearl Selby, his wife, to Thomas Crouch by deed dated June 22, 1922, and of record in the Estill County Court Clerk's Office in Deed Book 51, page 479.

Being the same property devised by Tom Crouch, deceased, (a/k/a Thomas Crouch and Thomas D. Crouch) to his son, James T. Crouch (a/k/a Thomas Crouch), Dorotha Crouch, his wife, and Anna Crouch, an unremarried widow, by will dated February 26, 1959, and of record in the Estill County Court Clerk's Office in Will Book G, page 81; James T. Crouch, grantor herein, is one and the same as "Thomas Crouch" referred to in the will of Tom Crouch of record in the Estill County Court Clerk's Office in Will Book G, page 81.

There is excepted out and reserved to and for the benefit of James T. Crouch and Dorotha Crouch, his wife, only from the above described boundary, tract, of land a certain parcel of land heretofore conveyed by Thomas Crouch (a/k/a Thomas D. Crouch, and Tom Crouch in description below) to James Thomas Crouch, his son, grantor herein, (a/k/a Thomas Crouch) by deed dated April 12, 1957, and of record in the Estill County Court Clerk's Office in Deed Book 101, page 352, and described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence down the ridge to a stone; thence south west with fence to a stone at highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

Said above described excepted parcel of land is more particularly described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence to a mulberry tree and thence west to an iron pipe marker at Highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

There is also excepted therefrom that certain deed to Thomas Crouch, dated September 12, 1927, of record in Deed Book 85, Page 346 in the Office of the Estill County Court Clerk, that certain Deed For Highway Purposes, dated September 29, 1952, of record in Deed Book 95, Page 469, in the Office of the Estill County Court Clerk and that certain deed to Thomas Hymer and his wife, Betty Lou Hymer, dated January 8, 1980, of record in Deed Book 156, Page 20 in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East Coal Company by James T. Crouch and Dorotha L. Crouch, his wife, and Anna Crouch, an unremarried widow, by deed dated December 19, 1978, of record in Deed Book 153, page 435 in the Office of the Estill County Clerk.

TRACT N

Tract I: The following described tract of land on the waters of White Oak Creek in Estill County, Kentucky, and bounded as follows to wit: Beginning at an iron wood, thence W 86 poles to a stake, thence N 9 3/4 poles, E 44 poles to a white oak on the ridge, N 85 1/4 W 84 poles to the edge of the Irvine and Winchester road; the black oak sapling pointer; thence with the road S 17 E 7 poles, S 3 1/2 E 34 poles, thence leaving the road N 46 W 12 4/5 poles to the beginning containing twenty-three (23) acres more or less.

Tract II: The following described tract or parcel of land in Estill County, Kentucky, and bounded as follows, to wit: On the waters of the Kentucky River and beginning at a white oak, thence S 50 E 20 poles to white oak N 60 W 20 poles to a white oak, thence S 82 1/4 W 21 poles to a white oak; thence N 32 W 20 poles to a Red Oak, thence S 41 1/2 W 24 poles to a chestnut oak, thence S 33 W 20 poles to a white oak, a corner for Sam'l Walters, thence with the Walters line S 5 E 20 poles to Wilson's corner, thence S 2 W 70 poles to a stake in Shepherds line, thence with Shepherd's line N 85 E 65 poles to a stake, thence N 10 E 20 poles to a white oak corner to Patsey Everman, thence N 5 W 78 poles to the

beginning containing 50 acres more or less.

Tract III: A certain parcel of land in Estill County, Kentucky, on White Oak Creek, and beginning at a red bud and stone on the south side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett line, thence Southwest 5 feet to the New Winchester road, thence northeast 945 feet with New Winchester road to the mouth of a culvert, and stone, under the New Winchester Road; thence due north 145 feet to the beginning.

Tract IV: A certain tract or boundary of land lying and being in Estill county, Kentucky, and bounded and described as follows to wit: Beginning at a Black Oak on the side of the public road that leads from Irvine to Winchester, corner for Henry Salyers new Puckett, and Robert Witt (now Friend and Miller), thence running with the public road a North course seventy-eight steps to a Black Oak stump and stone, on the side of the road, thence up the hill a Westerly course, to the top of the hill to the Wilson Road, thence with the said Wilson road to the line between Friend and Miller and the Elizabeth Wallace tract at a Pine on the South side of the Wilson Road near a Black Oak, thence with the line between Wallace and Friend and Miller a South East course with the fence, to a White Oak in or near the Wallace and Miller and Friend line and near the fence, thence a South course with the fence, to the line between Friend and Miller and Puckett at a White Oak Stump on top of the ridge corner for Friend and Miller, and Wallace and Puckett and in Puckett line, thence with the Friend and Miller and Puckett line an East course to the beginning.

Tract V: On White Oak Creek, and beginning at a Red bud and stone on the South side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett's line; thence Southwest 5 feet to the New Winchester road; thence Southeast 945 feet with New Winchester road to the mouth of a culvert and stone; under the New Winchester road; thence northwest 145 feet to the beginning.

Tract VI: On the waters of White Oak Creek in said County, and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage of Floyd Puckett and Leoda Puckett, his wife, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs, thence with the line of Mitchell Combs a western direction two hundred seventy-five feet to the garden of Floyd Puckett and Leoda Puckett, his wife, thence in a southern direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract VII: Beginning at a marked forked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction to a marked white oak; thence a straight line to a planted stone in the line of Dudley Puckett; thence with his line to the beginning, containing approximately ten acres.

Less and excepting the following described lands, to wit:

Tract No. 1: Being all of Tract No. 6, and located on the waters of White Oak Creek in said county and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5 W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44 E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2 E 515 feet to the beginning, and containing 4 1/2 acres more or less.

Tract No. 4: Beginning at a stone corner to Virgil Alcorn and Dud Puckett line; thence running 225 feet a southwest course to C.T. Williams line to a stone; thence 50 feet N to a black oak tree corner at Dud Puckett and Virgil Alcorn; thence down the hill 293 feet to a stone corner of Dud Puckett and Virgil Alcorn; thence 75 feet to the beginning, a stone, containing about one-tenth part of an acre.

Being the same lands conveyed to Winfred Puckett and Reva Puckett, his wife, by deed from Dudley Puckett and Julia Puckett, his wife, dated the 30th day of April, 1966, and of record in Deed Book 115, page 30, Estill County Court Clerk's Office.

Near North Irvine and on the old County Road, and more particularly described as follows: Beginning at a planted stone on the old county road which led to Winchester; thence N 1 W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79 W 117.1 feet, to a stake; thence N 54° 30' W, 82.8 feet, to a stake N 37 W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45 W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31 E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47 E 492.8 feet, to a stake and a 24 inch elm; thence N 77 E 7719 feet, to a stake; thence N 81 E 105.4 feet, to a stake; thence N 79 E 84.1 feet, to the beginning, and containing 16.44 acres.

Being the same lands conveyed to Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated the 1st day of October, 1962, and of record in Deed Book 109, page 260, in the Estill County Court Clerk's Office.

Tract No. 1: Beginning on the West side of the Irvine and Winchester State Highway (#89) at a stone near a telephone pole and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence with said highway N 5 W approximately 105 feet to a post corner; thence a straight line N 84 1/2 W approximately 300 feet to a stone and Kentucky Highway #1840; thence a Southwesterly direction approximately 200 feet with said Kentucky Highway #1840 to a marked white oak and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence a straight line an Easterly direction approximately 520 feet with the property line of Winfred Puckett and Reva Puckett, his wife, to said Highway #89 and the beginning, and containing one and one-half (1 1/2) acres, more or less.

Tract No. 2: Being a part of Tract No. 3 and beginning on the West side of the Irvine and Winchester State Highway (#89) at a post corner; thence a Northerly direction approximately 200 feet with said Highway #89 to a post and Kentucky Highway #1840; thence a Westerly direction approximately 90 feet with said Highway #1840

to a post; thence a Southeasterly direction approximately 275 feet to a post; thence an Easterly direction approximately 35 feet to said Highway #89 and the beginning and containing one-half (1/2) acre, more or less.

Tract No. 3: Being a part of Tract No. 7, and beginning on the South side of Kentucky Highway #1840 at a post corner; thence a Westerly direction approximately 300 feet with said Highway #1840 to a stone; thence a straight line an Easterly direction approximately 265 feet to a post; thence a Northwesterly direction approximately 275 feet to said Highway #1840 and the beginning and containing one and one-half (1 1/2) acres, more or less.

Being the same lands conveyed to James D. Puckett and Velda Puckett, his wife, from Dudley Puckett and Julia Puckett, his wife, by deed dated the 17th day of June, 1966, and of record in Deed Book 115, page 161, Estill County Court Clerk's Office.

Parcel No. 4: All that part of said tract or tracts of land which lie within a distance of 70 feet on each side of the centerline of said proposed public road between the south east property line at approximate station 8/87.

Also the following parcel of land lying immediately adjacent to the above described parcel, on the side, to the width, and between the stations shown below.

Parcel	From	To	Width	Side
(a)	8/13	13/87	10'	Rt.

Parcel (a) is for the purpose of permanent right of way.

Being the same land conveyed to Dudley Puckett and Julia Puckett, his wife, to Commonwealth of Kentucky, Department of Highways, by deed dated the 27th day of October, 1959, and of record in Deed Book 105, page 135, Estill County Court Clerk's Office.

Parcel No. 1: Beginning at a point in the east property line, said point being in the west right of way line of Kentucky Highway No. 89, 50 feet left or south of approximate station 0/45 of the Revision C centerline; thence westerly and concentric with the centerline of the Revision C to a point 50 feet left or south of Station 4/00; thence westerly to a point 30 feet left or south of station 4/50; thence southwesterly and parallel with the centerline of the proposed public road to a point 30 feet or south of station 5/50; thence southwesterly to a point 60 feet left or south of station 7/00; thence southwesterly to a point in the north right of way line of the Stump Road 60 feet left or southeast of

approximate station 7/87; thence westerly with the north right of way line of the Stump Road to a point in the west property line 60 feet right or north of approximate station 9/75; thence northerly with the west property line to a point 70 feet right or north of approximate station 9/72; thence easterly and concentric with the centerline of the proposed road to a point 70 feet right or north of station 7/00; thence easterly to a point 30 feet right or north of station 5/50; thence easterly and parallel with the centerline of the proposed road to a point 30 feet right or north of station 4/50; thence northeasterly to a point 50 feet right or north of station 4/00; thence easterly and concentric with the centerline of the proposed road to a point in the east property line, said point being the northwest right of way line of Kentucky 89, 50 feet right or north of station 0/10.9; thence southwesterly with the east property line back to the point of beginning.

It is understood between the parties hereto and made a covenant herein that Parcel No. 1 described above is conveyed in fee simple and not merely for right of way purposes.

Also a parcel of land 15 feet in width lying immediately adjacent to and on the left or south side of the above described parcel between station 2/25 and 2/75. It is the specific intention of Floyd Puckett and Leoda Puckett to convey a permanent easement to the above described property for the purpose of constructing and perpetually maintaining a ditch outlet.

It is further agreed that South East Coal Company will either not disturb the existing spring box and waterlines or replace the spring box and make the necessary water connections.

And being the same property conveyed to Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by Owen Parker Bryant and Elizabeth G. Bryant, his wife, et al. by deed dated September 3, 1981, of record in Deed Book 160, page 179, Estill County Court Clerk's Office.

And being the same property conveyed to South East Coal Company by Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by deed dated June 18, 1982 of record in Deed Book 162, page 104 in the Estill County Clerk's Office.

TRACT O

Certain tracts of land lying in Estill County, Kentucky, and described as follows:

Near North Irvine and on the Old County Road, and more particularly described as follows:

Beginning at a planted stone on the old county road which led to Winchester; thence N 1° W 428.4 feet, to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79° W 117.1 feet, to a stake; thence N 54° 30' W 82.8 feet, to a stake, N 37° W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31° E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet, to a stake and a 24 inch elm; thence N 77° E 77.9 feet, to a stake; thence N 81° E 105.4 feet, to a stake; thence N 79° E 84.1 feet, to the beginning, and containing 16.44 acres.

The foregoing land by actual survey is described as follows:

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester, thence N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 82.8 feet to a stake; thence N 37° W 371 feet to a stake; thence N 21° 30' W 173 feet to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake, referenced by a 36 inch hickory tree; thence S 31° E 157 feet to a stake; thence S 28° 30' E 229.6 feet to a stake; thence S 14° 30' E 151.1 feet to a stake and 3 inch hickory tree; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet to a stake and 24 inch elm tree; thence N 77° E 77.9 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 16.44 acres.

The parcel of land described in the foregoing survey and designated South East Coal Co., 9.08 acres on the plat is the part conveyed by this deed to South East Coal Company.

There is excepted from this Deed and not conveyed herein a parcel of land described in the foregoing survey and designated Winfred Puckett, 7.34 acres, on the plat, which is retained by Winfred Puckett and Reva Puckett, his wife, and described as follows:

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester and also being the Northeast corner of a tract of land owned by Eldon and Hope Hughes, thence with said road right-of-way N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence leaving said road right-of-way N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 38 feet to a stake; thence S 18° 45' W 117.81 feet to a stake; thence S 6° 58' 19" E 323.25 feet to a stake; thence S 25° 16' 26" E 160.35 feet to a stake; thence S 32° 56' E 279.41 feet to a stake in the North line of Eldon and Hope Hughes tract; thence with said tract N 77° E 38.5 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 7.34 acres.

Being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated October 1, 1962 and recorded in Deed book 109, at page 260, records of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in _____ Book _____ at page _____ in the Estill County Court Clerk's Office.

Tract No. 1: Being all of Tract No. 6 and located on the waters of White Oak Creek in said County and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5° W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a

southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44 E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2 E 515 feet to the beginning, and containing 4 1/2 acres more or less.

The part of the foregoing land herein conveyed is described by actual survey as follows:

Beginning at an iron pin in the West right of way of Kentucky Highway #89 approximately one mile North of Irvine, Kentucky, at the Southeast corner of a tract of land owned by Effie M. Hughes and also being 375 feet South of the intersection of Kentucky Highway #89 and Kentucky Highway #1840 measuring along the center line of Kentucky Highway #89, thence leaving said road and with the South line of said Hughes tract S 75° 59' 5" W 556.57 feet to an iron pin at the South right-of-way of Kentucky Highway #1840; thence with said road right-of-way S 35° 32' 15" W 43.01 feet to an iron pin at the North right-of-way of Old Stump Road (now abandoned); thence with said road right-of-way S 72° 28' 28" E 99.62 feet to an iron pin; thence S 68° 11' 55" E 107.70 feet to an iron pin; thence S 36° 43' 15" E 276.91 feet to an iron pin in the North line of a tract of land owned by David Spicer; thence leaving said right-of-way and with the North line of said Spicer's lot, and also with the North line of a tract of land owned by a Jehovah Witness Church North 56° 45' 46" E 315.50 feet to an iron pin in the West right-of-way of Kentucky Highway #89; thence with said road right-of-way N 18° 39' 20" W 124.02 feet to an iron pin; thence N 11° 2' 33" W 66.41 feet to an iron pin; thence N 3° 48' 39" W 106.39 feet to the point of beginning, containing 3.33 acres.

Being all of Tract No. 1 and part of Tract No. 2 and part of Tract No. 3 and being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated April 30, 1966, and recorded in Deed Book 115, page 30, of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in _____ Book _____, at page _____, of record in the Estill County Clerk's Office.

There is excepted therefrom that certain Deed For Highway Purposes dated October 27, 1959, of record in Deed Book 105, page 135 in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East Coal

Company by Winfred Puckett and Reva Puckett, his wife, by deed dated June 29, 1987 of record in Deed Book 189, page 449, in the office of the Estill County Clerk.

TRACT P

Beginning at a Stone on the ridge, corner to W. C. Crouch and F. H. Gould, Thence with the ridge 89 1/2 W 51 poles to the top of the paint banks, to a stone. Thence S 2 poles to a pine corner. Thence IV88 W 17 poles Thence N75 W 22 poles to a Stone in Dunaway line. an agreed corner Thence Southward with the Dunaway line to a stone and agreed corner. Thence W28 poles to a Stonecorner of Wm Horn to a road. Thence with the road S 16E 20 poles to a Stone corner to Wm Horn. Thence S67 E29 poles to a pine. S65 E18 poles and 17 links to a chestnut corner in Allen Wilcox's line. thence with Wilcox's line N39 1/2 E20 poles to a Lyme; Thence with Wilcox's line Northward to the Ky River, Thence down the River to F. H. Gould's line. Thence with said Gould's line to the top of the paint bank to a pine; Thence Running South with the meanders of the ridge to the Beginning, containing 32 acres be the same more or less.

Being the same property an undivided interest in which was conveyed by W. C. (a.k.a. Clifton) Crouch and Vina Crouch, his wife, to Thomas Crouch by deed dated November 19, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 30, Page 206.

The above described 32 acre tract is made up of three (3) tracts as follows:

TRACT NO.1

Beginning at a oak corner to William Dunaway thence S27 E to a sugar tree and lyn in Whites lines thence W 36 E 7 poles to a sugar tree corner to lutes thence west to a greed corner near a Spring, thence with lutes line to a bunch of Chestnut, Oaks, and North 11 1/2 W 8 poles to a pine on the top of paint bank thence North the ridge to an agreed corner thence West with the fence to an agreed corner in Dunaway line thence with his line to the beginning suppose, be more or less six acres.

Being the same land conveyed by James Brandenburg and Bruenettie Brandenburg, his wife, to CliftonCrouch and thomas Crouch, his brother, by deed dated March 5, 1890, and of record in the Estill County Court Clerk's Office in Deed Book 54, Page 328.

TRACT NO.2

Beginning at a stone in the road and in also Clifton Crouche's line thence with said road S 16 E 20 poles to a stone thence S67 E 29 poles to a line thence S65 E18

poles and 17 links to a chestnut corner in Allen Wilcox's line thence with Wilcox's line N 39 1/2 E 20 to a Lynn corner between Allen Wilcox, Thomas and Clifton Crouch thence N71 W66 poles to the beginning containing six acres more or less."

Being the same land conveyed by William Horn and Milly Horn, his wife, to Clifton Crouch and Thomas Crouch, his brother, by deed dated May 28, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 54, Page 326.

TRACT NO. 3

All of that tract, parcel, and boundary of land which remains within the boundary of the above described 32 acre tract but which is not bounded within the description of TRACT NO. 1 and TRACT NO. 2 above, being 20 acres more or less.

Being the same land no deed could be found for but which land has been in the open, continuous, exclusive, adverse, and notorious possession of Thomas Crouch and James T. Crouch, his son, grantor herein since November 19, 1904, since which date Thomas Crouch and James T. Crouch, his son, have fenced the land, farmed it, paid taxes on it, and in all ways have claimed title to it and have treated it as their own land.

There is excepted however, that property conveyed to Mrs. Myra McIntosh from Tom Crouch and Anna Crouch, his wife, by deed dated April 30, 1943, of record in Deed Book 80, Page 59 and that property conveyed to Charley Noble from Tom Crouch and Anna Crouch, his wife, by deed dated January 15, 1926, of record in Deed Book 59, Page 161, all of record in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East Coal Company by deed dated December 19, 1978, of record in Deed Book 153, Page 439 in the Office of the Estill County Court Clerk.

There is except from the above described property situated in Estill County, Kentucky, that property conveyed to South East Coal Company in Deed Book 183, Page 612, dated March 31, 1989 and that property conveyed to Maxie LaViers in Deed Book 159, Page 178, dated August 26, 1980, all of record in the Office of the Estill County Court Clerk.

STATE OF KENTUCKY, ESTILL County.

I, DORA N. HENRY Clerk of the County aforesaid, do certify that the foregoing DEED from SOUTH EAST COAL CO INC to DLX INC

was, on the 26TH day of MARCH 19 93 lodged at 4:42 o'clock P.M. in my office for record. Recorded DEED Book 202 Page 426

WITNESS my hand, this 26TH day of MARCH 19 93.

Recording Fee \$ 10.50
ADDITIONAL PAGES 36 54.00
64.50

DORA N. HENRY Clerk
BY Jeanne Friderick D. C.

STATE OF KENTUCKY (SCT)
COUNTY OF ESTILL

I, Sherry L. Fox, Clerk of the County and State aforesaid, do hereby certify that the foregoing Deed is a true and correct copy as appears in record in my said office in Deed Book 202 Page 426.

Witness my hand this 16 day of July 2001.

SHERRY L. FOX, Clerk
By Diane L. Hies D.C.

EXHIBIT B

AGREED FACTS

KPC Bankruptcy and Dispute

1. Kentucky Processing Company ("KPC") is a Chapter 11 debtor in possession in the above captioned bankruptcy case (the "KPC Bankruptcy"). KPC's approved plan of liquidation provided for the auction sale of all of KPC's assets. KPC believed and represented that its property included an interest in a pre-law refuse pile and a right of way thereto (the "Refuse Pile Tract"), which was included as part of the assets for sale in the liquidation plan.

2. KPC believed it purchased the Refuse Pile Tract from DLX, Inc. ("DLX") pursuant to the exercise of an option agreement in a lease and the transfer of a deed, all in 1994 (the "1994 KPC Deed"). DLX claims it is the owner of the Refuse Pile Tract and filed this adversary proceeding.

3. DLX claims ownership of the Refuse Pile Tract pursuant to its purchase of substantially all of the coal mining assets of South-East Coal Company ("SECO") in 1993 (the "1993 DLX Deed"). SECO was a debtor and debtor in possession in a bankruptcy case in the United States Bankruptcy Court for the Eastern District of Kentucky, being case no. 90-02183 (the "SECO Bankruptcy"). A review of the SECO Bankruptcy pleadings and transfer documents is discussed below.

4. DLX, in the adversary proceeding, asked the Bankruptcy Court to, among other things, stay the KPC auction sale until the respective interests of the parties were determined. The auction was subsequently allowed to proceed after KPC and DLX agreed to read a notice at the auction detailing the litigation and allegations of a dispute over a property line.

5. At the KPC auction sale, the defendant Fox Trot Corporation ("Fox Trot") purchased the KPC assets, which it believes included the Refuse Pile Tract. After the sale, counsel for KPC and others were paid from the proceeds, but a deed for the property was not executed pending the results of this adversary proceeding. Counsel for the Debtor has prepared a form of deed, but there is no legal description included until this adversary proceeding is decided.

6. Although Fox Trot has not yet received title to the property purchased, DLX amended the Complaint and joined Fox Trot as the successor to KPC. At this point, KPC is not interested in the outcome and is unlikely to participate.

7. During discovery, DLX and Fox Trot determined that the 1993 DLX Deed and the 1994 KPC Deed did not include the Refuse Pile Tract. Further, a survey commissioned by DLX suggests that the Refuse Pile Tract actually overlaps some property previously conveyed to DLX and KPC as described in the 1993 DLX Deed and the 1994 KPC Deed, respectively.

DLX Ownership of Refuse Pile Tract

8. DLX claims ownership of the Refuse Pile Tract by virtue of its agreement to purchase substantially all of the coal mining assets of SECO. In 1993, SECO sold its assets to DLX pursuant to the Order Authorizing Sale of Substantially All of Debtors' Assets Outside the Ordinary Course of Business entered on January 19, 1993 (Doc. no. 199) (the "Sale Order"). A copy of the Sale Order is attached as Exhibit "A".

9. The SECO Bankruptcy pleadings and transfer documents reflect an intent to transfer all of the real property owned by SECO to DLX. There is no specific reference to the Refuse Pile Tract, but the documents indicate that DLX agreed to purchase, and SECO agreed to

sell, all of SECO's real property interests. Also, the SECO Bankruptcy pleadings and the transfer documents do not evidence an intent by DLX to exclude the Refuse Pile Tract from the assets purchased.

SECO Bankruptcy

10. On October 23, 1992, SECO filed its Motion for Order Authorizing Sale of Certain Mine and Related Assets and Debtor's Interest in AMAX Contract asking the Court to allow a sale of its assets to Golden Oak and Westmoreland (Doc. no. 124) (the "Motion"). Attached to the Motion was an Offering Memorandum that described the assets available for sale, a copy of which is attached hereto as Exhibit "B". On December 1, 1992, SECO filed its Amendment to Motion for Order Authorizing Sale of Certain Mine and Related Assets and Debtor's Interest in AMAX Contract asking the Court for approval of the sale of its assets to DLX (Doc. no. 147) (the "First Amendment").

11. The Court would not approve the First Amendment and on December 23, 1992 SECO filed the Second Amendment to Motion for Order Authorizing Sale of Certain Mine and Related Assets and Debtor's Interest in AMAX Contract (Doc. no. 166) (the "Second Amendment"). The sale to DLX described in the Second Amendment was approved by the Sale Order. The general terms of the DLX offer were set out in a letter agreement dated December 17, 1992 attached to the Second Amendment (the "Letter Agreement").

12. Both the First Amendment and the Second Amendment provided that DLX would purchase "the Mine and Related Assets, as described in Sections 8IIA (all other real property other than the preparation plant). . . ." See Second Amendment at Section 5. Section 8IIA is a

reference to the Offering Memorandum. Section 8 of the Offering Memorandum was titled Description of Assets and subsection II was headed "Real Property". Section 8IIAv provides:

Other Real Estate - approximately 940 acres of property in various tracts, located in Estill County, Ky. adjacent to or near preparation plant.

13. References to the intent of DLX to purchase the assets referred to in Section 8 of the Offering Memorandum abound and are uncontroverted. The Letter Agreement provides that the Debtor agrees to pay more than \$5 million for the real property, including that described in Section 8IIA. The Sale Order at Section 1(iii) also confirms that all assets described in Section 8IIA of the Offering Memorandum are authorized for sale to DLX. Purchase of the Refuse Pile Tract is further supported by the Report of Sale filed on or about December 7, 1993 in the SECO Bankruptcy (Doc. No. 299) that recognized that SECO sold all its real property to DLX:

The following assets and contract rights were transferred by the Debtor to DLX as part of the Asset Sale:

"All remaining interests of the Debtor in real property (including fee simple interests, leaseholds, easements, access right, etc.); . . ."

Transaction Documents

14. SECO and DLX entered into an Asset Purchase Agreement dated March 15, 1993 (the "Purchase Agreement") to document their agreement to sell and purchase SECO's assets. The "Assets" sold included real property described in Section 1.A[1] of the Purchase Agreement as:

all of Seller's right, title and interest in and to all real property interests, fee simple and leasehold owned or leased by Seller, including the mining properties, reserves, surface rights, easements, access rights, privileges and interests appurtenant or

related thereto and other property interests, including, without limitation, any minimum or advance royalties as may be recouped by Purchaser;

15. The Purchase Agreement does list certain Excluded Assets at Section 1.B, but none relate to the Refuse Pile Tract. Further, there is nothing in the other transfer documents that are available to Greenebaum or DLX that suggests DLX did not want or would not receive the Refuse Pile Tract. See the attached index of closing documents.

Corporate Authority

16. The SECO bankruptcy case has been dismissed (Doc. no. 338), but not closed. Therefore, state law should control the power of SECO to act as a corporate entity.

17. Pursuant to the Kentucky Secretary of State website, SECO is administratively dissolved for failure to file its annual report. See KRS 271B.14-200. Notwithstanding the administrative dissolution, SECO “shall continue its corporate existence but may not carry on any business except that appropriate to wind up and liquidate its business and affairs” KRS 271B.14-050.

18. Therefore, SECO now only exists to allow it to wind up its affairs. SECO, through its authorized representative, has agreed to execute a deed of correction transferring the Refuse Pile Tract, a copy of which is attached hereto as Exhibit “C” (the “Deed of Correction”) as part of its duty to wind up its corporate affairs.

Other

19. The Bankruptcy Court may interpret its prior orders, including the Sale Order, without the need to take action in the SECO Bankruptcy.


AGREED ORDER

THEREFORE, in consideration of the above-referenced stipulations, and the Court being otherwise sufficiently advised, it is hereby agreed, and therefore ORDERED:

1. Pursuant to the Sale Order, SECO intended to and did transfer the Refuse Pile Tract to DLX and DLX accepted said transfer.
2. The Debtor is authorized to record the Deed of Correction with the Estill County Clerk's Office and said Clerk is directed to record the Deed.
3. No transfer or other taxes shall be collectible (except the regular recording fee), and no value need be stated, because such charges were paid and information disclosed when the 1993 DLX Deed was conveyed.
4. The primary issue left in this adversary proceeding that requires a determination by the Court is:
 - Did the transfer of the assets of DLX to KPC pursuant to the 1994 KPC Deed or otherwise include the Refuse Pile Tract?
5. If yes, the sale of the assets of KPC at its auction sale to Fox Trot included the Refuse Pile Tract. Also, the issues described in Section 6 hereafter are moot.
6. If no, there are two secondary issues:
 - Should the boundaries of the Refuse Pile Tract be reformed to those in the Deed of Correction defined in the Amended Complaint for Reformation and Equitable Relief filed in this matter?
 - Does DLX have an easement appurtenant to the Refuse pile Tract across the land transferred to KPC pursuant to the KPC Deed?
7. A pretrial conference to set discovery schedules and a hearing date on the remaining issue shall be held on December 20, 2002 at 10:30 a.m.

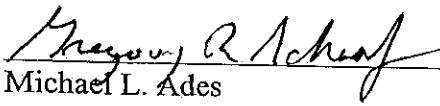
8. The participation of counsel for KPC in this Agreed Order is not required.

Dated: Nov. 27, 2002




JUDGE, UNITED STATES BANKRUPTCY COURT

AGREED TO BY:



Michael L. Ades
Gregory R. Schaaf
GREENEBAUM DOLL & McDONALD PLLC
300 West Vine Street, Suite 1100
Lexington, KY 40507
(859) 231-8500

COUNSEL FOR FOX TROT CORPORATION



Wayne F. Collier *by GRS*
Kinkead & Stilz *w/ authority*
3120 Wall Street, Suite 350
Lexington, KY 40513-1710
(859) 296-2300

COUNSEL FOR DLX, INC.

Pursuant to Local Rule 9022-1(c), counsel for Fox Trot Corporation shall serve this Order on the Office of the United States Trustee, 100 E. Vine Street, Suite 803, Lexington, KY 40507 and the other parties hereto, and shall file with the Court a certificate of service within five (5) business days hereof.

EXHIBIT C

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON

IN RE:

KENTUCKY PROCESSING COMPANY

DEBTOR

DLX, INC.

v.

KENTUCKY PROCESSING COMPANY
FOX TROT CORPORATION

CASE NO. 98-52437 EASTERN DISTRICT OF KENTUCKY

FILED

DEC 30 2001

PLAINTIFF

ADV. NO. 01-5199

AT LEXINGTON
JERRY D. TRUITT, CLERK
U.S. BANKRUPTCY COURT

DEFENDANTS

PRETRIAL ORDER

In accordance with the pretrial conference held December 17, 2001
(See Document # 19), IT IS ORDERED:

1. The parties shall have to and including April 30, 2002 in which to complete discovery.
2. They shall have to and including May 15, 2002 in which to identify witnesses and provide reports issued by expert witnesses, in accordance with Federal Rule of Bankruptcy Procedure 7026(a)(2)(B). Once the surveyors employed by the parties as experts have completed their surveys and the parties have exchanged reports, counsel for the parties shall file with the court a joint statement as to the nature and extent of the dispute, if any, revealed by the surveys.
3. Dispositive motions shall be filed on or before May 30, 2002.
4. The parties shall have to and including June 30, 2002 in which, to jointly file:
 - (a) stipulations of fact; and
 - (b) stipulations of admissibility of exhibits that are to be placed in evidence, which exhibits shall be deemed admitted in evidence at trial.

5. By July 30, 2002 the parties shall file pretrial statements, with a summary of anticipated testimony of each witness, and a list of exhibits to be used at trial.

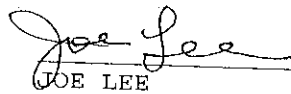
6. Each party shall have a sufficient number of copies of prenumbered exhibits at trial for the court, the court reporter, opposing counsel, and the witness. If a party intends to use any portion of the main file as evidence in this proceeding, copies of the portions to be used shall be marked as exhibits.

7. Trial of this proceeding shall be August 12, 2002, Monday, beginning at 10:30 a.m., local time.

8. By agreement of counsel for the parties at the pretrial conference, the debtor is enjoined from transferring title to the real property which is the subject of this adversary proceeding until the boundary dispute is resolved. The debtor in possession may delay filing its report of sale with respect to the real property in question until this adversary proceeding is concluded.

Dated: Dec. 30, 2001

By the court


JOE LEE

U. S. Bankruptcy Judge

Copies to:

Wayne F. Collier, Esq.
W. Thomas Bunch, Esq.
William C. Rambicure, Esq.

EXHIBIT D

STATE OF KENTUCKY
ESTILL COUNTY.

I, L. H. Stevens, Notary Public for the county and State aforesaid, do certify that the foregoing deed from Goldie Gordon and Johnie Gordon, her husband, to Bradley Estes, was on the 31st day of May 1957, produced to me in said county and acknowledged and delivered by Goldie Gordon and Johnie Gordon, her husband, parties grantors thereto, to be their act and deed.

Given under my hand this the 31st day of May 1957. My commission expires Jan. 16 1958.

L. H. STEVENS, Notary Public
Kentucky State at Large. SEAL.

STATE OF KENTUCKY
ESTILL COUNTY.

I, Maggie Wolfinbarger, Clerk of the county court for the county and State aforesaid, certify that the foregoing deed was on the 31st day of May 1957, lodged in my office for record, whereupon the same with the foregoing and this certificate have been duly recorded in my office.

Given under my hand this the 31st day of May 1957.

MAGGIE WOLFINBARGER, CLERK.

BY Mary Jacobs D.C.

NETTIE OSBORNE, SINGLE,
& J. R. CALMES, SINGLE,
To; DEED

SO-EAST COAL CO. A CORP.

THIS INDENTURE, made and entered into this the 31st day of May 1957, between Nettie Osborne, a single person, and J. R. Calmes, a single person, of Irvine, county of Estill and State of Kentucky, of the first part and South-East Coal Company, a Corporation, created and existing under the laws of Kentucky, with its principal offices located at Paintsville, Kentucky, of the second part:

WITNESSETH, that the parties of the first part for and in consideration of the sum of One Dollar and other good and valuable considerations in hand paid, the receipt of which is hereby acknowledged, have bargained and sold and by these presents do bargain, sell and convey unto the said party of the second part, a certain tract or parcel of land lying in Estill county, Kentucky, and described as follows: Consisting of 65 acres more or less, situated 2 1/2 miles northeast of Irvine, Ky., on the County Road leading to Irvine and Winchester Highway and more particularly described as follows:

On the east side of the Kentucky river and at what is known as Cubbard Rock, and bounded and described as follows to-wit: For boundary beginning at a stone in the right of the Louisville and Nashville Railroad; thence with said right-of-way north 29 degrees west 10 poles, north 17 degrees west 14 poles, north 8 degrees west 13 1/3 poles; thence departing from the railroad right-of-way S 88 1/2 degrees west 182 poles north 8 degrees east 21 poles; thence with common line between Chris Tipton and Arch Miller, north 64 degrees west 71 poles to the Kentucky river; thence up said river S 58 degrees west 10 1/3 poles; thence south 44 degrees west 12 1/3 poles west 6 1/3 poles S 60 degrees west 16 poles, south 35 degrees west 24 poles, south 12 degrees west 11 poles, south 14 degrees east 8 poles, south 24 degrees east 7 poles, S 31 degrees east 8 1/2 poles, south 64 degrees east 12 poles, south 69 degrees east 6 poles, south 56 degrees

*Filed to
Shannon J. Wheeler
Paintsville, Ky
6/20/57*

east 16 1/3 poles; south 77 degrees east 13 poles, south 85 degrees east 5 poles, south 81 degrees, east 14 poles, south 79 degrees east 19 poles, south 78 degrees east 42 poles; thence departing from the river, and with common line between Arch Miller and Powell north 39 degrees east 31 poles to the beginning, containing 65 acres, more or less. Being the same conveyed to Nettie Osborne by deed from Arch Miller and wife, Edna Miller, dated November 7 1945, and of record in deed book 83 page 300 Estill county court Clerk's office, a part of which was conveyed to J. R. Calmes by deed from Nettie Osborne, dated April 9 1957, and of record in deed book 101, page 345, same office.

It is agreed that the parties of the first part are to use said lands until November 1 1957, for agricultural purposes.

The parties of the first part are to pay the taxes coming due in the year 1957.

TO HAVE AND TO HOLD said tract of land, with the appurtenances thereunto belonging, unto the party of the second part, its successors and assigns forever, with covenants of general warranty.

IN TESTIMONY WHEREOF, the parties of the first part have hereunto subscribed their names the day and date aforesaid.

NETTIE OSBORNE.

J. R. CALMES.

Stamps \$14.30.

STATE OF KENTUCKY
ESTILL COUNTY.

I, H. M. Shumate, a Notary Public for and in the state and county aforesaid, do certify that the foregoing deed from Nettie Osborne, single, and J. R. Calmes, single, to South-East Coal Company, a corporation, was this day produced to me and duly acknowledged before me in said county by Nettie Osborne, single, and J. R. Calmes, single, parties thereto, to be their act and deed.

Given under my hand this the 31st day of May 1957.

My commission expires Dec. 4 1960.

H. M. SHUMATE, Notary Public
State of Ky. At Lge.

STATE OF KENTUCKY
ESTILL COUNTY.

I, Maggie Wolfinbarger, Clerk of the county court of the county aforesaid do certify that the foregoing deed from Nettie Osborne, single, and J. R. Calmes, single, to SOUTH-EAST COAL COMPANY, a Corp. was on the 31st day of May 1957, lodged in my office for record, and that it the foregoing and this certificate, have been duly recorded in my said office.

Witness my hand this 31st day of May 1957.

MAGGIE WOLFINGER, CLERK.

BY Mary Jacobs D.C.

RECORDED
MAY 31 1957
ESTILL COUNTY CLERK'S OFFICE
MAGGIE WOLFINGER, CLERK

J. W. SPICER & WIFE

TU: DEED

SOUTH-EAST COAL CO. a Corporation.

THIS INDENTURE, made and entered into this the 31st day of May 1957, between J. W. Spicer and his wife, Cassie Spicer, of Irvine, county of Estill and State of Kentucky of the first part, and SOUTH-EAST COAL COMPANY, a Corporation created and existing under the laws of Kentucky, with its principal office located at Paintsville, Kentucky, of the second part, witnesseth: That said parties of the first part for and in consideration of the sum of One Dollar and other good and valuable considerations in hand paid, the receipt of which is hereby acknowledged, have bargained and sold and by these presents do bargain, sell and convey unto the said party of the second part, a certain tract or parcel of land lying in Estill county, Kentucky, and described as follows:

*Mailed to
Herman J. Hill
Paintsville, Ky.
6/20/57*

In Estill county, Kentucky, and beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the Eastern Kentucky Division, formerly the Winchester and Irvine line of the railroad of the Louisville & Nashville Railroad Company at Valuation Station 6325/80.5 which is one thousand nineteen and five tenths (1,019.5) feet measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville, Kentucky, thence North 64 degrees 26' West along a line parallel to the North line of the section lot of the L & N, a distance of three hundred twenty two and two tenths feet to a point in the west line of said section lot; thence North 13 degrees 22" East along the West line of said section lot a distance of 70 feet to a point in the North line of said section lot; thence south 64 degrees 26' East along said North line of section lot a distance of three hundred twenty-six and one tenth feet to a point fifty feet westwardly as measured along a radial line from a point at said center line of main track at Valuation Station 6325/14.5, thence in a southerly direction fifty feet westwardly from and parallel to said center line of main track, a distance of 70 feet to the point of beginning, containing fifty-two hundredths (0.52) acres, more or less.

Also the following described property.

Being Lot No. 1 and beginning on a post near a section house; thence North 65 West 90 poles to a maple at the river; thence down the river North 48 East 16 poles to a stone; thence South 65 East 90 poles to a stone at the railroad; thence south 36 West 16 poles to the beginning, containing nine (9) acres, more or less.

Also Lot No. 2 and beginning at a stone corner to Lot No. 1; thence North 65 West 90 poles to a stone at the river; thence down the river North 48 East 16 poles to a stone; thence South 65 East 90 poles to a stone at the railroad; thence North 36 West 16 poles to the beginning containing 9 acres.

Also Lot No. 3 and beginning on a stone corner to Lot No. 2; thence North 65 West 90 poles to a stone at the river; thence down the river North 48 East 25 poles to a stone; thence South 34 East 85 poles to a stone at the railroad; thence S 36 West 10 poles to the beginning containing 9 acres.

Also Lot No. 4 and beginning at a stone corner to Lot No. 3; thence North 34 West 85 poles to a stone at the river; thence down the river North 48 East 25 poles to a stone; thence South 42 East 78 poles to a stone at the railroad; thence South 30 West 14 poles to the beginning containing 9 acres. Also Lot No. 5 and beginning at a stone corner to Lot No. 4. thence North 42 West 78 poles to a stone at the river;

thence down the river North 53 East 24 poles to the mouth of a drain; thence leaving the river and up said drain South 5 West 8 poles; thence running with a line fence South 49 East 59 poles to the end of said fence at the railroad; thence South 30 West 22 poles to the beginning, containing 9 acres.

It is distinctly understood and agreed that the tobacco base on said farm has been transferred to another farm of the parties of the first part, and that the party of the second part shall not be entitled to any part of said tobacco base.

It is agreed that the parties of the first part are to use said lands until November 1 1957, for agricultural purposes.

The parties of the first part are to pay the taxes coming due in the year 1957.

Being the same land conveyed by Shelby Spicer and Maxine Spicer to the grantors herein by deed dated April 9 1956, and recorded in deed book No. 101 page 234, records of the Estill County Court Clerk's office.

TO HAVE AND TO HOLD said tract of land, with the appurtenances thereunto belonging, unto the party of the second part, its successors and assigns forever, with covenants of General Warranty.

IN TESTIMONY WHEREOF, the parties of the first part have hereunto subscribed their names the day and date aforesaid.

J. W. SPICER.

Stamps \$14.30.

CASSIE SPICER.

STATE OF KENTUCKY
ESTILL COUNTY.

I, H. M. Shumate, a Notary Public for and in the State and county aforesaid do certify that the foregoing deed from J. W. Spicer and Cassie Spicer to SOUTH-EAST COAL COMPANY, a corporation, was this day produced to me and duly acknowledged before me in said county by J. W. Spicer and Cassie Spicer, parties thereto, to be their act and deed.

Given under my hand this the 31st day of May 1957.

My commission expires Dec. 4 1960.

H. M. SHUMATE, Notary Public
State of Ky. at Large. SBAL.

STATE OF KENTUCKY
ESTILL COUNTY.

I, Maggie Wolfinbarger, Clerk of the county court of the county aforesaid, do certify that the foregoing deed from J. W. Spicer and wife to SOUTH-EAST COAL COMPANY was on the 31st day of May 1957, lodged in my office for record, and that it, the foregoing and this certificate, have been duly recorded in my office.

Witness my hand this the 4th day of June 1957.

MAGGIE WOLFINBARGER, CLERK.

BY Mary Jacobs D.C.

ESTILL COUNTY CLERK'S OFFICE
RECORDED
JUN 11 1957
MAGGIE WOLFENBARGER, CLERK

EXHIBIT E

THIS DEED made and entered into this the 4th day of August, 1994, by and between DLX, INC., a Kentucky corporation, of State Route 1840, P. O. Box 332, Irvine, Kentucky 40336, hereinafter referred to as "Grantor", and KENTUCKY PROCESSING CORPORATION, a Kentucky General Partnership, whose business address is Box 880, 348 Calla Road, Irvine, Kentucky 40336, hereinafter referred to as "Grantee".

W I T N E S S E T H:

That for and in consideration of the sum of ONE MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS (\$1,350,000.00) cash in hand paid and other good and valuable consideration, the receipt of which being hereby acknowledged, Grantor has this day bargained and sold and does hereby grant and convey unto the Grantee, in fee simple, its successors and assigns forever, all of those certain tracts or parcels of real property located in Estill County, Kentucky, and more particularly described on Exhibit A attached hereto which is hereby incorporated by reference.

TO HAVE AND TO HOLD the above-described premises, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, in fee simple, its successors and assigns, forever. Grantor does hereby covenant and warranty that it is lawfully seized in fee simple of said real property, that it has good and lawful right to sell and convey the same as herein done, and that the title thereto is free and clear of all liens, encumbrances and rights of others, except as hereinafter stated, and with said exceptions, the Grantor WARRANTS GENERALLY the title thereto. This conveyance is made subject to and there are excepted from the foregoing warranties and covenants of title the following:

(1) Those certain mortgages, liens and encumbrances in favor of Jadeco, Inc. and Kentucky May Coal Co., Inc., evidenced by Mortgages dated March 15, 1993, of record in Mortgage Book P4, Page(s) 472, 509, 569, and 630, in the Estill County Clerk's Office.

(2) All easements existing on the date hereof for electrical, gas, telephone, water and other public utilities and public highways over, upon or across the above-described land, which are either visible or of record in the Estill County Clerk's Office; and

(3) Ad valorem real property taxes assessed as of January 1, 1994.

As partial consideration for the foregoing transaction and in order to induce the Grantee to consummate the transaction provided for herein, Grantor, for itself, its successors and assigns and all future owners of the real property owned by Grantor and more particularly described on Exhibit B attached hereto (the "Restricted Property") agrees and covenants that it will not interfere with, complain about or object to any lawful actions or operations of Grantee which presently exist or which may commence in the future on the premises hereby conveyed to Grantee. This covenant shall run with the Restricted Property and shall be binding upon Grantor, its successors, assigns and all future owners of the Restricted Property and shall inure to the benefit of Grantee, its successors and assigns.

Pursuant to KRS Chapter 382, the undersigned do hereby certify that the consideration set forth in the foregoing deed is the true, correct and full consideration paid for the property conveyed hereby and further certify our understanding that falsification of the stated consideration or sale price of the property is a Class D felony, subject to one to five years imprisonment and fines up to \$10,000.00. The Grantee has executed this deed for the sole purpose of certifying the consideration pursuant to KRS Chapter 382.

IN TESTIMONY WHEREOF, the parties hereto have executed this instrument the day and year first above written.

GRANTOR:

DLX, INC.,
a Kentucky corporation

BY: *Donald G. Lavers*
DONALD G. LAVIERS
ITS: President

GRANTEE:

KENTUCKY PROCESSING COMPANY
a Kentucky general partnership

BY: KENTUCKY MINERAL PROCESSING
INC., a general partner

BY: *W. David Carter*
W. DAVID CARTER
Its: President

BY: DIAMONDHEAD RESOURCES, INC.
a general partner

BY: *Edward L. Clemons*
EDWARD L. CLEMONS
ITS: President

STATE OF KENTUCKY
COUNTY OF FAYETTE

The foregoing Deed and Consideration Certificate was subscribed, sworn to and acknowledged before me this 17 day of Aug, 1994, by ~~W. DAVID CARTER, as President of KENTUCKY MINERAL PROCESSING, INC.~~ and by EDWARD L. CLEMONS, as President of DIAMONDHEAD RESOURCES, INC., general partners of KENTUCKY PROCESSING CORPORATION, a Kentucky general partnership, for and on behalf of said corporation, Grantee.

MY COMMISSION EXPIRES:

3-10-98

[Signature]

NOTARY PUBLIC, State of
Kentucky at Large

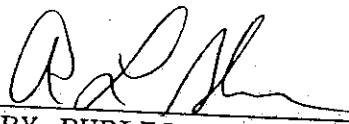
STATE OF KENTUCKY

COUNTY OF PERRY

The foregoing Deed and Consideration Certificate was subscribed, sworn to and acknowledged before me this 17 day of August, 1994, by W. DAVID CARTER, as President of KENTUCKY MINERAL PROCESSING, INC., general partner of KENTUCKY PROCESSING CORPORATION, a Kentucky general partnership, for and on behalf of said partnership, Grantee.

MY COMMISSION EXPIRES:

3-10-98



NOTARY PUBLIC, State of
Kentucky at Large

STATE OF KENTUCKY
COUNTY OF FAYETTE

The foregoing Deed and Consideration Certificate was subscribed, sworn to and acknowledged before me this 4 day of Aug., 1994, by DONALD G. LAVIERS, as President of DLX, INC., a Kentucky corporation, for and on behalf of said corporation, Grantor.

MY COMMISSION EXPIRES:

5/22/95

Rebecca M. Louder
NOTARY PUBLIC, State of
Kentucky at Large

PREPARED BY:

JACKSON & KELLY
ATTORNEYS AT LAW
175 E. Main St., Ste 500
P. O. Box 2150
Lexington, KY 40595-2150
Telephone: (606) 255-9500

c:\wp51\wkb\fox\dlx\estill.dcd
080494 10184/310

EXHIBIT A
Legal Description

Being all of the property described as Parcels I, II, III, IV, V, VI, VII, VIII, IX, X and XI, Calmes Tract No. 2, Tract N and Tract O, in that certain Deed dated March 11, 1993, between SOUTH-EAST COAL COMPANY, Grantor, and DLX, INC., Grantee, which appears of record in Deed Book 202, Page 426, in the Office of the Estill County Clerk, and being more particularly described as follows:

.Situated in Estill County, Kentucky, and being further described as follows:

Parcel I (Morris Elliott Tract)

Being a portion of the real property conveyed to South-East Coal Company by Morris Elliott and Lucille Elliott, his wife, by deed dated May 31, 1957, and recorded in Deed Book 101, page 490, Estill County Records, (all the real property conveyed by said deed hereinafter the "Morris Elliott Tract") and being further described as follows:

Beginning at a point on L. & N. Right of Way at L. & N. survey station 6352+82 and following a natural drain S 46° 27' W 133.2 ft., S 34° 46' W 109.4 ft., S 66° 32' W 211.0 ft., S 68° 13' W 122.0 ft., S 78° 14' W 108.9 ft., N 81° 38' W 77.6 ft., S 75° 35' W 59.6 ft., to the Kentucky River; thence down the river N 38° 17' W 200.0 ft., N 30° 53' W 163.3 ft., N 27° 23' W 271.4 ft., N 30° 04' W 239.3 ft., N 24° 20' W 196.0 ft., N 30° 10' W 308.2 ft., N 39° 27' W 364.5 ft., N 58° 45' W 349.1 ft., N 69° 14' W 105.2 ft., a distance of approximately 2397 ft.; thence leaving the river in a direction of N 39° 25' E 487.4 ft., to the L. & N. Right of Way; and proceeding along the L. & N. Right of Way to the beginning, a distance of approximately 2623.5 ft.

EXCLUDING THEREFROM the following described real property:

Beginning at a point in the L&N Railroad's West right-of-way line, said point being located 2,280 feet South of Mile Post 230 and also being in the line between the Morris Elliott Tract and the property sold to South-East Coal Company by Edgar Puckett by deed dated April 5, 1974, and recorded in Deed Book 139, page 197, Estill County Clerk's office (hereinafter the "Edgar Puckett Tract");

thence in a northerly direction with the L&N Railroad's West right-of-way line 170 feet to a point which is 10 feet south west of the centerline of South-East Coal Company's lead track;

thence in a north westerly direction 10 feet from and parallel to the centerline of said lead track 490 feet to a point which is 300 feet north of the north end of a railroad car shop building; thence in a westerly direction 300 feet from and parallel to the North end of said railroad car shop building, if extended, 285 feet to a point which is also on a line 300 feet from the West line of the said railroad car shop building, if extended;

thence in a southerly direction 300 feet from and parallel to the West line of the said railroad car shop building, as extended, 615 feet to a point in the line between the Morris Elliott Tract and Edgar Puckett Tract; thence with the line between the said Morris Elliott Tract and Edgar Puckett Tract an easterly direction 370 feet to the point of beginning.

Parcel II (Nellie Osborne Tract)

Being a portion of that real property conveyed to South-East Coal Company by Nellie Osborne, single, and J. R. Calnes, single, by deed dated May 31, 1957, and recorded in Deed Book 101, page 488, Estill County Records, (all the real property conveyed by said deed being hereinafter the "Osborne Tract") and being further described as follows:

Consisting of 65 acres, more or less, situated 2 1/2 miles northeast of Irvine, Kentucky, on the County Road leading to

Irvine and Winchester Highway and more particularly described as follows:

On the East side of the Kentucky River at and near what is known as Cubbard Rock; and bounded and described as follows, to-wit: For boundary beginning at a stone in the right of the Louisville & Nashville Railroad; thence with the said right-of-way north 29 degrees west 10 poles, north 17 degrees west 14 poles, north 8 degrees west 13 1/3 poles; thence departing from the railroad right-of-way S 88 1/2 degrees West 182 poles north 8 degrees east 21 poles; thence with common line between Chris Tipton and Arch Miller, north 64 degrees west 71 poles to the Kentucky River; thence up said river south 58 degrees west 10 1/3 poles; thence south 44 degrees west 12 1/3 poles, south 52 degrees west 6 1/3 poles; south 60 degrees west 16 poles; south 35 degrees west 24 poles, south 12 degrees west 11 poles, south 14 degrees east 8 poles, south 24 degrees east 7 poles, S 31 degrees east 8 1/2 poles, south 64 degrees east 12 poles, South 69 degrees east 6 poles, south 56 degrees east 16 1/3 poles, S 77 degrees east 13 poles, South 85 degrees east 5 poles, south 81 degrees east 14 poles, south 79 degrees east 19 poles, south 78 degrees east 42 poles; thence departing from the river, and with common line between Arch Miller and Powell north 39 degrees east 31 poles to the beginning, containing 65 acres, more or less.

EXCLUDING THEREFROM the following described real property:

Beginning at a point at the south-west corner of a parcel of land conveyed to South-East Coal Company by the Louisville and Nashville Railroad Company by deed dated January 20, 1953, and recorded in Deed Book 102, page 507, Estill County Clerk's Office (said land hereinafter the "E & N Tract"), said point being also 163.2 feet westwardly along a radial line from a point in the centerline of the main track of the L & N at Valuation Station 6J27+18; thence S 54° 30' W 143.9 feet; thence S 21° 20' E 470 feet; thence S 68° 40' W 600 feet; thence S 3° 20' W 118 feet to a point at the Kentucky River, said point being also approximately 697 feet downstream from the westernmost corner of the Morris Elliott Tract; thence with the meanders of the Kentucky River downstream approximately 3,495 feet to a point which is the northwest corner of the Osborne Tract, and which is also the Southwest corner of Spicer Tract 2 as hereinafter defined in Parcel III; thence with the line between Spicer Tract 2 and the Osborne Tract S 64° 00' E 1,218.5 feet to a point which is the northwest corner of Spicer Tract 1 as hereinafter defined in Parcel III; thence following the westerly line of Spicer Tract 1 and the L & N Tract S 13° 27' W 337.8 feet to the point of beginning.

Parcel III (Soicer Tracts)

Being a portion of that real property conveyed to South-East Coal Company by J. W. Spicer and Cassie Spicer, his wife, by deed dated May 31, 1957, and recorded in Deed Book 101, page 493, Estill County Records (all the real property conveyed by said deed being hereinafter the "Spicer Tracts" with Tract 1 so conveyed hereinafter referred to as "Spicer Tract 1" and Tract 2 so conveyed hereinafter "Spicer Tract 2") said portion being further described as follows:

Tract No. 1. Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. Railroad at Valuation Station 6325+80.5, which is 1,019.5 (one thousand nineteen and five-tenths) ft. measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville, Kentucky; thence N 64° 00' W 321.0 ft. along a line common to the L. & N. Tract as described in Parcel II above to a point; thence N 15° 31' E 70.00 ft. to a point common to Spicer Tract 2; thence S 54° 03' E 324.5 ft. along the boundary of Spicer Tract 2 to a point 50 (fifty) ft. westwardly, as measured along a radial line from a point at said center line of main track at Valuation Station 6325+14.5; thence in a southerly direction fifty feet westwardly from and parallel to said center line of main track, a distance of 70 ft. to the point of beginning (0.5 Acres).

Tract No. 2 Being a portion of Spicer Tract 2, which portion is further described as follows:

Beginning at a point in the L&N Railroad's West right-of-way line, said point being 1,089.5 feet northerly from Mile Post 230; thence along the line between the Spicer Tracts 1 and 2 N 64° 03' W 324.6 feet to a point; thence N 39° 50' E 1,385 feet to a point in the line between the Spicer Tract 2 and tract 2 of the property sold to South-East Coal Company by Russell Powell and wife by deed dated April 7, 1958 and recorded in Deed Book 102, page 498, Estill County Clerk's office (hereinafter the "Powell I Tracts") thence along the said line between the Spicer Tracts and the Powell I Tracts S 46° 00' E 285 feet to a point in the Railroad's West right-of-way line; thence a southerly direction along the said right-of-way line approximately 1,273 feet to the point of beginning.

Parcel IV (L&N Tract)

Being the L&N Tract as defined in Parcel II above and being further described as follows:

Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. at Valuation Station 6327+38, which point is eight hundred sixty-two (862) feet measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville, Kentucky, thence N 82° 45' W 318.2 ft. to a point common with the Osborne Tract; thence N 13° 27' E 267.8 ft. along the Osborne Tract line to a point common with a portion of the Spicer Tracts; thence S 64° 26' E 321.0 ft. to a point which is 50 (fifty) ft. westwardly along a radial line from a point in said center line of main track at Valuation Station 6325+80.5; thence southwardly along a line fifty (50) feet westwardly from and parallel to said center line of main track, a distance of approximately 167.0 to the point of beginning.

Parcel V (Powell I Tract)

Being a portion of the Powell I Tracts as defined in Parcel III above, said portion being further described as follows:

Beginning at a point in the West right-of-way line of the L&N Railroad, said point being located 2,358 feet North of Mile Post 230, and also being in the line between the Powell I Tracts and the Spicer Tracts; thence with the Spicer and Powell line N46°00'W 1,128.9 feet to the Kentucky River; thence down the river 1,960 feet; thence leaving the river S46°00'E 500 feet to the West right-of-way line of the Railroad; thence a southwesterly direction with the railroad right-of-way 1,880 feet to the point of beginning.

Parcel VI (William Morris Elliott, Jr., Tract)

Being a portion of the real property conveyed to South-East Coal Company by William Morris Elliott, Jr., et al. by deed dated June 16, 1969, and recorded in Deed Book 124, page 228, Estill County Records (all the real property conveyed by said deed being hereinafter the "William Elliott, Jr., Tract"), said portion being further described as follows:

Beginning at a point in the West right-of-way line of Ky. 1840, said point being also a corner to the William Elliott, Jr., Tract and to the Edgar Puckett Tract as defined in Parcel I above, thence in a northwesterly direction with the said right-of-way line 840 feet to a point; thence leaving the said right-of-way S50°50'W 1,270 feet to a point; thence S36°20'E 1,235 feet to a point; said point being also in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence N34°E 1,470 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for refuse slurry pipeline purposes, in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a refuse slurry pipeline (presently 12" I. D.) across the said William Elliott, Jr. Tract, said pipeline entering said William Elliott, Jr. Tract at a point 250 feet South of Mile Post 230 and in the East right-of-way line of the L&N railroad; thence in an easterly direction 2,100 feet to Parcel VIII hereinafter described.

Parcel VII (Calmes Tract)

Being that real property conveyed to South-East Coal Company by John R. Calmes, Sr., by deed dated February 17, 1978, and recorded in Deed Book 151, page 172, Estill County Records (all the real property conveyed by said deed being hereinafter the "Calmes Tract"), said real property being further described as follows:

Beginning at a point in the East right-of-way of the L&N Railroad, said point being 1,049 feet South of Mile Post 230 and 75 feet from the center line of the main track, said point also being in the centerline of a small drain and near the upper end of a concrete box culvert underneath the railroad tracks; thence in a northeasterly direction up the drain 3,270 feet to a point in the

West right-of-way line of a county road known as Stump Road, said point also being near the lower end of a culvert which carries the drain underneath the County Road; thence in a southerly direction with the said County Road right-of-way line 70 feet to a point which is 725 feet above mean sea level; thence following a contour line 725 feet above mean sea level in generally a southwesterly direction 6,150 feet to a point where it meets a road or driveway which leads from the Stump Road to the Calmes house; thence down the hill in a westerly direction 538 feet to a point in the East right-of-way line of the L&N Railroad, said point also being 4.087 feet South of Mile Post 230 and 50 feet East of the centerline of the main track; thence in a northerly direction with the said East right-of-way line of the L&N Railroad to the point of beginning, containing 55 acres more or less.

Parcel VIII (Edgar Puckett Tract)

Being a portion of the Edgar Puckett Tract as defined in Parcel I above, said portion being further described as follows:

TRACT NO. 1: -- Known as the J. M. Witt farm, adjoining the land of Dave Powell and James F. Harris and bounded and described as follows-to-wit: -- Beginning at the division line between John and Joseph Brandenburg on the Kentucky River; thence N 60 E 4 poles to a small black walnut N 85 E 13 poles N 62 E 11 poles to a willow N 47 E 19 poles to a sycamore N 8 E 6 poles to a stake; N 43 W 22 1/2 poles to a stake on the fence; thence N 30 1/2 E 156 poles to a stone; thence E 29 poles to two white oaks; thence S 23 E 34 poles to a sycamore on a branch; thence down the same as it meanders 320 poles to the Kentucky River; thence down the same as it meanders N 34 W 53 poles to the beginning.

There is excepted out of this boundary a certain tract or parcel thereof formerly sold by first parties to Dave Powell and same is described as follows, being that portion of the above described tract lying North and West of a certain line agreed on by the said E. B. Powell and David Powell, said line is described as follows: to-wit: Beginning at a sycamore on the ditch or old line between the two pieces of meadowland owned by E. B. Powell and David Powell; thence east with the old line to the fence at the foot of the hill; thence east or northeast a straight line to the cliff to small white oak; thence same course to two small white oaks at the top of the ridge; thence to a small black jack at or near the northeast corner of Dave Powell's apple orchard.

There is further EXCEPTED and not hereby conveyed a tract of 2.07 acres formerly conveyed by R. W. Masters to L&N Railroad Company by deed of record in Deed Book 31, page 571, Estill County Court Clerk's Office.

TRACT NO. 2: -- Beginning at the road in Robt. Masters line; thence with the road to a stone near the branch; thence a straight line to a mulberry in Robt. Masters line; thence with said Masters line to the beginning.

EXCEPTING FROM TRACTS NO. 1 AND 2 the following described real property:

Exception 1: Beginning at a point in the Railroad's East right-of-way line, said point being located 2,280 feet South of Mile Post 230, and also being in the line between the Edgar Puckett Tract and Tract 2 of the William Elliott, Jr. Tract;

thence following the L&N Right-of-way line in a southerly direction approximately 800 feet to a point in the line between the Puckett Tract and Calmes Tract; thence leaving the L&N right-of-way and following the line between the Puckett Tract and the Calmes Tract in a northeasterly direction 426 feet to a point which is 300 feet East of the centerline of the Callie Airport runway, if extended; thence in a north westerly direction 300 feet from and parallel to the Center line of said runway 1,190 feet to a point in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence with the said line between the Edgar Puckett Tract and the William Elliott, Jr., Tract a southwesterly direction 640 feet to the point of beginning.

Exception 2: Beginning at a point in the L&N Railroad's West right-of-way line, said point being located 2,280 feet South of Mile Post 230, and also being in the line between the Edgar Puckett Tract and the Morris Elliott Tract; thence leaving the L&N right-of-way and following the line between the Edgar Puckett Tract and the Morris Elliott Tract a westerly direction 170 feet to a point which is 300 feet West of the West line of a railroad Car shop building; thence in a southerly direction 300 feet from and parallel to the West line of said railroad car shop building, if extended, 400 feet to a point which is 300 feet South of the South line of said railroad car shop building if extended; thence in an easterly direction 300 feet from and parallel to the south line of said railroad car shop building 140 feet to a point in the west right-of-way line of the L&N Railroad; thence following the said West right-of-way line in a northerly direction 355 feet to the point of beginning.

Parcel IX (Williams Tract)

Being a portion of the real property conveyed to South-East Coal Company by C.T. Williams and Geneva Williams, his wife, by deed dated September 21, 1974, and recorded in Deed Book 140, page 704, Estill County Records (all the real property conveyed by said deed being hereinafter the "Williams Tract"), said portion being further described as follows:

Beginning at a point in the East right-of-way line of Ky. 1840, said point being also the Southeast Corner of the real property conveyed to South-East Coal Company by Russell Powell, a single person, by deed dated June 19, 1975, and recorded in Deed Book 143, page 238, Estill County Records (said real property hereinafter the "Powell II Tract") thence N 15° 43' E 553 feet to a point, corner to the Powell II Tract and to certain real property conveyed to South-East Coal Company by Joe Berryman and Retta Berryman, his wife, by deed dated May 17, 1975, and recorded in Deed Book 143, page 16, Estill County Records (said real property hereinafter the "Berryman Tract"), thence with the line of the Berryman Tract S 81° 05' E 315 feet to a point, the southeast corner of the Berryman Tract;

thence continuing with the line of the Berryman Tract N 15° 20' E 900 feet to a point; thence leaving the line of the Berryman Tract S 73° 10' E 825 feet to a point; thence S 15° 20' W 460 feet to a point; thence S 27° 30' W 1,175 feet to a point; thence West 605 feet to a point in the East right-of-way line of Ky. 1840; thence with said right-of-way line a northerly direction 470 feet to the point of beginning.

Parcel X (Powell II Tract)

Being a portion of the Powell II Tract as defined in Parcel IX above, said portion being further described as follows:

Beginning at a point in the North right-of-way line of Ky. 1840, and in the West right-of-way line of a former County road (Witt Ridge Road), said point being also the southeast corner of the Powell II Tract; thence with the right-of-way line of former County road N 15° 41' E 551 feet to a point; thence N 0° 15' E 620 feet to a point; thence West 710 feet to a point on top of the hill; thence S 45° W 130 feet to a point in the saddle, said point being also a corner to the Powell I Tracts; thence S 10° 50' W 100 feet; thence S 42° 21' E 177 feet; thence S 22° 20' E 711 feet; thence S 13° 52' E 45 feet to a point in the North right-of-way line of Ky. 1840; thence with said right-of-way line 215 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for process water pipeline purposes, in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a Process water pipeline (presently 26" O. D.) across the Powell II Tract as defined in Parcel IX above, said pipeline entering the Powell II Tract at a point 4,088 feet North of Mile Post 230 and in the East right-of-way of the L&N Railroad; thence in a southeasterly direction 500 feet to real property described above as part of Parcel X.

Parcel XI (Berryman Tract)

Being a portion of the Berryman Tract as described in Parcel IX above, said portion being further described as follows:

Beginning at a point in the West line of a former County road (Witt Ridge Road), said point being also a corner in the Powell II Tract, said point being also N 15° 41' E 553 feet from the North right-of-way line of Ky. 1840 and the Southeast corner of the said Powell II Tract; thence S 31° 05' E 315 feet to a point, the southeast corner of the Berryman Tract; thence with the Berryman Tract East line N 15° 20' E 900 feet to a point; thence N 79° 40' W 440 feet to a point in Berryman Tract West line;

thence with the West line of the Berryman Tract S 8° 20' W 930 feet to the point of beginning.

CALMES TRACT NO. 2

Beginning at a point on the easterly Right-of-way Limit of the L. & N. Railroad approximately opposite center line Valuation Station 6312÷42 on said railroad; thence with the right-of-way Limit of the L. & N. Railroad in a general southerly direction for a distance of approximately 1732.7 ft.; thence departing from the L. & N. Right-of-way, N 85°21' E 234.0 ft., N 55°01' E 95.5 ft., S 64°06' E 706.7 ft., N 64°58' E 130.0 ft., N 63°02' E 105.2 ft., N 55°52' E 104.9 ft., N 54°02' E 431.7 ft., N 39°01' W 398.0 ft., N 36°19' W 44.7 ft., N 33°36' W 171.5 ft., N 33°27' E 488.1 ft., N 35°05' W 42.7 ft., to a point common with the Powell Tract; thence along a common line with the Powell Tract S 63°57' W 444.7 ft., N 50°22' W 514.3 ft. to the beginning.

TRACT N

Tract I: The following described tract of land on the waters of White Oak Creek in Estill County, Kentucky, and bounded as follows to wit: Beginning at an iron wood, thence W 86 poles to a stake, thence N 9 3/4 poles, E 44 poles to a white oak on the ridge, N 85 1/4 W 84 poles to the edge of the Irvine and Winchester road; the black oak sapling pointer; thence with the road S 17 E 7 poles, S 3 1/2 E 34 poles, thence leaving the road N 46 W 12 4/5 poles to the beginning containing twenty-three (23) acres more or less.

Tract II: The following described tract or parcel of land in Estill County, Kentucky, and bounded as follows, to wit: On the waters of the Kentucky River and beginning at a white oak, thence S 50 E 20 poles to white oak N 60 W 20 poles to a white oak, thence S 82 1/4 W 21 poles to a white oak; thence N 32 W 20 poles to a Red Oak, thence S 41 1/2 W 24 poles to a chestnut oak, thence S 33 W 20 poles to a white oak, a corner for Sam'l Walters, thence with the Walters line S 5 E 20 poles to Wilson's corner, thence S 2 W 70 poles to a stake in Shepherds line, thence with Shepherd's line N 85 E 65 poles to a stake, thence N 10 E 20 poles to a white oak corner to Patsey Everman, thence N 5 W 78 poles to the beginning containing 50 acres more or less.

Tract III: A certain parcel of land in Estill County, Kentucky, on White Oak Creek, and beginning at a red bud and stone on the south side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett line, thence Southwest 5 feet to the New Winchester road, thence northeast 945 feet with New Winchester road to the mouth of a culvert, and stone, under the New Winchester Road; thence due north 145 feet to the beginning.

Tract IV: A certain tract or boundary of land lying and being in Estill county, Kentucky, and bounded and described as follows to wit: Beginning at a Black Oak on the side of the public road that leads from Irvine to Winchester, corner for Henry Salyers new Puckett, and Robert Witt (now Friend and Miller), thence running with the public road a North course seventy-eight steps to a Black Oak stump and stone, on the side of the road, thence up the hill a Westerly course, to the top of the hill to the Wilson Road, thence with the said Wilson road to the line between Friend and Miller and the Elizabeth Wallace tract at a Pine on the South side of the Wilson Road near a Black Oak, thence with the line between Wallace and Friend and Miller a South East course with the fence, to a White Oak in or near the Wallace and Miller and Friend line and near the fence, thence a South course with the fence, to the line between Friend and Miller and Puckett at a White Oak Stump on top of the ridge corner for Friend and Miller, and Wallace and Puckett and in Puckett line, thence with the Friend and Miller and Puckett line an East course to the beginning.

Tract V: On White Oak Creek, and beginning at a Red bud and stone on the South side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett's line; thence Southwest 5 feet to the New Winchester road; thence Southeast 945 feet with New Winchester road to the mouth of a culvert and stone; under the New Winchester road; thence northwest 145 feet to the beginning.

Tract VI: On the waters of White Oak Creek in said County, and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage of Floyd Puckett and Leoda Puckett, his wife, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs, thence with the line of Mitchell Combs a western direction two hundred seventy-five feet to the garden of Floyd Puckett and Leoda Puckett, his wife, thence in a southern direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract VII: Beginning at a marked forked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction to a marked white oak; thence a straight line to a planted stone in the line of Dudley Puckett; thence with his line to the beginning, containing approximately ten acres.

Less and excepting the following described lands, to wit:

Tract No. 1: Being all of Tract No. 6, and located on the waters of White Oak Creek in said county and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5 W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44 E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2 E 515 feet to the beginning, and containing 4 1/2 acres more or less.

Tract No. 4: Beginning at a stone corner to Virgil Alcorn and Dud Puckett line; thence running 225 feet a southwest course to C.T. Williams line to a stone; thence 50 feet N to a black oak tree corner at Dud Puckett and Virgil Alcorn; thence down the hill 293 feet to a stone corner of Dud Puckett and Virgil Alcorn; thence 75 feet to the beginning, a stone, containing about one-tenth part of an acre.

Being the same lands conveyed to Winfred Puckett and Reva Puckett, his wife, by deed from Dudley Puckett and Julia Puckett, his wife, dated the 30th day of April, 1966, and of record in Deed Book 115, page 30, Estill County Court Clerk's Office.

Near North Irvine and on the old County Road, and more particularly described as follows: Beginning at a planted stone on the old county road which led to Winchester; thence N 1 W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79 W 117.1 feet, to a stake; thence N 54° 30' W, 82.8 feet, to a stake N 37 W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31 E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47 E 492.8 feet, to a stake and a 24 inch elm; thence N 77 E 7719 feet, to a stake; thence N 81 E 105.4 feet, to a stake; thence N 79 E 84.1 feet, to the beginning, and containing 16.44 acres.

Being the same lands conveyed to Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated the 1st day of October, 1962, and of record in Deed Book 109, page 260, in the Estill County Court Clerk's Office.

Tract No. 1: Beginning on the West side of the Irvine and Winchester State Highway (#89) at a stone near a telephone pole and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence with said highway N 5 W approximately 105 feet to a post corner; thence a straight line N 84 1/2 W approximately 300 feet to a stone and Kentucky Highway #1840; thence a Southwesterly direction approximately 200 feet with said Kentucky Highway #1840 to a marked white oak and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence a straight line an Easterly direction approximately 520 feet with the property line of Winfred Puckett and Reva Puckett, his wife, to said Highway #89 and the beginning, and containing one and one-half (1 1/2) acres, more or less.

Tract No. 2: Being a part of Tract No. 3 and beginning on the West side of the Irvine and Winchester State Highway (#89) at a post corner; thence a Northerly direction approximately 200 feet with said Highway #89 to a post and Kentucky Highway #1840; thence a Westerly direction approximately 90 feet with said Highway #1840

to a post; thence a Southeasterly direction approximately 275 feet to a post; thence an Easterly direction approximately 35 feet to said Highway #89 and the beginning and containing one-half (1/2) acre, more or less.

Tract No. 3: Being a part of Tract No. 7, and beginning on the South side of Kentucky Highway #1840 at a post corner; thence a Westerly direction approximately 300 feet with said Highway #1840 to a stone; thence a straight line an Easterly direction approximately 265 feet to a post; thence a Northwesterly direction approximately 275 feet to said Highway #1840 and the beginning and containing one and one-half (1 1/2) acres, more or less.

Being the same lands conveyed to James D. Puckett and Veleda Puckett, his wife, from Dudley Puckett and Julia Puckett, his wife, by deed dated the 17th day of June, 1966, and of record in Deed Book 115, page 161, Estill County Court Clerk's Office.

Parcel No. 4: All that part of said tract or tracts of land which lie within a distance of 70 feet on each side of the centerline of said proposed public road between the south east property line at approximate station 8/87.

Also the following parcel of land lying immediately adjacent to the above described parcel, on the side, to the width, and between the stations shown below.

Parcel	From	To	Width	Side
(a)	8/13	13/87	10'	Rt.

Parcel (a) is for the purpose of permanent right of way.

Being the same land conveyed to Dudley Puckett and Julia Puckett, his wife, to Commonwealth of Kentucky, Department of Highways, by deed dated the 27th day of October, 1959, and of record in Deed Book 105, page 135, Estill County Court Clerk's Office.

Parcel No. 1: Beginning at a point in the east property line, said point being in the west right of way line of Kentucky Highway No. 89, 50 feet left or south of approximate station 0/45 of the Revision C centerline; thence westerly and concentric with the centerline of the Revision C to a point 50 feet left or south of Station 4/00; thence westerly to a point 30 feet left or south of station 4/50; thence southwesterly and parallel with the centerline of the proposed public road to a point 30 feet or south of station 5/50; thence southwesterly to a point 60 feet left or south of station 7/00; thence southwesterly to a point in the north right of way line of the Stump Road 60 feet left or southeast of

approximate station 7/87; thence westerly with the north right of way line of the Stump Road to a point in the west property line 60 feet right or north of approximate station 9/75; thence northerly with the west property line to a point 70 feet right or north of approximate station 9/72; thence easterly and concentric with the centerline of the proposed road to a point 70 feet right or north of station 7/00; thence easterly to a point 30 feet right or north of station 5/50; thence easterly and parallel with the centerline of the proposed road to a point 30 feet right or north of station 4/50; thence northeasterly to a point 50 feet right or north of station 4/00; thence easterly and concentric with the centerline of the proposed road to a point in the east property line, said point being the northwest right of way line of Kentucky 89, 50 feet right or north of station 0/10.9; thence southwesterly with the east property line back to the point of beginning.

It is understood between the parties hereto and made a covenant herein that Parcel No. 1 described above is conveyed in fee simple and not merely for right of way purposes.

Also a parcel of land 15 feet in width lying immediately adjacent to and on the left or south side of the above described parcel between station 2/25 and 2/75. It is the specific intention of Floyd Puckett and Leoda Puckett to convey a permanent easement to the above described property for the purpose of constructing and perpetually maintaining a ditch outlet.

It is further agreed that South East Coal Company will either not disturb the existing spring box and waterlines or replace the spring box and make the necessary water connections.

And being the same property conveyed to Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by Owen Parker Bryant and Elizabeth G. Bryant, his wife, et al. by deed dated September 3, 1981, of record in Deed Book 160, page 179, Estill County Court Clerk's Office.

And being the same property conveyed to South East Coal Company by Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by deed dated June 18, 1982 of record in Deed Book 162, page 104 in the Estill County Clerk's Office.

TRACT O

Certain tracts of land lying in Estill County, Kentucky, and described as follows:

Near North Irvine and on the Old County Road, and more particularly described as follows:

Beginning at a planted stone on the old county road which led to Winchester; thence N 1° W 428.4 feet, to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79° W 117.1 feet, to a stake; thence N 54° 30' W 82.8 feet, to a stake, N 37° W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31° E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet, to a stake and a 24 inch elm; thence N 77° E 77.9 feet, to a stake; thence N 81° E 105.4 feet, to a stake; thence N 79° E 84.1 feet, to the beginning, and containing 16.44 acres.

The foregoing land by actual survey is described as follows:

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester, thence N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 82.8 feet to a stake; thence N 37° W 371 feet to a stake; thence N 21° 30' W 173 feet to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake, referenced by a 36 inch hickory tree; thence S 31° E 157 feet to a stake; thence S 28° 30' E 229.6 feet to a stake; thence S 14° 30' E 151.1 feet to a stake and 3 inch hickory tree; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet to a stake and 24 inch elm tree; thence N 77° E 77.9 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 16.44 acres.

The parcel of land described in the foregoing survey and designated South East Coal Co., 9.08 acres on the plat is the part conveyed by this deed to South East Coal Company.

There is excepted from this Deed and not conveyed herein a parcel of land described in the foregoing survey and designated Winfred Puckett, 7.34 acres, on the plat, which is retained by Winfred Puckett and Reva Puckett, his wife, and described as follows:

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester and also being the Northeast corner of a tract of land owned by Eldon and Hope Hughes, thence with said road right-of-way N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence leaving said road right-of-way N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 38 feet to a stake; thence S 18° 45' W 117.81 feet to a stake; thence S 6° 58' 19" E 323.25 feet to a stake; thence S 25° 16' 26" E 160.35 feet to a stake; thence S 32° 56' E 279.41 feet to a stake in the North line of Eldon and Hope Hughes tract; thence with said tract N 77° E 38.5 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 7.34 acres.

Being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated October 1, 1962 and recorded in Deed book 109, at page 260, records of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in Book _____ at page _____ in the Estill County Court Clerk's Office.

Tract No. 1: Being all of Tract No. 6 and located on the waters of White Oak Creek in said County and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5° W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a

southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44 E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2 E 515 feet to the beginning, and containing 4 1/2 acres more or less.

The part of the foregoing land herein conveyed is described by actual survey as follows:

Beginning at an iron pin in the West right of way of Kentucky Highway #89 approximately one mile North of Irvine, Kentucky, at the Southeast corner of a tract of land owned by Effie M. Hughes and also being 375 feet South of the intersection of Kentucky Highway #89 and Kentucky Highway #1840 measuring along the center line of Kentucky Highway #89, thence leaving said road and with the South line of said Hughes tract S 75° 59' 5" W 556.57 feet to an iron pin at the South right-of-way of Kentucky Highway #1840; thence with said road right-of-way S 35° 32' 15" W 43.01 feet to an iron pin at the North right-of-way of Old Stump Road (now abandoned); thence with said road right-of-way S 72° 28' 28" E 99.62 feet to an iron pin; thence S 68° 11' 55" E 107.70 feet to an iron pin; thence S 36° 43' 15" E 276.91 feet to an iron pin in the North line of a tract of land owned by David Spicer; thence leaving said right-of-way and with the North line of said Spicer's lot, and also with the North line of a tract of land owned by a Jehovah Witness Church North 56° 45' 46" E 315.50 feet to an iron pin in the West right-of-way of Kentucky Highway #89; thence with said road right-of-way N 18° 39' 20" W 124.02 feet to an iron pin; thence N 11° 2' 33" W 66.41 feet to an iron pin; thence N 3° 48' 39" W 106.39 feet to the point of beginning, containing 3.33 acres.

Being all of Tract No. 1 and part of Tract No. 2 and part of Tract No. 3 and being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated April 30, 1966, and recorded in Deed Book 115, page 30, of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in _____ Book _____, at page _____, of record in the Estill County Clerk's Office.

There is excepted therefrom that certain Deed For Highway Purposes dated October 27, 1959, of record in Deed Book 105, page 135 in the Office of the Estill County Court Clerk.

There is except from the above described property situated in Estill County, Kentucky, that property conveyed to South East Coal Company in Deed Book 183, Page 612, dated March 31, 1989 and that property conveyed to Maxie LaViers in Deed Book 159, Page 178, dated August 26, 1980, all of record in the Office of the Estill County Court Clerk.

There is excepted from the above described property all of the property previously conveyed by DLX, INC. pursuant to the Deeds set forth below:

1. Deed to the Estill County Industrial Development Authority, Inc. dated September 30, 1993, of record in Deed Book 204, Page 700, in the Office of the Estill County Clerk;
2. Deed to Estill County, Kentucky, dated October 19, 1993, of record in Deed Book 205, Page 301, in the Office of the Estill County Clerk;
3. Deed to Estill County, Kentucky, dated February 7, 1994, of record in Deed Book 206, Page 257, in the Office of the Estill County Clerk;
4. Deed to Hearl and Kelcie Harris, dated June 28, 1994, of record in Deed Book 208, Page 377, in the Office of the Estill County Clerk; and
5. Deed to Harry LaViers, Jr., Trustee, dated September 15, 1993, of record in Deed Book 204, Page 615, in the Office of the Estill County Clerk.

There is reserved to DLX, INC., Grantor herein, and not conveyed hereby, the following tract of property:

WATERTANK PROPERTY

The following property is to be reserved for DLX. A portion of Block 3 in the future development of Calla Subdivision and described as follows:

Beginning at an iron pin the second corner of a parcel owned by Jack Jenkins more particularly described in a deed found in Deed Book 153 Page 276 of the Estill County Court Clerk's Office, thence with lines of said parcel N 86 26 E, 127.88' to an iron pin, thence N 35 04 E, 71.29' to an iron pin, thence N 70 33 E, 133.39' to an iron pin, thence N 66 53 E, 88.49' to an iron pin in the property line of Irvine Municipal Utilities, thence with said property line S 49 54 E 81.9' to a stake, thence S 40 54 W, 30.8' to a stake which lies N 26 09 E, 50.0' from the water tank thence following an arc around and 50' from the water tank to a stake bearing N 52 43 E 50' from the water tank thence continuing with the line of the Irvine Municipal Utilities; N 39 58 E 50.0' to the outer line of Block 3; thence leaving the Utilities property and with the outer line of Block 3; S 49 39 E, 108.7' to a stake, thence S 26 01 E, 234.9' to a stake, thence S 39 13 W, 711.4' to a stake at the right of way of Stump Road; thence with said right of way N 59 19 W 185.9' to a stake, thence N 64 58 W 40.0' to a stake, thence N 67 16 W 76.9' to a stake, thence N 69 16 W 123.4' to a stake, thence N 53 06 W 146.5' to a stake, thence N 41 21 W 107.4' to a stake, thence N 17 37 W 104.5' to a stake at an elevation of 750' above sea level thence following the 750' elevation around the hill to a point in the first line of the Jenkins parcel; thence S 16 59 E 35.2' to the beginning, and being 12.5 acres more or less.

Being a portion of the same property conveyed to DLX, INC., a Kentucky corporation, from South East Coal Company, a Kentucky corporation, by Deed dated March 14, 1993, of record in Deed Book 202, Page 426, in the Office of the Estill County Clerk.

Together with all rights, title and interest conveyed to DLX, INC., by that certain Right-Of-Way Deed dated October 13, 1993 from Estill County Industrial Development Authority, Inc. of record in Deed Book 205, Page 67, and as amended by that certain Deed of Correction dated November 8, 1993, of record in Deed Book 205, Page 379, all references to the Office of the Estill County Clerk.

EXHIBIT B

FARM

TRACT M

A certain tract or parcel of land lying in Estill County, Kentucky and described as follows:

Beginning at a white oak at the foot of Slaty Hill; N 81 E 775 feet to a sycamore; N 25° 30 E 1377 feet to a stone post; N 28 E 823 feet to a stone; N 71 W 254 feet to a branch; with branch to a river; N 72 W 300 feet with river; N 56.30 W 610 feet; N 19.30 W 217 feet, leaving river S38 W 2200 feet to buckeye at cliff, with cliff as it meanders to a hickory; S 39.30 W 874 feet to a stake in road; S 47.30 E 480 feet; S 20 E 100 feet to a white oak at beginning.

Being the same land conveyed to R.A. Selby and Pearl Selby, his wife, to Thomas Crouch by deed dated June 22, 1922, and of record in the Estill County Court Clerk's Office in Deed Book 51, page 479.

Being the same property devised by Tom Crouch, deceased, (a/k/a Thomas Crouch and Thomas D. Crouch) to his son, James T. Crouch (a/k/a Thomas Crouch), Dorotha Crouch, his wife, and Anna Crouch, an unremarried widow, by will dated February 26, 1959, and of record in the Estill County Court Clerk's Office in Will Book G, Page 81; James T. Crouch, grantor herein, is one and the same as "Thomas Crouch" referred to in the will of Tom Crouch of record in the Estill County Court Clerk's Office in Will Book G, page 81.

There is excepted out and reserved to and for the benefit of James T. Crouch and Dorotha Crouch, his wife, only from the above described boundary, tract, of land a certain parcel of land heretofore conveyed by Thomas Crouch (a/k/a Thomas D. Crouch, and Tom Crouch in description below) to James Thomas Crouch, his son, grantor herein, (a/k/a Thomas Crouch) by deed dated April 12, 1957, of record in the Estill County Court Clerk's Office in Deed Book 101, page 352, and described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence down the ridge to a stone; thence south west with fence to a stone at highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

Said above described excepted parcel of land is more particularly described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence to a mulberry tree and thence west to an iron pipe marker at Highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

There is also excepted therefrom that certain deed to Thomas Crouch, dated September 12, 1927, of record in Deed Book 85, page 346 in the Office of the Estill County Court Clerk, that certain Deed for Highway purposes, dated September 29, 1952, of record in Deed Book 95, page 469, in the Office of the Estill County Court Clerk and that certain deed to Thomas Hymer and his wife, Betty Lou Hymer, dated January 8, 1980, of record in Deed Book 156, page 20 in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East coal Company by James T. Crouch and Dorotha L. Crouch, his wife, and Anna Crouch, an unremarried widow, by deed dated December 19, 1978, of record in Deed Book 153, page 435 in the Office of the Estill County Clerk.

TRACT P

Beginning at a Stone on the ridge, corner to W. C. Crouch and F. H. Gould, thence with the ridge 89 1/2 W 51 poles to the top of the paint banks, to a stone. Thence S 2 poles to a pine corner. Thence IV88 W 17 poles Thence N75 W 22 poles to a stone in Dunaway line, an agreed corner. Thence southward with the Dunaway line to a stone and agreed corner. Thence W28 poles to a stone corner of Wm Horn to a road. Thence with the road S 16E 20 poles to a stone corner to Wm Horn. Thence S67 E29 poles to a pine. S65 E18 poles and 17 links to a chestnut corner in

Allen Wilcox's line. Thence with Wilcox's line N39 1/2 E20 poles to a Lyme; Thence with Wilcox's line northward to the Ky River, Thence down the river to F. H. Gould's line. Thence with said Gould's line to the top of the paint bank to a pine; Thence running south with the meanders of the ridge to the beginning, containing 32 acres be the same more or less.

Being the same property an undivided interest in which was conveyed by W. C. (a/k/a Clifton) Crouch and Vina Crouch, his wife, to Thomas Crouch by deed dated November 19, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 30, page 206.

The above described 32 acre tract is made up of three (3) tracts as follows:

TRACT NO. 1:

Beginning at a oak corner to William Dunaway thence S27 E to a sugar tree and lyn in Whites lines thence W 36 E 7 poles to a sugar tree corner to lutes thence west to agreed corner near a spring, thence with lutes line to a bunch of chestnut, oaks, and north 11 1/2 W 8 poles to a pine on the top of paint bank thence North the ridge to an agreed corner in Dunaway line thence with his line to the beginning suppose, be more or less six acres.

Being the same land conveyed by James Brandenburg and Bruenettie

Brandenburg, his wife, to Clifton Crouch and Thomas Crouch, his brother, by deed dated March 5, 1890, and record in the Estill County Court Clerk's Office in Deed Book 54, page 328.

TRACT NO. 2:

Beginning at a stone in the road and in also Clifton Crouch's line thence with said road S 16 E 20 poles to a stone thence S67 E 29 poles to a line thence S65 E18 poles and 17 links to a chestnut corner in Allen Wilcox's line thence with Wilcox's line N 39 1/2 E 20 to a lynn corner between Allen Wilcox, Thomas and Clifton Crouch thence N71 W66 poles to the beginning containing six acres more or less.

Being the same land conveyed by William Horn and Milly Horn, his wife, to Clifton Crouch and Thomas Crouch, his brother, by deed dated May 28, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 54, Page 326.

TRACT NO. 3:

All of that tract, parcel, and boundary of land which remains within the boundary of the above described 32 acre tract but which is not bounded within the description of TRACT NO. 1 and TRACT NO. 2 above, being 20 acres more or less.

Being the same land no deed could be found for but which land has been in the open, continuous, exclusive, adverse, and notorious possession of Thomas

Crouch and James T. Crouch, his son, grantor herein since November 19, 1904, since which date Thomas Crouch and James T. Crouch, his son, have fenced the land, farmed it, paid taxes on it, and in all ways have claimed title to it and have treated it as their own land.

There is excepted however, that property conveyed to Mrs. Myra McIntosh from Tom Crouch and Anna Crouch, his wife, by deed dated April 30, 1943, of record in Deed Book 80, Page 59, and that property conveyed to Charley Noble from Tom Crouch and Anna Crouch, his wife, by deed dated January 15, 1926, of record in Deed Book 59, page 161, all of record in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East Coal Company by deed dated December 19, 1978, of record in Deed Book 153, Page 439 in the Office of the Estill County Court Clerk.

WATERTANK PROPERTY

The following property is to be reserved for DLX...A portion of Block 3 in the future development of Calla Subdivision and described as follows:

Beginning at an iron pin the second corner of a parcel owned by Jack Jenkins more particularly described in a deed found in Deed Book 153 Page 276 of the Estill County Court Clerk's Office, thence with lines of said parcel N 86 26 E, 127.88' to an iron pin, thence N 35 04 E, 71.29' to an iron pin, thence N 70 33 E, 133.39' to an iron pin, thence N 66 53 E, 88.49' to an iron pin in the property line of Irvine Municipal Utilities, thence with said property line S 49 54 E 81.9' to a stake, thence S 40 54 W, 30.8' to a stake which lies N 26 09 E, 50.0' from the water tank thence following an arc around and 50' from the water tank to a stake bearing N 52 43 E 50' from the water tank thence continuing with the line of the Irvine Municipal Utilities; N 39 58 E 50.0' to the outer line of Block 3; thence leaving the Utilities property and with the outer line of Block 3; S 49 39 E, 108.7' to a stake, thence S 26 01 E, 234.9' to a stake, thence S 39 13 W, 711.4' to a stake at the right of way of Stump Road; thence with said right of way N 59 19 W 185.9' to a stake, thence N 64 58 W 40.0' to a stake, thence N 67 16 W 76.9' to a stake, thence N 69 16 W 123.4' to a stake, thence N 53 06 W 146.5' to a stake, thence N 41 21 W 107.4' to a stake, thence N 17 37 W 104.5' to a stake at an elevation of 750' above sea level thence following the 750' elevation around the hill to a point in the first line of the Jenkins parcel; thence S 16 59 E 35.2' to the beginning, and being 12.5 acres more or less.

EXHIBIT F

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION

IN THE MATTER OF:

CHAPTER 11

KENTUCKY PROCESSING COMPANY,)
fdba FOX MINING CORPORATION,)
FOX PROCESSING CORPORATION,)
FOX TRUCKING CORPORATION,)
FOX LEASING CORPORATION,)
G & Y COAL CO., INC.,)
ADENA FUELS, INC.,)
ADENA PROCESSING, INC.,)
CLEMONS COAL COMPANY, and)
KENTUCKY MINERAL PROCESSING, INC.,)
DEBTOR.)

CASE NO. 98-52437

EASTERN DISTRICT OF KENTUCKY

FILED

AT _____ O'CLOCK & _____ MIN _____

NOV 19 2001

AT LEXINGTON

U.S. BANKRUPTCY COURT

DLX, INC.,)
PLAINTIFF,)

ADVERSARY PROCEEDING

v.)

NO. 01-5199

KENTUCKY PROCESSING COMPANY, AND)
FOX TROT CORPORATION,)
DEFENDANTS.)

AMENDED COMPLAINT FOR REFORMATION AND EQUITABLE RELIEF

* * * * *

Comes the Plaintiff, DLX, Inc., by counsel, and for its complaint against the Defendant, Kentucky Processing Company, states as follows:

PARTIES, JURISDICTION AND VENUE

1. DLX, Inc. ("DLX"), is a Kentucky corporation having its offices in Isom, Kentucky.

2. Kentucky Processing Company ("KPC") is a Kentucky corporation having its principal office and place of business at P.O. Box 210, Sassafras, Kentucky 41759, and its agent for service of process is Charles E. Yates at Route 1088, P.O. Box 210, Sassafras, Kentucky 41759.

3. On or about September 25, 1998, KPC filed a petition for relief under Chapter 11 of the United States Bankruptcy Code, which matter is now pending as *In the Matter of: Kentucky Processing Company*, United States Bankruptcy Court, Eastern District of Kentucky, Lexington Division, Case No. 98-52437 (the "Bankruptcy Action").

4. This Complaint is brought pursuant to, *inter alia*, 28 U.S.C. § 1334, Rules 7001 and 7022 of the Federal Rules of Bankruptcy Procedure and 28 U.S.C. §§ 2201 and 2202.

5. This Court has jurisdiction over this adversary proceeding pursuant to the provisions of 28 U.S.C. § 157(b) and § 1334. This adversary proceeding arises in and is related to the Bankruptcy Action.

6. The Defendant, KPC, may be served pursuant to Rule 7004 of the Federal Rules of Bankruptcy Procedure.

7. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). However, in the event that this is determined to be a non-core proceeding, DLX consents to the entry of final orders or judgment by the Bankruptcy Court.

8. Venue is proper in this district pursuant to 28 U.S.C. § 1409.

9. DLX brings this action seeking declaratory and equitable relief to reform a deed and correct the description therein.

COUNT I

10. DLX adopts and reiterates herein as if set out at length the allegations contained in

paragraph numbers 1 through 9 hereinabove.

11. On or about March 14, 1993, South-East Coal Company conveyed certain interests in real property to DLX, Inc., by a deed which is of record in Deed Book 202, Page 426, in the Estill County Clerk's Office ("South-East Property"), pursuant to that certain Order Authorizing Sale Of Substantially All Of Debtor's Assets Outside The Ordinary Course Of Business, filed on January 19, 1993, in the United States Bankruptcy Court, Eastern District of Kentucky, Lexington Division, styled *In Re: South-East Coal Company*, Case No. 90-2183.

12. On or about March 14, 1994, DLX entered into a lease concerning most of the South-East Property with Kentucky Processing Company, a Kentucky general partnership ("Old KPC"), a true copy of which is attached hereto, marked as Exhibit 1 and incorporated herein by reference (the "Lease"), which affected the real property described on Schedule 1a and outlined in orange thereon (reduced from the original and outlined in orange as per the original)(the "Leased Premised").

13. Paragraph 24 of the Lease included an option to purchase the Leased Premises (the "Option"), which Old KPC exercised in August, 1994.

14. Pursuant to the Option, DLX conveyed the Leased Premises to Old KPC via two deeds of record in the Estill County Clerk's Office, one deed being dated August 4, 1994, from DLX, Inc., to Kentucky Processing Company, a Kentucky corporation (an error in identifying Old KPC), which is of record in Deed Book 209, Page 143, and the other being a deed of correction dated October 18, 1994, from DLX, Inc., to Old KPC, which is of record in Deed Book 210, Page 291, a true copy of which is attached hereto, marked as Exhibit 2 and incorporated herein by reference (collectively the "Deeds").

15. The Leased Premises nor the real property that was subject to the Option did not include certain property that was to be reserved and excepted by DLX, including what is known as the "pre-

law” refuse pile and a right-of-way thereto (the latter tract and easement being referred to herein collectively as the “Refuse Pile Tract”).

16. Through the mutual mistake and inadvertence of the parties to the Deeds, the Deeds improperly purported to convey portions of the Refuse Pile Tract and the easement appurtenant thereto to KPC instead of reserving and excepting the same to DLX and improperly failed to describe part of the real property that was to be conveyed to Old KPC (the “Mistake”).

17. KPC is the successor in interest to Kentucky Processing Company, a Kentucky general partnership, and thereby acquired such title as was conveyed by the Deeds.

18. In late 2000, DLX first became aware of the Mistake and, in May, 2001, learned that KPC’s property was going to be sold at auction (“Auction Property”) and filed a motion in the Bankruptcy Action to protect its rights in and to the Refuse Pile Tract.

19. On May 31, 2001, the Court entered an Order of Confirmation in the Bankruptcy Action that granted DLX’s motion, including, but not limited to, the right to survey the property, for additional time to examine the title thereto and an order lifting the automatic stay for the purpose of filing an action to protect DLX’s rights in the Refuse Pile Tract, including the right to file a lis pendens, should the description of the Auction Property conflict in any material way with DLX’s title to its land.

20. DLX retained Richard Hall to survey the Refuse Tract which he completed on July 10, 2001, a true copy of which (reduced) is attached hereto, marked as Exhibit 3 and incorporated herein by reference (the “Survey”).

21. DLX reviewed the Survey and real estate documents pertaining to the Auction Property and to the Refuse Pile Tract and determined that a material conflict existed as to the descriptions between the two and that the Deeds failed to mention DLX’s easement to the Refuse Pile Tract (the

“Conflict”).

22. On July 16, 2001, DLX notified counsel for the Debtor and for Charles E. Yates, President of KPC, of the Conflict and have presented several deeds of correction to them in an effort to resolve the Conflict without resorting to litigation. DLX believes the last version will properly correct the Deeds, and a true copy thereof is attached hereto, marked as Exhibit 4 and is incorporated herein by reference (the “Deed of Correction”).

23. Charles E. Yates obtained new counsel on July 19, 2001, and they are unable to respond to DLX’s request to execute the Deed of Correction, and, for that reason, counsel for the Debtor, KPC, was unable to agree to execute the Deed of Correction.

24. The Auction Property is to be sold at 10:00 a.m. on July 20, 2001 (the “Auction”), and DLX has been unable to resolve the Conflict.

25. DLX is entitled to a judgment declaring its rights in and to the Refuse Pile Tract and the easement appurtenant thereto as being superior to any claim of KPC, and that the Deeds be reformed due to a mutual mistake as set forth in the Deed of Correction, declaring that the rights of DLX in and to the Refuse Pile Tract be are free and clear of all claims, liens and encumbrances, including the claims of creditors in the Bankruptcy Action, to an ordering requiring the parties properly execute and deliver the proposed Deed of Correction to DLX, and for such other equitable relief as is necessary to give effect to the aforesaid judgments and orders.

COUNT II

26. DLX adopts and reiterates herein as if set out at length the allegations contained in paragraph numbers 1 through 25 hereinabove.

27. At 9:46 a.m. on July 20, 2001, DLX lodged and recorded a notice of Lis Pendens in

Encumbrance Book 10, Page 740, in the Office of the Clerk of Estill County (the "Lis Pendens"), a true copy of which is attached hereto and is incorporated herein by reference.

28. After 9:46 a.m. on July 20, 2001, at the Auction but prior thereto, KPC made an announcement that DLX had filed the Lis Pendens and explained the nature of DLX's claims to the audience and prospective bidders, which included Fox Trot Corporation and its representatives (the "Announcement").

29. After the Announcement, KPC proceeded to auction the Auction Property and Fox Trot Corporation was the highest bidder therefor.

30. Fox Trot Corporation ("Fox Trot") is a Kentucky corporation having its principal place of business at 5996 Sulphur Well Road, Lexington, Kentucky 40509, and its agent for service of process is Charles E. Yates at the same address.

31. Prior to bidding at the Auction, Fox Trot had actual, constructive and inquiry notice of DLX's claims to the Refuse Pile Tract and any interests that it acquired at the auction and by any subsequent deed are subject to DLX's property rights.

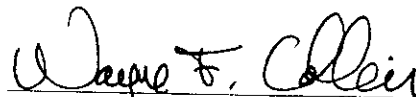
32. KPC should be prohibited from transferring any interest in the Refuse Pile Tract pending the resolution of DLX's claims as alleged herein.

33. DLX is entitled to a judgment declaring its rights in and to the Refuse Pile Tract and the easement appurtenant thereto as being superior to any claim of KPC and Fox Trot, and that the Deeds be reformed due to a mutual mistake as set forth in the Deed of Correction, declaring that the rights of DLX in and to the Refuse Pile Tract be are free and clear of all claims, liens and encumbrances, including the claims of creditors in the Bankruptcy Action, to an ordering requiring the parties properly execute and deliver the proposed Deed of Correction to DLX, and for such other equitable relief as is necessary to give effect to the aforesaid judgments and orders.

WHEREFORE, the Plaintiff, DLX, Inc., demands that the Court enter judgment against the Defendants, Kentucky Processing Company and Fox Trot Corporation, as follows:

1. Declaring the parties' rights in the Property and reforming the Deeds as requested hereinabove by DLX in conformity with the Deed of Correction;
2. That the rights of DLX in and to the Refuse Pile Tract be declared free and clear of all claims, liens and encumbrances, including the claims of creditors in the Bankruptcy Action;
3. Ordering that the parties properly execute and deliver the proposed Deed of Correction to DLX;
4. For such other equitable relief as is necessary to give effect to the aforesaid judgments and orders; and
5. That DLX be awarded its costs, expenses, and attorney's fees incurred herein and any other relief to which it may appear entitled.

Respectfully submitted,



Robert C. Stilz, Jr.

Wayne F. Collier

Kinhead & Stilz, PLLC

3120 Wall Street, Suite 350

Lexington, Kentucky 40513

(859) 296-2300

Counsel for DLX, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this the 19th day of November, 2001, true and accurate copies of the foregoing were served by mailing the same, postage prepaid, and by facsimile, as noted, upon the following:

W. Thomas Bunch, Esq.
Bunch & Brock
805 Security Trust Building
271 West Short Street
Lexington, KY 40507-1226
Via facsimile @ (859) 233-1434 w/o exs.
Counsel for KPC

William C. Rambicure, Esq.
Rambicure, Miller & Pisacano, PSC
219 East High Street
P.O. Box 34188
Lexington, KY 40588-4188
Via facsimile @ (859) 233-7565 w/o exs.
Counsel for Fox Trot


Counsel for Plaintiff

JA_Wfe\DL.X\ComplaintAmended.wpd

EXHIBIT 1

LEASE AGREEMENT

THIS LEASE (this "Lease") is made and entered into this 15th day of March, 1994, by and between DLX, INC., a Kentucky corporation (the "Lessor"), and KENTUCKY PROCESSING COMPANY, a Kentucky partnership (the "Lessee").

In consideration of the rents and the mutual covenants and agreements contained in this Lease, the Lessor and the Lessee agree as follows:

1. Leased Property. The Lessor hereby demises and leases to the Lessee, and the Lessee hereby accepts and leases from the Lessor, free and clear of all Encumbrances, except Permitted Encumbrances and Permitted Real Property Exceptions, the interest of the Lessor in and to the following:

(a) The real property which is outlined in orange, excepting such thereof as is outlined in yellow and the four (4) underground tanks designated in green, on the map initialed by the Lessor and the Lessee and attached hereto as Exhibit 1(a), and the coal preparation and railcar repair and machine shop buildings, fixtures, and improvements located thereon, and all rights of way, licenses, easements, hereditaments and appurtenances belonging or appertaining thereto (the "Real Property") comprising the Lessor's Calla Wash Plant (the "Facility");

(b) The coal washing, loading, conveying and processing and railcar repair and machine shop machinery, equipment, tools, parts and accessories, and over-the-road trucks, wherever located and all assignable warranties of third parties with respect thereto and all spare parts, replacement parts, accessories and supplies related to or used in connection with the Facility wherever located (the "Equipment"); and

(c) The motor vehicles, trucks, and rolling stock, including all spare and replacement parts with respect thereto, and all assignable warranties of third parties related thereto described on Exhibit 1(c) attached (the "Vehicles").

All of the items described in this Section 1 are hereinafter collectively referred to as the "Leased Property".

TO HAVE AND TO HOLD the Leased Property for and during the initial and renewal terms hereinafter described.

2. Term, Termination and Renewal Options.

(a) The initial term of this Lease shall commence as of the date that all of the conditions precedent to the Lessee's obligations hereunder have been satisfied (the "Commencement Date") and, unless terminated as hereinafter provided, shall terminate on the date immediately preceding the first anniversary of the Commencement Date.

(b) The Lessee shall have the right to terminate this Lease upon thirty (30) days' written notice to the Lessor if, in the Lessee's sole opinion, the Lessee cannot operate the Facility at a reasonable profit or any circumstance or condition, which now

EXHIBIT 2

DEED OF CORRECTION

THIS DEED OF CORRECTION, is made and entered into this the 18 day of Oct, 1994, by and between DLX, INC., a Kentucky corporation, of State Route 1840, P. O. Box 332, Irvine, Kentucky 40336, hereinafter referred to as "Grantor", and KENTUCKY PROCESSING COMPANY, a Kentucky General Partnership, whose business address is Box 880, 348 Calla Road, Irvine, Kentucky 40336, hereinafter referred to as "Grantee".

W I T N E S S E T H:

THAT, WHEREAS, by a certain deed dated August 4, 1994, and of record in Deed Book 209, Page 143, in the office of the Clerk of the County Court of Estill County, Kentucky, the Grantee, KENTUCKY PROCESSING COMPANY, was incorrectly identified in the exordium of said deed as KENTUCKY PROCESSING CORPORATION; and

WHEREAS, it is the desire and intent of the parties to remedy said error by correctly identifying the Grantee as KENTUCKY PROCESSING COMPANY; and

NOW, THEREFORE, in consideration of the premises, in order to correct the aforesaid deed, and for the same consideration set forth in the deed recorded in Deed Book 209, Page 143, of the Estill County Court Clerk's Office, the sufficiency and adequacy of which is hereby acknowledged, Grantor has bargained and sold and does hereby grant and convey unto the Grantee, in fee simple, its successors and assigns forever, all of those certain tracts or parcels of real property located in Estill County, Kentucky, and more particularly described on Exhibit A attached hereto which is hereby incorporated by reference.

TO HAVE AND TO HOLD the above-described premises, together with all rights, privileges and appurtenances thereunto belonging, unto Grantee, in fee simple, its successors and assigns, forever. Grantor does hereby covenant and warrant that it is lawfully seized in fee simple of said real property, that it has good and lawful right to sell and convey the same as herein done, and that the title thereto is free and clear of all liens, encumbrances and rights of others, except as

MAILED TO: ATTN STAN CAVE, JACKSON & KELLY POB 2150 LEXINGTON KY 40595-2150, 11-08-94

hereinafter stated, and with said exceptions, the Grantor WARRANTS GENERALLY the title thereto. This conveyance is made subject to and there are excepted from the foregoing warranties and covenants of title the following:

(1) Those certain mortgages, liens and encumbrances in favor of Jadeco, Inc. and Kentucky May Coal Co., Inc., evidenced by Mortgages dated March 15, 1993, of record in Mortgage Book P4, Page(s) 472, 509, 569, and 630, in the Estill County Clerk's Office.

(2) All easements existing on the date hereof for electrical, gas, telephone, water and other public utilities and public highways over, upon or across the above-described land, which are either visible or of record in the Estill County Clerk's Office; and

(3) Ad valorem real property taxes assessed as of January 1, 1994.

As partial consideration for the foregoing transaction and in order to induce the Grantee to consummate the transaction provided for herein, Grantor, for itself, its successors and assigns and all future owners of the real property owned by Grantor and more particularly described on Exhibit B attached hereto (the "Restricted Property") agrees and covenants that it will not interfere with, complain about or object to any lawful actions or operations of Grantee which presently exist or which may commence in the future on the premises hereby conveyed to Grantee. This covenant shall run with the Restricted Property and shall be binding upon Grantor, its successors, assigns and all future owners of the Restricted Property and shall inure to the benefit of Grantee, its successors and assigns.

Pursuant to KRS Chapter 382, the undersigned do hereby certify that the consideration set forth in the foregoing deed is the true, correct and full consideration paid for the property conveyed hereby and further certify our understanding that falsification of the stated consideration or sale price of the property is a Class D felony, subject to one to five years imprisonment and fines up to \$10,000.00. The Grantee has executed this deed for the sole purpose of certifying the consideration pursuant to KRS Chapter 382.

IN TESTIMONY WHEREOF, the parties hereto have executed this instrument the day and year first above written.

GRANTOR:

DLX, INC.,
a Kentucky corporation

BY: *Donald G. Laviers*
DONALD G. LAVIERS
ITS: President

GRANTEE:

KENTUCKY PROCESSING COMPANY,
a Kentucky general partnership

BY: KENTUCKY MINERAL PROCESSING
INC., a general partner

BY: *W. David Carter*
W. DAVID CARTER
Its: President

BY: DIAMONDHEAD RESOURCES,
INC., a general partner

BY: *Edward L. Clemons*
EDWARD L. CLEMONS
ITS: President

STATE OF KENTUCKY

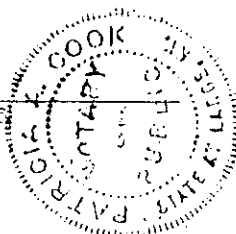
COUNTY OF *Estill*

The foregoing Deed of Correction was subscribed, sworn to and acknowledged before me this *26th* day of *October*, 1994, by W. DAVID CARTER, as President of KENTUCKY MINERAL PROCESSING, INC., general partner of KENTUCKY PROCESSING COMPANY, a Kentucky general partnership, for and on behalf of said corporation, Grantee.

MY COMMISSION EXPIRES:

8/30/97

Patricia A. Cook
NOTARY PUBLIC, State of
Kentucky at Large



STATE OF KENTUCKY

COUNTY OF *Estill*

The foregoing Deed of Correction was subscribed, sworn to and acknowledged before me this *26th* day of *October*, 1994, by EDWARD L. CLEMONS, as President of DIAMONDHEAD RESOURCES, INC.,

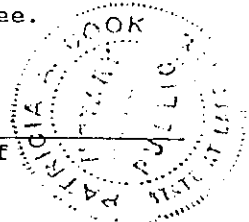
general partner of KENTUCKY PROCESSING COMPANY, a Kentucky general partnership, for and on behalf of said corporation, Grantee.

MY COMMISSION EXPIRES:

8/30/97

Patricia G. Cook

NOTARY PUBLIC, State of
Kentucky at Large



STATE OF KENTUCKY

COUNTY OF FAYETTE

The foregoing Deed of Correction was subscribed, sworn to and acknowledged before me this 15th day of October, 1994, by DONALD G. LAVIERS, as President of DLX, INC., a Kentucky corporation, for and on behalf of said corporation, Grantor.

MY COMMISSION EXPIRES:

July 27 1996

Norman E. Durbin

NOTARY PUBLIC, State of
Kentucky at Large



PREPARED BY:

Stanton R. Cox

JACKSON & KELLY
ATTORNEYS AT LAW
175 E. Main St., Ste 500
P. O. Box 2150
Lexington, KY 40595-2150
Telephone: (606) 255-9500

EXHIBIT A
Legal Description

Being all of the property described as Parcels I, II, III, IV, V, VI, VII, VIII, IX, X and XI, Calmes Tract No. 2, Tract N and Tract O, in that certain Deed dated March 14, 1993, between SOUTH-EAST COAL COMPANY, Grantor, and DLX, INC., Grantee, which appears of record in Deed Book 202, Page 426, in the Office of the Estill County Clerk, and being more particularly described as follows:

Consisting of 65 acres, more or less, situated 2 1/2 miles northeast of Irvine, Kentucky, on the County Road leading to

Irvine and Winchester Highway and more particularly described as follows:

On the East side of the Kentucky River at and near what is known as Cubbard Rock; and bounded and described as follows, to-wit: For boundary beginning at a stone in the right of the Louisville & Nashville Railroad; thence with the said right-of-way north 29 degrees west 10 poles, north 17 degrees west 14 poles, north 8 degrees west 13 1/3 poles; thence departing from the railroad right-of-way S 88 1/2 degrees West 132 poles north 8 degrees east 21 poles; thence with common line between Chris Tipton and Arch Miller, north 64 degrees west 71 poles to the Kentucky River; thence up said river south 58 degrees west 10 1/3 poles; thence south 44 degrees west 12 1/3 poles, south 52 degrees west 6 1/3 poles; south 60 degrees west 16 poles; south 35 degrees west 24 poles, south 12 degrees west 11 poles, south 14 degrees east 8 poles, south 24 degrees east 7 poles, S 31 degrees east 8 1/2 poles, south 64 degrees east 12 poles, south 69 degrees east 6 poles, south 56 degrees east 16 1/3 poles, S 77 degrees east 11 poles, south 85 degrees east 5 poles, south 81 degrees east 14 poles, south 79 degrees east 19 poles, south 78 degrees east 42 poles; thence departing from the river, and with common line between Arch Miller and Powell north 19 degrees east 31 poles to the beginning, containing 65 acres, more or less.

EXCLUDING THEREFROM the following described coal property:

Beginning at a point at the south-west corner of a parcel of land conveyed to South-East Coal Company by the Louisville and Nashville Railroad Company by deed dated January 20, 1933, and recorded in Deed Book 102, page 507, Estill County Clerk's Office (said land hereinafter the "L & N Tract"), said point being also 163.2 feet westwardly along a radial line from a point in the centerline of the main track of the L & N at Valuation Station 6327+38; thence S 54° 30' W 143.9 feet; thence S 21° 20' E 470 feet; thence S 68° 40' W 600 feet; thence S 3° 20' W 118 feet to a point at the Kentucky River, said point being also approximately 697 feet downstream from the westernmost corner of the Morris Elliott Tract; thence with the meanders of the Kentucky River downstream approximately 3,495 feet to a point which is the northwest corner of the Osborne Tract, and which is also the Southwest corner of Spicer Tract 2 as hereinafter defined in Parcel III; thence with the line between Spicer Tract 2 and the Osborne Tract S 64° 00' E 1,218.5 feet to a point which is the northwest corner of Spicer Tract 1 as hereinafter defined in Parcel III; thence following the westerly line of Spicer Tract 1 and the L & N Tract S 13° 27' W 337.8 feet to the point of beginning.

Parcel III (Spicer Tracts)

Being a portion of that real property conveyed to South-East Coal Company by J. W. Spicer and Cassie Spicer, his wife, by deed dated May 31, 1957, and recorded in Deed Book 101, page 493, Estill County Records (all the real property conveyed by said deed being hereinafter the "Spicer Tracts" with Tract 1 so conveyed hereinafter referred to as "Spicer Tract 1" and Tract 2 so conveyed hereinafter "Spicer Tract 2") said portion being further described as follows:

Tract No. 1. Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. Railroad at Valuation Station 6325+80.5, which is 1,019.5 (one thousand nineteen and five-tenths) ft. measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville Kentucky; thence N 64° 00' W 321.0 ft. along a line common to the L. & N. Tract as described in Parcel II above to a point; thence N 15° 53' E 70.00 ft. to a point common to Spicer Tract 2; thence S 54° 03' E 324.5 ft. along the boundary of Spicer Tract 2 to a point 50 (fifty) ft. westwardly, as measured along a radial line from a point at said center line of main track at Valuation Station 6325+14.5; thence in a southerly direction fifty feet westwardly from and parallel to said center line of main track, a distance of 70 ft. to the point of beginning (0.5 Acres).

Tract No. 2 Being a portion of Spicer Tract 2, which portion is further described as follows:

Beginning at a point in the L&N Railroad's West right-of-way line, said point being 1,089.5 feet northerly from Mile Post 230; thence along the line between the Spicer Tracts 1 and 2 N 64° 03' W 324.6 feet to a point; thence N 39° 50' E 1,385 feet to a point in the line between the Spicer Tract 2 and tract 2 of the property sold to South-East Coal Company by Russell Powell and wife by deed dated April 7, 1958 and recorded in Deed Book 102, page 498, Estill County Clerk's office (hereinafter the "Powell I Tracts") thence along the said line between the Spicer Tracts and the Powell I Tracts S 46° 00' E 285 feet to a point in the Railroad's West right-of-way line; thence a southerly direction along the said right-of-way line approximately 1,270 feet to the point of beginning.

Parcel IV (L&N Tract)

Being the L&N Tract as defined in Parcel II above and being further described as follows:

Beginning at a point fifty (50) feet westwardly along a radial line from a point in the center line of the main track of the L. & N. at Valuation Station 6327+38, which point is eight hundred sixty-two (862) feet measured in a general northerly direction along said center line of main track from Mile Post 230 from Louisville, Kentucky, thence N 82° 45' W 318.1 ft. to a point common with the Osborne Tract; thence N 13° 27' E 267.8 ft. along the Osborne Tract line to a point common with a portion of the Spicer Tracts; thence S 64° 26' E 321.0 ft. to a point which is 50 (fifty) ft. westwardly along a radial line from a point in said center line of main track at Valuation Station 6325+80.5; thence southwardly along a line fifty (50) feet westwardly from and parallel to said center line of main track, a distance of approximately 167.0 to the point of beginning.

Parcel V (Powell I Tract)

Being a portion of the Powell I Tracts as defined in Parcel III above, said portion being further described as follows:

Beginning at a point in the West right-of-way line of the L&N Railroad, said point being located 2,358 feet North of Mile Post 230, and also being in the line between the Powell I Tracts and the Spicer Tracts; thence with the Spicer and Powell line N46°00'W 1,128.9 feet to the Kentucky River; thence down the river 1,960 feet; thence leaving the river S46°00'E 500 feet to the West right-of-way line of the Railroad; thence a southwesterly direction with the railroad right-of-way 1,880 feet to the point of beginning.

Parcel VI (William Morris Elliott, Jr., Tract)

Being a portion of the real property conveyed to South-East Coal Company by William Morris Elliott, Jr., et al. by deed dated June 16, 1969, and recorded in Deed Book 124, page 228, Estill County Records (all the real property conveyed by said deed being hereinafter the "William Elliott, Jr., Tract"), said portion being further described as follows:

Beginning at a point in the West right-of-way line of Ky. 1240, said point being also a corner to the William Elliott, Jr., Tract and to the Edgar Puckett Tract as defined in Parcel I above, thence in a northwesterly direction with the said right-of-way line 840 feet to a point; thence leaving the said right-of-way S50°50'W 1,270 feet to a point; thence S36°20'E 1,235 feet to a point; said point being also in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence N34°E 1,470 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for refuse slurry pipeline purposes, in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a refuse slurry pipeline (presently 12" I. O.) across the said William Elliott, Jr. Tract, said pipeline entering said William Elliott, Jr. Tract at a point 250 feet South of Mile Post 230 and in the East right-of-way line of the L&N railroad; thence in an easterly direction 2,100 feet to Parcel VIII hereinafter described.

Parcel VII (Calmes Tract)

Being that real property conveyed to South-East Coal Company by John R. Calmes, Sr., by deed dated February 17, 1978, and recorded in Deed Book 151, page 172, Estill County Records (all the real property conveyed by said deed being hereinafter the "Calmes Tract"), said real property being further described as follows:

Beginning at a point in the East right-of-way of the L&N Railroad, said point being 1,049 feet South of Mile Post 230 and 75 feet from the center line of the main track, said point also being in the centerline of a small drain and near the upper end of a concrete box culvert underneath the railroad tracks; thence in a northeasterly direction up the drain 1,270 feet to a point in the

West right-of-way line of a county road known as Stump Road, said point also being near the lower end of a culvert which carries the drain underneath the County Road; thence in a southerly direction with the said County Road right-of-way line 70 feet to a point which is 725 feet above mean sea level; thence following a contour line 725 feet above mean sea level in generally a southwesterly direction 6,150 feet to a point where it meets a road or driveway which leads from the Stump Road to the Calmes house; thence down the hill in a westerly direction 538 feet to a point in the East right-of-way line of the L&N Railroad, said point also being 4.087 feet South of Mile Post 210 and 50 feet East of the centerline of the main track; thence in a northerly direction with the said East right-of-way line of the L&N Railroad to the point of beginning, containing 55 acres more or less.

Parcel VIII (Edgar Puckett Tract)

Being a portion of the Edgar Puckett Tract as defined in Parcel I above, said portion being further described as follows:

TRACT NO. 1: -- Known as the J. H. Witt farm, adjoining the land of Dave Powell and James F. Harris and bounded and described as follows-to-wit: -- Beginning at the division line between John and Joseph Brandenburg on the Kentucky River; thence N 60 E 4 poles to a small black walnut N 85 E 13 poles N 62 E 11 poles to a willow N 47 E 19 poles to a sycamore N 8 E 6 poles to a stake; N 43 W 22 1/2 poles to a stake on the fence; thence N 10 1/2 E 166 poles to a stone; thence E 29 poles to two white oaks; thence S 23 E 34 poles to a sycamore on a branch; thence down the same as it meanders 120 poles to the Kentucky River; thence down the same as it meanders N 34 W 53 poles to the beginning.

There is excepted out of this boundary a certain tract or parcel thereof formerly sold by first parties to Dave Powell and same is described as follows, being that portion of the above described tract lying North and West of a certain line agreed on by the said E. B. Powell and David Powell, said line is described as follows: to-wit: Beginning at a sycamore on the ditch or old line between the two pieces of meadowland owned by E. B. Powell and David Powell; thence east with the old line to the fence at the foot of the hill; thence east or northeast a straight line to the cliff to small white oak; thence same course to two small white oaks at the top of the ridge; thence to a small black jack at or near the northeast corner of Dave Powell's apple orchard.

There is further EXCEPTED and not hereby conveyed a tract of 2.07 acres formerly conveyed by R. W. Masters to L&N Railroad Company by deed of record in Deed Book 31, page 571, Estill County Court Clerk's Office.

TRACT NO. 2: -- Beginning at the road in Robt. Masters line; thence with the road to a stone near the branch; thence a straight line to a mulberry in Robt. Masters line; thence with said Masters line to the beginning.

EXCEPTING FROM TRACTS NO. 1 AND 2 the following described real property:

Exception 1: Beginning at a point in the Railroad's East right-of-way line, said point being located 2,280 feet South of Mile Post 220, and also being in the line between the Edgar Puckett Tract and Tract 2 of the William Elliott, Jr. Tract;

thence following the L&N Right-of-way line in a southerly direction approximately 800 feet to a point in the line between the Puckett Tract and Calmes Tract; thence leaving the L&N right-of-way and following the line between the Puckett Tract and the Calmes Tract in a northeasterly direction 426 feet to a point which is 300 feet East of the centerline of the Callie Airport runway, if extended; thence in a north westerly direction 300 feet from and parallel to the Center line of said runway 1,190 feet to a point in the line between the Edgar Puckett Tract and the William Elliott, Jr., Tract; thence with the said line between the Edgar Puckett Tract and the William Elliott, Jr., Tract a southwesterly direction 640 feet to the point of beginning.

Exception 2: Beginning at a point in the L&N Railroad's West right-of-way line, said point being located 2,280 feet South of Mile Post 220, and also being in the line between the Edgar Puckett Tract and the Morris Elliott Tract; thence leaving the L&N right-of-way and following the line between the Edgar Puckett Tract and the Morris Elliott Tract a westerly direction 370 feet to a point which is 300 feet West of the West line of a railroad Car shop building; thence in a southerly direction 300 feet from and parallel to the West line of said railroad car shop building, if extended, 400 feet to a point which is 300 feet South of the South line of said railroad car shop building if extended; thence in an easterly direction 300 feet from and parallel to the south line of said railroad car shop building 340 feet to a point in the west right-of-way line of the L&N Railroad; thence following the said West right-of-way line in a northerly direction 355 feet to the point of beginning.

Parcel IX (Williams Tract)

Being a portion of the real property conveyed to South-East Coal Company by C.T. Williams and Geneva Williams, his wife, by deed dated September 21, 1974, and recorded in Deed Book 140, page 704, Estill County Records (all the real property conveyed by said deed being hereinafter the "Williams Tract"), said portion being further described as follows:

Beginning at a point in the East right-of-way line of Ky. 1840, said point being also the Southeast Corner of the real property conveyed to South-East Coal Company by Russell Powell, a single person, by deed dated June 19, 1975, and recorded in Deed Book 143, page 218, Estill County Records (said real property hereinafter the "Powell II Tract") thence N 15° 43' E 551 feet to a point, corner to the Powell II Tract and to certain real property conveyed to South-East Coal Company by Joe Berryman and Retta Berryman, his wife, by deed dated May 17, 1975, and recorded in Deed Book 143, page 16, Estill County Records (said real property hereinafter the "Berryman Tract"), thence with the line of the Berryman Tract S 81° 05' E 315 feet to a point, the southeast corner of the Berryman Tract;

thence continuing with the line of the Berryman Tract N 15° 20' E 900 feet to a point; thence leaving the line of the Berryman Tract S 77° 10' E 825 feet to a point; thence S 15° 20' W 460 feet to a point; thence S 27° 30' W 1,175 feet to a point; thence West 605 feet to a point in the East right-of-way line of Ky. 1840; thence with said right-of-way line a northerly direction 470 feet to the point of beginning.

Parcel X (Powell II Tract)

Being a portion of the Powell II Tract as defined in Parcel IX above, said portion being further described as follows:

Beginning at a point in the North right-of-way line of Ky. 1840, and in the West right-of-way line of a former County road (Witt Ridge Road), said point being also the southeast corner of the Powell II Tract; thence with the right-of-way line of former County road N 15° 43' E 553 feet to a point; thence N 8° 15' E 620 feet to a point; thence West 730 feet to a point on top of the hill; thence S 45° W 130 feet to a point in the saddle, said point being also a corner to the Powell I Tracts; thence S 10° 50' W 100 feet; thence S 42° 23' E 177 feet; thence S 22° 20' E 711 feet; thence S 13° 52' E 45 feet to a point in the North right-of-way line of Ky. 1840; thence with said right-of-way line 215 feet to the point of beginning.

TOGETHER WITH a non-exclusive easement thirty feet in width for process water pipeline purposes; in, over and upon the following described real property:

A strip of land 30 feet in width, being 15 feet each side of the centerline of a Process water pipeline (presently 26" O. D.) across the Powell II Tract as defined in Parcel IX above, said pipeline entering the Powell II Tract at a point 4,088 feet North of Mile Post 230 and in the East right-of-way of the L&N Railroad; thence in a southeasterly direction 500 feet to real property described above as part of Parcel X.

Parcel XI (Berryman Tract)

Being a portion of the Berryman Tract as described in Parcel IX above, said portion being further described as follows:

Beginning at a point in the West line of a former County road (Witt Ridge Road), said point being also a corner in the Powell II Tract, said point being also N 15° 43' E 553 feet from the North right-of-way line of Ky. 1840 and the Southeast corner of the said Powell II Tract; thence S 21° 05' E 315 feet to a point, the southeast corner of the Berryman Tract; thence with the Berryman Tract East line N 15° 20' E 900 feet to a point; thence N 79° 40' W 440 feet to a point in Berryman Tract West line;

thence with the West line of the Berryman Tract S 8° 20' W 930 feet to the point of beginning.

CALMES TRACT NO. 2

Beginning at a point on the easterly Right-of-way Limit of the L. & N. Railroad approximately opposite center line Valuation Station 6312÷42 on said railroad; thence with the right-of-way Limit of the L. & N. Railroad in a general southerly direction for a distance of approximately 1732.7 ft.; thence departing from the L. & N. Right-of-way, N 85°21' E 234.0 ft., N 55°01' E 95.5 ft., S 64°08' E 706.7 ft., N 64°58' E 130.0 ft., N 63°02' E 105.2 ft., N 55°52' E 104.9 ft., N 54°02' E 431.7 ft., N 39°01' W 395.0 ft., N 36°19' W 44.7 ft., N 33°36' W 171.5 ft., N 33°27' E 488.1 ft., N 38°05' W 42.7 ft., to a point common with the Powell Tract; thence along a common line with the Powell Tract S 63°57' W 444.7 ft., N 50°22' W 514.3 ft. to the beginning.

TRACT N

Tract I: The following described tract of land on the waters of White Oak Creek in Estill County, Kentucky, and bounded as follows to wit: Beginning at an iron wood, thence W 86 poles to a stake, thence N 9 3/4 poles, E 44 poles to a white oak on the ridge, N 85 1/4 W 84 poles to the edge of the Irvine and Winchester road; the black oak sapling pointer; thence with the road S 17 E 7 poles, S 3 1/2 E 34 poles, thence leaving the road N 46 W 12 4/5 poles to the beginning containing twenty-three (23) acres more or less.

Tract II: The following described tract or parcel of land in Estill County, Kentucky, and bounded as follows, to wit: On the waters of the Kentucky River and beginning at a white oak, thence S 50 E 20 poles to white oak N 60 W 20 poles to a white oak, thence S 82 1/4 W 21 poles to a white oak; thence N 32 W 20 poles to a Red Oak, thence S 41 1/2 W 24 poles to a chestnut oak, thence S 33 W 20 poles to a white oak, a corner for Sam'l Walters, thence with the Walters line S 5 E 20 poles to Wilson's corner, thence S 2 W 70 poles to a stake in Shepherds line, thence with Shepherd's line N 85 E 65 poles to a stake, thence N 10 E 20 poles to a white oak corner to Patsey Everman, thence N 5 W 78 poles to the beginning containing 50 acres more or less.

Tract III: A certain parcel of land in Estill County, Kentucky, on White Oak Creek, and beginning at a red bud and stone on the south side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett line, thence Southwest 5 feet to the New Winchester road, thence northeast 945 feet with New Winchester road to the mouth of a culvert, and stone, under the New Winchester Road; thence due north 145 feet to the beginning.

Tract IV: A certain tract or boundary of land lying and being in Estill county, Kentucky, and bounded and described as follows to wit: Beginning at a Black Oak on the side of the public road that leads from Irvine to Winchester, corner for Henry Salyers new Puckett, and Robert Witt (now Friend and Miller), thence running with the public road a North course seventy-eight steps to a Black Oak stump and stone, on the side of the road, thence up the hill a Westerly course, to the top of the hill to the Wilson Road, thence with the said Wilson road to the line between Friend and Miller and the Elizabeth Wallace tract at a Pine on the South side of the Wilson Road near a Black Oak, thence with the line between Wallace and Friend and Miller a South East course with the fence, to a White Oak in or near the Wallace and Miller and Friend line and near the fence, thence a South course with the fence, to the line between Friend and Miller and Puckett at a White Oak Stump on top of the ridge corner for Friend and Miller, and Wallace and Puckett and in Puckett line, thence with the Friend and Miller and Puckett line an East course to the beginning.

Tract V: On White Oak Creek, and beginning at a Red bud and stone on the South side of the old Winchester road; thence northwest with the old Winchester road 945 feet to Dudley Puckett's line; thence Southwest 5 feet to the New Winchester road; thence Southeast 945 feet with New Winchester road to the mouth of a culvert and stone; under the New Winchester road; thence northwest 145 feet to the beginning.

Tract VI: On the waters of White Oak Creek in said County, and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage of Floyd Puckett and Leoda Puckett, his wife, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs, thence with the line of Mitchell Combs a western direction two hundred seventy-five feet to the garden of Floyd Puckett and Leoda Puckett, his wife, thence in a southern direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract VII: Beginning at a marked forked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction to a marked white oak; thence a straight line to a planted stone in the line of Dudley Puckett; thence with his line to the beginning, containing approximately ten acres.

Less and excepting the following described lands, to wit:

Tract No. 1: Being all of Tract No. 6, and located on the waters of White Oak Creek in said county and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5 W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44 E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2 E 515 feet to the beginning, and containing 4 1/2 acres more or less.

Tract No. 4: Beginning at a stone corner to Virgil Alcorn and Dud Puckett line; thence running 225 feet a southwest course to C.T. Williams line to a stone; thence 50 feet N to a black oak tree corner at Dud Puckett and Virgil Alcorn; thence down the hill 293 feet to a stone corner of Dud Puckett and Virgil Alcorn; thence 75 feet to the beginning, a stone, containing about one-tenth part of an acre.

Being the same lands conveyed to Winfred Puckett and Reva Puckett, his wife, by deed from Dudley Puckett and Julia Puckett, his wife, dated the 30th day of April, 1966, and of record in Deed Book 115, page 30, Estill County Court Clerk's Office.

Near North Irvine and on the old County Road, and more particularly described as follows; Beginning at a planted stone on the old county road which led to Winchester; thence N 1 W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79 W 117.1 feet, to a stake; thence N 54° 30' W, 82.8 feet, to a stake N 37 W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31 E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47 E 492.8 feet, to a stake and a 24 inch elm; thence N 77 E 7719 feet, to a stake; thence N 81 E 105.4 feet, to a stake; thence N 79 E 84.1 feet, to the beginning, and containing 16.44 acres.

Being the same lands conveyed to Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated the 1st day of October, 1962, and of record in Deed Book 109, page 260, in the Estill County Court Clerk's Office.

Tract No. 1: Beginning on the West side of the Irvine and Winchester State Highway (#89) at a stone near a telephone pole and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence with said highway N 5 W approximately 105 feet to a post corner; thence a straight line N 84 1/2 W approximately 300 feet to a stone and Kentucky Highway #1840; thence a Southwesterly direction approximately 200 feet with said Kentucky Highway #1840 to a marked white oak and corner to the property of Winfred Puckett and Reva Puckett, his wife; thence a straight line an Easterly direction approximately 520 feet with the property line of Winfred Puckett and Reva Puckett, his wife, to said Highway #89 and the beginning, and containing one and one-half (1 1/2) acres, more or less.

Tract No. 2: Being a part of Tract No. 3 and beginning on the West side of the Irvine and Winchester State Highway (#89) at a post corner; thence a Northerly direction approximately 200 feet with said Highway #89 to a post and Kentucky Highway #1840; thence a Westerly direction approximately 90 feet with said Highway #1840

to a post; thence a Southeasterly direction approximately 275 feet to a post; thence an Easterly direction approximately 35 feet to said Highway #89 and the beginning and containing one-half (1/2) acre, more or less.

Tract No. 3: Being a part of Tract No. 7, and beginning on the South side of Kentucky Highway #1840 at a post corner; thence a Westerly direction approximately 300 feet with said Highway #1840 to a stone; thence a straight line an Easterly direction approximately 265 feet to a post; thence a Northwesterly direction approximately 275 feet to said Highway #1840 and the beginning and containing one and one-half (1 1/2) acres, more or less.

Being the same lands conveyed to James D. Puckett and Velda Puckett, his wife, from Dudley Puckett and Julia Puckett, his wife, by deed dated the 17th day of June, 1966, and of record in Deed Book 115, page 161, Estill County Court Clerk's Office.

Parcel No. 4: All that part of said tract or tracts of land which lie within a distance of 70 feet on each side of the centerline of said proposed public road between the south east property line at approximate station 8/87.

Also the following parcel of land lying immediately adjacent to the above described parcel, on the side, to the width, and between the stations shown below.

Parcel	From	To	Width	Side
(a)	8/13	13/87	10'	Rt.

Parcel (a) is for the purpose of permanent right of way.

Being the same land conveyed to Dudley Puckett and Julia Puckett, his wife, to Commonwealth of Kentucky, Department of Highways, by deed dated the 27th day of October, 1959, and of record in Deed Book 105, page 135, Estill County Court Clerk's Office.

Parcel No. 1: Beginning at a point in the east property line, said point being in the west right of way line of Kentucky Highway No. 89, 50 feet left or south of approximate station 0/45 of the Revision C centerline; thence westerly and concentric with the centerline of the Revision C to a point 50 feet left or south of Station 4/00; thence westerly to a point 30 feet left or south of station 4/50; thence southwesterly and parallel with the centerline of the proposed public road to a point 30 feet or south of station 5/50; thence southwesterly to a point 60 feet left or south of station 7/00; thence southwesterly to a point in the north right of way line of the Stump Road 60 feet left or southeast of

approximate station 7/87; thence westerly with the north right of way line of the Stump Road to a point in the west property line 60 feet right or north of approximate station 9/75; thence northerly with the west property line to a point 70 feet right or north of approximate station 9/72; thence easterly and concentric with the centerline of the proposed road to a point 70 feet right or north of station 7/00; thence easterly to a point 30 feet right or north of station 5/50; thence easterly and parallel with the centerline of the proposed road to a point 30 feet right or north of station 4/50; thence northeasterly to a point 50 feet right or north of station 4/00; thence easterly and concentric with the centerline of the proposed road to a point in the east property line, said point being the northwest right of way line of Kentucky 89, 50 feet right or north of station 0/10.9; thence southwesterly with the east property line back to the point of beginning.

It is understood between the parties hereto and made a covenant herein that Parcel No. 1 described above is conveyed in fee simple and not merely for right of way purposes.

Also a parcel of land 15 feet in width lying immediately adjacent to and on the left or south side of the above described parcel between station 2/25 and 2/75. It is the specific intention of Floyd Puckett and Leoda Puckett to convey a permanent easement to the above described property for the purpose of constructing and perpetually maintaining a ditch outlet.

It is further agreed that South East Coal Company will either not disturb the existing spring box and waterlines or replace the spring box and make the necessary water connections.

And being the same property conveyed to Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by Owen Parker Bryant and Elizabeth G. Bryant, his wife, et al. by deed dated September 3, 1981, of record in Deed Book 160, page 179, Estill County Court Clerk's Office.

And being the same property conveyed to South East Coal Company by Floyd Puckett and Leoda Puckett, his wife, a/k/a Leoda Ginter Puckett, by deed dated June 18, 1982 of record in Deed Book 162, page 104 in the Estill County Clerk's Office.

TRACT O

Certain tracts of land lying in Estill County, Kentucky, and described as follows;

Near North Irvine and on the Old County Road, and more particularly described as follows;

Beginning at a planted stone on the old county road which led to Winchester; thence N 1° W 428.4 feet, to a stake; thence N 5° 30' W 283.2 feet, to a stake; thence N 89° 1' W 280.8 feet, to a stake referenced by an 18 inch white oak; N 79° W 117.1 feet, to a stake; thence N 54° 30' W 82.8 feet, to a stake, N 37° W 371 feet, to a stake; thence N 21° 30' W 173 feet, to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake referenced by a 36 inch hickory; thence S 31° E 157 feet, to a stake; thence S 28° 30' E 229.6 feet, to a stake; thence S 14° 30' E 151.1 feet, to a stake and a three inch hickory; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet, to a stake and a 24 inch elm; thence N 77° E 77.9 feet, to a stake; thence N 81° E 105.4 feet, to a stake; thence N 79° E 84.1 feet, to the beginning, and containing 16.44 acres.

The foregoing land by actual survey is described as follows:

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester, thence N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 82.8 feet to a stake; thence N 37° W 371 feet to a stake; thence N 21° 30' W 173 feet to a stake; thence S 45° W 179.7 feet to a stake; thence S 44° 30' W 260 feet to a stake, referenced by a 36 inch hickory tree; thence S 31° E 157 feet to a stake; thence S 28° 30' E 229.6 feet to a stake; thence S 14° 30' E 151.1 feet to a stake and 3 inch hickory tree; thence S 9° 30' E 132 feet to a stake; thence S 75° 30' E 201 feet to a stake; thence S 47° E 492.8 feet to a stake and 24 inch elm tree; thence N 77° E 77.9 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 16.44 acres.

The parcel of land described in the foregoing survey and designated South East Coal Co., 9.08 acres on the plat is the part conveyed by this deed to South East Coal Company.

There is excepted from this Deed and not conveyed herein a parcel of land described in the foregoing survey and designated Winfred Puckett, 7.34 acres, on the plat, which is retained by Winfred Puckett and Reva Puckett, his wife, and described as follows;

Beginning at a stone in the West right-of-way of the old County Road leading from Irvine to Winchester and also being the Northeast corner of a tract of land owned by Eldon and Hope Hughes, thence with said road right-of-way N 1° W 428.4 feet to a stake; thence N 5° 30' W 283.2 feet to a stake; thence leaving said road right-of-way N 89° W 280.8 feet to a stake, referenced by a twin 18 inch white oak tree; thence N 79° W 117.1 feet to a stake; thence N 54° 30' W 38 feet to a stake; thence S 18° 45' W 117.81 feet to a stake; thence S 6° 58' 19" E 323.25 feet to a stake; thence S 25° 16' 26" E 160.35 feet to a stake; thence S 32° 56' E 279.41 feet to a stake in the North line of Eldon and Hope Hughes tract; thence with said tract N 77° E 38.5 feet to a stake; thence N 81° E 105.4 feet to a stake; thence N 79° E 84.1 feet to the beginning, containing 7.34 acres.

Being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated October 1, 1962 and recorded in Deed book 109, at page 260, records of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in _____ Book _____ at page _____ in the Estill County Court Clerk's Office.

Tract No. 1: Being all of Tract No. 6 and located on the waters of White Oak Creek in said County and on the Irvine and Winchester Road, and beginning at a post on said road about 20 feet of a small garage, thence with the road a northern direction one hundred twenty-two feet to the corner adjoining Mitchell Combs (now owned by Dudley Puckett), thence with the line of Dudley Puckett a western direction two hundred seventy-five feet to a stone, thence in a southerly direction seventy-five feet to a locust post, thence a straight line to the road, the beginning.

Tract No. 2: Being part of Tract No. 7, and beginning at a marked white oak in the line of Dudley Puckett; thence a straight line a northeastern direction approximately 200 feet to a stone and Kentucky Highway #1840; thence with said highway a southwesterly direction approximately 200 feet to a post; thence a straight line a southeasterly direction approximately 62 feet to said marked white oak and the beginning.

Tract No. 3: Beginning at a post (now stone) on the West side of the Irvine and Winchester State Highway (#89) and corner to Byron Agee (now Dudley Puckett and Julia Puckett, his wife), thence with said highway N 5° W approximately 180 feet to a stone near a telephone pole; thence a westerly direction a straight line approximately 520 feet to a stone and Kentucky Highway #1840; thence a

southwesterly direction a straight line with the line of Dudley Puckett and Julia Puckett, his wife, approximately 200 feet to a marked double white oak; thence S 44° E 332 feet to an iron stake and black oak corner to Virgil Alcorn (now Dudley Puckett and Julia Puckett, his wife), thence with Alcorn's line and Agee's line (now said Puckett's line) N 47 1/2° E 515 feet to the beginning, and containing 4 1/2 acres more or less.

The part of the foregoing land herein conveyed is described by actual survey as follows;

Beginning at an iron pin in the West right of way of Kentucky Highway #89 approximately one mile North of Irvine, Kentucky, at the Southeast corner of a tract of land owned by Effie M. Hughes and also being 375 feet South of the intersection of Kentucky Highway #89 and Kentucky Highway #1840 measuring along the center line of Kentucky Highway #89, thence leaving said road and with the South line of said Hughes tract S 75° 59' 5" W 556.57 feet to an iron pin at the South right-of-way of Kentucky Highway #1840; thence with said road right-of-way S 35° 32' 15" W 43.01 feet to an iron pin at the North right-of-way of Old Stump Road (now abandoned); thence with said road right-of-way S 72° 28' 28" E 99.62 feet to an iron pin; thence S 68° 11' 55" E 107.70 feet to an iron pin; thence S 36° 43' 15" E 276.91 feet to an iron pin in the North line of a tract of land owned by David Spicer; thence leaving said right-of-way and with the North line of said Spicer's lot, and also with the North line of a tract of land owned by a Jehovah Witness Church North 56° 45' 46" E 315.50 feet to an iron pin in the West right-of-way of Kentucky Highway #89; thence with said road right-of-way N 18° 39' 20" W 124.02 feet to an iron pin; thence N 11° 2' 33" W 66.41 feet to an iron pin; thence N 3° 48' 39" W 106.39 feet to the point of beginning, containing 3.33 acres.

Being all of Tract No. 1 and part of Tract No. 2 and part of Tract No. 3 and being a part of the same land conveyed by Dudley Puckett and Julia Puckett, his wife, to Winfred Puckett and Reva Puckett, his wife, by deed dated April 30, 1966, and recorded in Deed Book 115, page 30, of the Estill County Court Clerk's Office. Actual survey and plat of the above described land is recorded in _____ Book _____, at page _____, of record in the Estill County Clerk's Office.

There is excepted therefrom that certain Deed For Highway Purposes dated October 27, 1959, of record in Deed Book 105, page 135 in the Office of the Estill County Court Clerk.

There is except from the above described property situated in Estill County, Kentucky, that property conveyed to South East Coal Company in Deed Book 183, Page 612, dated March 31, 1989 and that property conveyed to Maxie LaViers in Deed Book 159, Page 178, dated August 26, 1980, all of record in the Office of the Estill County Court Clerk.

There is excepted from the above described property all of the property previously conveyed by DLX, INC. pursuant to the Deeds set forth below:

1. Deed to the Estill County Industrial Development Authority, Inc. dated September 30, 1993, of record in Deed Book 204, Page 700, in the Office of the Estill County Clerk;
2. Deed to Estill County, Kentucky, dated October 19, 1993, of record in Deed Book 205, Page 301, in the Office of the Estill County Clerk;
3. Deed to Estill County, Kentucky, dated February 7, 1994, of record in Deed Book 206, Page 257, in the Office of the Estill County Clerk;
4. Deed to Earl and Kelcie Harris, dated June 28, 1994, of record in Deed Book 208, Page 377, in the Office of the Estill County Clerk; and
5. Deed to Harry LaViers, Jr., Trustee, dated September 15, 1993, of record in Deed Book 204, Page 615, in the Office of the Estill County Clerk.

There is reserved to DLX, INC., Grantor herein, and not conveyed hereby, the following tract of property:

WATERTANK PROPERTY

The following property is to be reserved for DLX. A portion of Block 3 in the future development of Calla Subdivision and described as follows:

Beginning at an iron pin the second corner of a parcel owned by Jack Jenkins more particularly described in a deed found in Deed Book 153 Page 276 of the Estill County Court Clerk's Office, thence with lines of said parcel N 86 26 E, 127.88' to an iron pin, thence N 35 04 E, 71.29' to an iron pin, thence N 70 33 E, 133.39' to an iron pin, thence N 66 53 E, 88.49' to an iron pin in the property line of Irvine Municipal Utilities, thence with said property line S 49 54 E 81.9' to a stake, thence S 40 54 W, 30.8' to a stake which lies N 26 09 E, 50.0' from the water tank thence following an arc around and 50' from the water tank to a stake bearing N 52 43 E 50' from the water tank thence continuing with the line of the Irvine Municipal Utilities; N 39 58 E 50.0' to the outer line of Block 3; thence leaving the Utilities property and with the outer line of Block 3; S 49 39 E, 108.7' to a stake, thence S 26 01 E, 234.9' to a stake, thence S 39 13 W, 711.4' to a stake at the right of way of Stump Road; thence with said right of way N 59 19 W 185.9' to a stake, thence N 64 58 W 40.0' to a stake, thence N 67 16 W 76.9' to a stake, thence N 69 16 W 123.4' to a stake, thence N 53 06 W 146.5' to a stake, thence N 41 21 W 107.4' to a stake, thence N 17 37 W 104.5' to a stake at an elevation of 750' above sea level thence following the 750' elevation around the hill to a point in the first line of the Jenkins parcel; thence S 16 59 E 35.2' to the beginning, and being 12.5 acres more or less.

Being a portion of the same property conveyed to DLX, INC., a Kentucky corporation, from South East Coal Company, a Kentucky corporation, by Deed dated March 14, 1993, of record in Deed Book 202, Page 426, in the Office of the Estill County Clerk.

Together with all rights, title and interest conveyed to DLX, INC., by that certain Right-of-Way Deed dated October 13, 1993 from Estill County Industrial Development Authority, Inc. of record in Deed Book 205, Page 67, and as amended by that certain Deed of Correction dated November 8, 1993, of record in Deed Book 205, Page 379, all references to the Office of the Estill County Clerk.

EXHIBIT B

FARM

TRACT M

A certain tract or parcel of land lying in Estill County, Kentucky and described as follows:

Beginning at a white oak at the foot of Slaty Hill; N 81 E 775 feet to a sycamore; N 25° 30 E 1377 feet to a stone post; N 28 E 823 feet to a stone; N 71 W 254 feet to a branch; with branch to a river; N 72 W 300 feet with river; N 56.30 W 610 feet; N 19.30 W 217 feet, leaving river S38 W 2200 feet to buckeye at cliff, with cliff as it meanders to a hickory; S 39.30 W 874 feet to a stake in road; S 47.30 E 480 feet; S 20 E 100 feet to a white oak at beginning.

Being the same land conveyed to R.A. Selby and Pearl Selby, his wife, to Thomas Crouch by deed dated June 22, 1922, and of record in the Estill County Court Clerk's Office in Deed Book 51, page 479.

Being the same property devised by Tom Crouch, deceased, (a/k/a Thomas Crouch and Thomas D. Crouch) to his son, James T. Crouch (a/k/a Thomas Crouch), Dorotha Crouch, his wife, and Anna Crouch, an unmarried widow, by will dated February 26, 1959, and of record in the Estill County Court Clerk's Office in Will Book G, Page 81; James T. Crouch, grantor herein, is one and the same as "Thomas Crouch" referred to in the will of Tom Crouch of record in the Estill County Court Clerk's Office in Will Book G, page 81.

There is excepted out and reserved to and for the benefit of James T. Crouch and Dorotha Crouch, his wife, only from the above described boundary, tract, of land a certain parcel of land heretofore conveyed by Thomas Crouch (a/k/a Thomas D. Crouch, and Tom Crouch in description below) to James Thomas Crouch, his son, grantor herein, (a/k/a Thomas Crouch) by deed dated April 12, 1957, of record in the Estill County Court Clerk's Office in Deed Book 101, page 352, and described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence down the ridge to a stone; thence south west with fence to a stone at highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

Said above described excepted parcel of land is more particularly described as follows:

In Estill County, Kentucky, on Sand Hill Highway No. 1457, and beginning at the corner of Highway No. 1457, between Tom Crouch and Park Cornett, thence running north east with line fence to a stone; thence south east with fence to a mulberry tree and thence west to an Iron pipe marker at Highway 1457; thence northwest with Highway to the beginning containing three acres, more or less.

There is also excepted therefrom that certain deed to Thomas Crouch, dated September 12, 1927, of record in Deed Book 85, page 346 in the Office of the Estill County Court Clerk, that certain Deed for Highway purposes, dated September 29, 1952, of record in Deed Book 95, page 469, in the Office of the Estill County Court Clerk and that certain deed to Thomas Hymer and his wife, Betty Lou Hymer, dated January 8, 1980, of record in Deed Book 156, page 20 in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East coal Company by James T. Crouch and Dorotha L. Crouch, his wife, and Anna Crouch, an unmarried widow, by deed dated December 19, 1978, of record in Deed Book 153, page 435 in the Office of the Estill County Clerk.

TRACT P

Beginning at a Stone on the ridge, corner to W. C. Crouch and F. H. Gould, thence with the ridge 89 1/2 W 51 poles to the top of the paint banks, to a stone. Thence S 2 poles to a pine corner. Thence N88 W 17 poles Thence N75 W 22 poles to a stone in Dunaway line, an agreed corner. Thence southward with the Dunaway line to a stone and agreed corner. Thence W28 poles to a stone corner of Wm Horn to a road. Thence with the road S 16E 20 poles to a stone corner to Wm Horn. Thence S67 E29 poles to a pine. S65 E18 poles and 17 links to a chestnut corner in

Allen Wilcox's line. Thence with Wilcox's line N39 1/2 E20 poles to a Lyme; Thence with Wilcox's line northward to the Ky River, Thence down the river to F. H. Gould's line. Thence with said Gould's line to the top of the paint bank to a pine; Thence running south with the meanders of the ridge to the beginning, containing 32 acres be the same more or less.

Being the same property an undivided interest in which was conveyed by W. C. (a/k/a Clifton) Crouch and Vina Crouch, his wife, to Thomas Crouch by deed dated November 19, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 30, page 206.

The above described 32 acre tract is made up of three (3) tracts as follows:

TRACT NO. 1:

Beginning at a oak corner to William Dunaway thence S27 E to a sugar tree and lyn In Whites lines thence W 36 E 7 poles to a sugar tree corner to lutes thence west to agreed corner near a spring, thence with lutes line to a bunch of chestnut, oaks, and north 11 1/2 W 8 poles to a pine on the top of paint bank thence North the ridge to an agreed corner in Dunaway line thence with his line to the beginning suppose, be more or less six acres.

Being the same land conveyed by James Brandenburg and Bruenettie

Brandenburg, his wife, to Clifton Crouch and Thomas Crouch, his brother, by deed dated March 5, 1890, and record in the Estill County Court Clerk's Office in Deed Book 54, page 328.

TRACT NO. 2:

Beginning at a stone in the road and in also Clifton Crouch's line thence with said road S 16 E 20 poles to a stone thence S67 E 29 poles to a line thence S65 E 18 poles and 17 links to a chestnut corner in Allen Wilcox's line thence with Wilcox's line N 39 1/2 E 20 to a lynn corner between Allen Wilcox, Thomas and Clifton Crouch thence N71 W66 poles to the beginning containing six acres more or less.

Being the same land conveyed by William Horn and Milly Horn, his wife, to Clifton Crouch and Thomas Crouch, his brother, by deed dated May 28, 1904, and of record in the Estill County Court Clerk's Office in Deed Book 54, Page 326.

TRACT NO. 3:

All of that tract, parcel, and boundary of land which remains within the boundary of the above described 32 acre tract but which is not bounded within the description of TRACT NO. 1 and TRACT NO. 2 above, being 20 acres more or less.

Being the same land no deed could be found for but which land has been in the open, continuous, exclusive, adverse, and notorious possession of Thomas

Crouch and James T. Crouch, his son, grantor herein since November 19, 1904, since which date Thomas Crouch and James T. Crouch, his son, have fenced the land, farmed it, paid taxes on it, and in all ways have claimed title to it and have treated it as their own land.

There is excepted however, that property conveyed to Mrs. Myra McIntosh from Tom Crouch and Anna Crouch, his wife, by deed dated April 30, 1943, of record in Deed Book 80, Page 59, and that property conveyed to Charley Noble from Tom Crouch and Anna Crouch, his wife, by deed dated January 15, 1926, of record in Deed Book 59, page 161, all of record in the Office of the Estill County Court Clerk.

Being the same property conveyed to South East Coal Company by deed dated December 19, 1978, of record in Deed Book 153, Page 439 in the Office of the Estill County Court Clerk.

WATERTANK PROPERTY

The following property is to be reserved for DLX...A portion of Block 3 in the future development of Calla Subdivision and described as follows:

Beginning at an iron pin the second corner of a parcel owned by Jack Jenkins more particularly described in a deed found in Deed Book 153 Page 276 of the Estill County Court Clerk's Office, thence with lines of said parcel N 86 26 E, 127.88' to an iron pin, thence N 35 04 E, 71.29' to an iron pin, thence N 70 33 E, 133.39' to an iron pin, thence N 66 53 E, 88.49' to an iron pin in the property line of Irvine Municipal Utilities, thence with said property line S 49 54 E 81.9' to a stake, thence S 40 54 W, 30.8' to a stake which lies N 26 09 E, 50.0' from the water tank thence following an arc around and 50' from the water tank to a stake bearing N 52 43 E 50' from the water tank thence continuing with the line of the Irvine Municipal Utilities; N 39 58 E 50.0' to the outer line of Block 3; thence leaving the Utilities property and with the outer line of Block 3; S 49 39 E, 108.7' to a stake, thence S 26 01 E, 234.9' to a stake, thence S 39 13 W, 711.4' to a stake at the right of way of Stump Road; thence with said right of way N 59 19 W 185.9' to a stake, thence N 64 58 W 40.0' to a stake, thence N 67 16 W 76.9' to a stake, thence N 69 16 W 123.4' to a stake, thence N 53 06 W 146.5' to a stake, thence N 41 21 W 107.4' to a stake, thence N 17 37 W 104.5' to a stake at an elevation of 750' above sea level thence following the 750' elevation around the hill to a point in the first line of the Jenkins parcel; thence S 16 59 E 35.2' to the beginning, and being 12.5 acres more or less.

STATE OF KENTUCKY, ESTILL County.

I, SHERRY L FOX Clerk of the County aforesaid, do certify that the foregoing DEED OF CORRECTION from DLX INC to KENTUCKY PROCESSING CO

was, on the 4TH day of NOVEMBER 19 94 lodged at 8:04 o'clock A.M. in my office for record. Recorded DEED Book 210 Page 291

WITNESS my hand, this 4TH day of NOVEMBER 19 94.

Recording Fee \$ 12.00 SHERRY L FOX Clerk

26 ADDITIONAL PAGES 57 STATE OF KENTUCKY BY Jeanne Frederick D. C.
64.00 COUNTY OF ESTILL

I, Sherry L. Fox, Clerk of the County and State aforesaid, do hereby certify that the foregoing is a true and correct copy as appears in record in my said office in Book _____ Page _____ Witness my hand this _____ day of _____ 94

SHERRY L FOX

EXHIBIT 3

NOTE: SURVEY OF THE APPROXIMATE PERMIT BOUNDARY OF A REFUSE PILE AT HOOVER KENTUCKY ON THE OLD SOUTH-EAST COAL COMPANY PROPERTY, BEING A PART OF THE PROPERTY CONVEYED TO KENTUCKY PROCESSING IN DEED BOOK 210, PAGE 321 IN A DEED DATED OCTOBER 18, 1994, AND ALSO A PART OF THE PROPERTY CONVEYED TO SOUTH-EAST COAL IN DEED DATED MAY 31, 1957 IN DEED BOOK 101, PAGE 483 WHICH IS OF RECORD IN THE ESTLIE COUNTY CLERK'S OFFICE.

THE TRACT SHOWN HEREON IS SITUATED ON THE WATERS OF THE KENTUCKY RIVER IN ESTLIE COUNTY.

THIS TRACT OF LAND WAS SURVEYED WITHOUT A TITLE SEARCH THEREFORE USERS OF THIS PLAT SHOULD BE ALERT FOR THE EXISTENCE OF EASEMENTS, RIGHTS OF WAY, AND ANY ACTS OF POSSESSION THAT COULD ARISE AND NOT APPEAR ON THIS PLAT. ALSO THIS PLAT DOES NOT REFLECT ZONING ORDINANCES, SETBACK LINES, LAND USE REGULATIONS OR ANY OTHER FACTS THAT A TITLE SEARCH MAY DISCLOSE UNLESS SPECIFICALLY STATED OR SHOWN ON THIS MAP.

THE WORD "CERTIFY" OR "STATEMENT" AS SHOWN HEREON MEANS AN EXPRESSED PROFESSIONAL OPINION OF THIS SURVEYOR AND DOES NOT CONSTITUTE A WARRANTY OR GUARANTEE, EXPRESSED OR IMPLIED. ACCEPTANCE OF THIS PLAT HEREON AND THE MONUMENTS USED AND SET HEREON LIMIT THE LIABILITY THAT MAY ARISE FROM ANY FUTURE ACTIONS OR CAUSE TO AN AMOUNT NOT TO EXCEED THE FEE CHARGED.

THIS PLAT OF SURVEY IS VALID ONLY IF THE ORIGINAL SIGNATURE AND SEAL OF THE SURVEYOR APPEAR HEREON. DECLARATION IS MADE TO THE ORIGINAL CLIENT AND NOT TRANSMISSIBLE TO SUBSEQUENT PARTIES.

THE BEARINGS STATED HEREON ARE BASED ON THE MAGNETIC MERIDIAN TAKEN JUNE 23, 2001.

THE BEARINGS AND DISTANCES STATED HEREON ARE IN A CLOCKWISE DIRECTION.

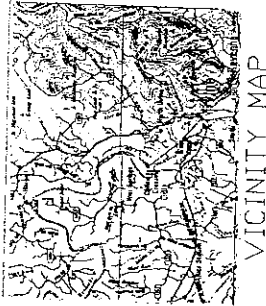
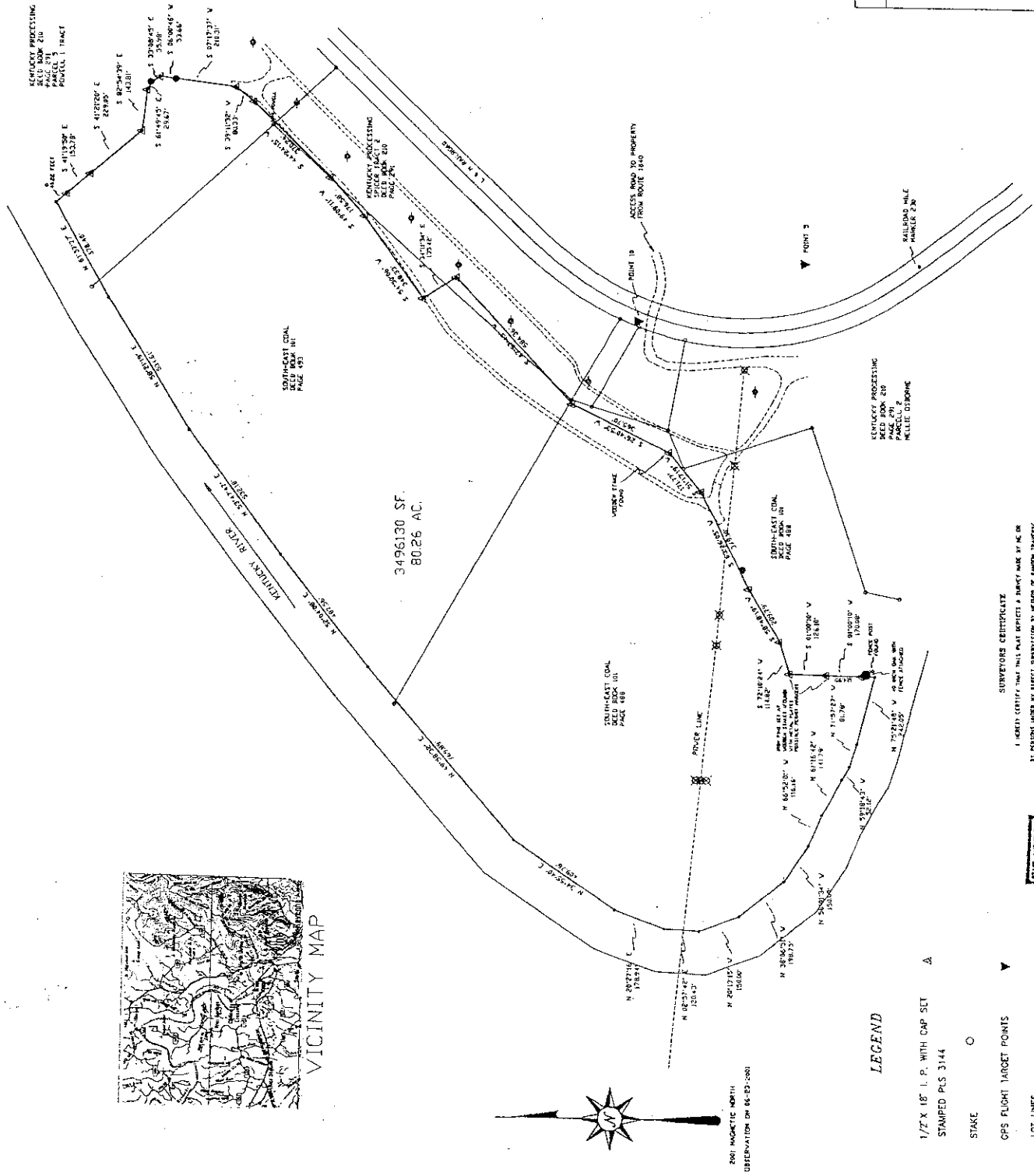
RICHARD W. HALL
LICENSED LAND SURVEYOR
P.O. BOX 508, WHITFORSUNG, KY. 41888
404-442-1644

PLAT OF SURVEY

SURVEY OF REFUSE PILE FOR DLX INC. AND

DONALD G. LAVIERS
P O BOX 447
STRAWBERRY PLAINS TN. 37871
FROM DEED BOOK 210, PAGE 291
DEED BOOK 101, PAGE 493

FILE NAME: LAVIERS	DWG. BY: PWH
SCALE: 1" = 200' FEET	DATE: 07-10-2001



SURVEYOR'S CERTIFICATE
I HEREBY CERTIFY THAT THIS PLAT REFLECTS A TRUTHY MAKE BY ME OR BY PERSONS UNDER MY DIRECT SUPERVISION BY MEANS OF RANDOM TRANSITS WITH SUBCOMETS. THE UNADJUSTED PRECISION RATIO WAS 1: 22200 AND THE SURVEY BEING HEREON IS A CLASS 3 SURVEY AND THE ACCURACY AND PRECISION OF THIS SURVEY MEET ALL THE SPECIFICATIONS OF THIS CLASS.
Richard W. Hall 3144 7-10-2001
SURVEYOR PLS. INK.



LEGEND

- 1/2" X 18" I. P. WITH CAP SET A
- STAMPED PLS 3144
- STAKE O
- GPS FLIGHT TARGET POINTS ▼
- LOT LINES —
- POWER POLES X
- LAMP POLES ◊
- LARGE MAIL ●

EXHIBIT 4

DEED OF CORRECTION

THIS DEED OF CORRECTION, made this ____ day of July, 2001, by DLX, INC., a Kentucky corporation, the mailing address of which is P.O. Box 507 Isom, Kentucky 41824 (hereinafter "DLX"), to KENTUCKY PROCESSING COMPANY, a Kentucky corporation, the mailing address of which is P.O. Box 210 Sassafras, Kentucky 41759 (hereinafter "KPC");

WITNESSETH:

WHEREAS, KPC is presently the Debtor in a Chapter 11 proceeding pending in the United States Bankruptcy Court for the Eastern District of Kentucky, Lexington Division, Case No. 98-52437 (the "Action"); and

WHEREAS, an asset of KPC's bankruptcy estate is certain real property located in Estill County, Kentucky, more particularly in deeds of record from DLX to KPC which are of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, both in the Estill County Clerk's Office (the "Deeds"); and

WHEREAS, KPC's property is going to be sold at an auction conducted within the Action; and

WHEREAS, DLX reserved and excepted and did not convey certain tracts in the Deeds, including one that is adjacent to the property that is to be sold at auction (the "Refuse Pile Tract"); and

WHEREAS, the boundary between Refuse Pile Tract and part of KPC's property that is to be auctioned was recently surveyed for the first time and the parties learned that the descriptions that were attached to the Deeds do not accurately reflect the boundary between their respective properties; and

WHEREAS, DLX also has an easement from the Refuse Pile Tract across KPC's property to Kentucky State Highway 1840; and

WHEREAS, the parties hereto are desirous of correcting the description of the Refuse Pile Tract and the easement that is appurtenant thereto and the description to three tracts that were conveyed to KPC in order to better clarify their respective interests therein, agree upon a boundary line between their respective interests and thus avoid any conflicts regarding the parties' property interests, whether now or in the future;

1. CORRECTED DESCRIPTION TO THE REFUSE PILE TRACT AND TO THE EASEMENT APPURTENANT THERETO

NOW, THEREFORE, in consideration of a valuable consideration heretofore paid, the receipt and sufficiency of which is hereby acknowledged, and in order to conform to the intention of the

parties thereto, and to correct said description, DLX has bargained and sold and does hereby grant and convey unto KPC, its heirs, successors and assigns, forever, all of the following real property and improvements thereon described in the Deeds, with the addition of the following exception and reservation in favor of DLX, Inc., which should have been included in the Deeds regarding the following real property and improvements thereon situated in the Commonwealth of Kentucky, County of Estill, near the City of Irvine, on the right descending bank of the Kentucky River, and more particularly described, and all bearings stated herein are referenced to the Magnetic Meridian taken on June 23, 2001:

BEGINNING at an iron pin with cap stamped LS #3144 set near the back of a man made bench, by the Refuse at a wooden stake (found), with Metal plate, also being the toe of the slope of the Refuse Pile in the land excepted out of a deed to Kentucky Processing Company in Deed Book 210, Page 297, having approximate 1983 State Plane Coordinates North 2633701.46 and East 1183615.66 (Zone: Alabama East);

Thence S 01 00 10 W 126.10 Feet to an iron pin with cap stamped LS #3144 on the edge of a man made bench by the Refuse near a wooden stake (found) with metal plate found on the edge of the bench;

Thence down the hill S 01 00 10 W 170.08 Feet to the edge of the Kentucky River passing over an iron pin with cap set stamped LS # 3144 at **124.95 Feet**;

Thence continuing with the edge of the Kentucky River down stream in a Northern direction **N 75 21 48 W 242.05 Feet**;

Thence N 71 57 27 W 81.78 Feet;

Thence N 59 18 43 W 52.12 Feet;

Thence N 61 16 42 W 141.79 Feet;

Thence N 66 52 01 W 116.16 Feet;

Thence N 56 01 34 W 150.09 Feet;

Thence N 38 06 51 W 198.75 Feet;

Thence N 20 13 15 W 150.00 Feet;

Thence N 02 57 42 E 120.43 Feet;

Thence N 20 27 16 E 178.94 Feet;

Thence N 34 55 40 E 409.76 Feet;

Thence N 49 58 32 E 769.89 Feet;

Thence N 52 04 08 E 487.56 Feet;

Thence N 53 47 47 E 532.18 Feet;

Thence N 58 21 19 E 534.61 Feet;

Thence N 61 37 27 E 378.46 Feet to a point on the edge of the Kentucky River a common corner to Kentucky Processing Company in Deed Book 210, Page 291;

Thence leaving the Kentucky River and continuing with line of Kentucky Processing Company line **S 41 19 50 E 153.78** to an iron pin set with cap stamped LS #3144 on a man made dike, passing over an iron pin with cap stamped LS #3144 Set at **46.22 Feet**;

Thence S 41 21 20 E 229.05 Feet to an iron pin set with cap stamped LS #3144 at the toe of the Refuse;

Thence S 82 54 39 E 143.81 Feet to an iron pin set with cap stamped LS #3144 on top of, and on the outer edge of a man made hump of Refuse, this being the Northeast side of the hump of Refuse;

Thence continuing around the outer edge of the hump of Refuse **S 61 49 45 E 29.67 Feet** to a large nail;

Thence S 33 08 45 E 35.98 Feet to an iron pin set with a cap stamped LS #3144;

Thence S 06 00 46 W 53.66 Feet to a large nail;

Thence S 07 17 37 W 210.31 Feet to an iron pin set with cap stamped LS #3144 in the edge of an old road;

Thence continuing with the edge of the road **S 39 11 32 W 80.33 Feet** to an iron pin set with cap stamped LS #3144;

Thence S 44 24 15 W 370.24 Feet to an iron pin set with cap stamped LS #3144;

Thence S 49 09 11 W 176.58 Feet to an iron pin set with cap stamped LS #3144;

Thence S 54 50 06 W 348.33 Feet to an iron pin set with cap stamped LS #3144;

Thence leaving the edge of the road **S 34 11 34 E 135.42 Feet** to an iron pin set **44.63 Feet** from lamp pole;

Thence S 47 57 43 W 584.36 Feet to an iron pin set with cap stamped LS #3144 in the land excepted out to South-East Coal Company in a deed to DLX, Inc., in Deed Book 202, Page 426;

Thence with South-East Coal Company's line **S 26 40 53 W 365.70** to an iron pin set with cap stamped LS #3144, at a wooden stake (found);

Thence S 51 13 19 W 171.77 to an iron pin set with cap stamped LS #3144 near the toe of a small bank near the edge of the road;

Thence S 63 26 05 W 379.10 to an iron pin set with cap stamped LS #3144 at the toe of the Refuse Pile on the West side of the ditchline;

Thence running with the toe of the Refuse Pile on the West side of the ditchline **S 58 48 19 W 209.79 Feet**;

Thence continuing with the toe **S 72 10 24 W 114.82 Feet** to the **BEGINNING, containing 80.26 acres** according to a survey by Richard Hall, LS #3144 on 06-28-2001 (hereinafter the "Refuse Pile Tract");

Together with an easement or right of way for ingress and egress across Kentucky Processing Company's property, including that which is described in Deed Book 209, Page 143, and in Deed Book 210, Page 291, in the Estill County Clerk's Office, which connects the foregoing property with the right of way to the Industrial Park and to Kentucky Highway 1840 as shown on the map attached hereto and marked as Exhibit A; and

BEING A PART of the same property conveyed to South-East Coal Company by several deeds, including those of record in Deed Book 101, Page 488, and in Deed Book 101, Page 493, and is a part of the same property conveyed by South-East Coal Company to DLX, Inc., by deed of record in Deed Book 202, Page 426, and which should have been listed as an exception and/or reservation in favor of DLX, Inc., in the two deeds from DLX, Inc., to Kentucky Processing Company of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all in the Estill County Clerk's Office.

TO HAVE AND TO HOLD the above-described property, together with all rights, privileges, appurtenances and improvements thereunto belonging, unto DLX, its heirs, successors and assigns, forever.

AND KPC does hereby release and relinquish unto DLX, its heirs, successors and assigns, all of KPC's right, title and interest in and to the above-described property, including all exemptions allowed by law.

PROVIDED, HOWEVER, that the foregoing covenants and this conveyance are made subject to any easements, conditions and restrictions of record in the aforesaid Clerk's Office affecting the subject property.

2. CORRECTED DESCRIPTION TO THREE TRACTS EAST OF AND DIRECTLY ADJACENT TO THE REFUSE PILE TRACT

NOW, THEREFORE, in consideration of a valuable consideration heretofore paid, the receipt and sufficiency of which is hereby acknowledged, and in order to conform to the intention of the parties thereto, and to correct said description, DLX does hereby quitclaim unto KPC, its heirs, successors and assigns, forever, all of the following real property and improvements thereon located adjacent to the North and to the East of the eastern boundary line of the Refuse Pile Tract within the following three parcels described in Exhibit B, Schedule 1, of the deeds of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, in the Estill County Clerk's Office:

- a. Parcel II (Nellie Osborne Tract);
- b. Parcel III, Tract No. 2 (Spicer Tracts); and
- c. Parcel V (Powell I Tract); and, in addition,

Excepting and reserving unto DLX, Inc., the Refuse Pile Tract and the easement appurtenant thereto and all other rights and interests that were reserved and excepted to DLX, Inc., in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all of which are of record in the Estill County Clerk's Office; and

BEING A PART of the same property conveyed to South-East Coal Company by several deeds, including those of record in Deed Book 101, Page 488, and in Deed Book 101, Page 493, and is a part of the same property conveyed by South-East Coal Company to DLX, Inc., by deed of record in Deed Book 202, Page 426, and which should have been listed as a modification to the descriptions to these three tracts in two deeds from DLX, Inc., to Kentucky Processing Company of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all in the Estill County Clerk's Office.

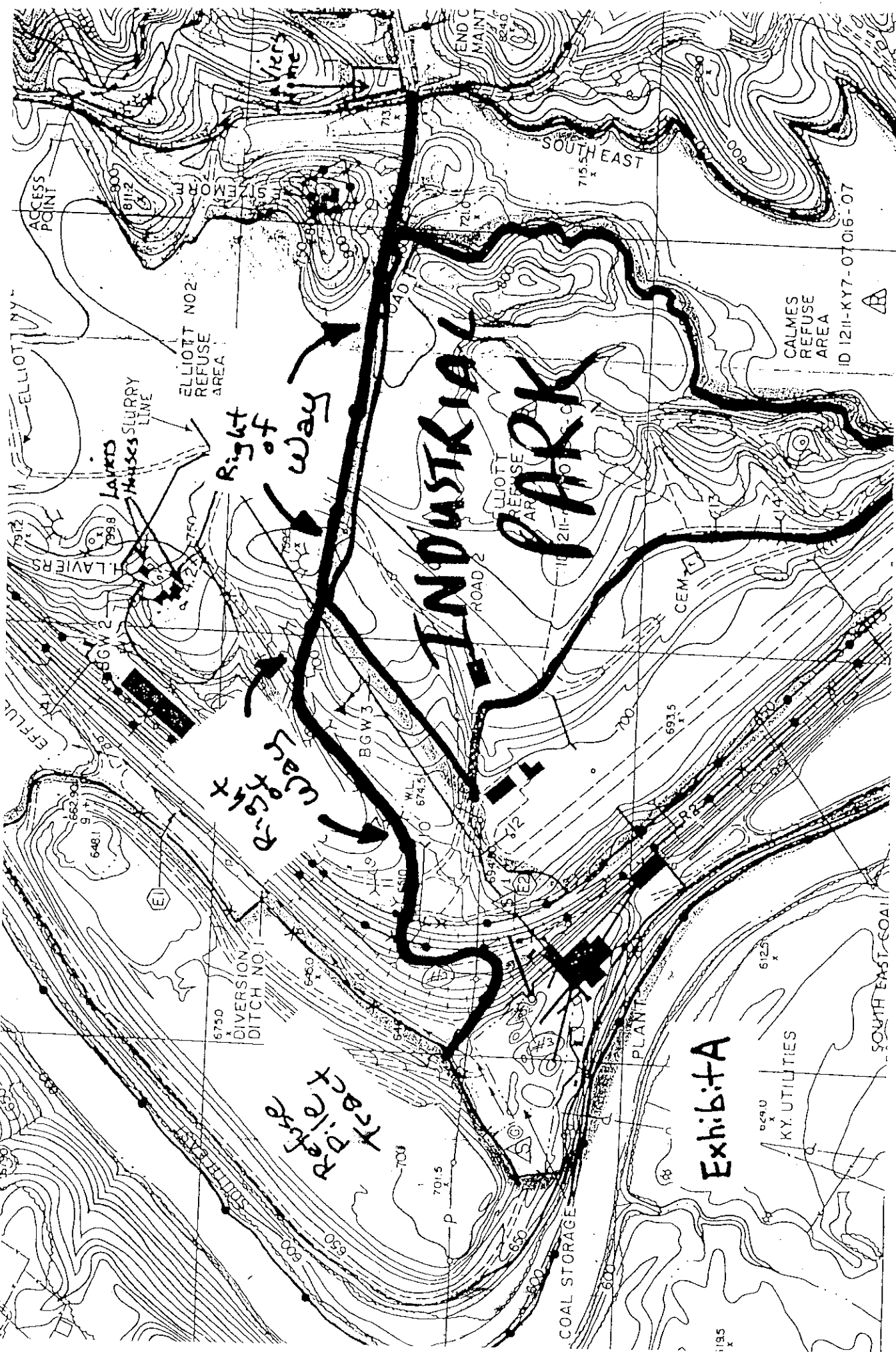
TO HAVE AND TO HOLD the above-described property, together with all rights, privileges, appurtenances and improvements thereunto belonging, unto KPC, its heirs, successors and assigns, forever.

AND DLX does hereby release and relinquish unto KPC, its heirs, successors and assigns, all of DLX's right, title and interest in and to the above-described property, including all exemptions allowed by law.

PROVIDED, HOWEVER, that the foregoing covenants and this conveyance are made subject to all ad valorem taxes and encumbrances attributable to the aforesaid property and to any

KINKEAD & STILZ, PLLC
3120 Wall Street, Suite 350
Lexington, Kentucky 40513
(859) 296-2300
RETURN TO PREPARER

J:_Wf\DLX\DLXDeedCorrection4.wpd



INDUSTRIAL PARK

Right of Way

Classy Creek

TSPCC Ditch

Exhibit A

CALMES REFUSE AREA

ELLIOTT NO. 2 REFUSE AREA

Lavers Slurry Line

ROAD 2

CEM.

COAL STORAGE

PLANT

KY UTILITIES

ID 1211-KY7-07016-07

SOUTH EAST

SOUTH EAST

SOUTH EAST

SOUTH EAST

EXHIBIT 5

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION

IN THE MATTER OF:

CHAPTER 11

KENTUCKY PROCESSING COMPANY,)
fdba FOX MINING CORPORATION,)
FOX PROCESSING CORPORATION,)
FOX TRUCKING CORPORATION,)
FOX LEASING CORPORATION,)
G & Y COAL CO., INC.,)
ADENA FUELS, INC.,)
ADENA PROCESSING, INC.,)
CLEMONS COAL COMPANY, and)
KENTUCKY MINERAL PROCESSING, INC.,)
DEBTOR.)

CASE NO. 98-52437

DLX, INC.,)
PLAINTIFF,)
v.)
KENTUCKY PROCESSING COMPANY,)
DEFENDANT.)

ADVERSARY PROCEEDING

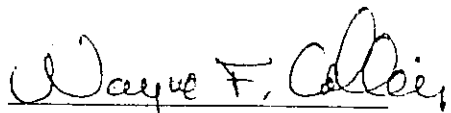
NO. 01-5199

NOTICE OF LIS PENDENS

* * * * *

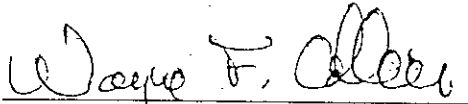
Comes the Plaintiff, DLX, Inc., by counsel, and hereby gives notice that it has filed the captioned action against a part of the property that was conveyed in two deeds of record in the Estill County Clerk's Office, one deed being dated August 4, 1994, from DLX, Inc., to Kentucky Processing Company, a Kentucky corporation, which is of record in Deed Book 209, Page 143, and the other being a deed of correction dated October 18, 1994, from DLX, Inc., to Kentucky Processing

Company, a Kentucky general partnership, which is of record in Deed Book 210, Page 291 (collectively the "Deeds"). Kentucky Processing Company, a Kentucky corporation, is the successor in interest to Kentucky Processing Company, a Kentucky general partnership, under the Deeds. The property that is affected by DLX, Inc.'s claims in the captioned action to reform part of the description in the Deeds is more fully described on Exhibit 1 (taken from the proposed deed of correction), which is attached hereto and is incorporated herein by reference.



Robert C. Stilz, Jr.
Wayne F. Collier
Kinkead & Stilz, PLLC
3120 Wall Street, Suite 350
Lexington, Kentucky 40513
(859) 296-2300
Counsel for DLX, Inc.

This instrument prepared by:



KINKEAD & STILZ, PLLC
3120 Wall Street, Suite 350
Lexington, Kentucky 40513
(859) 296-2300

RETURN TO PREPARER

EXHIBIT 1

1. CORRECTED DESCRIPTION TO THE REFUSE PILE TRACT AND TO THE EASEMENT APPURTENANT THERETO

NOW, THEREFORE, in consideration of a valuable consideration heretofore paid, the receipt and sufficiency of which is hereby acknowledged, and in order to conform to the intention of the parties thereto, and to correct said description, DLX has bargained and sold and does hereby grant and convey unto KPC, its heirs, successors and assigns, forever, all of the following real property and improvements thereon described in the Deeds, with the addition of the following exception and reservation in favor of DLX, Inc., which should have been included in the Deeds regarding the following real property and improvements thereon situated in the Commonwealth of Kentucky, County of Estill, near the City of Irvine, on the right descending bank of the Kentucky River, and more particularly described, and all bearings stated herein are referenced to the Magnetic Meridian taken on June 23, 2001:

BEGINNING at an iron pin with cap stamped LS #3144 set near the back of a man made bench, by the Refuse at a wooden stake (found), with Metal plate, also being the toe of the slope of the Refuse Pile in the land excepted out of a deed to Kentucky Processing Company in Deed Book 210, Page 297, having approximate 1983 State Plane Coordinates North 2633701.46 and East 1183615.66 (Zone: Alabama East);

Thence S 01 00 10 W 126.10 Feet to an iron pin with cap stamped LS #3144 on the edge of a man made bench by the Refuse near a wooden stake (found) with metal plate found on the edge of the bench;

Thence down the hill **S 01 00 10 W 170.08 Feet** to the edge of the Kentucky River passing over an iron pin with cap set stamped LS # 3144 at **124.95 Feet**;

Thence continuing with the edge of the Kentucky River down stream in a Northern direction **N 75 21 48 W 242.05 Feet**;

Thence N 71 57 27 W 81.78 Feet;

Thence N 59 18 43 W 52.12 Feet;

Thence N 61 16 42 W 141.79 Feet;

Thence N 66 52 01 W 116.16 Feet;

Thence N 56 01 34 W 150.09 Feet;

Thence N 38 06 51 W 198.75 Feet;

Thence N 20 13 15 W 150.00 Feet;

Thence N 02 57 42 E 120.43 Feet;

Thence N 20 27 16 E 178.94 Feet;

Thence N 34 55 40 E 409.76 Feet;

Thence N 49 58 32 E 769.89 Feet;

Thence N 52 04 08 E 487.56 Feet;

Thence N 53 47 47 E 532.18 Feet;

Thence N 58 21 19 E 534.61 Feet;

Thence N 61 37 27 E 378.46 Feet to a point on the edge of the Kentucky River a common corner to Kentucky Processing Company in Deed Book 210, Page 291;

Thence leaving the Kentucky River and continuing with line of Kentucky Processing Company line **S 41 19 50 E 153.78** to an iron pin set with cap stamped LS #3144 on a man made dike, passing over an iron pin with cap stamped LS #3144 Set at **46.22 Feet**;

Thence S 41 21 20 E 229.05 Feet to an iron pin set with cap stamped LS #3144 at the toe of the Refuse;

Thence S 82 54 39 E 143.81 Feet to an iron pin set with cap stamped LS #3144 on top of, and on the outer edge of a man made hump of Refuse, this being the Northeast side of the hump of Refuse;

Thence continuing around the outer edge of the hump of Refuse **S 61 49 45 E 29.67 Feet** to a large nail;

Thence S 33 08 45 E 35.98 Feet to an iron pin set with a cap stamped LS #3144;

Thence S 06 00 46 W 53.66 Feet to a large nail;

Thence S 07 17 37 W 210.31 Feet to an iron pin set with cap stamped LS #3144 in the edge of an old road;

Thence continuing with the edge of the road **S 39 11 32 W 80.33 Feet** to an iron pin set with cap stamped LS #3144;

Thence S 44 24 15 W 370.24 Feet to an iron pin set with cap stamped LS #3144;

Thence S 49 09 11 W 176.58 Feet to an iron pin set with cap stamped LS #3144;

Thence S 54 50 06 W 348.33 Feet to an iron pin set with cap stamped LS #3144;

Thence leaving the edge of the road **S 34 11 34 E 135.42 Feet** to an iron pin set **44.63 Feet** from lamp pole;

Thence S 47 57 43 W 584.36 Feet to an iron pin set with cap stamped LS #3144 in the land excepted out to South-East Coal Company in a deed to DLX, Inc., in Deed Book 202, Page 426;

Thence with South-East Coal Company's line **S 26 40 53 W 365.70** to an iron pin set with cap stamped LS #3144, at a wooden stake (found);

Thence S 51 13 19 W 171.77 to an iron pin set with cap stamped LS #3144 near the toe of a small bank near the edge of the road;

Thence S 63 26 05 W 379.10 to an iron pin set with cap stamped LS #3144 at the toe of the Refuse Pile on the West side of the ditchline;

Thence running with the toe of the Refuse Pile on the West side of the ditchline **S 58 48 19 W 209.79 Feet**;

Thence continuing with the toe **S 72 10 24 W 114.82 Feet** to the **BEGINNING, containing 80.26 acres** according to a survey by Richard Hall, LS #3144 on 06-28-2001 (hereinafter the "Refuse Pile Tract");

Together with an easement or right of way for ingress and egress across Kentucky Processing Company's property, including that which is described in Deed Book 209, Page 143, and in Deed Book 210, Page 291, in the Estill County Clerk's Office, which connects the foregoing property with the right of way to the Industrial Park and to Kentucky Highway 1840 as shown on the map attached hereto and marked as Exhibit A; and

BEING A PART of the same property conveyed to South-East Coal Company by several deeds, including those of record in Deed Book 101, Page 488, and in Deed Book 101, Page 493, and is a part of the same property conveyed by South-East Coal Company to DLX, Inc., by deed of record in Deed Book 202, Page 426, and which should have been listed as an exception and/or reservation in favor of DLX, Inc., in the two deeds from DLX, Inc., to Kentucky Processing Company of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all in the Estill County Clerk's Office.

2. CORRECTED DESCRIPTION TO THREE TRACTS EAST OF AND DIRECTLY ADJACENT TO THE REFUSE PILE TRACT

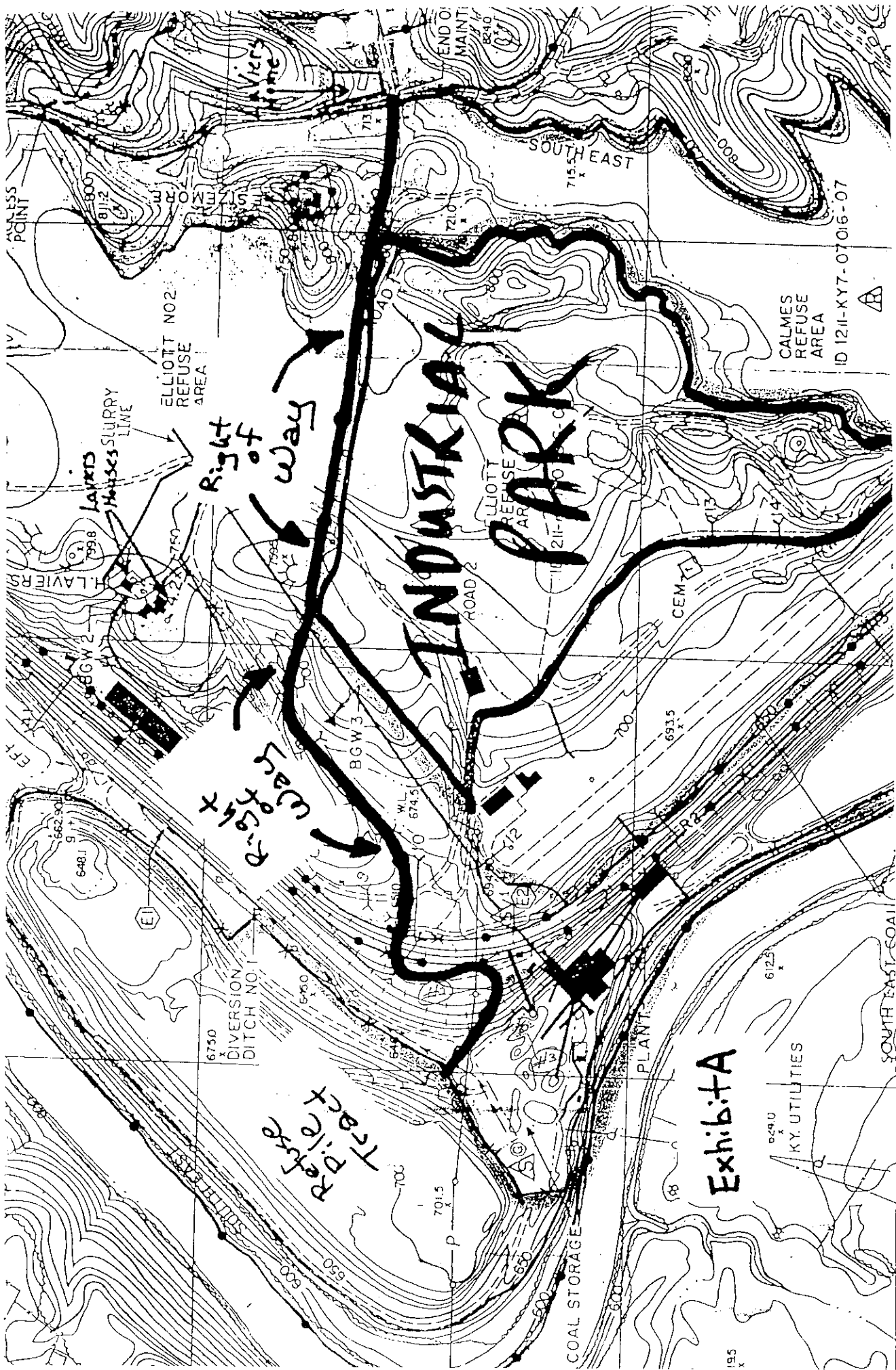
NOW, THEREFORE, in consideration of a valuable consideration heretofore paid, the receipt and sufficiency of which is hereby acknowledged, and in order to conform to the intention of the parties thereto, and to correct said description, DLX does hereby quitclaim unto KPC, its heirs, successors and assigns, forever, all of the following real property and improvements thereon located adjacent to the North and to the East of the eastern boundary line of the Refuse Pile Tract within the following three parcels described in Exhibit B, Schedule 1, of the deeds of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, in the Estill County Clerk's Office:

- a. Parcel II (Nellie Osborne Tract);
- b. Parcel III, Tract No. 2 (Spicer Tracts); and
- c. Parcel V (Powell I Tract); and, in addition,

Excepting and reserving unto DLX, Inc., the Refuse Pile Tract and the easement appurtenant thereto and all other rights and interests that were reserved and excepted to DLX, Inc., in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all of which are of record in the Estill County Clerk's Office; and

BEING A PART of the same property conveyed to South-East Coal Company by several deeds, including those of record in Deed Book 101, Page 488, and in Deed Book 101, Page 493, and is a part of the same property conveyed by South-East Coal Company to DLX, Inc., by deed of record in Deed Book 202, Page 426, and which should have been listed as a modification to the descriptions to these three tracts in two deeds from DLX, Inc., to Kentucky Processing Company of record in Deed Book 209, Page 143, and in Deed Book 210, Page 291, all in the Estill County Clerk's Office.

J:_Wf\DLXLisPendens.wpd



DOCUMENT NO: 186377
RECORDED ON: JULY 20, 2001 09:46:00AM
TOTAL FEES: \$19.00
COUNTY CLERK: SHERRY L FOX
COUNTY: ESTILL COUNTY
DEPUTY CLERK: AMANDA BECKLER

BOOK EB 10 PAGES 740 - 747