



STATE OF ALABAMA
SURFACE MINING COMMISSION

P.O. BOX 2390 - JASPER, ALABAMA 35502-2390
(205) 221-4130 • FAX: (205) 221-5077

Permit Revision Number: R-26

REVISION TO PERMIT FOR
SURFACE COAL MINING OPERATIONS

Pursuant to the Alabama Surface Mining Control and Reclamation Act, Act No. 8I-435, and duly promulgated rules of the Commission, revision is hereby approved for permit:

P- 3233-01-18-P
Oak Grove Resources, LLC
8360 Taylors Ferry Road
Hueytown, AL 35023
(Concord Prep Plant)

License No.: L-737
Pursuant to the Permit map: 1 of 1
Certified by: Robert W. Usher P.E. 15917
Date: 10/06/2017

The permit is revised as follows:

1. Add 25 Acres to Increment No.5 for Coarse Refuse Disposal Area Expansion 3a, Basins 050 & 051 Construction, Extend Diversion F-F', Borrow Pit and Cover Material Stockpiles.
2. Request to update the Operations Plan to include a Modification to the Coarse Refuse Disposal Area Plan.
3. Submit the Detailed Design Plans for the Modification of the Coarse Refuse Disposal Area 3a Eastern Expansion.
4. Request to update the Drainage Control Plan by adding Diversion Ditch F-F' Extension, Diversion I-I', Diversion Ditch G-G', Bypass Diversion H-H', Basin 023, Basin 027, Basin 050 and Basin 051.
5. Submit the Detailed Design Plans for, Basin 027, Basin 050 Phase I, Basin 051, Slurry Impoundment No. 6, Diversion Ditch F-F' Extension and Diversion I-I'.
6. Create Increment No. 3, adding 24 acres, for construction of Basin 023, Diversion G-G' and Bypass Diversion H-H'. Cover Material will be excavated West of Bypass Diversion H-H' and stockpiled within the Permit Boundary & the Watershed of a certified Basin West of Bypass Diversion H-H' and Coarse Refuse Disposal Area Modification 3b.
7. Submit Detailed Design Plans for Basin 050 Phase II, Basin 023, Diversion G-G', Bypass Diversion H-H' and Coarse Refuse Disposal Area Modification 3b to the Regulatory Authority for review and approval prior to Bonding Increment No. 3.
8. Remove Basin 003A, 003B, Finish Basin, Settling Basin, Sludge Drying Beds, Aeration Basin, Lime Mixing and Surge Basin upon construction and certification of Basin 051 to the Regulatory Authority. They will be covered with coarse refuse as a part of the East expansion of the Coarse Refuse Disposal Area.
9. Update the Ownership on the Permit Map and in Part 1.

10. Request for an exemption of Rule 880-X-10D-.13(3) for construction of Bypass Diversion H-H' added by this revision.
11. Create Increment No. 4 consisting of 114 acres for construction of Slurry Impoundment No. 6, sediment basin 027, excavation and stockpiling of soil and parent material for future use as cover material and construction of necessary diversion ditches to direct overland flow to sediment basins prior to discharge.
12. Classify Basin 003A, Basin 003B, Finish Basin, Settling Basin, Surge Basin, Sludge Drying Beds, Aeration Basin and Lime Mixing as Temporary Impoundments.
13. Remove Basin 018E once Basin 50 Phase I and Diversion F-F' Extension are completed and certified to the Regulatory Authority by covering with Coarse Refuse as a part of the East expansion of the Coarse Refuse Disposal Area 3a.

Finding and Conditions:

Finding R-26-1: The Regulatory Authority has taken into account the effect of the proposed permitting action on properties listed or eligible for listing on the National Register of Historic Places. In a letter dated March and May 2015, TerraXplorations, Inc. (TerraX) conducted a Phase I Cultural Resource Survey and an addendum to the survey in Jefferson County, Alabama, for approximately 225 acres on February 4-10, 2015. As a result of the Phase 1 survey eight previously unrecorded (1JE867 and 1JE946-1JE952) and seven isolated finds were discovered. Disturbances to the survey area include extensive mining activities, utility corridors, structures, buried pipelines, access roads timber harvesting and erosion. All the sites and isolated finds are considered ineligible for the National Register of Historic Places (NRHP). TerraX recommends no further archaeological investigations for the subject property. By a letter dated July 1, 2015, the State Historical Preservation Office (SHPO) Re: AHC 2015-0706 concur with the project activities as their concerns regarding historic background research were addressed. By a letter dated September 21, 2015, SHPO Re: AHC 15-1263, based on the cultural resource assessments conducted by the TerraX, determined that the project activities will have no effect on any cultural resources listed on or eligible for the NRHP and therefore concur with the project activities. This finding is supported in part by inclusion of appropriate permit conditions or changes in the operation plan protecting historic resources, or a documented decision that the Regulatory Authority has determined that no additional protection measures are necessary. Concerns for unknown resources, which might be discovered during mining, have been made conditions of the permit.

Finding R-26-2: Yokley Environmental Consulting Service (Yokley) conducted an environmental assessment for the habitat and the possible presence of federally listed and state protected sensitive species for Jefferson County, Alabama on March 10, 2015. Due to an error in placement photo locations in the March 10, 2015 letter correction pages were submitted to ASMC dated September 28, 2015. The approximately 710 acres proposed Oak Grove Concord Prep Plant Revision R-26 site has multiple access roads, degasification, dewatering, and injection well locations, utility rights-of-way, a working coal conveyor, the Concord Water Impoundment, ancillary roads, slurry ponds, subdivisions, city and county roads and a railroad right-of-way. The Concord Prep Plant is active 24 hours-a-day. The proposed site area has suffered severe tornado damage in 1998 and 2011. The level of historical and current disturbance from all sources prohibits the existence of the listed species at or near this location. Yokley concludes the proposed slurry ponds will have no adverse effect in a letter dated September 28, 2015. By

comments dated April 21, 2015 the US Fish and Wildlife Service (FWS) concur with the conclusion that no federally listed species/critical habitat occur in the project area. In a letter dated April 9, 2015 the Alabama Department of Conservation and Natural Resources (ADCNR) had no objection to the proposed surface mining project located in Jefferson County, Alabama based on the information provided by letter dated March 17, 2015 and ADCNR own research. In a letter dated January 12, 2015 the US Army Corps of Engineers (USACE) No Permit Required - Project Number: SAM-2014-00266-CMS for Concord Slurry Impoundment No. 5 Option B. In a letter dated August 31, 2016 the USACE authorized the activities by Army Final Permit Number- Project Number: SAM-2015-00257-CMS Concord Prep Plant Revision R-21, Oak Grove Resources, LLC. The proposed project will involve the discharge of fill material into waters of the United States. These activities will involve impacts to 2,720 linear feet (lf) of intermittent stream, and 700 lf of ephemeral stream. To compensate for impacts to 3,420 lf of stream the permittee shall purchase stream credits from the Mulberry Fork Mitigation Bank. USACE special condition requires the purchase of 5,029 credits * 1.11 proximity factor = 5,582 stream credits for Increment 5 and the purchase of 4,508 credits * 1.11 proximity factor = 5,004 stream credits for Increment 2 prior to conducting the work in waters of the U.S. authorized in each increment. The Alabama Surface Mining Commission finds that the proposed operation will not jeopardize the continued existence of endangered or threatened species or critical habitat thereof.

Finding R-26-3: The proposed permit area is:

- (a) Not within an area under study or administrative proceedings under a petition, filed pursuant to Chapter 880-X-7 to have an area designated as unsuitable for surface coal mining operations;
- (b) Not within an area designated as unsuitable for mining pursuant to Chapter 880-X-7 or subject to the prohibitions or limitations of Section 880-X-7B-.06 and Section 880-X-7B-.07 of this chapter.

Condition R-26-1: The permittee must submit a bill of sale to ASMC from the Mulberry Fork Mitigation Bank for the purchase of 5,029 credits * 1.11 proximity factor = 5,582 stream credits for USACE Increment 5 prior to conducting mining activities in the 25 acres added to ASMC Increment 5 by R-26.

Condition R-26- 2: The permittee must submit a bill of sale to ASMC from the Mulberry Fork Mitigation Bank for the purchase of 4,508 credits * 1.11 proximity factor = 5,004 stream credits for USACE Increment 2 prior to conducting mining activities in the 24 acres added to ASMC newly created Increment 3 by R-26.

ACREAGE SUMMARY:

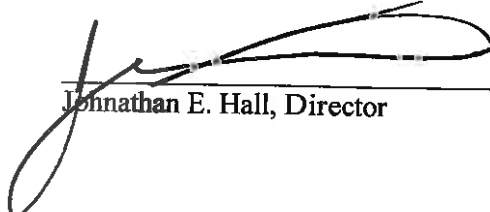
*INCREMENT #1: remains at -----	786 acres
*INCREMENT #2: remains at -----	72 acres
INCREMENT #3: increases to -----	24 acres
*INCREMENT #4: increases to -----	114 acres
*INCREMENT #5: increases to -----	25 acres

Total Acreage Increases to 1,021 Acres

*Bonded to Date

All other terms and conditions remain in effect as well as all Findings in the original permit and any Findings appropriate for this revision.

EFFECTIVE DATE: 10/10/2017



Jonathan E. Hall, Director

/mw

cc: I & E, Permit File