

Applicant: Centennial Natural Resources, LLC
Mine Name: South "F" Mine
Permit Number: P-3833

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

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: Pete Parrish, PERC Engineering Co., Inc.

Mailing Address: P.O. Box 1712

City: Jasper State: AL Zip: 35502-1712

Telephone Number: (205) 384-5553

Also Please Copy:

Mark Fowler

Centennial Natural Resources, LLC

3699 Industrial Parkway

Jasper, AL 35501

(205) 295-2224

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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.
- C.

(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: ____ - ____ - _____ (Voluntary)

Employer Identification Number: _____

ASMC License#: _____

Applicant: Centennial Natural Resources, LLC
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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: _____
Alabama Power Company, Inc.

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

Legal owner(s) of record: Alabama Power Company

Address: P. O. Box 2641 City: Birmingham State: AL Zip: 35291

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.
Lease	Alabama Power Company	Reed Minerals, Inc.	9/4/2001	No
Assignment	Reed Minerals, Inc.	Centennial Natural Resources, LLC	Pending	No

Applicant: Centennial Natural Resources, LLC
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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: Alabama Power Company
Address: P. O. Box 2641
City: Birmingham State: AL Zip: 35291
Interest owned (Surface, Coal or Fee Simple): Fee Simple
Type of Interest (Owner, Lease, or Other): Owner

Applicant: Centennial Natural Resources, LLC
Mine Name: South "F" Mine
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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: There are none.

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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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 acreage of the permit, each increment and the type of bonding.
a. Total permit acreage: 259 acres.

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

<u>Increment</u>	<u>Acres</u>	<u>Type Bond Proposed</u>
1.	<u>79</u>	<u>Surety</u>
2.	<u>75</u>	<u>Surety</u>
3.	<u>52</u>	<u>Surety</u>
4.	<u>25</u>	<u>Surety</u>
5.		
6.	<u>28</u>	<u>Surety</u>

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: 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)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>P-3440</u>	<u>53</u>	<u>Unreclaimed</u>
<u>64-4, 64-5, 64-7</u>	<u>21</u>	<u>Unreclaimed</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)

Centennial Natural Resources, LLC, assumes responsibility for reclamation of disturbances created under Permit P-3833 whether done by Centennial Natural Resources, LLC, or prior holders of Permit P-3833.

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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 Number	Issuing Authority	Address	Status or date of issuance
<u>MSHA ID</u>	<u>01-02996</u>	<u>MSHA</u>	<u>*</u>	<u>11/01/99</u>
<u>NPDES</u>	<u>AL0072613</u>	<u>ADEM</u>	<u>**</u>	<u>4/01/2002</u>

* 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-3808 currently held by Reed Minerals, Inc., 3699 Industrial Parkway, Jasper, AL 35501. This operation is known as the South "F" Mine and is located in the SE ¼ of SE ¼, SW ¼ of SE ¼ of Section 36, Township 15 South, Range 7 West; NE ¼ of NE ¼, SE ¼ of NE ¼, NW ¼ of NE ¼, SW ¼ of NE ¼, NE ¼ of SE ¼, SE ¼ of SE ¼ of Section 1, Township 16 South, Range 7 West; NE ¼ of NE ¼ of Section 12, Township 16 South, Range 7 West; NW ¼ of NW ¼, NE ¼ of NW ¼, SW ¼ of NW ¼, SE ¼ of NW ¼, SW ¼ of NE ¼, NW ¼ of SW ¼, NE ¼ of SW ¼, SW ¼ of SW ¼, SE ¼ of SW ¼ of Section 6, Township 16 South, Range 6 West; NW ¼ of NW ¼ of Section 7, Township 16 South, Range 6 West all in Walker County, 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

Applicant: Centennial Natural Resources, LLC
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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:

By: *Justin Burggraff*
Justin Burggraff, President

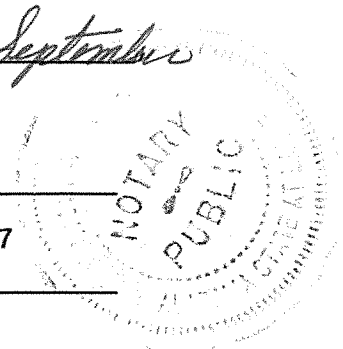
STATE OF ALABAMA)
)
WALKER COUNTY)

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 16 day of September 2014.

Justin Atkins
Notary 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-3833 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- 3833 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 September, 2014. Said transfer is to become effective on the effective date that ASMC approves this transfer.

Reed Minerals, Inc.

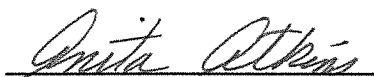


Witness

BY:


Justin Burggraff, President

Centennial Natural Resources, LLC



Witness

BY:


Justin Burggraff, President