Applicant: <u>Centennial Natural Resources, LLC</u> Mine Name: <u>Hay Valley #2 Mine</u>

Permit Number: P-3806

STATE OF ALABAMA SURFACE MINING COMMISSION

(XX) Transfer Application for a Surface Coal Mine
() Transfer Application for an Underground Coal Mine
() Transfer Application for a Preparation Facility
NAME OF CURRENT PERMITTEE: Reed Minerals, Inc.
ADDRESS: 3699 Industrial Parkway
Jasper, AL 35501

PART I A. IDENTIFICATION
1.PERMIT APPLICANT
Name: Centennial Natural Resources, LLC
Street Address: 3699 Industrial Parkway
City: Jasper State: AL Zip: 35501
Mailing Address: 3699 Industrial Parkway
City: Jasper State: AL Zip: 35501
Telephone Number: (205) 295-2224
Social Security Number(Voluntary):
Employer Identification Number: 46-4161047
ASMC License#:836
none Breeneen . eve
2.ENTITY OR PERSON RESPONSIBLE FOR PAYING ABANDONED MINE LAND RECLAMATION FEES
Name: Applicant
Street Address: City: State: Zip:
Mailing Address:
Mailing Address: City: State: Zip:
Telephone Number: ()
Social Security Number(Voluntary):
Employer Identification Number:
ASMC License#:
Home Brockson:
3. IDENTIFY THE OPERATOR FOR THIS MINE IF DIFFERENT FROM THE PERMITTEE
Name: Applicant
Street Address:
City:State:Zip:
Mailing Address:
Mailing Address: City: State: Zip:
Telephone Number: ()
Social Security Number(Voluntary):
Employer Identification Number:
ASMC License#:
Home Brockson.
4. CONTACT PERSON FOR PERMIT REVIEW ISSUES AND CORRESPONDENCE
Name: Pete Parrish, PERC Engineering Co., Inc.
Mailing Address: P.O. Box 1712
City: Jasper State: AL Zip:35502-1712
Telephone Number: (205) 384-5553
Telephone Number: (2007) 504 5555
Also Please Copy:
ATOO TICAGO COPY.
Mark Fowler
Centennial Natural Resources, LLC
3699 Industrial Parkway
Jasper, AL 35501
(205) 295-2224
(200)/200 2224
ASMC-232-(07/92)

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

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

С.

(USE ADDITIONAL SHEETS IN	THE FORMAT	BELOW IF NECESSARY)
Name: There are none		
Street Address:		
City:	State:	Zip:
Mailing Address:		
City:	State:	Zip:
Telephone Number: ()		
Social Security Number:	(Vo	luntary)
Employer Identification Number:		
ASMC License#:		

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

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

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:

- Every current legal or equitable owner(s) of record (as found in a standard search of title) of the property;
- The holders of record of any leasehold interest in the property;
- 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

Page <u>1</u> of <u>5</u>
Legal description of property or permit map symbol:
New Acton Coal Mining Company, Inc. (M)
Surface/Mineral/or Fee Simple (both): Mineral
Legal owner(s) of record: New Acton Coal Mining Company, Inc.
Address: 70 Beck Green Road City: Warrior State: AL Zip: 35180
Holders of leasehold interest:
Address:State:Zip:
Purchasers under a real estate contract:
Address: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.
Lease	New Acton Coal Mining Company, Inc.	New Acton Coal Mining Company, Inc.	9/10/1999	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

PART I C 1. (CONTINUED) Page $\underline{2}$ of $\underline{5}$

Legal description of property or permit map symbol: Alawest - AL, L.L.C. (S)

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

Legal owner(s) of record: Alawest - AL, L.L.C.

Address: P. O. Box 412 City: Northport State: AL Zip: 35476

Holders of leasehold interest:_____

City:_____State:___Zip:___ Address:

Purchasers under a real estate contract:

Address:

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.
Lease	Alawest - AL, L.L.C.	New Acton Coal Mining Company, Inc.	7/27/1999	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Legal description of property or permit map symbol: <u>Janella Bu</u>rton (S)

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

Legal owner(s) of record: Janella Burton

__State:<u>AL</u>Zip:<u>35501</u> Address: 3602 Third Avenue City: Jasper

Holders of leasehold interest:

Address:____ City: _____State:____Zip:_

Purchasers under a real estate contract:_

Address: ____State:___ _City:_

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.
Lease	Janella Burton	New Acton Coal Mining Company, Inc.	5/13/1999	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

PART I C 1. (CONTINUED)	Page 3 of 5		
Legal description of property of	or permit map symbol: [onny Jacks (S	======== S-3)
Surface/Mineral/or Fee Simple (Legal owner(s) of record: Donny			
Address: 69 Sailor Loop Road Holders of leasehold interest:		State: AL	Zip: 35580
Address:	City:	State:	Zip:
Purchasers under a real estate	contract:		
Address:	City:	State:	Zip:
Description of right to enter of Describe the type of document or convey		of entry, distur	bance 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.
Lease	Donny Jacks	New Acton Coal Mining Company, Inc.	7/31/2000	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

______ Legal description of property or permit map symbol: Donny Jacks, Ronny Jacks, Gaynell J. Ford & Helen K. Jacks (S-4) Surface/Mineral/or Fee Simple (both): Surface Legal owner(s) of record: Donny Jacks, Ronny Jacks, Gaynell J. Ford & Helen K. Jacks Address: 106 Willow Creek Circle City: Vicksburg State: MS Zip: 39183 Holders of leasehold interest: City: Zip: Purchasers under a real estate contract: State:_ Zip: City:

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.
Lease	Donny Jacks, Ronny Jacks, Gaynell J. Ford & Helen K. Jacks	New Acton Coal Mining Company, Inc.	7/31/2000	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

______ PART I C 1. (CONTINUED) Page $\underline{4}$ of $\underline{5}$ ______ Legal description of property or permit map symbol: Deborah Smith & Ernest Alton Moore (S-5) Surface/Mineral/or Fee Simple (both): Surface Legal owner(s) of record: Deborah Smith & Ernest Alton Moore c/o James Raines Address: 334 Highway 5 ____City: <u>Jasper</u> State: <u>AL</u> Zip: <u>35503</u> Holders of leasehold interest: Address: __City:____ ____State:____Zip:__ Purchasers under a real estate contract:___ _City:__ 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 Granted Litigation Granted Date Pending? Entry (If deed From: To: Granted: indicate where (Yes or No) recorded): If yes, explain. 8/14/2000 Lease Deborah Smith & New Acton Coal Ernest A. Moore Mining Company,

Centennial

Natural

Reed Minerals,

Resources, LLC

No

No

Inc.

Inc.

New Acton Coal

Mining Company,

Reed Minerals,

Inc.

Inc.

Legal description of property or p	ermit map symbol: <u> </u>	ale F. Sprou	1 (S-7)
Surface/Mineral/or Fee Simple (bot	th): Surface		
Legal owner(s) of record: Dale F.	Sproul		
Address: 1141 Akins-Miller Road	City: Jasper	State: AL	Zip: 35501
Holders of leasehold interest:			
Address:	City:	State:	_Zip:
Purchasers under a real estate con	ntract:		
Address:	City:	State:	Zip:
Description of right to enter or m	nine.		

Description of right to enter or mine:

Lease

Lease

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.
Lease	Dale F. Sproul	New Acton Coal Mining Company, Inc.	2/22/2001	No
Lease	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806				
				l
PART I C 1. (CONTI	======================================	======================================		
Legal description of Pipeline	of property or pe	ermit map symbol:	Southern Nat	ural Gas Company
Surface/Mineral/or				
Legal owner(s) of Address: 1900 5 th A				71 7in. 25202
Holders of leaseho	ld interest:	crcybirming	IIam State.	AL 21p. 33203
Address:		Citv:	State:	Zip:
Purchasers under a Address: Description of rig	real estate con	ntract:		
Address:	h+ ++	City:	State:	Zip:
Describe the type of do Indicate from whom the right is not the owner(s) and ending	cument or conveyance right was acquired a s) of property, ident	e which grants the ri- and to whom the right tify all grantors and	ght of entry, di : was granted. I	sturbance or mining. f the grantor of the
Describe Right of Entry (If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
Letter of Agreement	Southern Natural Gas Company	New Acton Coal Mining Company, Inc.	4/5/2001	No
	New Acton Coal Mining Company, Inc.	Reed Minerals, Inc.		No
	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No
Legal description	of property or p		:_Eloise Jon	es (S-1)
Surface/Mineral/or				
Legal owner(s) of				
Address: P. O. Box Holders of leaseho		City: <u>Cordova</u>	State:	AL Zip: 35550
norders of reaseno	ra rncerest:			

City: State: Address: Purchasers under a real estate contract: State:

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.
Lease	Eloise Jones New Acton Coal	New Acton Coal Mining Company, Inc. Reed Minerals,	4/10/2001	No No
	Mining Company, Inc.	Inc.		
Lease	Reed Minerals, Inc.	Centennial Natural Resources, LLC		No

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

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

	PAGE <u>1</u> OF <u>1</u>
Name: New Acton Coal	Mining Company, Inc.
Address: 70 Beck Gre	en Road
City: Warrior	State: AL Zip: 35180
·	ace, Coal or Fee Simple): Mineral
Type of Interest(Own	er, Lease , or Other): Owner
Name: Alawest - AL,	L.L.C.
Address: P. O. Box 4	12
City: Northport	State:_ALZip:_35476
	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest(Own	er, Lease , or Other): Owner
Name: Janella Burton	
Address: 3602 3 rd Ave	
	State:_ALZip:_35501
•	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest (Own	er, Lease , or Other): Owner
Name: Donny Jacks	
Address: 69 Sailor L	
	State:_ALZip:_35580
	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest (Own	er, Lease , or Other): Owner
Address: c/o Ronny J	onny Jacks, Gaynell J. Ford & Helen K. Jac acks 106 Willow Creek Circle State: MSZip: 39183
Interest owned (Surf	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest(Own	er, Lease , or Other): Owner
Name: Deborah Smith	& Ernest Alton Moore
Address: c/o James R	aines 334 Highway 5
	State: <u>AL</u> <u>Zip: 35503</u>
	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest (Own	er, Lease , or Other): Owner
Name: Dale F. Sproul	
Address: 1141 Akins-	
	State:_ALZip:_35501
	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest (Own	er, Lease , or Other): Owner
Name: Eloise Jones	
Address: P. O. Box 1	
	State: AL Zip: 35550
	ace, Coal or Fee Simple): <u>Surface</u>
Type of Interest (Own	er, Lease , or Other): Owner
Name: Southern Natur	
Address: <u>1900 5th Ave</u>	
	State:_ALZip:_35203
Interest owned (Surf	ace, Coal or Fee Simple): <u>Surface</u>
·	

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

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

PART I C. (CONTINUED)

- 3. <u>INTERESTS OR PENDING INTERESTS IN LANDS CONTIGUOUS TO THE PERMIT AREA.</u>
 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

PAGE <u>1</u> OF <u>1</u>
Legal description: There are none.
Describe the nature of the interest:
Legal description:
Describe the nature of the interest:
Legal description:
Describe the nature of the interest:
Describe the nature of the interest:
Legal description:
Describe the nature of the interest:
Legal description:
Describe the nature of the interest:

Applicant: Centennial Natural Resources, LLC Mine Name: Hay Valley #2 Mine Permit Number: P-3806

PART I D. PERMIT AREA INFORMATION

1.	Give	t.he	requested	t.erm	o f	this	permit:	5	vears.
- •	0 1 0 0	CIIC	_ cqacbcca	CCIIII	O T	CILLO	PCIMITC.	_	y care.

- Give the acreage of the permit, each increment and the type of bonding.
 a. Total permit acreage: 106 acres.
 - b. Give the acreage and type of bond for each mining increment:

Increment	Acres	Type Bond Proposed
1.	<u>34</u>	Surety
2.	19_	Surety
3.	17	Surety
4.	25	Surety
5.	<u> </u>	
6.	11	Surety

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: \underline{All}
- 3. 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)

Permit	<u>Acres</u>	<u>Status</u>
<u>Interim</u>	<u>2</u> 0	Unreclaimed

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)

Centennial Natural Resources, LLC, assumes responsibility for reclamation of disturbances created under Permit P-3806 whether done by Centennial Natural Resources, LLC, or prior holders of Permit P-3806.

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

PART I D. (CONTINUED)

4. 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	ID or Permit	Issuing	Address	Status or date
	Number	Authority		of issuance
MSHA ID	01-02996	MSHA	*	10/01/1999
NPDES	AL0072605	ADEM	* *	11/01/1999

- * 228 West Valley Avenue Birmingham, AL 35209
- ** 1400 Coliseum Boulevard Montgomery, AL 36110-2059
- 5. 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:
- 6. Submit a certificate of proof of Liability Insurance with this application. See ASMC Master Insurance 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/PermitApplications.html
- 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: The following notice will appear in the Daily Mountain Eagle.

NOTICE OF APPLICATION TO TRANSFER A SURFACE COAL MINING PERMIT

Centennial Natural Resources, LLC, 3699 Industrial Parkway, Jasper, AL 35501, hereby gives notice that it has filed application to succeed by transfer to the rights granted under Alabama Surface Mining Commission Permit P-3806 currently held by Reed Minerals, Inc., 3699 Industrial Parkway, Jasper, AL 35501. This operation is known as the Hay Valley #2 Mine and is located in the SW $\frac{1}{4}$ of SW $\frac{1}{4}$, SE $\frac{1}{4}$ of SW $\frac{1}{4}$, SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 35, Township 14 South, Range 7 West; NW $\frac{1}{4}$ of NW $\frac{1}{4}$, NE $\frac{1}{4}$ of NW $\frac{1}{4}$, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, Alabama.

A copy of the transfer application is available for public inspection on the Alabama Surface Mining Commission website at: http://surface-mining.alabama.gov/PermitApplications.html. Written comments, objections or request for public hearing or informal conferences concerning this transfer should be sent to the Alabama Surface Mining Commission, P.O. Box 2390, Jasper, Alabama 35502-2390 no later than 30 days from the date of publication of this notice.

PART 6: VERIFICATION OF APPLICATION

(a) One copy must be original

Mine Name: Hay Valley #2 Mine

Permit Number: P-3806

Part VI - Verification of Permit Application (771.27) For new Permit () Transfer (X) Renewal ()

I, the undersigned operator and holder of an ASMC license, do hereby submit this as my application for a permit to engage in surface coal mining operations and certify that the information in the application is true and correct to the best of my information and belief. This application is submitted in conformance with the rules and regulations of the Commission and it is agreed that any operations pursuant to the permit will be conducted in accordance with those rules and regulations. I further certify that I will keep the Commission advised of any change of facts as may pertain to the license information or this permit application.

Centennial Natural Resources, LLC, License No. L-836

Permittee

Justin Burggraff, President

STATE OF ALABAMA)

WALKER COUNTY)

Before me, the undersigned authority, personally appeared Justin Burggraff, who being duly sworn upon oath, deposed and said, that he has read the foregoing application, that he is the responsible official of the applicant who executed the application, that the facts and matters contained therein are true and correct to the best of his information and belief, and that he executed the same for the purposes therein expressed.

Sworn to and subscribed before me this // day of Seatember 2014.

lotary Public

MY COMMISSION EXPIRES 9/30/17

Commission Expires

AGREEMENT

This agreement is entered into this date by Reed Minerals, Inc. and Centennial Natural Resources, LLC, in order to effect a transfer of Alabama Surface Mining Commission, ASMC, Permit No. P-3806 and the responsibility, bond coverage, and liability thereunder from Reed Minerals, Inc. to Centennial Natural Resources, LLC

On the date such transfer becomes effective, Centennial Natural Resources, LLC agrees to assume the responsibility, bond coverage, and liability of ASMC Permit No. P- 3806 and Reed Minerals, Inc. agrees to relinquish all rights which it may have under said permit.

This agreement is entered into by parties this 10 day of 2014. Said transfer is to become effective on the effective date that ASMC approves this transfer.

Reed Minerals, Inc.

BY:

Witness

Witness

allina

Justin Burggraff, President

Centennial Natural Resources, LLC

Justin Burggraff, President