

THIS DEED is made and entered into this 30<sup>th</sup> day of December, 2003, by and between PYXIS RESOURCES COMPANY, a Virginia corporation, CLINCHFIELD COAL COMPANY, a Virginia corporation, PARAMONT COAL CORPORATION, a Delaware corporation, hereinafter collectively referred to as Grantors, and HEARTLAND FORESTLAND FUND IV, L.P., a North Carolina limited partnership, whose address is c/o The Forestland Group, LLC, 1512 East Franklin Street, Suite 104, Chapel Hill, NC 27514, hereinafter referred to as Grantee.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors do hereby grant, transfer and convey unto the Grantee all of their right, title and interest in and to the surface, timber, gravel and building stone on the following described tracts, together with all improvements and appurtenances thereon, together with fixtures attached thereto, and all rights and privileges with respect to the use and occupancy of the surface, timber, sand, gravel and building stone, which are located in Buchanan County, Virginia, and are more particularly described as follows:

Tract 1 (David Tiller 106.47 acres - Big A Mountain NW)

A certain tract of land, lying on the waters of Russell's Fork in Buchanan County, State of Virginia, and more particularly described as follows:

BEGINNING on two spruce pines on the bank of said river is a line of a thousand acre tract of land, thence up the river, S 69 E 40 poles to a pawpaw above a fence, N 50 E 20 poles to a white walnut on the bank of said river, S 70 E 40 poles to two small sycamore in the river, N 77 E 35 poles to a stake in the public road, S 86-1/2 E 54 poles to a beech stump at a school-house in a line of Nash Ball's land, with a line of his, S 31-1/2 W 180 poles to a chestnut oak near the head of a Little hollow of a fork spur, S 74 W 12 poles to a maple on the spur, N 26 W 89 poles to a chestnut oak and maple on a knob, thence down the spur with its meanders, N 68 W 12 poles to a chestnut oak, N 29 W 16 poles to a small chestnut oak, N 75 W 53 poles to a bunch of chestnut spruts, N 25 W 33 poles to a chestnut oak, N 89 W 17 poles to two chestnuts, N 55 W 21-1/2 poles to a big white oak, N 20 W 12 poles to a white oak on a knob, thence, N 25 E 58 poles to the BEGINNING. Containing one hundred and twenty-eight acres.

LESS AND EXCEPT 2.01 acres conveyed to Tiller Town Freewill Baptist Church by deed dated June 7, 1984 and recorded in Deed Book 304, page 554, Buchanan County, Virginia records, together with a 20' wide ingress/egress easement.

Tract 2 (Bryant Breeding 147.59 acres - Big A Mountain NW)

All that certain tract or parcel of land, situate in Buchanan County, State of Virginia, aforesaid, on the waters of Indian Creek, containing 147.59 acres, more or less, and bounded and described as follows, to-wit:

This instrument prepared by:

PennStuart  
208 E. Main Street  
Abingdon, VA 24210  
(276) 628-5151

See Attached Exhibit A for  
Tax Identification Numbers

BEGINNING at a red oak on top of a spur of Indian Ridge, 140 feet from top of said ridge, with three hickories and sourwood pointers, corner to Elijah Lambert's tract, S 82 09 E 1812 feet to a white oak on a steep east hillside, with sourwood and two hickory pointers, corner to Fielding Combs tract; thence with lines of said tract; S 1 52 E 1407 feet crossing a branch to a stake on a south hillside, with two white oaks and dogwood and beech pointers, S 65 21 E 1384 feet crossing two dry branches to a stake between white oak and hickory and sourwood on the brink of a bench on a south hillside; with sourwood, black oak and spotted oak pointer, corner of Lafayette Comb's tract, thence with line of said tract, S 43 23 W 2995 feet crossing Indian Creek to a stake on line of old Duty tract, 46 feet north east of the center of top of Fork Ridge, with five dogwoods, sourwood and chestnut pointers, corner to Elijah Lambert's tract, with line of said tract N 13 30 W 4529 crossing Indian Creek to the BEGINNING.

LESS AND EXCEPT that portion of the above-described tract lying within the boundaries of the railroad right of way located hereon; provided, however, that the benefit of the reversion of any portion of this right of way by virtue of possibility of reverter for non-use is hereby conveyed to the Grantee.

LESS AND EXCEPT that portion of the above-described tract lying within the boundaries of Virginia Secondary Route 602 located hereon.

**Tract 3 (W. A. McFarland 114.66 acres - Big A Mountain NW)**

All that certain tract or parcel of land, situate in Buchanan County, State of Virginia, aforesaid, on the waters of Russell Fork and in Indian Ridge, containing one hundred and twenty five (125) acres, more or less, and bounded and described as follows, to-wit:

Beginning at a stake in a line of said McFarlane's 282 acre tract, thence S 80 E 62 poles, to a chestnut oak or a flat spur S 19 E 34 poles, crossing a hollow to a small chestnut oak and sourwood on a spur, N 69 E 12 poles to a chestnut on the side of a spur, S 49 E 29 poles, crossing the head of a hollow to a black pine on the side of a spur, N 49 E 14 poles to a small sourwood, N 80 E 28 poles to a large deadtop chestnut on a spur, S 60 E 44 poles to a small black oak and hickory, S 21 E 36 poles to two small black oaks, S 75 E 26 poles to two small maples by a drean, S 20 W 22 poles to a hickory and white oak on a hillside, S 22-1/2 E 20 poles crossing Low Gap Hollow to a white oak on a hillside in a line of said 288 acre tract and in a line of Daniel Pucket's survey, and with the lines common to both old surveys, S 49 W 90 poles to two spruce pines on the bank of Indian Creek at the mouth of Copperhead Branch, a corner to L. L. McFarlane's survey and a corner to Fielitina Combs, and with Combs line, N 50 W 50 poles to a poplar, N 24 W 36 poles to a gum, N 10 E 44 poles to a cucumber, N 68 W 62 poles to a small ash and spruce pine on the back of Indian Creek, then leaving the creek N 40 W 54 poles to two beeches, N 7 W 20 poles to a chestnut oak below a cliff, N 20 E 24 poles to the BEGINNING.

**Tract 4 (Taze Pressley 176 acres - Big A Mountain NW and SW)**

All that certain tract lying on the waters of Indian Creek, Buchanan County, State of Virginia, on headwaters of Indian Creek on a fork ridge known as Hick Ridge, containing one hundred seventy-six (176) acres, more or less, and bounded and described as follows, to-wit:

BEGINNING at a black oak and round rock, and black pine, S 83 E 152 poles to a white oak and chestnut oak, by a cliff, N 20 E 42 poles to a chestnut and hickory, N 73 W 44 poles to a hickory and chestnut oak, S 75 W 56 poles to two chestnut oaks, N 47 W 50 poles to two dogwoods and sourwood, N 20 E 18 poles to a gum and sourwood, N 61 E 22 poles to two sourwoods, N 39 E 30 poles to two chestnuts, N 15 W 34 poles to a polar and gum, N 50 W 22 poles to two chestnuts, N 70 W 22 poles to a chestnut oak, N 15 W 42 poles to a double chestnut, N 4 E 42 poles to two hickories and chestnut on a ridge, a corner of the Fielding Combs survey and corner to Presley Survey, and with their lines, N 85 W 82 poles to a poplar and chestnut, S 54 W 48 poles to a black oak, white oak and hickory on a hillside,

S 29 E 270 poles, crossing hollows and spurs that run down to the three forks of Indian Creek, to the BEGINNING.

**Tract 5 (Jacob Cook 182 acres in Russell County and 30.83 acres in Buchanan County - Big A Mountain SW)**

All that certain tract or parcel of land, situate in Russell County and Buchanan County, State of Virginia, aforesaid, on the waters of Indian and Weavers Creek, and on the south of top of Sandy Ridge, containing one hundred and eighty-two (182) acres in Russell County and thirty and eighty-three hundredths (30.83) acres in Buchanan County, more or less, and bounded and described as follows, to-wit;

BEGINNING at a chestnut oak on a ridge, a corner to Peter Goldback's land, and corner to Cornelius Ball's land, and thence with said Ball's line, S 58 E 134 poles crossing the heads of three hollows, which run off into the County of Buchanan, to a gum on Sandy Ridge, in the County line between Buchanan and Russell Counties; thence along said Sandy Ridge, S 15 E 56 poles to a chestnut, poplar, and double dogwood on the ridge by a path; thence S 42 E 17 poles to a wahoo on the ridge by a path, a corner to Abram Bowen's land, and with his line, thence N 88 E 9 poles to a chestnut by the path; thence S 20 E 44 poles to a chestnut and gum, thence S 3 W 90 poles to a chestnut and sourwood in the head of a small hollow, corner to said Bowen and on a line of the old Cook survey; thence with the old Cook line, N 77 W 172 poles to a chestnut oak near the Goldback spring branch, corner to Jasper Cook; thence with his lines up the branch, S 60 poles to a stake in said branch on a line of Goldback's 68 acre tract, thence with his lines, S 82 E 26 poles to a pine on the side of a spur, thence N 10 W 38 poles to two gums and a white oak by a path, thence N 48 W 16 poles to three chestnut oaks and chestnuts; thence N 10 W 38 poles to a chestnut; thence N 10 E 28 poles to the BEGINNING.

**Tract 6 (James H. Smith 731 acres - Big A Mountain SE)**

All that certain tract situated in Buchanan County and Russell County, State of Virginia, on the top and side of Big A Mountain, containing 731 acres, and bounded and described as follows, to-wit;

BEGINNING at a poplar and dogwood in a line of another survey of James H. Smith, on the Russell County side of said Big A Mountain, thence N 46 E 30 poles to a maple, thence N 8 E 114 poles to a chestnut by a path in a hollow, thence N 77 W 22 poles to a black oak on Ball knob, thence N 54 W 70 poles to a gum on a hillside, thence N 36 E 46 poles to a sourwood and white oak in a flat hollow, thence N 67 E 46 poles to a poplar, thence N 19 E 76 poles to a lynn and poplar, thence S 65 E 20 poles to a lynn and ash, thence S 27 E 104 poles to a chestnut oak, thence S 8 W 18 poles to a poplar, thence, S 37 E 23 poles to a chestnut oak, thence S 87 E 27 poles to a chestnut oak, thence N 26 E 32 poles to a white oak, thence N 73 E 37 poles to a chestnut and white oak, thence N 60 E 36 poles to a black oak and hickory, thence N 51 W 20 poles to a chestnut, thence N 3 E 24 poles to a chestnut and chestnut oak, thence N 60 W 170 poles leaving the top of the mountain to a birch and two lynns on the Fuller Branch in Buchanan County, thence S 41 W 46 poles to a water oak, thence S 12 E 18 poles to two chestnut oaks on a cliff on a ridge, then with the top of the ridge S 48 W 30 poles to a maple and chestnut oak, thence S 55 W 80 poles to two chestnut oaks, thence S 40 W 8 poles to three white oaks, thence S 50 W 22 poles to a black oak, thence S 73 W 24 poles to two hickories and chestnut oak, a corner to the William Combs 200 acre tract and with its line along the top of the ridge, thence, S 64 W 53 poles to two chestnut oaks, thence S 38 W 58 poles to a chestnut and chestnut oak, thence S 25 W 40 poles to two chestnut oaks, thence S 36 W 48 poles to a chestnut on a rocky point, thence N 51 W 50 poles down the hill to a hickory and cucumber down the road, a corner to the land of Henry Cook's heirs, thence leaving said Comb's lines and with the lines of said Cook's heirs, S 22 W 43 poles to a poplar and cucumber, thence S 10 E 140 poles to maple and chestnut, thence S 40 E 68 poles to stake on the south bank of Weaver's Creek, thence N 63 E 102 poles to two white oaks at the foot of a spur, near a cliff of rocks, a corner to Fuller Musick and thence with his line, S 30 E 100 poles to three gums on a rocky spur, then up

the spur N 49 E 30 poles to walnut and hickory in the gap of a spur, thence N 34 E 60 poles to a black oak, thence N 20 E 104 poles to the BEGINNING.

**Tract 7 (Kenneth W. Higgins 40.192 acres - Big A Mountain SW)**

All that certain tract of land, lying in Buchanan County, State of Virginia, and bounded and described as follows:

BEGINNING at an iron pin set, a corner to Clinchfield Coal Corporation and a 24.02 acre outsale; thence with Clinchfield Coal Corporation N 33 21' 36" W 196.73 feet to an iron pin set on the spur; thence N 01 29' 39" W 359.32 feet to a cross chiseled in a rock; thence N 16 26' 31" W 414.58 feet to an iron pin set; thence N 11 21' 11" W 362.60 feet to a set stone found; thence S 68 35' 36" E 1917.45 feet to a cross chiseled on a rock in the center of a branch, a corner to a 4.75 acre outsale, thence with the 4.75 acre outsale S 22 21' 23" W 106.45 feet to a walnut found; thence S 12 03' 50" W 177.68 feet to a red plastake set; thence S 23 21' 46" E 120.06 feet to a red plastake set; thence S 17 22' 45" E 186.74 feet to a red plastake set; thence S 11 17' 23" W 154.14 feet to a poplar found in the original line; thence with the original line S 69 14' 19" W 798.06 feet to the point not set (dogwood called); thence S 17 21' 54" E 133.62 feet to an oak stump in the hollow; thence down the hollow N 32 15' 54" W 191.43 feet to a set stone found; thence N 32 28' 33" W 416.91 feet to a red plastake set at a set stone found, thence N 85 52' 52" W 443.22 feet to the BEGINNING containing 40.192 acres.

**Tract 8 (Taze Presley et al 173.73 acres - Big A Mountain SW)**

All that certain tract of land lying in Buchanan County, State of Virginia, on Hick Ridge waters of Indian Creek, and bounded as follows, to-wit:

BEGINNING at a beech and water-oak, corner to the 103 acre tract sold by said parties of the first part to the Virginia Coal & Coke Co. thence with the lines of said 103 acre tract S 34 45 W 900 feet to a chestnut oak; S 5 30 E 600 to a maple stump; S 28 45 W 620 to a chestnut-oak and hickory; thence with the lines of the Interstate Coal & Iron Co. 176 acre tract; N 76 30 W 718 to a chestnut-oak and hickory; S 75 W 912 to two chestnut-oaks; N 46 W 1180 to two dogwoods and sourwood; N 32 45 E 270 to a gum; N 60 E 545 to two sourwoods; N 33 E 450 to two chestnuts; N 12 W 590 to a poplar and gum; N 49 W 369 to a chestnut-oak; N 69 W 390 to a chestnut-oak; N 15 W 717 to a hickory and chestnut; N 3 1/4 E 705 to two hickories and a chestnut; S 73 E 2255 to a poplar and beech; S 42 E 1; S 36 36 28 E 1797.98 to the Beginning, Containing 187.03 acres.

**Tract 9 (Gertie Murphy 63 acres - Big A Mountain SW)**

All that certain tract or parcel of land lying and being in Buchanan County, State of Virginia, on the waters of Puncheon Camp Branch of Indian Creek, containing 63 acres, more or less, and bounded and described as follows, to-wit:

BEGINNING on a beech on Puncheon Camp Branch, a corner to Jasper Cook's land, thence down the branch N 40 W 80 poles to a beech, S 4 42 42 W 36 19 2/3 poles to two beeches, N 45 W 25 poles to a small beech on a bank of the branch, thence leaving the branch, S 39 W 63 poles to a little dead locust in a field in the head of a hollow, thence S 21 1/2 W 14 poles to a chestnut on the top of the ridge by the road, S 56 W 34 1/2 poles to a poplar near the branch, S 83 E 142 poles to the Beginning.

**Tract 10 (W. J. Buskell 1075 acres - Big A Mountain SW/Duty SE)**

All that certain tract or parcel of land, situated in Buchanan County, State of Virginia, aforesaid, on the waters known as the Three Forks of Indian, containing 1,075 acres, more or less, and bounded and described as follows, to-wit:

BEGINNING at a white oak, black oak and hickory, thence, S 55 W 200 poles to a chestnut oak, S 25 E 2 poles to a poplar, corner to Wm. Tiller, Jr. land and James Rasnick, and with Tiller's line, S 39 E 31 poles to a chestnut oak on a ridge, thence with the ridge, and with the County line between Buchanan and Dickenson Counties, S 22 poles to three small chestnuts, S 24 E 30 poles to a gum, S 47 W 18 poles to a triple chestnut on a knob, W 32 poles to a chestnut oak, S 32 W 34 poles to a gum and dogwood, S 5 E 57 poles to two pines and a gum, corner to James Rasnick's land and leaving Tiller's line and with Rasnick's line, S 25 E 110 poles to a double chestnut oak, on Locust Ridge, below the Wild Cat Gap, corner to said Rasnick's land, and in a line of a survey made by for Mariah Stinson, thence leaving the County lines and with Marion Stinson, now Ratliff's line, N 82 E 28 poles to a chestnut oak on a spur, that leads down Whittock Fork of Indian Creek, S 87 E 22 poles to a chestnut, N 56 E 60 poles to a chestnut oak and hickory, N 72 E 63 poles to a stake in the Whittock Fork of Indian Creek, thence crossing the creek, N 67-½ E 59 poles to a black oak and chestnut oak, corner to Wm. Rasnick's land, then leaving Mariah Stinson's line and with Rasnick's line, S 69 E 286 poles to a stake in the original line and with it, N 58-½ E 138 poles to two chestnut on main top of Sandy Ridge, County line between Russell and Buchanan Counties, N 8-½ E 117 poles to a chestnut and chestnut oak on a knob, N 46-½ E 74 poles to a beech, N 35 W 10 poles to a stake, corner to Taze Pressley's 103 Acre tract, and with a line of the 103 acre tract, N 83 W 340 poles to a pine, chestnut oak and small black oak, N 29 W 246 poles to the BEGINNING.

**Tract 11 (Meshack Compton 45.44 acres - Duty NE)**

A certain tract or parcel of land situated in Buchanan County, State of Virginia, on Hurricane Creek and near its mouth, containing 69 acres, more or less, and bounded and described as follows, to-wit:

BEGINNING at a spruce pine and dead chestnut stump by the Public Road, then crossing said creek, S 72 E 82 poles to a chestnut on the John Harris ridge, then with said ridge, S 15 E 18 poles to two maples, S 45 E 40 poles to a stake, five feet from a hickory on said ridge, S 31 E 28 poles to a spotted oak and dogwood, S 83 E 8 poles to a maple, N 62 E 18 poles to a chestnut, chestnut oak and two hickories, then leaving the ridge and down a spur, N 45 E 48 poles to a gum near a rocky hollow, N 37 W 16 poles to a poplar on a hillside, N 45 W 36 poles to a poplar on a hillside, by a fence, N 56 W 26 poles to a spruce pine and maple, N 49 W 20 poles to a spruce pine on a Laurel hillside, about fifty yards from Compton's mill (S 47 W 6 poles to a cucumber and wahoo on a cliff opposite Compton's mill) about three poles from the dam, N 69 W 11 poles to a spruce pine in the bank of said creek, N 78 W 15 poles to a spruce pine, N 76 W 8 poles to two maples, S 41 W 12 poles to a spruce pine below a cliff, S 70 W 6 poles to a beech, S 79 W 50 poles to the BEGINNING.

**Tract 12 (Mariah Stinson 352 acres - Duty SE/Big A Mountain SW)**

A certain tract or parcel of land, lying and being in Buchanan County and Dickenson County, State of Virginia, on the waters of Indian Creek and bounded and described as follows, to-wit:

BEGINNING at a gum and two hickories on top of Sandy Ridge, a corner to H. W. Rasnick's at the head of said spur, thence down said spur with said Rasnick's line and the main top of the spur, N 3 E 60 poles, N 5 E 42 poles, N 13 W 18 poles, N 29 W 12 poles, N 5 W 22 poles, N 17 W 25 poles, N 11 30 W 22 poles, N 4 W 46 poles, N 64 W 100 poles crossing white oak branch to a sugar and hickory on a spur, S 69 W 20 poles to a chestnut oak and hickory, S 63 W 53 poles to a chestnut, N 87 W 28 poles to a chestnut oak, S 59 W 156 poles to a chestnut in the wild cap gap, S 53 E 255 poles crossing the right hand fork of said branch to a black oak on top of Sandy Ridge and a marked dogwood, N 58 E 32 poles to two gums on said ridge, S 50 E 110 poles to a poplar stump on the top of Sandy Ridge, N 42 E 44 poles to the BEGINNING. Containing three hundred and fifty-two acres (352) more or less.

Less and except 0.70 acres conveyed by deed dated August 18, 1988 from Clinchfield Coal to Nancy Jane and Beverly Ann Rasnake, recorded in Deed Book 359, at page 478, Buchanan County, Virginia records.

The above-described tracts are hereinafter referred to as the "Conveyed Property."

The Grantors expressly except and reserve the surface tracts conveyed in deed dated December 11, 2002, of record in Deed Book 559, Page 147, from Clinchfield Coal Company to Dickenson-Russell Coal Company, LLC.

The Grantors also grant and convey to Grantee all those rights and privileges related to the Conveyed Property which were excepted and reserved in:

1. Deed dated December 11, 2002 between Clinchfield Coal Company, Grantor, and Dickenson-Russell Coal Company, LLC, Grantee, of record in the Circuit Court Clerk's Office for Dickenson County, Virginia in Deed Book 381, Page 671, the Circuit Court Clerk's Office for Russell County, Virginia, in Deed Book 571, Page 1, and the Circuit Court Clerk's Office for Buchanan County, Virginia, in Deed Book 559, Page 147.
2. Deed dated December 11, 2002 between Clinchfield Coal Company, Grantor, and Dickenson-Russell Coal Company, LLC, Grantee of record in the Circuit Court Clerk's Office for Dickenson County, Virginia in Deed Book 381, Page 692, the Circuit Court Clerk's Office for Russell County, Virginia, in Deed Book 571, Page 19, and the Circuit Court Clerk's Office for Buchanan County, Virginia, in Deed Book 559, Page 165.
3. Deed dated December 11, 2002 between Pyxis Resources Company, Clinchfield Coal Company, Paramount Coal Corporation and Motivation Coal Company, Grantors, and Alpha Land and Reserves, LLC, Grantee of record in the Circuit Court Clerk's Office for Wise County, Virginia, as Instrument No. 200205754.
4. Deed dated December 11, 2002 between Pyxis Resources Company, Clinchfield Coal Company, Paramount Coal Corporation and Motivation Coal Company, Grantors, and Alpha Land and Reserves, LLC, Grantee, in the Circuit Court Clerk's Office for Dickenson County, Virginia, in Deed Book 382, Page 1, the Circuit Court Clerk's Office for Russell County, Virginia, in Deed Book 571, Page 71, the Circuit Court Clerk's Office for Buchanan

County, Virginia, in Deed Book 559, Page 217, and the Circuit Court Clerk's Office for Wise County, Virginia, as Instrument No. 200205755.

The Conveyed Property is conveyed subject to the rights, privileges, easements, servitudes and rights-of-way which were granted with respect to the coal estate and reserved with respect to the oil and gas estate in the following deeds:

1. Deed dated December 11, 2002 between Clinchfield Coal Company, Grantor, and Dickenson-Russell Coal Company, LLC, Grantee, of record in the Circuit Court Clerk's Office for Dickenson County, Virginia in Deed Book 381, Page 671, the Circuit Court Clerk's Office for Russell County, Virginia, in Deed Book 571, Page 1, and the Circuit Court Clerk's Office for Buchanan County, Virginia, in Deed Book 559, Page 147.
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5. Deed dated July 15, 2003, from Pyxis Resources Company to Pine Mountain Oil & Gas, Inc., of record in the Circuit Court Clerk's Office for Buchanan County, Virginia in Deed Book 574, Page 672.
6. Deed and Assignment dated April 1, 1986, from The Pittston Company to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Wise County, Virginia, in Deed Book 624, Page 429.
7. Deed and Assignment dated April 1, 1986, from The Pittston Company to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Dickenson County, Virginia, in Deed Book 235, Page 92.
8. Deed and Assignment dated April 1, 1986, from The Pittston Company to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Buchanan County, Virginia, in Deed Book 320, Page 703.
9. Deed and Assignment dated April 1, 1986, from The Pittston Company to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Russell County, Virginia, in Deed Book 341, Page 269.
10. Deed and Assignment dated August 19, 1997, from Addington, Inc. to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Wise County, Virginia, in Deed Book 856, Page 57.

The Conveyed Property is also conveyed subject to all exploration and development rights, privileges, easements, servitudes and rights-of-way granted in the following leases and agreement:

1. Oil and Gas Lease dated July 25, 1972, between The Pittston Company, Lessor, and Philadelphia Oil Company, Lessee, as supplemented and amended.
2. Agreement of Lease dated January 10, 1955, between Clinchfield Coal Corporation and W.M. Ritter Lumber Company, Lessors and United Producing Company, Inc., Lessee, as supplemented and amended.
3. Agreement (Lease) dated May 1, 1970, between The Pittston Company, Lessor, and United Fuel Gas Company, Lessee, as supplemented and amended.



4. Coalbed Gas and Exploration and Development Agreement dated April 5, 1988, between Pine Mountain Oil and Gas, Inc. and Equitable Resources Exploration, as supplemented and amended.
5. Lease Agreement dated October 16, 1998, from Clinchfield Coal Company to Mountain Forest Products, Inc. as amended by Amendment to Lease dated March 8, 2003, for the surface and improvements thereon.
6. Lease dated January 1, 1968, to Clinch River Industrial Development Corporation for a lot for a water tank and waterline rights-of-way. Clinch River Industrial Development Corporation assigned this lease to Russell County Water and Sewer Authority by letter dated July 15, 1972.

The Grantors also quitclaim any rights and privileges benefitting the Conveyed Property, if any exist, in the following leases, agreement and deeds:

1. Oil and Gas Lease dated July 25, 1972, between The Pittston Company, Lessor, and Philadelphia Oil Company, Lessee, as supplemented and amended.
2. Agreement of Lease dated January 10, 1955, between Clinchfield Coal Corporation and W.M. Ritter Lumber Company, Lessors and United Producing Company, Inc., Lessee, as supplemented and amended.
3. Agreement (Lease) dated May 1, 1970, between The Pittston Company, Lessor, and United Fuel Gas Company, Lessee, as supplemented and amended.
4. Coalbed Gas and Exploration and Development Agreement dated April 5, 1988, between Pine Mountain Oil and Gas, Inc. and Equitable Resources Exploration, as supplemented and amended.
5. Deed dated July 15, 2003, from Pyxis Resources Company to Pine Mountain Oil & Gas, Inc., of record in the Circuit Court Clerk's Office for Buchanan County, Virginia in Deed Book 574, Page 672.
6. Deed and Assignment dated April 1, 1986, from The Pittston Company to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Wise County, Virginia, in Deed Book 624, Page 429.

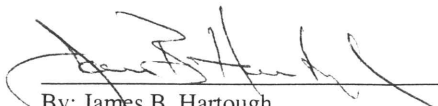
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10. Deed and Assignment dated August 19, 1997, from Addington, Inc. to Pine Mountain Oil and Gas, Inc., of record in the Circuit Court Clerk's Office for Wise County, Virginia, in Deed Book 856, Page 57.

The Conveyed Property is also conveyed subject to existing easements for roads, pipelines, power lines and other similar rights-of-way, servitudes and permits on, over or in respect of the Conveyed Property, but only to the extent that the same do not materially interfere with the ownership or operation of any Conveyed Property.

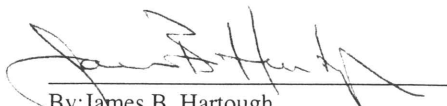
The Conveyed Property is being conveyed subject to the title representations made between the Grantors and Grantee in that certain Asset Purchase Agreement by and between Pittston Coal Company and Heartwood Forestland Fund IV, L.P., dated July 18, 2003.

WITNESS the following signatures and seals on the day and year first above written.

CLINCHFIELD COAL COMPANY

 (SEAL)  
By: James B. Hartough  
Its: Vice President and Treasurer

PYXIS RESOURCES COMPANY

 (SEAL)  
By: James B. Hartough  
Its: Vice President and Treasurer

BOOK 584 PAGE 0601

PARAMONT COAL CORPORATION

  
By: James B. Hartough

Its: Vice President and Treasurer

(SEAL)

COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON

The foregoing instrument was acknowledged before me on this 30th day of December, 2003, by James B. Hartough, the Vice President and Treasurer of CLINCHFIELD COAL COMPANY, a Virginia corporation, on behalf of the corporation.

My commission expires: 03/31/2005

  
Notary Public

COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON

The foregoing instrument was acknowledged before me on this 30th day of December, 2003, by James B. Hartough, the Vice President and Treasurer of PYXIS RESOURCES COMPANY, a Virginia corporation, on behalf of the corporation.

My commission expires: 03/31/2005


  
Notary Public

COMMONWEALTH OF VIRGINIA

COUNTY OF WASHINGTON

The foregoing instrument was acknowledged before me on this 30th day of December, 2003, by James B. Hartough, the Vice President and Treasurer of PARAMONT COAL CORPORATION, a Delaware corporation, on behalf of the corporation.

My commission expires: 03/31/2005

  
Notary Public

## Exhibit A

	BUCHANAN COUNTY  Tract Name	Tax Map/Parcel No.	Account No.	Assessed Owner
1.	B-60 David Tiller 106.47 Acres	2HH-193-059		Pegasus Resource co.
2.	B-46 Bryant Breeding 147.59 Acres	2HH-193-057		Clinchfield Coal Co.
3.	B-52 W. A. McFarland 114.66 Acres	2HH-194-014		Clinchfield Coal Co.
4.	B-56 Taze Pressley 176 Acres (162.07 Acres)	2HH-195-020		Pegasus Resource Co.
5.	Jacob Cook 30.83 Acres (mostly in Russell County)		21205	Pegasus Resource co.
6.	R-1 B-58 James H. Smith (partly in Russell County)	2HH-130-007		Big "A" Mountain Bradley J. H. Smith
7.	Kenneth W. Higgins 40.192 Acres	2HH-195-004		Clinchfield Coal Co.
8.	B-57 Taze Pressley 173.73 Acres	2HH-195-019		Pegasus Resource Co.
9.	Gertie Murphy 63 Acres	2HH-195-015		Pegasus Resource Co.
10.	B-47 B-53 W. J. Buskill 1075 Acre (858.77 Acres)	2HH-195-018		Clinchfield Coal Co.
11.	B-49 Meshack Compton 45.44 Acres	2HH-207-136		Pegasus Resource Co.
12.	B-55 Mariah Stinson 352 Acres	2HH-204-001		Clinchfield Coal Co.

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 8th day of January, 20 04. 8:45 A.M.  
The tax imposed by § 58.2-802 of the Code has been paid in the amount of \$ 184.00.  
Deed Book No. 584 and Page No. 577.  
Returned to: Don Patton TESTE: James M. Bevins, Jr. Clerk  
Quincy S. Miller Deputy Clerk

Pyxis Resources Company  
Clinchfield Coal Company  
Paramont Coal Corporation

DEED TO:

Heartland Forestland Fund IV,  
L.P.

INSTRUMENT #046000464  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
JANUARY 8, 2004 AT 08:45AM  
\$784.00 GRANTOR TAX WAS PAID AS  
REQUIRED BY SEC 58.1-202 OF THE VA. CODE  
STATE: \$392.00 LOCAL: \$392.00  
JAMES H. BEVING, CLERK  
BY: \_\_\_\_\_ (DC)  
\_\_\_\_\_ (DC)