

CASTANOLO; COA/  
LEASE-2

TRANSFER FORK CK TO  
PENN VA COA/ CO.

5/21/2001

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XFR PVCC TO PVC LLC

7/23/2001

# *Fork Creek Mining Company*

P. O. Box 24

Alum Creek, WV 25003

304 756-1320

304 756-1325 Fax

Fork Creek Consent

May 18, 2001

Eleanor Jane Castanoli-Henkle, Trustee  
Castanoli Trust  
1424 15<sup>th</sup> Street  
Huntington, WV 25701

William R. Henkle, Jr.  
Agent - Castanoli Trust  
230 Finch Way  
Carson City, NV 89704

RE: Lease Agreement dated January 14, 2000, by and between Eleanor Jane Henkle, Trustee for and on behalf of the The A. F. Castanoli, Sr. Trust ("Lessor") and Fork Creek Mining Company ("Fork Creek"), hereinafter referred to as the "Lease Agreement"

Dear Mrs. Henkle and Mr. Henkle:

This will confirm our recent conversations regarding Fork Creek's proposed assignment to Penn Virginia Coal Company ("Penn Virginia") of the Lease Agreement ("Penn Virginia Assignment"). If the Lease Agreement is assigned to Penn Virginia, then Penn Virginia will enter into a sublease agreement (the "Sublease Agreement") with Pen Land Company ("Pen Land") whereby Penn Virginia will sublease to Pen Land the premises covered under the Lease Agreement ("Premises") together with certain other property. Further, if the Sublease Agreement is executed, then Pen Land and Fork Creek will enter into a Mining Agreement ("Mining Agreement") whereby Fork Creek will be granted the right to mine coal on the Premises together with certain other properties. By separate consents, Lessor has consented to the proposed Penn Virginia Assignment and Sublease Agreement. Pursuant to paragraph 16 of the Lease Agreement, Lessor hereby consents to Pen Land entering into the Mining Agreement with Fork Creek. The parties acknowledge that if for any reason the proposed Penn Virginia Assignment, the Sublease Agreement, and Mining Agreement are not completed, then this Consent shall be null and void. This consent is limited to the specific transaction set out herein.

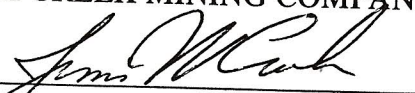
Lessor hereby acknowledges that Fork Creek has paid to Lessor all amounts due under the Lease Agreement and is otherwise in full compliance with the terms of the Lease Agreement as of the date that Lessor executes this letter.

If the provisions of this letter are acceptable to Lessor, please have the appropriate Lessor representative execute this letter in the space shown below. Thank you for our cooperation and assistance on this matter.

Sincerely,

FORK CREEK MINING COMPANY

By:



Its:

MANAGER-ENGINEERING

SEEN AND AGREED TO THIS  
21 DAY OF MAY 2001.

A. F. CASTANOLI SR. TRUST

By:



Its: Trustee

## AGREEMENT OF CONSENT

THIS AGREEMENT OF CONSENT ("Consent"), made and effective as of July 23, 2001, by and among THE A. F. CASTANOLI SR. TRUST, created under the laws of the State of West Virginia, party of the first part, (herein referred to as the "Trust" or "Lessor"), PENN VIRGINIA COAL COMPANY, a Virginia corporation ("PVCC") and PENN VIRGINIA COAL, LLC, a Delaware limited liability company ("PVC LLC").

### WITNESSETH:

WHEREAS, THE A. F. CASTANOLI SR. TRUST and FORK CREEK MINING COMPANY are the lessor and lessee, respectively, under that certain Lease Agreement dated January 14, 2000, as has been amended, modified, assigned and/or sublet and assigned to Penn Virginia Coal Company as Lessee effective May 31, 2001 (collectively referred to hereinafter as the "Lease");

WHEREAS, PVCC created a Delaware limited liability company to hold all of its coal-related assets in Kentucky, Virginia and West Virginia;

WHEREAS, PVCC shall transfer all of its coal-related assets, including the Lease, to PVC LLC either through a merger of PVCC into PVC LLC with PVC LLC as the surviving entity, or an assignment, conveyance, transfer or other disposition of these assets by PVCC to PVC LLC pursuant to an agreement among these and other parties effective as of the closing date set forth therein (the "Transfer Date");

WHEREAS, PVCC has requested the consent of the Lessor to the transfer of the Lease to PVC LLC; and

**WHEREAS**, the parties desire to evidence the consent of the Lessor to the transfer of the Lease by PVCC to PVC LLC.

**NOW, THEREFORE**, for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Lessor consents to the transfer of the Lease by PVCC to PVC LLC, whether by merger of PVCC into PVC LLC with PVC LLC as the surviving entity, or by the assignment, conveyance, transfer or other disposition of the assets of PVCC to PVC LLC, effective as of the Transfer Date.
2. PVC LLC shall assume and be responsible for the payment and performance of all responsibilities, obligations and liabilities of PVCC as lessee under the Lease effective as of the Transfer Date, and continuing thereafter until the Lease expires or is terminated.
3. Either PVCC or PVC LLC, as the successor-in-interest to PVCC by merger, assignment, transfer or other disposition, shall assume and be responsible for any responsibilities, obligations and liabilities of PVCC as lessee under the Lease which arose or accrued prior to the Transfer Date.
4. PVC LLC shall provide written notice of the Transfer Date to the Lessor promptly after the closing of that transaction between PVCC and PVC LLC, which Transfer Date shall occur no later than December 31, 2001.
5. This Consent shall constitute the entirety of the agreement between the parties hereto and shall be binding upon their respective successors and permitted assigns

6. This Consent shall apply solely to the transfer of the Lease from PVCC to PVC LLC, and shall not constitute a consent or waiver of consent to any further assignment or other transfer of the Lease by the Lessor.

7. This Consent may be signed in any number of counterparts, and any single counterpart signed by all of the parties hereto shall constitute a full, complete and original agreement for all purposes contemplated by this Consent.

**IN WITNESS WHEREOF**, the parties hereto have caused their duly authorized officers to execute this Consent effective as of the date and year first above written.

THE A. F. CASTANOLI SR. TRUST,

By: *Eleanor Jane Hankle, trust*  
Its: TRUSTEE

PENN VIRGINIA COAL COMPANY,  
a Virginia corporation

By: \_\_\_\_\_

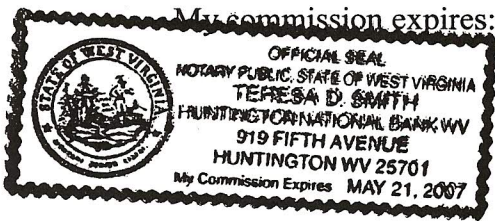
Its: \_\_\_\_\_

PENN VIRGINIA COAL, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Its Manager

STATE OF West Virginia  
COUNTY OF Cabell, to-wit:

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of July, 2001, by Eleanor Jane Henkle, the Trustee of The A.F. Castano L. F. Trust Trustee, on behalf of the Trust.



My commission expires: May 21, 2007.

Teresa D. Smith  
Notary Public

[NOTARIAL SEAL]

STATE OF \_\_\_\_\_,  
COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2001, by \_\_\_\_\_, the President of Penn Virginia Coal Company, a Virginia corporation, on behalf of the corporation.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]