

**SOUTHERN MINERAL RESOURCES, LLC
ARKADELPHIA PREP PLANT, P-3202, REVISION R-13**

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ARKADELPHIA PREP PLANT, P-3202, REVISION R-13**

**ALABAMA SURFACE MINING COMMISSION
SURFACE MINING PERMIT APPLICATION**

P A R T I

Prepared by:

SIMMONS-JOHNSEY ENGINEERING, LLC
405 9th Ave.
Jasper, Alabama 35501
Telephone: (205) 522-2057

**SOUTHERN MINERAL RESOURCES, LLC
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ASMC USE ONLY

Fee: _____

Bond Required: _____

Date Approved: _____

APPLICATION FOR PERMIT REVISION

Name of Permittee: Southern Mineral Resources, LLC

License Number: L-0840 Complete Permit Number: P-3202-25-28-P

Expiration Date of Permit: January 19, 2028 Revision Number: R-13

Mine Name: Arkadelphia Prep Plant

Nature of Proposed Revision R-13:

- 1) Transfer 14 acres (13 acres fines recovery area and 1 acre ancillary road) from Increment No. 1 to newly created Increment No. 5.
- 2) Change the post mining land use of newly created Increment No. 5 from Undeveloped/ No Current Use to Industrial/ Commercial.

Identify any conditions placed on this permit which would relate to the proposed revision being requested: None.

Attach detailed estimate of effect of proposed revision on reclamation costs.

Note: ASMC will calculate additional reclamation bond required.

STATE OF ALABAMA SURFACE MINING COMMISSION

- () Revision Application for a Surface Coal Mine
() Revision Application for an Underground Coal Mine
(XX) Revision Application for a Preparation Facility

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: Southern Mineral Resources, LLC
Street Address: 1915 County Rd. 8
City: Hanceville State: AL Zip: 35077
Mailing Address: 1915 County Rd. 8
City: Hanceville State: AL Zip: 35077
Telephone Number: (205) 861-3180
Social Security Number (Voluntary): _____
Employer Identification Number: 47-2032779
ASMC License#: L-0840

2. ENTITY OR PERSON RESPONSIBLE FOR PAYING ABANDONED MINE LAND RECLAMATION FEES

Name: Applicant
Street Address: _____
City: _____ State: _____ Zip: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone Number: (_____) _____
Social Security Number (Voluntary): _____
Employer Identification Number: _____
ASMC License#: _____

3. IDENTIFY THE OPERATOR FOR THIS MINE IF DIFFERENT FROM THE PERMITTEE

Name: Applicant
Street Address: _____
City: _____ State: _____ Zip: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone Number: (_____) _____
Social Security Number (Voluntary): _____
Employer Identification Number: _____
ASMC License#: _____

4. CONTACT PERSON FOR PERMIT REVIEW ISSUES AND CORRESPONDENCE

Name: Simmons-Johnsey Engineering, LLC
Mailing Address: 405 9th Ave.
City: Jasper State: AL Zip: 35501
Telephone Number: (205) 522-2057
Email Address: jared@simmons-johnsey.com

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PART I B. OWNERSHIP AND CONTROL

1. PERMIT APPLICANT OWNERSHIP AND CONTROL.

At the time of filing of this application provide an update of all information contained in the applicant's license file or certify that the information contained in the license is accurate and complete. The updated information shall be submitted on Part I A through Part I F of the License application form. Check one of the following:

☐ A license update is included.

☒ Information contained in the license file is accurate and complete at the time of filing of this application.
No update is included.

Following notification that the permit appears eligible for issuance, the applicant must certify that all information in this application and the license file pertaining to ownership and control, surface mining history and violation history is still valid or the applicant must submit the appropriate update information.

2. OPERATOR OWNERSHIP AND CONTROL.

If someone other than the permittee has been identified as the operator under this permit, an update of the ownership and control information contained in the operator's license file must be provided or certify that the information contained in the license file is accurate and complete. The updated information shall be submitted on Part I A through Part I F of the License application form. Check one of the following:

☐ A license update is included.

☒ Information contained in the license file is accurate and complete at the time of filing of this application.
No update is included.

Following notification that the permit appears eligible for issuance, the applicant must certify that all information in this application and the license file pertaining to ownership and control, surface mining history and violation history is still valid or the applicant must submit the appropriate update information.

3. CONTROL OF MINING OPERATION THROUGH CONTROL OF COAL TO BE MINED.

Provide the information below for any person or entity who owns or controls the coal to be mined under this permit and who, by lease, sublease, or other contract:

- A. has the right to receive the coal after mining, or,
- B. has the authority to determine the manner in which the operator or permittee conducts surface coal mining operations.

(USE ADDITIONAL SHEETS IN THE FORMAT BELOW IF NECESSARY)

Name: Applicant
Street Address: _____
City: _____ State: _____ Zip: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone Number: (_____) _____
Social Security Number (Voluntary): _____
Employer Identification Number: _____
ASMC License#: _____

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PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS

1. OWNERSHIP OF PROPERTY TO BE MINED AND RIGHT OF ENTRY.

INSTRUCTIONS:

Show the property ownership boundaries of each parcel of land in the permit area on the permit map or an overlay of the same scale as the permit map. If the surface estate is severed from the mineral estate, show and describe the ownership of each estate separately. In the spaces below, identify:

1. Every current legal or equitable owner(s) of record (as found in a standard search of title) of the property;
2. The holders of record of any leasehold interest in the property; and,
3. Any purchaser of record under a real estate contract of the property.

Describe the basis of the applicant's legal right to enter and mine on all properties contained in the permit application. If the mineral estate has been severed from the surface estate, describe the basis of the legal right to enter and mine both the surface and mineral separately. Give the nature of such right (i.e. lease, deed, contract, etc.), where recorded, describe from whom, to whom, and the date executed, and whether that right is the subject of pending litigation.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

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Legal description of property or permit map symbol: S1

Surface/Mineral/or Fee Simple (both): Surface

Legal owner(s) of record: Southern Mineral Resources, LLC

Address: 1915 County Rd. 8 City: Hanceville State: AL Zip: 35077

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: _____ Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry (If deed, indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
Deed Recorded: Cullman County Volume: 691 Pages: 40 12/16/19	Drummond Company, Inc.	Southern Min, Res., LLC	12/13/19	No.
Deed Recorded: Cullman County Volume: 691 Pages: 35 12/16/19	Marigold Land Company	Southern Min, Res., LLC	12/13/19	No.

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PART I C 1. (CONTINUED)

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Legal description of property or permit map symbol: : S2, M1, F1

Surface/Mineral/or Fee Simple (both): Surface, Mineral, Fee

Legal owner(s) of record: Drummond Company, Inc.

Address: P.O Box 1549 City: Jasper State: Al. Zip: 35502

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: _____ Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining.

Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry (If deed, indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
Royalty Agreement	Drummond Company and Marigold Land Company	Southern Mineral Resources, LLC.	12/13/2019	No

Describe Right of Entry (If deed, indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
Royalty Agreement	Drummond Company & Marigold Land Co.	Southern Mineral Resources, LLC.	12/13/2019	No

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PART I C. (CONTINUED)

2. OWNERSHIP OF SURFACE AND MINERAL LANDS CONTIGUOUS TO THE AREA TO BE MINED.

INSTRUCTIONS: Provide the information below for the owners of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEETS AS NECESSARY IN THE FORMAT BELOW

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Name: Southern Mineral Resources, LLC

Address: 1915 County Rd. 8

City: Hanceville

State: AL

Zip: 35077

Interest owned (Surface, Coal or Fee Simple): Surface

Type of Interest (Owner, Lease, or Other): Owner

Name: 8 Partners

Address: P. O. Box 1549

City: Jasper

State: AL

Zip: 35502

Interest owned (Surface, Coal or Fee Simple): Coal

Type of Interest (Owner, Lease, or Other): Owner

Name: Drummond Company, Inc.

Address: P. O. Box 1549

City: Jasper

State: AL

Zip: 35502

Interest owned (Surface, Coal or Fee Simple): Surface/Coal/Fee Simple

Type of Interest (Owner, Lease, or Other): Owner

Name: Marigold Land Company

Address: P. O. Box 1549

City: Jasper

State: AL

Zip: 35502

Interest owned (Surface, Coal or Fee Simple): Surface

Type of Interest (Owner, Lease, or Other): Owner

PART I C. (CONTINUED)

3. INTERESTS OR PENDING INTERESTS IN LANDS CONTIGUOUS TO THE PERMIT AREA.

INSTRUCTIONS: Give the legal description of all lands contiguous to the permit area for which the permit applicant:

1. Holds an interest,
2. Holds an option, or
3. Has made a bid for ownership, lease or other interest.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW IF NECESSARY

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Legal description: _____

Describe the nature of the interest _____

Legal description: _____

Describe the nature of the interest: _____

Legal description: _____

Describe the nature of the interest: _____

Legal description: _____

Describe the nature of the interest: _____

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PART I D. PERMIT AREA INFORMATION

1. Give the requested term of this permit: 5 years.
2. Give the legal description of the land upon which the applicant proposes to conduct surface coal mining operations. List each quarter-quarter section, section, township, range, and county.

NE/NE, SE/NE, SW/NE, NE/SE, NW/SE, SE/SE, SW/SE, NE/SW, Section 22, NW/NW, SW/NW, NW/SW, Section 23, and NE/NW, NW/NE, NE/NE, SE/NE, Section 27, Township 12 South, Range 4 West, Cullman County, Alabama.

3. Give the acreage of the permit, each increment, and the type of bonding.

a. Total permit acreage: 317.0 acres
See Revision R-13 Permit Map

b. Give the acreage and type of bond for each mining increment:

<u>Increment</u>	<u>Acres</u>	<u>Type Bond Proposed</u>
1.	205.0	Surety/Certificate of Deposit
2.	2.0	Phase III Release
3.	83.0	Phase III Release
4.	13.0	Surety/Certificate of Deposit
5.	14.0	Surety/Certificate

c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Increment No. 1

4. Has any acreage in the proposed permit area been previously disturbed by mining? (XX) YES () NO

If yes, supply the following for any and all previously disturbed areas:

- a. Show the boundaries of the previously disturbed area(s) on the permit map and identify with an appropriate symbol.
- b. List, for each area, the permit number under which it was disturbed and the number of acres. Indicate the status of each permit as Unreleased, Grading released, or 100% released. (If no permit, indicate as such)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>P-3202</u>	<u>232.0</u>	<u>Unreleased</u>
<u>P-3202</u>	<u>85.0</u>	<u>100% Released</u>

- c. For each area which has not been reclaimed or received a 100% release, indicate whether you intend to assume responsibility for reclamation of the area under this permit and its performance bond(s).

Southern Mineral Resources, LLC assumes responsibility for reclamation of disturbances created under Permit P-3202 whether done by Southern Mineral Resources, LLC or prior holders of Permit P-3202.

5. Is disturbance to be conducted within 300 feet, measured horizontally, from an occupied dwelling?

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() YES (XX) NO.

If YES, attach a signed waiver from the owner of the dwelling indicating the minimum distance disturbance will be allowed by the owner.

PART I D. (CONTINUED)

6. Is disturbance proposed within 100 feet of a public road right-of-way or will a public road be closed or relocated?
() YES (XX) NO.

If YES, enclose a copy of the approval granted by the government entity which has jurisdiction over the road. The approval must state the minimum distance disturbance will be allowed to the road or road right-of-way.

7. List all other licenses and permits required to conduct mining operations including, but not limited to, MSHA I.D. and NPDES. Give the identification or permit number, the name and address of the issuing authority, and the status or date of approval or issuance of each:

Permit Number	ID or Permit	Issuing Authority	Address	Status or date of issuance
MSHA ID _____	01-03540 _____	MSHA _____	* _____	Issued 06-25-20 _____
NPDES _____	AL0022837 _____	ADEM _____	** _____	Issued 06-22-11 _____

* 135 Gemini Circle, Suite 213, Birmingham, AL 35209

** 1400 Coliseum Blvd., Montgomery, AL 36130

8. Is the property in the permit covered by zoning or other land use restrictions? () YES (X) NO.
If yes, indicate the jurisdictional authority and zoning or landuse restriction for the entire permit area. If more than one zoning classification exists for the permit area, identify the boundaries of each on the permit map.

Jurisdictional Authority	Zoning Classification	Allows mining? Yes or No
_____	_____	_____
_____	_____	_____

9. Describe access to the proposed mine from a known point on the nearest public highway:

From the intersection of Al. State Highway 69 North and Cullman County Road 8, travel South along Cullman County Road 8 approximately 2.0 miles to the mine entrance on the left.

10. Did the applicant receive assistance from the Small Operator Assistance Program in preparing this application?
() YES (XX) NO
If YES, list SOAP I.D. Number: _____

11. Submit a certificate of proof of Liability Insurance with this application. See ASMC Master File.

PART I E. PUBLIC NOTICE AND AVAILABILITY FOR INSPECTION

12. Give the name of the approved public office in which a copy of this application will be filed for public inspection following notification of completeness: ASMC website <http://surface-mining.alabama.gov>
13. Enclose a copy of the notice of filing of this application which will appear in a newspaper of general circulation in the vicinity of the mine and identify the name of the newspaper: See Attachment I-E-13

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ATTACHMENT I-E-13**

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Southern Mineral Resources, LLC., 1915 County Rd. 8, Hanceville AL. 35077, is filing a permit revision application, Revision R-13, for its Arkadelphia Prep Plant, P-3202, a surface coal mine.

Nature of Proposed Revision R-13:

- 1) Transfer 14 acres (13 acres fines recovery area & 1 acre ancillary road) from Increment No. 1 to newly created Increment No. 5.
- 2) Change the post mining landuse of newly created Increment No. 5 from undeveloped/ no current use to industrial/ commercial.

Access to the mine is as follows:

From the intersection of Al. State Highway 69 North and Cullman County Road 8, travel South along Cullman County Road 8 approximately 2.0 miles to the mine entrance on the left.

The description of the property within the proposed permit application is as follows: NE/NE, SE/NE, SW/NE, NE/SE, NW/SE, SE/SE, SW/SE, NE/SW, Section 22, NW/NW, SW/NW, NW/SW, Section 23, and NE/NW, NW/NE, NE/NE, SE/NE, Section 27, Township 12 South, Range 4 West, Cullman County, Alabama.

A copy of the permit application is available for public inspection and review on the Alabama Surface Mining Commission website <http://surface-mining.alabama.gov>. A copy of the permit application is also available for public inspection and review at the office of the Alabama Surface Mining Commission located on the second floor of the Pinnacle Bank Building at 1811 2nd Avenue, Jasper, Alabama 35501. Written comments, objections, request for public hearing or request for informal conferences concerning this permit should be sent to the Alabama Surface Mining Commission, P.O. Box 2390, Jasper, Alabama 35502-2390, no later than 30 days from the last date of publication of this notice.

This notice to be published in the Cullman Times.

To The Cullman Times:

Please run this notice once a week for four (4) consecutive weeks.

Please send:

Invoice to:

Southern Mineral Resources, LLC.
1915 County Road 8
Hanceville, AL. 35077
Telephone (205) 861-3180

Notarized proof of publication to:

Simmons-Johnsey Engineering, LLC
407 9th Avenue
Jasper, AL 35071
Telephone (205) 275-0689
Email: jared@simmonsjohnsey.com