COMMONWEALTH OF KENTUCKY FINANCE AND ADMINISTRATION CABINET DEED OF EASEMENT

KNOW ALL YE TO WHOM THESE PRESENTS SHALL COME, that the COMMONWEALTH OF KENTUCKY, acting by and through John R. Farris, Secretary of the Finance and Administration Cabinet, as provided by Chapters 45A and 56 of the Kentucky Revised Statutes, pursuant to Official Order No. 08-001, for and on behalf of the CABINET FOR HEALTH AND FAMILY SERVICES, 275 East Main Street, 5W-A, Frankfort, Kentucky 40621, hereinafter referred to as the "Commonwealth," and for and in consideration of the public benefit to be derived herefrom and other good and valuable consideration, the receipt and sufficiency of said consideration being hereby acknowledged, does hereby grant and convey unto KENTUCKY POWER COMPANY, a Kentucky corporation, with an address of 3249 North Mayo Trail, Pikeville, Kentucky 41501, its successors and assigns forever, hereinafter referred to as the "Grantee," an easement as follows:

The easement deeded herein being a piece of land located at 6904 Highway 899, Pippa Passes, Knott County, Kentucky, on the site of the CHFS Caney Creek Rehabilitation Center, for the installation and maintenance of a new forty-five (45) foot power pole, and four (4) each 2-aa aluminum primary and neutral power wires, located 32 feet from and in line with, an existing power pole that serves the Caney Creek Complex; the location of the easement granted herein being more particularly described in the drawing, which is of record in Plat Cabinet ___, Sheet ____.

The foregoing easement conveyed herein being a part of the same property as that conveyed the Commonwealth of Kentucky, for the benefit of Human Resources, by Knott County, Kentucky, a political subdivision of the Commonwealth of Kentucky, by Deed dated June 9, 1983, which is of record in Deed Book 166, Page 662.

All references are to the records of the Knott County Clerk.

Grantee acknowledges that this conveyance is subject to any other easements or restrictions

as to the use of said property, whether recorded or unrecorded, which may have been previously granted by the Commonwealth or its predecessors in interest.

Grantee also agrees that it will indemnify, hold harmless and repair, replace, or otherwise be liable to the Commonwealth for any and all damages that may be caused directly or indirectly by or resulting from the exercise of the Grantee's rights granted hereunder. Grantee shall not be responsible for damages that may be caused by the Commonwealth or its agents. For purposes of this paragraph, damages shall be defined as all reasonable attorney fees incurred by the Grantor as a result of the exercise of the Grantee's rights granted hereunder.

As a condition hereof, the Grantee shall restore the surface of the ground, as nearly as practicable, to the same condition as it was prior to the Grantee's construction, extension, installation, inspection, repair, maintenance, removal, replacement, reconstruction and/or enlargement of its facilities. The restoration of the surface shall include, but shall not be limited to, the reseeding and/or resodding of any unpaved portion thereof disturbed in the course of the aforementioned activity.

Grantee also agrees to repair or replace any pavement or blacktop surface removed or damaged during the construction, extension, installation, inspection, repair, maintenance, removal, replacement, reconstruction and/or enlargement of its facilities. Furthermore, the Grantee shall also repair or replace any pavement or blacktop surface which has settled within two (2) years of the construction, repair, reconstruction, extension, removal and/or enlargement of the Grantee's facilities, provided said settlement has resulted from the aforementioned activity.

Upon receiving the prior written approval of the Cabinet for Health and Family Services, the Grantee shall be permitted to cut, trim, and control the growth of trees, shrubbery, or vegetation by machinery or by manual procedures within the easement area. Chemical removal is prohibited.

Grantee further agrees that if the Commonwealth has authorized others to locate utility lines within the limits of the above-described easement that Grantee shall not disturb these lines and shall indemnify the grantee(s) of such rights against any damage to their utility lines within the area of said

easement, which is the result of the Grantee's exercise of the rights granted herein.

The rights hereby granted shall be deemed non-exclusive to the Grantee and the Commonwealth reserves the right, at its option and for its convenience, to grant to others similar rights of easement and right-of-way within the limits of the above-described easement; provided, however, that the Commonwealth agrees to forebear granting any such rights within the limits of said easement that in the judgment of the Director of the Division of Engineering and Contract Administration, Finance and Administration Cabinet, will be for a use detrimental to or will adversely affect the use thereof by the Grantee; and as a condition of any such grant of easement will require that the grantee thereof agree to indemnify the Grantee hereof against any damage to its facilities located within the easement.

The Commonwealth, its successors and assigns, shall have the right to use the land within the limits of this easement in any manner not inconsistent with the rights herein described.

The Commonwealth agrees that it will forebear constructing any building or other permanent improvement over or across the right-of-way of the above-described easement, but reserves to itself the right to construct within the limits of said easement fences and temporary structures over, along or across the right-of-way of said easement, as long as the erection of said fences or other temporary structures does not substantially interfere with the Grantee's rights granted hereunder, or violate any applicable codes, statutes or regulations.

This easement shall remain in effect for as long as the Grantee, its successors and assigns use this easement for the purposes granted, but if the Grantee's use thereof shall be discontinued for a period of two (2) consecutive calendar years, such lack of use shall be deemed an abandonment of this easement by the Grantee and all rights hereunder granted shall cease and this easement shall terminate.

IN TESTIMONY WHEREOF, witness the signature of John R. Farris, Secretary of the Finance and Administration Cabinet, Commonwealth of Kentucky, affixed hereto for and on behalf of said Commonwealth as authorized and provided by Chapters 45A and 56 of the Kentucky Revised Statutes, as of this Landay of July, 2007.

COMMONWEALTH OF KENTUCKY

By: Active by Survey Constitution of Secretary

Finance and Administration Cabinet

COMMONWEALTH OF KENTUCKY
COUNTY OF FRANKLIN

The foregoing Deed of Easement was acknowledged before me by John R. Farris, Secretary of the Finance and Administration Cabinet, Commonwealth of Kentucky, this 16th day of 2007.

My Commission expires:

Examined:

Counsel to the Governor

THE SUBJECT EASEMENT IS APPROVED:

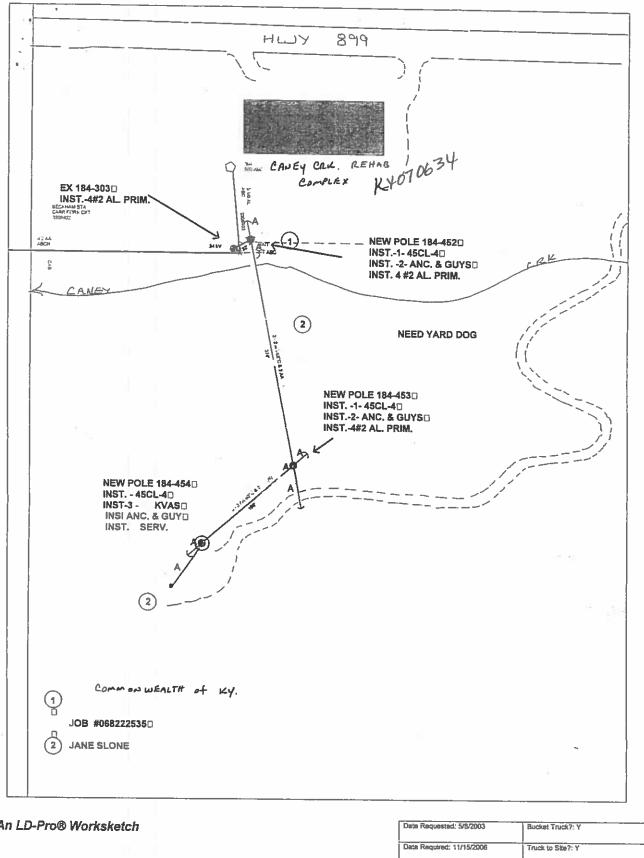
ERNIE FLETCHER, GOVERNOR COMMONWEALTH OF KENTUCKY This Instrument Prepared By:

Patrick W. McGee, Attorney Finance and Administration Cabinet Room 188, Capitol Annex Building Frankfort, Kentucky 40601

(502) 564-6660

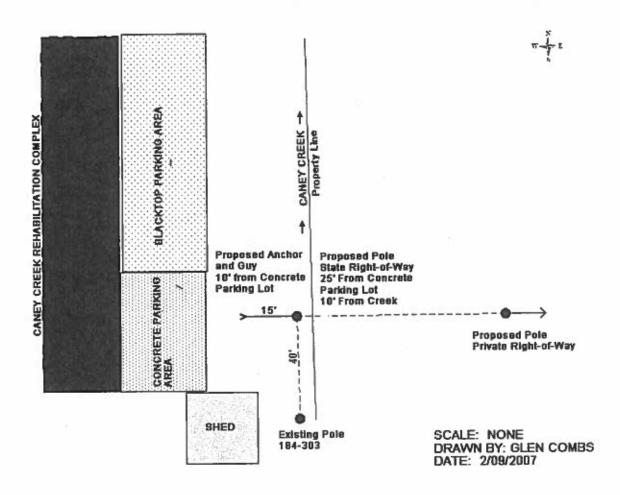
AFPALACHIAN POWER COMPANY
CHECKED BY

CHECKED BY



An LD-Pro® Worksketch			Date Requested: 5/6/2003	Bucket Truck?: Y
			Data Required: 11/15/2006	Truck to Site?: Y
Name: CUSTOMER SERVICE-CLN	EW SERVICE			4 WD7: N
cation;				County:
vision: KY District: Hazard		Crew HC: Hazard Const	Station No.: 3084	Circuit No.: 03
Rs: 15959125	WO#:	Sta/Circuit Name: BE	CKHAM-CANEY	
Proposal(s):		Voltage: 34.5	·	Map: 184A
0682225	35	Phases: ABC		Quad: 3783
ON HILL BEHAND THE CANEY CRK, REHABILITATION COMPLEX		Date: 10/19/2006	Print #:	Scale: NTS
		Drawn By: D. CHRIST	TIAN	Page: 1 of 1

HIGHWAY 899



STATE OF KENTUCKY COUNTY OF KNOTT

KENNITH GAYHEART, KNOTT COUNTY CLERK, IN AND FOR THE COUNTY AND STATE OF AFORESAID OF CERTIFY THAT THE FOREGOING INSTRUMENT OF WRITING WAS F

THE 21 DAY OF Dead 20 07
LOGGED IN MY OFFICE FOR RECORD, WHEREUPON THE SAME WITH THE FOREGOING AND THIS CERTIFICATE HAVE BEEN DULY ILLCORDED IN MY OFFICE.

GIVEN UNDER MY HAND THIS_ _DAY OF

Dead 20 07

Dard Bh 239 Page 711