ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION ("Assignment") is made and entered into effective as of 11 January, 2006 (the "Effective Date"), by and among KELLOGG BROWN & ROOT, INC., Government & Infrastructure Division, a Delaware corporation whose principal address is 4100 Clinton Drive, Houston, Texas 77020 ("KBR"); PIONEER GROUP, INC., whose principal address is 2700 Lee Highway, Bristol, Virginia 24202 ("Pioneer"); ALPHA NATURAL RESOURCES, LLC whose principal address is P.O. Box 2345, Abingdon, Virginia 24212 ("ALPHA") (Pioneer and ALPHA are collectively referred to herein as "PIONEER/ALPHA"), and the Virginia Department of Transportation, whose principal address is 1401 East Broad Street Richmond, Virginia 23219 ("VDOT"), a department of the Commonwealth of Virginia.

WHEREAS VDOT and KBR entered into that certain Comprehensive Agreement to Develop and Maintain Coalfields Expressway dated January 11, 2002, as amended by Amendment No. 1 dated September 3, 2002 and Amendment No. 2 dated June 7, 2004 (the "Comprehensive Agreement"), which for all purposes of this Assignment is defined to include that certain Design-Build Contract ("Design-Build Contract") dated as of January 11, 2002 by and between VDOT and KBR, as amended. Terms used but not defined herein shall have the meanings assigned thereto in the Comprehensive Agreement.

WHEREAS, KBR, PIONEER and ALPHA signed a Transaction Outline effective December 22, 2005 and wish to now further define their intentions within that document;

NOW THEREFORE and in consideration of the covenants contained herein, the parties hereby agree as follows:

Article 1
ASSIGNMENT AND CONSENT

1.1 For valuable consideration, the sufficiency and receipt of which are hereby acknowledged, KBR does hereby grant, convey, assign, transfer, set over and deliver, unto PIONEER/ALPHA, effective as of the Effective Date, without recourse or warranty, express or implied, all of KBR's right, title and interest in and to the Comprehensive Agreement, together with all rights and privileges to which KBR would be entitled on and after the Effective Date which in any way appertain to the Comprehensive Agreement.

1.2 VDOT, KBR and PIONEER/ALPHA intend that this Assignment, as consented to herein by VDOT pursuant to Section 16.1(a) of the Comprehensive Agreement, constitutes a valid and lawful assignment. However, in the event that a third party challenges the lawfulness of this Assignment, whether in a court of law or other venue, each party agrees that it shall assume its own costs and expenses associated with the defense of such challenge. VDOT and KBR agree that in the event a challenge by a third party to the lawfulness of this Assignment is successful

and/or this Assignment is deemed null and void, VDOT may elect, in its sole discretion, to terminate the Comprehensive Agreement with no further mutual obligations between VDOT and KBR.

1.3 As of the Effective Date, VDOT has consented to the assignment herein of the Comprehensive Agreement by KBR to PIONEER/ALPHA.

Article 2
ASSUMPTION

2.1 Subject to Section 2.2 below, PIONEER/ALPHA accepts the Comprehensive Agreement and assumes and agrees to pay, perform and discharge all of the obligations and liabilities of KBR under or pursuant to the Comprehensive Agreement arising on and after the Effective Date as if PIONEER/ALPHA were a named party in the Comprehensive Agreement instead of KBR.

2.2 VDOT, PIONEER and ALPHA will negotiate in good faith modifications to the Comprehensive Agreement that would reflect the highway being built in conjunction with the development of PIONEER/ALPHA coal reserves. All obligations of PIONEER/ALPHA under the Comprehensive Agreement shall be suspended until completion of such negotiations. If within 365 calendar days of the Effective Date, VDOT, PIONEER and ALPHA are unable to reach such modifications that are acceptable to each party, then neither VDOT, PIONEER nor ALPHA shall have any obligations to any other party under the Comprehensive Agreement, and VDOT may terminate the Comprehensive Agreement with no obligation to PIONEER and ALPHA.

2.3 The parties agree that KBR shall retain full responsibility for the obligations that KBR has incurred under the Comprehensive Agreement up to the Effective Date and for which it has been properly paid by the Virginia Department of Transportation ("VDOT") in accordance with the Design-Build Contract, including pursuant to Change Order 1 dated December 29, 2005.

Article 3
MISCELLANEOUS

3.1 Development Fee. KBR acknowledges that VDOT is not obligated to pay KBR any Development Fee under Section 3.5(b) of the Comprehensive Agreement. However, unless and until this Comprehensive Agreement is terminated, PIONEER/ALPHA will agree to offer KBR a right of first refusal to conduct any highway engineering and highway construction management services that are to be performed after the establishment of the highway subgrade and subject to the approval of VDOT as to scope, price, and all other terms and conditions. PIONEER/ALPHA shall not be obligated to offer KBR a right of first refusal on highway engineering and highway construction management services that PIONEER/ALPHA performs themselves, or through their affiliates, or that are performed prior to the highway subgrade being established, including, but not limited to, any earth moving operations; permitting, authorization or design of such earth moving operations; bringing the road bed to subgrade, coal removal, slope work and the establishment of drainage facilities and structures.

3.2 Release. By the signature indicated below, VDOT releases and forever discharges KBR from any obligation arising under the Comprehensive Agreement (including the Parent Company Guarantee provided by Halliburton Company) on and after the Effective Date and from all liabilities, claims and demands whatsoever, whether statutory, common law, equity or otherwise, arising out of the performance of the Comprehensive Agreement on and after the Effective Date, except as set forth herein. For the avoidance of doubt, *neither* KBR *nor Halliburton Company* shall be released from any liabilities, including rights to indemnification, arising from *KBR's* performance of the Comprehensive Agreement prior to the Effective Date.

3.3 No Benefit. This Assignment is made for the benefit of the parties hereto only and does not confer any right or cause of action or legal benefit on any other party.

3.4 Other Documents. KBR, PIONEER/ALPHA and VDOT each agree to execute, acknowledge and deliver to the other all such additional instruments, notices, and other documents and to do all such further acts and things that may be necessary or useful to more fully and effectively effect the intent of this Assignment.

3.5 Records, Reports and Data. Within 30 days after this Assignment is executed, KBR will deliver to VDOT all Work Product and all other records, reports and data that KBR prepared or had prepared in conjunction with its work under the Comprehensive Agreement.

3.6 Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, except as otherwise required by applicable law. Venue for any legal action arising out of this Assignment shall lie in the Circuit Court in the City of Richmond, Virginia, Division I.

3.7 Successors. This Assignment shall bind and inure to the benefit of KBR, Pioneer, ALPHA, VDOT and their respective permitted successors and assigns.

EXECUTED as of the Effective Date.

(signatures on next page)