

**FIRST ADDENDUM  
TO  
THIRD AMENDMENT TO THE ASSIGNMENT AND ASSUMPTION AGREEMENT**

This **FIRST ADDENDUM TO THE THIRD AMENDMENT TO THE ASSIGNMENT AND ASSUMPTION AGREEMENT** (this "Addendum") is made and entered into as of November 15, 2012, by and between the Virginia Department of Transportation (the "Department"), an agency of the Commonwealth of Virginia (the "Commonwealth"), Alpha Natural Resources, LLC ("Alpha"), and Rapoca Energy Company, formerly known as Pioneer Group, Inc. ("Rapoca"). This Addendum supplements and is made a part of that certain Third Amendment to the Assignment and Assumption Agreement, dated December 5, 2011, by and among the parties hereto (the "Third Amendment"). Capitalized terms not otherwise defined herein shall have the meaning given to them in the Third Amendment.

**RECITALS**

**WHEREAS**, the Third Amendment provides, among other things, for the performance by Alpha of the preliminary engineering and preliminary design analyses necessary to allow the Department to evaluate the practicability of developing two sections, the Pound Connector and Doe Branch sections, of the Project's revised alternative alignment as proposed and detailed in Alpha's Study;

**WHEREAS**, by letter dated June 18, 2012, in anticipation of a possible expansion of Alpha's work under the Third Amendment, the Department requested that Alpha provide a description of an additional scope of work and a corresponding pricing proposal for preliminary engineering and design analyses relating to the proposed revised alternative alignment of the Project; specifically, the Department's request was directed to (i) the addition of a proposed interchange with U.S. Route 23 (the "Interchange"); (ii) the addition of a proposed intersection with State Route 80 (the "Intersection"); and (iii) the identification of the type, size and location of bridges to be located at the Interchange and an identified crossing over the Pound River (the "Bridges");

**WHEREAS**, pursuant to the Department's request, Alpha provided to the Department, by letter dated July 6, 2012, a description of an additional scope of work for preliminary engineering and design analyses relating to the Pound Connector section (the Interchange and the Bridges) and the Doe Branch section (the Intersection), along with a lump sum pricing proposal for the additional scope of work for each of the two sections;

**WHEREAS**, by letter dated August 20, 2012, the Department advised Alpha that it (i) finds Alpha's description of the additional scope of work and the accompanying pricing proposal acceptable; and (ii) desires to have Alpha perform the additional work in conjunction with its performance under the Third Amendment; and

**WHEREAS**, as a result, the Department and Alpha desire to supplement the Third Amendment to (i) revise the descriptions of the Pound Connector and Doe Branch sections, (ii)

identify additional Work to be performed by Alpha as contemplated by Alpha's proposal, (iii) establish the nature of Deliverables associated with the additional Work, (iv) establish the price for the additional Work, and (v) revise the schedule for applicable Deliverables and associated payments.

**NOW, THEREFORE**, in consideration of the covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Department, Alpha and Rapoca agree as follows:

1. **Purpose of This Addendum.** This Addendum supplements the Third Amendment by (i) revising the descriptions of the Pound Connector and Doe Branch sections, (ii) defining the additional Work to be performed by Alpha, (iii) establishing the nature of Deliverables associated with the additional Work, (iv) establishing the price for the additional Work, and (v) revising the schedule for applicable Deliverables and associated payments.

2. **Descriptions of Pound Connector and Doe Branch Sections.** Sections 2(a) and 2(b) of the Third Amendment shall be revised to read as follows:

a. **Pound Connector Section.** For the Pound Connector section, the PC/DB Project includes: (i) approximately 7 miles of Mainline that will be within a minimum width of 150 feet of right of way limits to accommodate the future development of a four-lane roadway which may include medians, shoulders, stormwater management facilities and highway drainage systems; (ii) necessary two-lane rough-grade roadbed connectors, which will be within a minimum width of 60 feet of right of way limits to accommodate the future development of a two-lane roadway which may include shoulders, stormwater management facilities and highway drainage systems, that will connect the interchange ramps to Route 23 near Alpha approximate station 100+63, the relocation of Route 630 and alternative connector to Route 23, the Mainline to Route 23 near Alpha approximate station 100+63 near Pound, Route 83 just east of Pound near Alpha approximate station 194+00, Route 631 near Alpha approximate station 290+00, Route 624 near Alpha approximate station 435+00, and a proposed new connector to Route 83 near Alpha approximate station 470+00 at the eastern end of the Pound Connector section; and (iii) delineation of the Mainline, as set forth in Exhibit 1 (attached hereto and incorporated herein), which will generally run from Alpha approximate station 100+63 to Alpha approximate station 158+65 then across proposed bridge over Pound River generally from Alpha approximate station 158+65 to Alpha approximate station 165+06 then generally from Alpha approximate station 165+06 to Alpha approximate station 470+00, for a total distance of approximately 7 miles.

b. **Doe Branch Section.** For the Doe Branch section, the PC/DB Project includes: (i) approximately 3 miles of four-lane rough-grade roadbed, that will be within a minimum width of 150 feet of right of way limits to accommodate the future development of a four-lane roadway which may include medians, shoulders, stormwater management facilities and highway drainage systems; (ii) an additional approximately 1.9 miles of four-lane rough-grade roadbed that will be located on the Alpha affiliate's proposed surface mine with the placement of the roadbed on the mine being dependent on permit modifications, for which Alpha shall be responsible, to add necessary acreage for road fills and changes to the mine's proposed post

mining land use for public use, that will be within a minimum width of 150 feet of right of way limits to accommodate the future development of a four-lane roadway which may include medians, shoulders, stormwater management facilities and highway drainage systems; (iii) a two-lane rough-grade roadbed intersection, which will be within a minimum width of 60 feet of right of way limits to accommodate the future development of a two-lane roadway which may include shoulders, stormwater management facilities and highway drainage systems, that will connect the Mainline to Route 80 near Alpha approximate station 1275+50 at the western end of the Doe Branch section; and (iv) delineation of the Mainline, as set forth in Exhibit 1, which will generally run from Alpha approximate station 1275+50 to Alpha approximate station 1293+00, then across the affiliate's proposed surface mine generally from Alpha approximate station 1293+00 to Alpha approximate station 1393+00, then generally from Alpha approximate station 1393+00 to Alpha approximate station 1539+00, which is the eastern terminus of the PC/DB Project and connect to the Project's completed Hawks Nest Section, for a total distance, including the distance across the surface mine, of approximately 4.9 miles.

3. **Additional Work for Pound Connector Section.**

a. Work. Alpha's Work for the Pound Connector section shall be expanded to include the additional scope of work described in Schedule 1 to this Addendum (the "Additional PC Work").

b. Deliverables. Alpha shall incorporate into each of the Pound Connector Deliverables, where applicable, the Additional PC Work described in item 1 of Schedule 1, in addition to the other aspects of such Deliverables as contemplated by the Third Amendment (with the exception of the PCPFI Plans which were previously submitted by Alpha and approved by the Department). In addition, Alpha shall develop the additional Deliverable described in item 2 of Schedule 1 (the "TSL Deliverable").

c. Deliverables Schedule. Items (ii) through (vi) of Section 3(e) of the Third Amendment shall be revised to read as follows:

- (ii) PCPH Plans will be submitted no later than November 28, 2012.
- (iii) PCFI Plans Phase 1 will be submitted no later than April 25, 2013.
- (iv) PCPD Plans Phase 1 will be submitted no later than July 8, 2013.
- (v) PCFI Plans Phase 2 will be submitted no later than October 7, 2013.
- (vi) PCPD Plans Phase 2 will be submitted no later than January 15, 2014.

In addition, Alpha will submit the TSL Deliverable to the Department no later than November 28, 2012.

d. Price. For the Additional PC Work, the Department shall pay Alpha a lump sum of Three Hundred Eleven Thousand Nine Hundred Seventy-Seven and 00/100 Dollars (\$311,977.00) (the "Additional PC Sum"). The Additional PC Sum shall constitute an increase

in the Contract Price and shall be payable by the Department to Alpha as set forth in Section 3(e) below.

e. Payment Schedule. Items (iii), (vi) and (vii) of Section 3(g) of the Third Amendment shall be revised to read as follows:

(iii) No later than thirty (30) days after the Department's approval of the PCPH Plans, and its receipt from Alpha of a pay application, the Department shall pay Alpha \$758,002, which is twenty-five percent (25%) of the original Pound Connector Sum (\$539,620) plus seventy percent (70%) of the Additional PC Sum (\$218,382).

(vi) No later than thirty (30) days after the Department's approval of the PCFI Plans Phase 2, and its receipt from Alpha of a pay application, the Department shall pay Alpha \$185,919, which is five percent (5%) of the original Pound Connector Sum (\$107,924) plus twenty-five percent (25%) of the Additional PC Sum (\$77,995).

(vii) No later than thirty (30) days after the Department's approval of the PCPD Plans Phase 2 and its receipt from Alpha of a pay application, the Department shall pay Alpha \$58,770, which is two percent (2%) of the original Pound Connector Sum (\$43,170) plus five percent (5%) of the Additional PC Sum (\$15,600).

4. **Additional Work for Doe Branch Section.**

a. Work. Alpha's Work for the Doe Branch section shall be expanded to include the additional scope of work described in Schedule 2 to this Addendum (the "Additional DB Work").

b. Deliverables. Alpha shall incorporate into each of the Doe Branch Deliverables, where applicable, the Additional DB Work described in Schedule 2, in addition to the other aspects of such Deliverables as contemplated by the Third Amendment (with the exception of the DBPFI Plans which were previously submitted by Alpha and approved by the Department).

c. Deliverables Schedule. Items (ii) through (vi) of Section 4(e) of the Third Amendment shall be revised to read as follows:

- (ii) DBPH Plans will be submitted no later than October 15, 2012.
- (iii) DBFI Plans Phase 1 will be submitted no later than February 8, 2013.
- (iv) DBPD Plans Phase 1 will be submitted no later than April 9, 2013.
- (v) DBFI Plans Phase 2 will be submitted no later than December 16, 2013.
- (vi) DBPD Plans Phase 2 will be submitted no later than February 14, 2014.

d. Price. For the Additional DB Work, the Department shall pay Alpha a lump sum of Thirty-Six Thousand Eight Hundred Seventy-Nine and 00/100 Dollars (\$36,879.00) (the “Additional DB Sum”). The Additional DB Sum shall constitute an increase in the Contract Price and shall be payable by the Department to Alpha as set forth in Section 4(e) below.

e. Payment Schedule. Items (iii) through (v) of Section 4(g) of the Third Amendment shall be revised to read as follows:

(iii) No later than thirty (30) days after the Department’s approval of the DBPH Plans, and its receipt from Alpha of a pay application, the Department shall pay Alpha \$444,433, which is twenty-five percent (25%) of the original Doe Branch Sum (\$424,150) plus fifty-five percent (55%) of the Additional DB Sum (\$20,283).

(iv) No later than thirty (30) days after the Department’s approval of the DBFI Plans Phase 1, and its receipt from Alpha of a pay application, the Department shall pay Alpha \$470,990, which is twenty-seven percent (27%) of the original Doe Branch Sum (\$458,082) plus thirty-five percent (35%) of the Additional DB Sum (\$12,908).

(v) No later than thirty (30) days after the Department’s approval of the DBPD Plans Phase 1 and its receipt from Alpha of a pay application, the Department shall pay Alpha \$156,382, which is nine percent (9%) of the original Doe Branch Sum (\$152,694) plus ten percent (10%) of the Additional DB Sum (\$3,688).

5. Pound Connector Field Inspection Plans. Section 3(c) of the Third Amendment shall be revised to read as follows:

c. Pound Connector Field Inspection Plans. Alpha will develop Pound Connector Field Inspection Plans (the “PCFI Plans”) after the public hearing process, and Alpha will incorporate into the PCFI Plans any agreed-upon comments and suggestions provided to Alpha by the Department following the public hearing. In addition, Alpha will incorporate into the PCFI Plans the detailed roadway and hydraulic designs so as to assist in field inspections regarding the roadbed and utilities. Alpha will develop the PCFI Plans in two phases and will submit separately to the Department the PCFI Plans for each of the two phases. The first phase, PCFI Plans Phase 1, will begin at Alpha approximate station 165+06 and extend to Alpha approximate station 470+00. The second phase, PCFI Plans Phase 2, will begin at Alpha approximate station 100+63 and extend to Alpha approximate station 165+06. Alpha will submit to the Department, along with the PCFI Plans Phase 1, the preliminary investigation of impacts to jurisdictional waters report (as described in Exhibit 4) and the general geotechnical investigation plan (as described in Exhibit 4) for the Pound Connector section.

6. Doe Branch Field Inspection Plans. Section 4(c) of the Third Amendment shall be revised to read as follows:

c. Doe Branch Field Inspection Plans. Alpha will develop Doe Branch Field Inspection Plans (the “DBFI Plans”) after the public hearing process, and Alpha will incorporate into the DBFI Plans any agreed-upon comments and suggestions provided to Alpha by the

Department following the public hearing. In addition, Alpha will incorporate into the DBFI Plans the detailed roadway and hydraulic designs so as to assist in field inspections regarding the roadbed and utilities. Alpha will develop the DBFI Plans in two phases and will submit separately to the Department the DBFI Plans for each of the two phases. The first phase, DBFI Plans Phase 1, will begin at Alpha approximate station 1275+50 and extend to Alpha approximate station 1293+00, then from Alpha approximate station 1393+00 and extend to Alpha approximate station 1539+00. The second phase, DBFI Plans Phase 2, will begin at Alpha approximate station 1293+00 and extend to Alpha approximate station 1393+00. Alpha will submit to the Department, along with the DBFI Plans Phase 1, the preliminary investigation of impacts to jurisdictional waters report (as described in Exhibit 4) and the general geotechnical investigation plan (as described in Exhibit 4) for the Doe Branch section.

7. **Exhibit 1.** Exhibit 1 to the Third Amendment shall be replaced with the revised Exhibit 1 attached to this Addendum as Schedule 3.

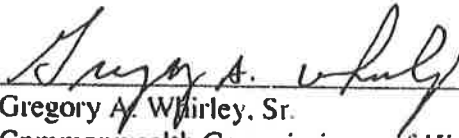
8. **Exhibit 3.** Exhibit 3 to the Third Amendment shall be replaced with the revised Exhibit 3 attached to this Addendum as Schedule 4.

9. **Continuation of Terms and Obligations.** All other terms and conditions set forth in the Third Amendment shall remain in full force and effect, except as expressly modified by this Addendum.

[Signatures appear on next page]

IN WITNESS WHEREOF, the parties, intending to be legally bound, have executed this Addendum on the date first written above.

VIRGINIA DEPARTMENT OF TRANSPORTATION,  
an agency of the Commonwealth of Virginia

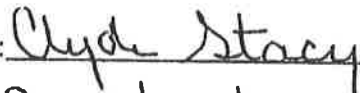
By:   
Gregory A. Whirley, Sr.  
Commonwealth Commissioner of Highways

ALPHA NATURAL RESOURCES, LLC,  
a Delaware limited liability company

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

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

RAPOCA ENERGY COMPANY,  
formerly known as Pioneer Group Inc.,  
a Virginia corporation

By:   
Its: President

IN WITNESS WHEREOF, the parties, intending to be legally bound, have executed this Addendum on the date first written above.

VIRGINIA DEPARTMENT OF TRANSPORTATION,  
an agency of the Commonwealth of Virginia

By: \_\_\_\_\_  
Gregory A. Whirley, Sr.  
Commonwealth Commissioner of Highways

ALPHA NATURAL RESOURCES, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Its: *EVP & General Counsel* \_\_\_\_\_

RAPOCA ENERGY COMPANY,  
formerly known as Pioneer Group Inc.,  
a Virginia corporation

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



## SCHEDULE 1

### ADDITIONAL SCOPE OF WORK FOR POUND CONNECTOR SECTION

The additional scope of work for the Pound Connector Section shall consist of the following two elements:

1. The tasks described in Exhibit 4 to the Third Amendment (items 1 through 8) will be performed in consideration of incorporating (i) the addition of an interchange that would connect the Coalfield Expressway's proposed revised alignment with U.S. Route 23 (the "Interchange") and (ii) proposed bridges to be located at the Interchange and an identified crossing over the Pound River (the "Bridges"), such that references in Exhibit 4 to the "revised alignment" and similar terms shall be deemed to be expanded to include the Interchange and the Bridges; and
2. Further evaluation of the Bridges, in addition to the analyses referenced in Exhibit 4 (items 1 through 8), will be conducted to ensure the Bridges are compatible with the revised alignment. Guidance for such an evaluation will be based on the type, size and location ("TSL") of the Bridges.

The TSL analysis will not include the structural design of superstructure or substructure elements, nor will it include development of information pertaining to foundations. Instead, the purpose of the TSL analyses is to provide general information regarding the type, size and location of the Bridges in order to determine the feasibility of incorporating the Bridges into the revised alignment.

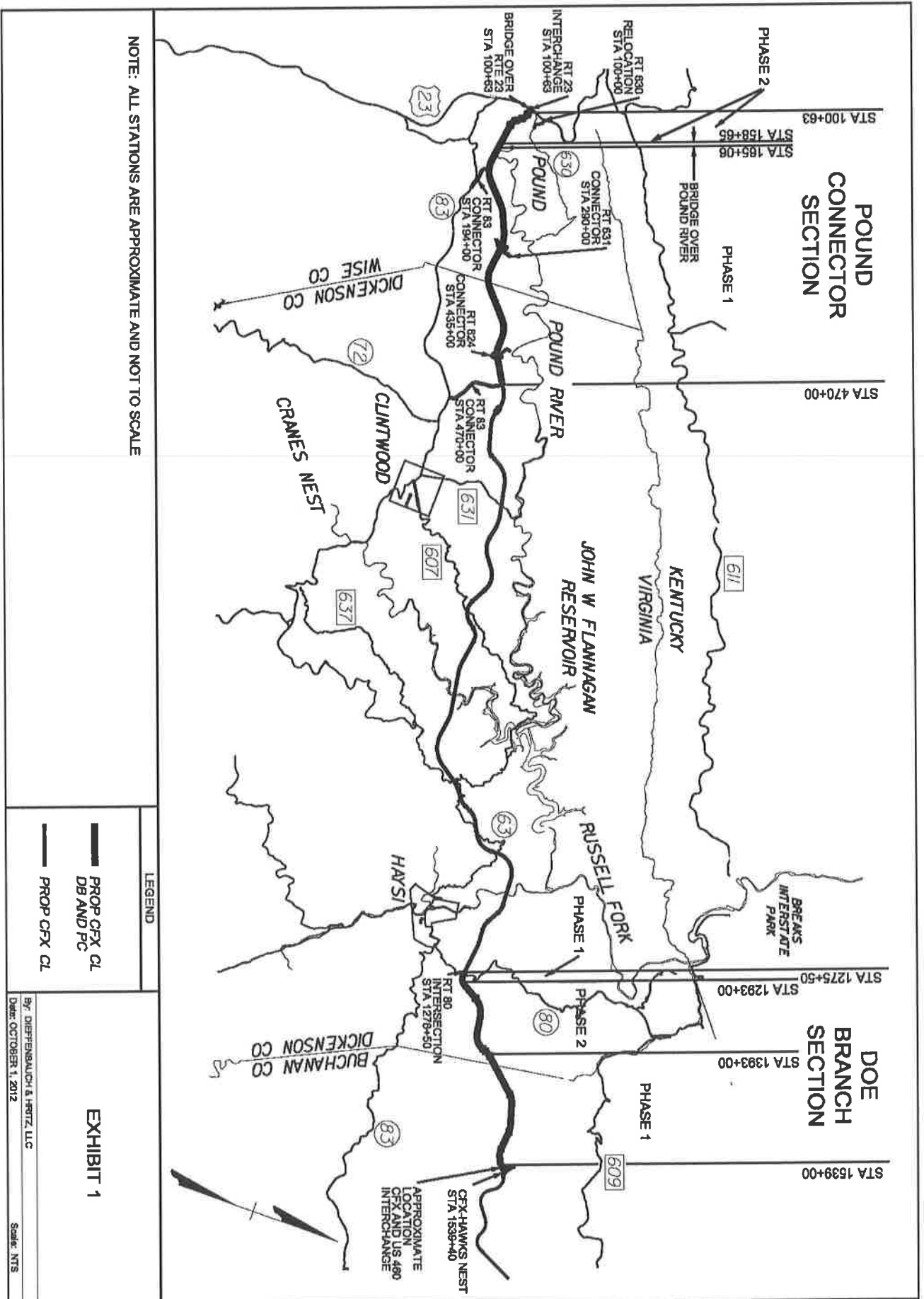
The TSL analyses will be submitted as an additional Deliverable and the report will include: (i) a basic layout/plan that will include a typical plan view section, a transverse section view, a developed section view along the centerline (that includes abutment and pier(s) locations, OHW elevation and 100 year flood zone or HW elevation) with dimensions and approximate elevations of the preferred bridge type; (ii) a discussion, including advantages and disadvantages, of alternative bridge types; (iii) a discussion of the preferred alternative substructure types; (iv) analyses of whether deck drainage will be required or not; (v) a review and discussion of the constructability of the Bridges; and (vii) an identification of the types of permits that may be required to incorporate the Bridges into the revised alignment.

## **SCHEDULE 2**

### **ADDITIONAL SCOPE OF WORK FOR DOE BRANCH SECTION**

The additional scope of work for the Doe Branch Section shall consist of the tasks described in Exhibit 4 to the Third Amendment (items 1 through 8) as applied to the proposed addition of an intersection of the Coalfields Expressway with State Route 80 (the "Intersection"), such that references in Exhibit 4 to the "revised alignment" and similar terms shall be deemed to be expanded to include the Intersection.

**SCHEDULE 3  
EXHIBIT 1 (REVISED): GEOGRAPHICAL DELINEATION MAP**



## SCHEDULE 4

### EXHIBIT 3 (REVISED) MINIMUM DESIGN CRITERIA

Mainline: Four-Lane Rough-Grade Roadbed  
(GS-1 – Rural Principal Arterial, Other Principal Arterials, Rolling)

Design Speed:	60 mph
Min. Radius:	1204 feet
Max. Grade:	6.0%
Min. Stopping Sight Distance:	570 feet; for grades $\geq 3\%$ , see Exhibit 3-2 of the 2004 AASHTO Green Book
Max. e:	8%
Cut Slope:	
Soil Cut:	In accordance with Exhibit 2 Project Specifications
Rock Cut:	In accordance with Exhibit 2 Project Specifications
Fill Slopes:	Approximate 2:3H:1V For Preliminary Design (allows for benches)
Min. Width of Right of Way Limits:	150 feet

Connector Roads: Two-Lane Rough-Grade Roadbed  
(GS-3 - Mountainous with Average Daily Traffic 400-1500; Used for Route 83 Connectors,  
Route 80)

(GS-4 - Mountainous with Average Daily Traffic 400-1500;  
Used for Route 631, Route 624 & Route 630 Intersections, and Alternative Connector to Route  
23)

	<u>GS-3</u>		<u>GS-4</u>
Design Speed:	30 mph	Design Speed:	30 mph
Min. Radius:	251 feet	Min. Radius:	251 feet
Max. Grade:	10.0%	Max. Grade:	14.0%
Min. Stopping Sight Distance:	200 feet; for grades $\geq 3\%$ , see Exhibit 3-2-2004 AASHTO Green Book	Min. Stopping Sight Distance:	200 feet; for grades $\geq 3\%$ , see Exhibit 3-2-2004 AASHTO Green Book
Max e:	8%		8%
Cut Slope:		Cut Slope:	
Soil Cut:	In accordance with Exhibit 2 Project Specifications	Soil Cut:	In accordance with Exhibit 2 Project Specifications
Rock Cut:	In accordance with Exhibit 2 Project Specifications	Rock Cut:	In accordance with Exhibit 2 Project Specifications
Fill Slopes:	Approximate 2:3H:1V for Preliminary Design (allows for benches)	Fill Slopes:	Approximate 2:3H:1V for Preliminary Design (allows for benches)
Min Width of Right of Way Limits:	60 feet	Min Width of Right of Way Limits:	60 feet

Interchange Ramps: Rough-Grade Roadbed  
(GS-R - Mountainous; Used for Interchange Ramps)

GS-R

Design Speed:	30 mph for loop ramps 40 mph other ramps
Min Radius:	30 mph: 251 feet 40 mph: 465 feet
Max Grade:	30 mph: 7.0% 40 mph: 6.0%
Minimum Stopping Sight Distance:	30 mph: 200 feet; on grades of 3% or greater, see Exhibit 3-2 of the 2004 AASHTO Green Book  40 mph: 305 feet; on grades of 3% or greater, see Exhibit 3-2 of the 2004 AASHTO Green Book
Maximum e:	8%
Cut Slope:	
Soil Cut:	In accordance with Exhibit 2 Project Specifications
Rock Cut:	In accordance with Exhibit 2 Project Specifications
Fill Slopes:	Approximate 2:3H:1V for Preliminary Design (allows for benches)
Minimum Width of Right of Way Limits:	60 feet

In addition, Alpha shall perform the preliminary engineering and design work in accordance with the applicable VDOT standards and guidelines for the referenced design speed and grade when developing the horizontal and vertical alignments for the Contract Documents.