

JIM WALTER RESOURCES, INC.

MINE NO. 4, P-3260

ALABAMA SURFACE MINING COMMISSION

SUBSIDENCE CONTROL PLAN

Prepared by:

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2.	Five Year Mining Plan
3.	Typical Coal Block & Barrier Pillar Design
4.	Predicted Ground Response Extraction Thickness of 7.5 feet, Panel Width of 910 feet Overburden Thickness of 1,300 feet
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LIST OF ATTACHMENTS

ATTACHMENTS	TITLE
A.	Geologic Description Hole
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SUBSIDENCE CONTROL PLAN

**JIM WALTER RESOURCES, INC.
MINE NO. 4, P-3260-63-13**

1.0 INTRODUCTION

This Subsidence Control Plan (SCP) for Jim Walter Resources, Inc.'s (JWR) Mine No. 4 has been prepared to address subsidence issues related to underground mining under Alabama Surface Mining Commission (ASMC) Permit No. P-3260-63-13-U. This SCP specifically addresses planned mining projected for the next five (5) years. The mine plan is subject to change depending on market and geologic conditions.

This submittal is submitted as a part of JWR's renewal of ASMC Permit No. P-3260-63-13-U and supercedes all previous versions of JWR's SCP, and all related revisions and amendments thereto.

2.0 DESCRIPTION OF SURFACE

Exhibit 1 presents the USGS topographic map of the area overlying the planned workings in the JWR'S Mine No. 4 Underground Mine. Exhibit 2 presents the layout of the panels in relation to surface structures (i.e. occupied dwellings, related structures, drinking water supplies and other surface features) and the five year mining plan. JWR's Mine No. 4 active subsidence area is located north and northeast of the town of Brookwood, AL.

A survey of structures, features, or renewable resource lands has been conducted. The limits of the survey were determined by a 30⁰ angle of draw from the limits of longwall mining and the areas directly above development mining. Findings are indicated on Exhibit No. 2. Other mining shown outside the subsidence limit line but within the 5-year mining limit line is development mining with permanent pillars which prevent subsidence in those areas. Structures were identified that fall within the 5-year mining limits. The structures identified are used primarily for residential purposes. They are constructed by variable methods such as: brick, block-frame or pre-site manufactured. Some are a combination of methods. These residences may have support structures such as garages, sheds, etc.

Mining will occur under Sellers, Davis and Beaver Pond Creeks along with other unnamed tributaries of the Black Warrior River. The creeks and stream channels through the subject area are demarcated by moderately steep slopes, encompassing little to no developed low-lying ground.

The surface overlying Mine No. 4 is predominantly privately owned forest/woodlands, with small parcels of

pastureland (hay), grassed clearings, and rural residential development and some previously surface mined areas. The forest/woodlands include tracts that are owned by commercial paper and forestry companies, and are presumably managed for timber production to some extent. Limited residential development is generally located along the main roadways that traverse the mine area.

As shown on Exhibit 2, an overhead electric transmission line owned by Alabama Power Company (APCO) crosses the eastern portion of the mine area. Black Warrior Methane, Inc. overhead electric distribution lines cross both western and eastern areas of the mine. Water mains from Citizens Water Authority (Brookwood, AL) and a high pressure methane gas line operated by Black Warrior Methane also cross the eastern area of Mine No. 4. Past longwall mining performed by JWR beneath similar overhead electric lines and buried gas lines resulted in no substantive impact to the electric lines and associated structures. As required by law, JWR will notify Alabama Power Company and Citizens Water Authority of the planned mining and anticipated subsidence prior to mining beneath their facilities. Black Warrior Methane is a subsidiary of JWR and works closely with JWR in de-gassing underground mine areas in advance of mining. There are no major water tanks, highway bridges or other major sensitive structures in the area of anticipated mining influence.

3.0 GEOLOGY

Mine No. 4 is situated in the Warrior Basin of the Cumberland Plateau Section of the Appalachian Plateau Physiographic Province. The generalized stratigraphy of the region is dominated by sequences of shales and sandstones, with a predominance of shales based on thickness. The mine extracts the Blue Creek Seam from the middle Pottsville Formation. The Blue Creek lies entirely below drainage within the Mine No. 4 projected mine area with depths of cover over ranging from about 1,300 to about 1,900 feet on the higher plateaus and hilltops. See Attachment A to review Geologic Description Holes S0781 and S0783.

4.0 PLANNED MINING

Exhibit 2 presents the proposed mining in Mine No. 4 in relation to major surface features and structures. Planned subsidence will be implemented using the longwall mining method with mains and gate entries developed by continuous miners. Planned subsidence will occur during longwall mining. The subsidence limits are based on an angle of draw of 30°. Continuous miners will develop areas outside the subsidence limit line but within the 5-year mining limit. Permanent pillars will be left in place to prevent subsidence. Based on JWR's current planning, the pertinent details of the individual longwall panels are the same, as noted below:

Panel lengths range from approximately 2,425 feet up to 13,200 feet. Planned panel widths range from 650 feet to 1075 feet. Extraction height reaches 7.5 feet. The Blue Creek seam is overlain by alternating layers of sandstone, sandy shale and shale with occasional layers of coal and fireclay. The majority of strata can be classified as hard rock. Overburden depths range from 1,300 feet up to 1,900 feet. Seam thickness is highly variable within each panel. The longwall will extract 100 percent of the coal within the panel as defined by the equipment performance specifications.

Mains and gate entries will be developed by continuous miners to provide access to the longwall panels. This development method will leave coal pillars in place for support. Pillar sizes will vary depending on geological conditions. Typically, extraction ratios (% coal removed) by this method will range from 30 percent to 40 percent. Coal blocks or barrier pillars will be left at the ends of each longwall panel (at setup and termination entries), and chain pillars will be left in place at gate roads between successive longwall panels (headgates and tailgates). No secondary recovery of coal within gate roads or setup and termination entries is planned. Exhibit 3 is a typical drawing showing the coal blocks and barrier pillars that lie outside the individual panel boundaries.

5.0 SUBSIDENCE

5.1 PLANNED SUBSIDENCE

McGehee Engineering utilized the Surface Deformation Prediction System (SPDS) software developed at Virginia Tech to evaluate subsidence at JWR's Mine No. 4. Planned subsidence for the 5-year mine plan is proposed within the red subsidence limit line on Exhibit No. 2. Planned subsidence can occur up to a maximum of 2.6 feet.

5.2 NON-COMMERCIAL and RESIDENTIAL SUBSIDENCE IMPACTS

The surface areas above or adjacent to JWR's planned mining contains several occupied residential dwellings, related structures, drinking water supplies and other surface features. JWR's planned subsidence of these areas could, and in some cases is expected to cause material damage to those dwellings and structures, or could contaminate, diminish, or interrupt drinking, domestic, or residential water supplies. The list of occupied residences and well inventory is shown in Attachment B.

Prior to mining, JWR will notify, as required by law, all owners of surface property and structures which will be affected by subsidence that mining and subsidence will occur. JWR will offer (to potentially affected property owners) to perform, at JWR's expense, a pre-subsidence survey of the structures and surface features that JWR anticipates could be materially damaged by subsidence. The commencement and degree of subsidence will be monitored from time to time so that, if necessary, additional measures can be taken to prevent or reduce material damage. JWR does not believe additional measures are feasible to minimize material damage to non-commercial buildings and occupied residential dwellings and structures related thereto from planned subsidence, as those measures likely would exceed the anticipated costs of repair. The anticipated damage from JWR's planned subsidence is not expected to constitute a threat to health or safety.

Observations and experiences over other previously mined panels indicate that the extent of subsidence-related damage to dwellings and structures will be varied and will be influenced considerably by structure age, type and size, construction materials, construction quality, present condition, and topographic variations, among other factors, as well as by the specific location and orientation of the structure to the longwall panels, gates or entries. With respect to surface lands, the proposed mining is not expected to cause any functional impairment or cause any physical change that has a significant adverse impact on the affected surface land's capability to support any current or reasonably foreseeable uses, significant loss in production or income, or any significant change in the condition, appearance or utility of that

land from its pre-subsidence condition.

As set forth later in greater detail, pursuant to its obligations under both federal and state law, JWR will repair or compensate for material damage to occupied residential dwellings and related structures caused by subsidence, repair or replace any drinking, domestic or residential water supply which has been adversely affected by subsidence, and correct any material damage resulting from subsidence to surface lands to the extent feasible.

Underground mining activities shall not be conducted beneath or adjacent to public buildings, facilities, churches, schools, hospitals or impoundments with a storage capacity of 20 acre-feet or more, unless the subsidence control plan demonstrates subsidence will not cause material damage to, or reduce the reasonably foreseeable use of, such features or facilities or the said facility gives written consent.

5.3 PUBLIC ROADWAYS and RELATED FACILITIES

Potential damage to public roadways and related facilities is anticipated to be limited to cracking, and slight opening or closure of joints and cracks in pavements. Measures to repair damage to public roadways will be based on recommendations made by the appropriate governmental entity. No major transportation structures, such as long-span bridges or culverts, or runnels, exist within the area that will be affected by subsidence.

5.4 SURFACE WATER BODIES

JWR or its agents will perform a Water Resource Survey a minimum of six (6) months in advance (if permitted by the property owner) that mining will occur beneath or adjacent (within angle of draw) to surface water bodies. The Water Resource Survey will determine quantity (flow rate, water level or water depth) and water quality. The pH, SC, Fe, Mn and SO₄ will be analyzed. The Water Resource Survey is intended to identify quantity and quality of surface water within the 30-degree angle of draw of the future mining and to preliminarily determine whether any properties may be at risk of material damage. If denied access, it will be the obligation of the property owner to demonstrate that damage is caused by mine subsidence.

Planned subsidence has been performed previously on nearby surface areas, including streams, without adverse effects to the surface, such as slope changes causing ponding. No adverse effects on surface drainage or hydrologic systems are anticipated due to planned subsidence, and no measures are planned for protecting stream bed flow. The depth of cover between the mine and the tributaries of the Black Warrior River is sufficient to prevent significant quantities of water from entering the mine from the tributaries. There are no impoundments greater than 20 ac-ft within the 30 degree angle of draw.

5.5 PRE-SUBSIDENCE NOTIFICATION

All property owners and occupants of structures over planned subsidence areas will be notified a minimum of six (6) months in advance that mining will occur beneath or adjacent to their property. The notification will include a statement identifying the location and time for mining; and a statement indicating the Subsidence Control Plan can be reviewed at the ASMC's office in Jasper, Alabama.

5.6 PRE-SUBSIDENCE SURVEY

A pre-subsidence survey will be offered to identify type and conditions of structures within the subsidence limits and to identify any structures that are at potential risk of being damaged by subsidence. Once completed, the survey will be used to determine the measures that may be used to prevent material damage or diminution of the value or reasonable use of the surface area. A copy of pre-subsidence survey/evaluation will be provided to the property owner and Regulatory Authority. The owner shall be notified in writing the consequences under 880-X-10D-.58(1)(b)3 of denying access for a pre-subsidence survey.

If JWR determines that the cost of protective measures will exceed the cost of repairing any damage to the structure, JWR may choose to make repairs rather than take protective measures. Any demonstration that the cost to mitigate would exceed the cost to repair will be included in the subsidence control plan (pre-subsidence survey). Justification and documentation required to show why mitigative/protective measures will not be taken on a particular structure will be included in the subsidence control plan (pre-subsidence survey)

5.7 SUBSIDENCE MITIGATION

JWR has adopted a proactive program to address subsidence issues and surface impacts, and to repair non-commercial buildings and occupies residential dwelling and related structures or compensate the owners thereof, as prescribed by federal and state mining regulations. Under this Plan, JWR will apply its Subsidence Mitigation Program to properties within a 30-degree angle of draw of the ribs of the planned longwall panels as shown on Exhibit No. 2. JWR has implemented a Subsidence Mitigation Program comprise of the following primary aspects:

1. Advance Notification-Property owners over areas of planned mining will be informed of JWR's intent to mine coal beneath or adjacent to their properties, and will be informed of the potential for subsidence damage. Notifications will be issued at least six months in advance of the longwall mining beneath the property.
2. Pre-Mining Reconnaissance-JWR or its agents will perform a pre-mining reconnaissance (visual survey) of surface properties over and adjacent to areas of future planned mining to catalogue the types and obvious unique or abnormal features of the structures that occupy the properties. The Pre-Mining Reconnaissance is intended to identify structures within the 30-degree angle of draw of the future mining and, through a qualitative assessment, to preliminarily determine whether any properties may be at risk of material damage.
3. Ground Water Use-JWR or its agents will perform a Water Resource Survey to determine the status of the local groundwater users within the proposed mine area (if permitted by the property owner). The survey will consist of collecting information from the local water authorities and from direct interviews of potential local groundwater users within the mine area. The water resource quantity (water level or water depth) and water quality (pH, SC, Fe, Mn and SO₄) will be analyzed. The Water Resource Survey is intended to identify local groundwater users within the 30-degree angle of draw of the future mining and to preliminarily determine whether any properties may be at risk of material damage. If denied access, it will be the obligation of the property owner to demonstrate that

damage is caused by mine subsidence

4. Pre- and Post-Subsidence Inspections-JWR or its agents will perform pre- and post-subsidence inspections (and interim inspections if JWR deems necessary), if permitted by the property owner, to document the visible, pre- and post-subsidence condition of each property. The property owner will be requested to participate in these inspections to facilitate accurate identification of significant conditions and features. Should JWR be denied access to any property for the purpose of conducting the pre-subsidence survey, no rebuttable presumption of causation by subsidence will extend to such property. If denied access, it will be the obligation of the property owner to demonstrate that damage is caused by mine subsidence.

5. Protective/Mitigative Surface Measures-JWR, with the agreement of the property owners, will undertake protective measures for non-commercial buildings and occupied residential dwellings that lie within the 30 degree angle of draw. Such measures may include:

-Trenching around structures which have basements;

-Severing structures at locations sensitive to differential settlement such as retaining walls joined to structures, breezeways or rigid members such as slabs or major additions;

-Exposing utility pipelines which penetrate structures;

-Temporarily relocating the occupants of structures should it be determined that imminent danger could result from the proposed mining.

JWR employs mining technology that provides for planned subsidence in a predictable and controlled manner. JWR will take necessary and prudent measures, consistent with the mining method employed, to minimize material damage to the extent technologically and economically feasible to non-commercial buildings and occupied residential dwellings and structures related thereto except that measures required to minimize material damage to such structures are not required if:

A. The owner consents in writing that protective/mitigative measures not be taken, or

B. The owner denies access to the property to provide protective/mitigative measures, or

C. JWR demonstrates that the costs to protect/mitigate damage to such structures would exceed the anticipated cost of repair.

Letters of consent from landowners allowing that mitigative measures not be taken and written proof that access has been denied for the purpose of taking protective/mitigative measures will be included in the subsidence control plan (pre-subsidence survey). Any demonstration that the cost to mitigate would exceed the cost to repair will be included in the subsidence control plan (pre-subsidence survey). Justification and documentation required to show why mitigative/protective measures will not be taken on a particular structure will be included in the subsidence control plan (pre-subsidence survey).

6. Protective/Mitigative Surface Measures-JWR will undertake protective measures to prevent material damage caused by subsidence to "Public Buildings and Facilities, Churches, Schools, and Hospitals and Impoundments with a storage capacity of 20 acre-feet or more or bodies of water with a volume of 20 acre-feet or more". There are no Public Buildings and Facilities, Churches, Schools, or Hospitals located with the 5 year mine plan. There are no impoundments greater than 20 acre-feet within the 30 degree angle of draw.
7. Temporary Subsistence-In instances when JWR anticipates that subsidence impact could pose a hazard to the inhabitants of an occupied residential dwelling, JWR will provide subsistence for the temporary relocation of such persons.
8. Communications with Surface Owners-JWR will also maintain procedures for receiving and logging verbal reports of subsidence-related impact to property and making follow-up site visits.
9. Repair of Damage or Compensation for Diminution of Value-On a case-by-case basis, JWR will decide to either repair subsidence-induced material damage to non-commercial buildings and occupied residential dwellings and related structures to approximate pre-subsidence conditions, or will compensate the owner for diminution in the value of the property due to the subsidence damage. JWR will also provide replacement (i.e., emergency, temporary, an/or permanent) water supplies which become contaminated, diminished or interrupted due to mining, with water of equivalent quantity and quality as required to substitute/replace existing drinking, domestic and residential water supplies if they are significantly affected by JWR's underground coal mining operations.
10. Discretionary Compensation-In addition to repairing material damage or compensating surface owners for diminution of property value, JWR will repair or offer compensation for any damage, not only material damage, which it finds was caused by subsidence and will, at its discretion, with the agreement of the property owner, offer compensation in lieu of repairs, offer to purchase the property at current market value in pre-subsidence condition, or offer to compensate for any diminution in value of the property caused by subsidence.

5.8 Implementation of Subsidence Mitigation Program

5.8.1 Monitoring, Determination of Subsidence Impacts and Resolution of Damage

JWR will determine the degree to which non-commercial buildings and occupied residential dwellings and related structures and property are affected by subsidence and define a basis for resolution of subsidence damage with property owners as follows;

1. When JWR notifies the owners and occupants of surface property and structures of future mining beneath their properties, JWR will request permission to access the property and structures to conduct a pre-subsidence inspection of structures and surface features within the prescribed 30-degree angle of draw. The pre-subsidence inspection may also include selected adjacent properties outside the 30-degree angle of draw

for comparative purposes.

2. If the property owner does not permit JWR to perform a complete pre-subsidence inspection, JWR will notify the owner in writing that it will be their obligation to demonstrate that damage is caused by mine subsidence.
3. The pre-subsidence inspection will include an elevation survey of structure corners or ground elevations at structure corners and other selected points, and a written, audio, video, and/or photographic record of the existing condition of structures and features.
4. Prior to and after mining under the property has occurred, selected profiles will be surveyed to determine when subsidence activity is substantially complete.
5. When subsidence activity is determined to be substantially complete, a post-subsidence survey will be conducted similar to the pre-subsidence survey in "3" above to document and characterize any subsidence damage.
6. After the post-subsidence survey is conducted, JWR or its agents will list features that qualify for repair, and will prepare a construction cost estimate for repair options or will determine the diminished value of the property attributable to the subsidence damage. JWR may at its discretion offer to purchase affected structures at their current market value in their pre-subsidence condition.
7. JWR will maintain working relationships with construction contractors to facilitate the commencement of repairs, after execution of agreements with property owners.
8. Residents of inhabited structures will be temporarily relocated at JWR's expense, if it is determined that a significant safety or health risk exists or for any other reason.

JWR will also provide replacement (i.e., emergency, temporary, and/or permanent) water supplies as required to substitute/replace existing drinking, domestic and residential water supplies if they are significantly affected by JWR's underground coal mining operations. Upon notification that a user's water supply was adversely impacted by mining, JWR will reasonably provide drinking water to the user promptly after such notification. Within two weeks of notification, JWR will have the user hooked up to a temporary water supply. The temporary water supply will be connected to the existing plumbing, if any, and allow the user to conduct all normal domestic usage such as drinking, cooking, bathing, and washing. Within two years of notification, JWR will connect the user to a satisfactory permanent water supply.

Based on past experience over Mine No. 4, the planned longwall mining is not expected to diminish the current or reasonable foreseeable uses of renewable resource lands or other surface lands. Due to the significant overburden thickness, which is dominated by thick shale horizons and massive sandstones, no permanent interruption or irrecoverable loss of flow is expected along the major creeks and streams in the mining area. These conclusions are supported by observations over nearly thirty (30) years of previously

mined areas. JWR will observe the surface water bodies and lands over the longwall panel being mined to determine if there is material damage. If material damage does exist, the area will be repaired.

5.8.2 Procedures to Address Utilities/Pipelines

JWR will notify utility/pipeline and owners of their intent to mine under the pipelines, utility lines and related structures, and public roads that cross planned longwall panels approximately six (6) months in advance of mining. JWR will offer the owners access to available information concerning past experiences over completed longwall panels and the protective measures that were selectively implemented (if any), such that the owners can determine and implement the precautions and prudent actions they deem necessary to protect their interests and the public. JWR will also periodically apprise the utility/pipeline owners of the status on the mining, such that the owners can better manage the potential for subsidence impact to their facilities.

Past experience has shown very little subsidence impact to pipelines, utility lines and related structures. For higher pressure and sensitive pipelines and public roads, if there should be an increased risk of subsidence impact, measures such as exposing the pipelines in open trenches or reducing line pressures as much as practical could be undertaken. The owners of potentially affected facilities will be apprised of these measures sometimes used to protect such structures from subsidence damage for their consideration when evaluating risks and making decisions concerning the use of protective measures.

5.8.3 Public Roadways and Related Facilities

Potential damage to public roadways and minor appurtenant facilities is anticipated to be limited to cracking and opening of existing joints and cracks in pavements. No major transportation structures, such as long-span bridges, culverts, or tunnels, exist within the Plan area. If mine subsidence damage occurs to public roadways or related facilities, qualified personnel will perform repairs at JWR's expense.

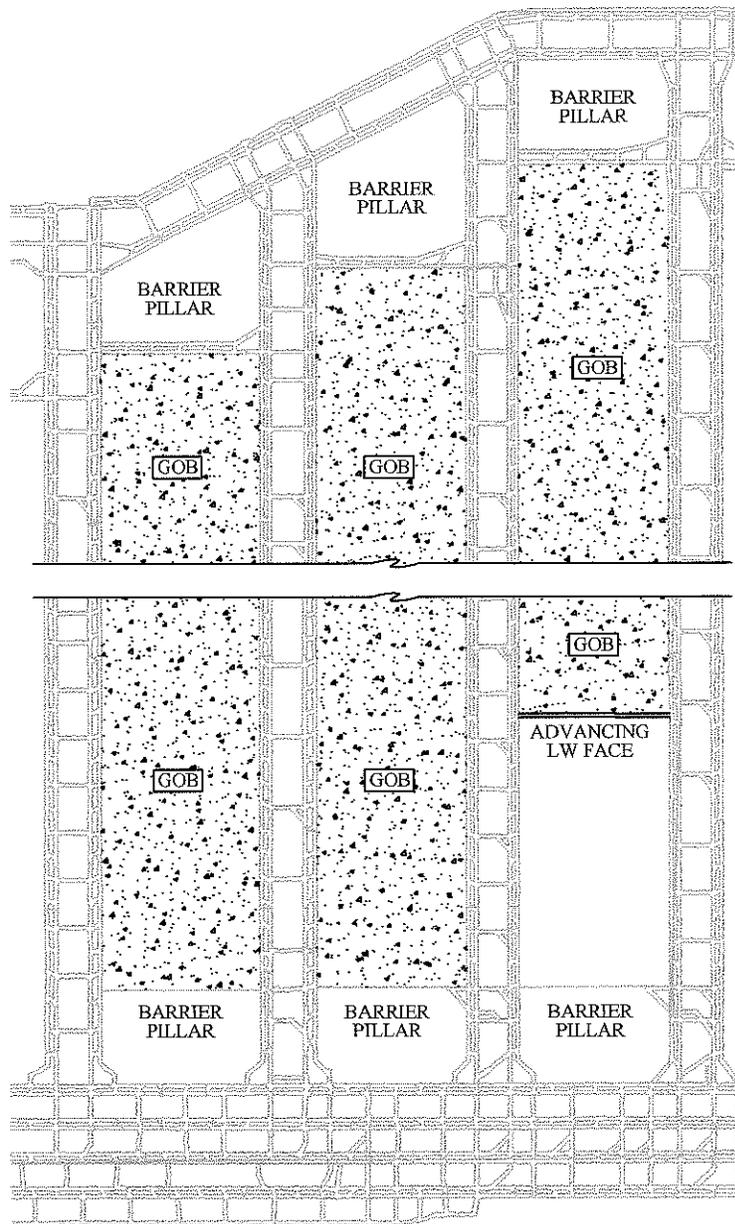
6.0 SUMMARY

The preceding Subsidence Control Plan presents information on JWR's planned mining of longwall panels for its 5-year mine plan at its Mine No. 4, and summarizes pertinent surface and subsurface conditions for the Plan area. Predictions of the ground response over the planned longwall panels are also presented, and potential subsidence impacts are discussed relative to the primary surface features within the presumed zone of influence of the subject panels. JWR's course of action and Subsidence Mitigation Program are described generally and in more specific terms as they will be applied to identify subsidence impacts, assess damage and pursue resolutions of damage with affected property owners. Various exhibits and attachments are included to supplement the discussions, and to support the conclusions of the Plan and JWR's course of action to address subsidence issues.

The Subsidence Mitigation Program will be applied to properties within the prescribed 30-degree angle of draw from the ribs of longwall panels as shown in Exhibit No. 2, and to other properties for comparative

purposes at JWR's discretion. The primary components of the Subsidence Mitigation Program provide the mechanisms to protect and compensate the owners of affected non-commercial buildings and occupied residential dwellings and related structures, and to protect drinking, domestic and residential water supplies and the current and reasonable foreseeable uses of surface lands. This Plan thereby fulfills and exceeds the intent of OSM and ASMC regulations as they apply to subsidence control and surface protection issues.

EXHIBITS



JIM WALTER RESOURCES, INC.
EXHIBIT NO. 3

TYPICAL COAL BLOCK
AND BARRIER PILLAR DESIGN

SCALE: 1" = 1000'

MEC
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ATTACHMENTS

ATTACHMENT A

Attachment A – Geologic Description Hole

Report: Geological Data
 Company: Jim Walter Resources, Inc.
 Database: JW MASTER DATABASE
 Hole Id: S0783 Horizon From: 1000 Horizon To: 7500

Program: CGB
 Page: 1
 Run: 7/30/2012
 1:20PM

Easting: 556612.26 Northing: 1233601.27 Elevation: 2499.22 Drill Depth: 2180.00 Property:									
←----- Lithology ----->									
Description	Code	Thickness	Interval		Horizon	Elevation	County:		
			From	To	Id Note	To	Comment	Quad:	
CASING	001	70.00		70.00	1501	2429.22			
SDY SH	300	109.00	70.00	179.00	1501	2320.22			
COAL	020	0.30	179.00	179.30	2100	2319.92			
DRK GRY SH W_SS STKS	323	39.70	179.30	219.00	2101	2280.22			
COAL	020	1.00	219.00	220.00	2200	2279.22			
SH	104	0.75	220.00	220.75	2201	2278.47			
COAL	020	1.25	220.75	222.00	2300	2277.22			
SS	500	15.50	222.00	237.50	2301	2261.72			
COAL	020	1.00	237.50	238.50	2400	2260.72			
SDY SH	300	60.50	238.50	299.00	2401	2200.22	276: 0.3 ft of coal		
COAL	020	1.00	299.00	300.00	2500	2199.22			
DRK GRY SH W_SS STKS	323	247.50	300.00	547.50	2501	1951.72			
COAL	020	0.50	547.50	548.00	3100	1951.22			
SDY SH	300	47.50	548.00	595.50	3101	1903.72	559: bony streak		
COAL	020	0.50	595.50	596.00	4100	1903.22			
SDY SH	300	13.00	596.00	609.00	4101	1890.22			
SS	500	46.00	609.00	655.00	4101	1844.22			
DRK GRY SH W_SS STKS	323	111.00	655.00	766.00	4101	1733.22			
COAL	020	0.30	766.00	766.30	5100	1732.92			
FIRECLAY	107	4.20	766.30	770.50	5101	1728.72			
COAL	020	0.50	770.50	771.00	5200	1728.22			
FIRECLAY	107	9.00	771.00	780.00	5201	1719.22			
COAL W_BONE STKS	023	0.50	780.00	780.50	5300	1718.72			
DRK GRY SH W_SS STKS	323	322.00	780.50	1102.50	5301	1396.72			
COAL	020	1.00	1102.50	1103.50	6100	1395.72			
SH	104	1.00	1103.50	1104.50	6101	1394.72			
COAL	020	1.00	1104.50	1105.50	6200	1393.72			
SH	104	1.50	1105.50	1107.00	6201	1392.22			
COAL	020	0.60	1107.00	1107.60	6300	1391.62			
DRK GRY SH W_SS STKS	323	15.40	1107.60	1123.00	6301	1376.22			
COAL	020	1.30	1123.00	1124.30	6400	1374.92			
SDY SH	300	8.70	1124.30	1133.00	6401	1366.22			
COAL	020	0.70	1133.00	1133.70	6500	1365.52			
SDY SH	300	20.30	1133.70	1154.00	6501	1345.22			
COAL	020	1.00	1154.00	1155.00	6600	1344.22			
SDY SH	300	10.30	1155.00	1165.30	6601	1333.92			
COAL W_BONE STKS	023	0.30	1165.30	1165.60	6700	1333.62			
SDY SH	300	21.40	1165.60	1187.00	6701	1312.22			
COAL	020	0.20	1187.00	1187.20	6800	1312.02			
SS	500	30.80	1187.20	1218.00	6801	1281.22			
COAL W_BONE STKS	023	0.40	1218.00	1218.40	6900	1280.82			

Attachment A -- Geologic Description Hole

Report: Geological Data
 Company: Jim Walter Resources, Inc.
 Database: JW MASTER DATABASE
 Hole Id: S0783 Horizon From: 1000 Horizon To: 7500

Program: CGB
 Page: 2
 Run: 7/30/2012
 1:20PM

Easting: 556612.26 Northing: 1233601.27 Elevation: 2499.22 Drill Depth: 2180.00 Property:									
<----- Lithology ----->			Interval		Horizon	Elevation	County:		
Description	Code	Thickness	From	To	Id	Note	To	Comment	Quad:
SDY SH	300	19.60	1218.40	1238.00	6901		1261.22	1225.5': 0.1 ft coal w/ bone streak s	
COAL	020	0.20	1238.00	1238.20	6900		1261.02		
SH	104	56.80	1238.20	1295.00	6901		1204.22		
SS	500	45.00	1295.00	1340.00	6901		1159.22		
DRK GRY SH_W_SS STKS	323	13.50	1340.00	1353.50	6901		1145.72		
BONE W_COAL LAYERS	032	0.15	1353.50	1353.65	6900		1145.57		
FIRECLAY	107	1.35	1353.65	1355.00	6901		1144.22		
SDY SH	300	7.50	1355.00	1362.50	6901		1136.72		
SS	500	26.30	1362.50	1388.80	6901		1110.42		
BONE W_COAL LAYERS	032	0.20	1388.80	1389.00	6900		1110.22		
SS	500	34.00	1389.00	1423.00	6901		1076.22		
DRK GRY SH_INTERBED SS	322	11.00	1423.00	1434.00	6901		1065.22		
SDY SH	300	238.00	1434.00	1672.00	6901		827.22		
COAL W_BONE STKS	023	1.00	1672.00	1673.00	6900		826.22		
SDY SH	300	15.80	1673.00	1688.80	6901		810.42		
COAL	020	0.50	1688.80	1689.30	7100		809.92		
SH	104	0.15	1689.30	1689.45	7101		809.77		
COAL W_BONE STKS	023	0.45	1689.45	1689.90	7200		809.32		
COAL	020	0.40	1689.90	1690.30	7200		808.92		
SH	104	0.65	1690.30	1690.95	7201		808.27		
COAL	020	0.70	1690.95	1691.65	7300		807.57		
FIRECLAY	107	0.65	1691.65	1692.30	7301		806.92		
SS	500	27.00	1692.30	1719.30	7301		779.92		
SDY SH	300	7.35	1719.30	1726.65	7301		772.57		
COAL	020	0.85	1726.65	1727.50	7400		771.72		
COAL W_BONE STKS	023	0.30	1727.50	1727.80	7400		771.42		
FIRECLAY	107	0.80	1727.80	1728.60	7450		770.62		
SH	104	0.40	1728.60	1729.00	7450		770.22		
COAL	020	0.20	1729.00	1729.20	7480		770.02		
SDY SH	300	0.40	1729.20	1729.60	7490		769.62		
BONE W_COAL LAYERS	032	0.30	1729.60	1729.90	7490		769.32		
COAL	020	2.70	1729.90	1732.60	7500		766.62		
SH	104	0.20	1732.60	1732.80	7500		766.42		
COAL	020	0.70	1732.80	1733.50	7500		765.72		

Thickness Sum: 1,733.50

Attachment A – Geologic Description Hole

Report: Geological Data
 Company: Jim Walter Resources, Inc.
 Database: JW MASTER DATABASE
 Hole Id: S0871 Horizon From: 1000 Horizon To: 7500

Program: CGB
 Page: 9
 Run: 7/30/2012
 1:20PM

Easting: 535531.60 Northing: 1234183.00 Elevation: 2570.70 Drill Depth: 2200.00 Property:	
←----- Lithology ----->	
Description	Code Thickness Interval Horizon Elevation County: From To Id Note To Comment Quad: AD
CASING	001 52.00 52.00 1501 2518.70
DRK GRY SH W_SS STKS	323 124.20 52.00 176.20 1501 2394.50
COAL	020 0.30 176.20 176.50 2100 2394.20
SH	104 2.50 176.50 179.00 2101 2391.70
SDY SH	300 19.60 179.00 198.60 2101 2372.10
COAL	020 1.10 198.60 199.70 2200 2371.00
FIRECLAY	107 0.80 199.70 200.50 2200 2370.20
COAL	020 0.40 200.50 200.90 2200 2369.80
FIRECLAY	107 1.10 200.90 202.00 2201 2368.70
SS	500 27.30 202.00 229.30 2201 2341.40
COAL	020 0.50 229.30 229.80 2300 2340.90
SDY SH	300 6.20 229.80 236.00 2301 2334.70
SS	500 97.00 236.00 333.00 2301 2237.70
DRK GRY SH_INTERBED SS	322 20.00 333.00 353.00 2301 2217.70
SDY SH	300 178.50 353.00 531.50 2301 2039.20
SS	500 65.50 531.50 597.00 2301 1973.70
DRK GRY SH W_SS STKS	323 16.00 597.00 613.00 2301 1957.70
SS	500 9.00 613.00 622.00 2301 1948.70
SDY SH	300 4.00 622.00 626.00 2301 1944.70
SS	500 23.50 626.00 649.50 2301 1921.20
SDY SH	300 35.50 649.50 685.00 2301 1885.70
DRK GRY SH W_SS STKS	323 29.00 685.00 714.00 2301 1856.70
SDY SH	300 11.00 714.00 725.00 2301 1845.70
SS	500 28.00 725.00 753.00 2301 1817.70
DRK GRY SH W_SS STKS	323 2.20 753.00 755.20 2301 1815.50
COAL	020 0.50 755.20 755.70 5100 1815.00
SH	104 0.50 755.70 756.20 5100 1814.50
COAL	020 0.50 756.20 756.70 5100 1814.00
FIRECLAY	107 1.30 756.70 758.00 5101 1812.70
SS	500 21.70 758.00 779.70 5101 1791.00
COAL	020 0.30 779.70 780.00 5200 1790.70
FIRECLAY	107 2.00 780.00 782.00 5201 1788.70
SDY SH	300 3.50 782.00 785.50 5201 1785.20
COAL	020 0.80 785.50 786.30 5300 1784.40
BONE	034 0.30 786.30 786.60 5301 1784.10
SS	500 21.40 786.60 808.00 5301 1762.70
SDY SH	300 51.00 808.00 859.00 5301 1711.70
SS	500 15.00 859.00 874.00 5301 1696.70
DRK GRY SH_INTERBED SS	322 37.00 874.00 911.00 5301 1659.70
DRK GRY SH W_SS STKS	323 89.00 911.00 1000.00 5301 1570.70
SDY SH	300 42.00 1000.00 1042.00 5301 1528.70

Attachment A – Geologic Description Hole

Report: Geological Data
 Company: Jim Walter Resources, Inc.
 Database: JW MASTER DATABASE
 Hole Id: S0871 Horizon From: 1000 Horizon To: 7500

Program: CGB
 Page: 10
 Run: 7/30/2012
 1:20PM

Easting: 535531.60 Northing: 1234183.00 Elevation: 2570.70 Drill Depth: 2200.00 Property:	
←----- Lithology ----->	
Description	Code Thickness From To Id Note Elevation To Comment Quad: AD
DRK GRY SH W_SS STKS	323 50.90 1042.00 1092.90 5301 1477.80
COAL	020 0.20 1092.90 1093.10 6100 1477.60
SH	104 0.40 1093.10 1093.50 6100 1477.20
COAL	020 1.10 1093.50 1094.60 6100 1476.10
SH	104 1.90 1094.60 1096.50 6100 1474.20
COAL	020 0.10 1096.50 1096.60 6100 1474.10
SH	104 0.10 1096.60 1096.70 6100 1474.00
COAL	020 0.10 1096.70 1096.80 6100 1473.90
SH	104 0.15 1096.80 1096.95 6100 1473.75
COAL	020 0.35 1096.95 1097.30 6100 1473.40
SH	104 1.10 1097.30 1098.40 6100 1472.30
COAL	020 0.30 1098.40 1098.70 6100 1472.00
SH	104 0.80 1098.70 1099.50 6100 1471.20
COAL	020 1.40 1099.50 1100.90 6100 1469.80
SDY SH	300 4.10 1100.90 1105.00 6101 1465.70
SS W_SH STKS	503 10.00 1105.00 1115.00 6101 1455.70
SDY SH	300 2.00 1115.00 1117.00 6101 1453.70
COAL	020 1.10 1117.00 1118.10 6200 1452.60
FIRECLAY	107 4.90 1118.10 1123.00 6201 1447.70
DRK GRY SH_INTERBED SS	322 18.50 1123.00 1141.50 6201 1429.20
COAL	020 1.30 1141.50 1142.80 6300 1427.90
SDY SH	300 6.50 1142.80 1149.30 6301 1421.40
COAL	020 0.05 1149.30 1149.35 6301 1421.35
SDY SH	300 1.65 1149.35 1151.00 6301 1419.70
SS	500 8.50 1151.00 1159.50 6301 1411.20
SDY SH	300 6.50 1159.50 1166.00 6301 1404.70
SS	500 39.00 1166.00 1205.00 6301 1365.70
SDY SH	300 22.40 1205.00 1227.40 6301 1343.30
SS	500 32.80 1227.40 1260.20 6301 1310.50
SDY SH	300 16.80 1260.20 1277.00 6301 1293.70
SS W_SH STKS	503 8.00 1277.00 1285.00 6301 1285.70
SDY SH	300 0.70 1285.00 1285.70 6301 1285.00
COAL BONEY	026 0.10 1285.70 1285.80 6400 1284.90
SDY SH	300 5.20 1285.80 1291.00 6401 1279.70
SS	500 30.20 1291.00 1321.20 6401 1249.50
DRK GRY SH W_SS STKS	323 8.80 1321.20 1330.00 6401 1240.70
SDY SH	300 19.80 1330.00 1349.80 6401 1220.90
COAL BONEY	026 0.10 1349.80 1349.90 6900 1220.80
FIRECLAY	107 1.10 1349.90 1351.00 6901 1219.70
SDY SH	300 7.00 1351.00 1358.00 6901 1212.70
SS	500 38.00 1358.00 1396.00 6901 1174.70

Attachment A – Geologic Description Hole

Report: Geological Data
 Company: Jim Walter Resources, Inc.
 Database: JW MASTER DATABASE
 Hole Id: S0871 Horizon From: 1000 Horizon To: 7500

Program: CGB
 Page: 11
 Run: 7/30/2012
 1:20PM

Easting: 535531.60 Northing: 1234183.00 Elevation: 2570.70 Drill Depth: 2200.00 Property:										
←----- Lithology ----->			Interval		Horizon		Elevation		County:	
Description	Code	Thickness	From	To	Id	Note	To	Comment	Quad:	AD
SS W_SH STKS	503	36.00	1396.00	1432.00	6901		1138.70			
DRK GRY SH_INTERBED SS	322	15.00	1432.00	1447.00	6901		1123.70			
SDY SH	300	59.00	1447.00	1506.00	6901		1064.70			
DRK GRY SH W_SS STKS	323	186.80	1506.00	1692.80	6901		877.90			
BONE	034	0.60	1692.80	1693.40	6901		877.30			
SH	104	2.10	1693.40	1695.50	6901		875.20			
COAL	020	1.00	1695.50	1696.50	7200		874.20			
COAL BONEY	026	0.10	1696.50	1696.60	7200		874.10			
SDY SH	300	6.70	1696.60	1703.30	7201		867.40			
SS	500	15.40	1703.30	1718.70	7201		852.00			
DRK GRY SH W_SS STKS	323	14.25	1718.70	1732.95	7201		837.75			
COAL	020	1.70	1732.95	1734.65	7400		836.05			
FIRECLAY	107	2.50	1734.65	1737.15	7450		833.55			
COAL	020	3.15	1737.15	1740.30	7500	6	830.40	core loss - estimated		
SH	104	0.20	1740.30	1740.50	7500	6	830.20	core loss - estimated		
COAL	020	0.30	1740.50	1740.80	7500	6	829.90	core loss - estimated		

Thickness Sum: 1,740.80

ATTACHMENT B

**Jim Walter Resources, Inc. - No. 4 Mine P-3260
ATTACHMENT B - RESIDENT / WELL INVENTORY**

House ID	Name	Address	Public		Well ID #	Type Use	Depth to		Sampled	Fe mg/l	Mn mg/l	SpC us/cm	pH s.u.
			Water	Well			Water, Ft	Bottom, Ft					
17	Edward Long	17682 Poplar Springs Rd. Brookwood, AL 35444	Yes	No									
18	Mike Ashcroft	Poplar Springs Rd. Brookwood, AL 35444	Yes	No									
19	Dennis Byard	17610 Poplar Springs Rd. Brookwood, AL 35444	Yes	No									
20	Chris Lockhart	17695 Poplar Springs Rd. Brookwood, AL 35444	Yes	No									
21	Chesley Bresler	17655 Poplar Springs Rd. Brookwood, AL 35444	Yes	Yes	2	Not used	25	55	Yes	0.80	0.09	387	6.40
22	Sandra McCloy	17645 Poplar Springs Rd. Brookwood, AL 35444	Yes	No									
25	George Capley	16675 Capley Dr. Brookwood, AL 35444	Yes	Yes	3	Outdoor	80	200	Yes	4.27	0.15	79	6.62
26	Inez Kornegay	16598 Lock 17 Rd. Brookwood, AL 35444	Yes	Yes	26	Outdoor	Dry	163	No				
27	Mary Handley	16533 Lock 17 Rd. Brookwood, AL 35444	Yes	No									
28	Doug Hychte	16519 Lock 17 Rd. Brookwood, AL 35444	Yes	Yes	28								
29	Forest Hutchins	16537 Lock 17 Rd. Brookwood, AL 35444	Yes	Yes	4	Household	73	125	Yes	53.95	0.24	137	6.33
30	Glenn Sellers	15890 Sellers Town Rd. Brookwood, AL 35444	Yes	Yes	30	Farm	N/A	150	Yes	0.09	0.04	312	7.32
31	Kelly Sellers Smith	16890 Austin Glenn Circle Brookwood, AL 35444	Yes	Yes					No				
32	Tommy Reeves	16669 Antioch Community Rd. Brookwood, AL 35444	Yes	No									
33	Larry Sellers	16717 Antioch Community Rd. Brookwood, AL 35444	Yes	Yes	5-33A	Household	33	119	Yes	0.07	0.01	375	7.83
	Larry Sellers		Yes	Yes	5-33B	Household	30	91	Yes	1.81	0.14	361	7.98
	Larry Sellers		Yes	Yes	5-33C	Household	29	91	Yes	8.01	0.26	395	7.13