

**ALABAMA CARBON, LLC**  
**MINE No. 1, P-3843**

**ALABAMA CARBON, LLC**

**MINE No. 1, P-3843**

ALABAMA SURFACE MINING COMMISSION  
SURFACE MINING TRANSFER APPLICATION

**P A R T I**

Prepared by:

**MCGEHEE ENGINEERING CORP.**

P. O. Box 3431  
450 19th Street West  
Jasper, Alabama 35502-3431  
Telephone (205) 221-0686

# 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: GTM Energy Partners, LLC.  
ADDRESS: P.O. Box 19127 Birmingham, AL 35219

## PART I A. IDENTIFICATION

### 1. PERMIT APPLICANT

Name: Alabama Carbon, LLC  
Street Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Mailing Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Telephone Number: 256-632-2267  
Social Security Number(Voluntary): - -  
Employer Identification Number: 45-2354416  
ASMC License#: L-816

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

Name: Alabama Carbon, LLC  
Street Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Mailing Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Telephone Number: 256-632-2267  
Social Security Number(Voluntary): - -  
Employer Identification Number: 45-2354416  
ASMC License#: L-816

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

Name: SAME AS PERMITTEE  
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: McGehee Engineering, Corp.  
Mailing Address: P. O. Box 3431, 450 19th Street West  
City: Jasper State: AL Zip: 35502  
Telephone Number: (205) 221-0686

ALABAMA CARBON, LLC  
MINE No. 1, P-3843

**PART I B. OWNERSHIP AND CONTROL**

**1. PERMIT APPLICANT OWNERSHIP AND CONTROL.**

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

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

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

**2. OPERATOR OWNERSHIP AND CONTROL.**

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

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

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

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

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

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

(USE ADDITIONAL SHEETS IN THE FORMAT BELOW IF NECESSARY)

Name: Alabama Carbon, LLC  
Street Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Mailing Address: 106 Lockhead Drive  
City: Beaver State: WV Zip: 25813  
Telephone Number: 256-632-2267  
Social Security Number(Voluntary): - -  
Employer Identification Number: 45-2354416  
ASMC License#: L-816

**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.

Legal description of property or permit map symbol: S-1

**SEE PERMIT MAP**

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

Legal owner(s) of record: LOWELL BARRON

Address: P.O. BOX 65 City: FYFFE State: AL Zip: 35971

Holders of leasehold interest: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Purchasers under a real estate contract: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: AL 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	LOWELL BARRON	SOUTHERN ENERGY DEVELOPMENT COMPANY	01-18-91	NO
ASSIGNMENT	SOUTHERN ENERGY DEVELOPMENT COMPANY	MOUNTAIN BROOK COAL COMPANY, INC	09-13-91	
ASSIGNMENT	MOUNTAIN BROOK COAL COMPANY, INC	D&E MINING, LLC.	11-04-04	NO
ASSIGNMENT	D&E MINING, LLC.	Cahaba Resources, LLC.	03-14-05	NO
ASSIGNMENT	Cahaba Resources, LLC.	GTM Energy Partners, LLC.	02-23-07	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	Pending	NO

**ALABAMA CARBON, LLC  
MINE No. 1, P-3843**

**PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS (CONTINUED)**

Page 2 of 4

Legal description of property or permit map symbol: S-2

SEE PERMIT MAP

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

Legal owner(s) of record: ALMA SHRADER

Address: RT. 2 BOX 764 City: FLAT ROCK State: AL Zip: 35966

Holders of leasehold interest: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Purchasers under a real estate contract: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: AL 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	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	ALMA SHRADER	SOUTHERN ENERGY DEVELOPMENT COMPANY	04-01-91	NO
ASSIGNMENT	SOUTHERN ENERGY DEVELOPMENT COMPANY	MOUNTAINBROOK COAL COMPANY, INC.	09-13-01	
ASSIGNMENT	MOUNTAIN BROOK COAL COMPANY, INC	D&E MINING, LLC.	09-01-04	NO
ASSIGNMENT	D&E MINING, LLC.	Cahaba Resources, LLC.	03-14-05	NO
ASSIGNMENT	Cahaba Resources, LLC.	GTM Energy Partners, LLC.	02-23-07	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	Pending	NO

**ALABAMA CARBON, LLC  
MINE No. 1, P-3843**

**PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS (CONTINUED)**

Legal description of property or permit map symbol: F-1

**SEE PERMIT MAP**

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

Legal owner(s) of record: LOWELL BARRON

Address: P.O. BOX 65 City: FIFFE State: AL Zip: 35971

Holders of leasehold interest: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Purchasers under a real estate contract: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: AL 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	LOWELL BARRON	SOUTHERN ENERGY DEVELOPMENT COMPANY	01-18-91	NO
ASSIGNMENT	SOUTHERN ENERGY DEVELOPMENT COMPANY	MOUNTAIN BROOK COAL COMPANY, INC.	09-13-091	
ASSIGNMENT	MOUNTAIN BROOK COAL COMPANY, INC	D&E MINING, LLC.	09-01-04	NO
ASSIGNMENT	D&E MINING, LLC.	Cahaba Resources, LLC.	03-14-05	NO
ASSIGNMENT	Cahaba Resources, LLC.	GTM Energy Partners, LLC.	02-23-07	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	Pending	NO

**ALABAMA CARBON, LLC  
MINE No. 1, P-3843**

**PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS (CONTINUED)**

Page 4 of 4

Legal description of property or permit map symbol: M-1

**(SEE PERMIT MAP)**

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

Legal owner(s) of record: NORTH ALABAMA MINERALS DEVELOPMENT CO., INC.

Address: P. O. BOX 407 City: HUNTSVILLE State: AL Zip: 35804

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	NORTH ALABAMA MINERALS DEVELOPMENT CO., INC.	SOUTHERN ENERGY DEVELOPMENT COMPANY	11/07/90	NO
ASSIGNED	SOUTHERN ENERGY DEVELOPMENT COMPANY	MOUNTAINBROOK COAL COMPANY, INC.	09/13/91	
ASSIGNMENT	MOUNTAIN BROOK COAL COMPANY, INC	D&E MINING, LLC.	11-04-04	NO
ASSIGNMENT	D&E MINING, LLC.	Cahaba Resources, LLC.	03-14-05	NO
ASSIGNMENT	Cahaba Resources, LLC.	GTM Energy Partners, LLC.	02-23-07	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	Pending	NO

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 IN THE FORMAT BELOW AS NECESSARY

Page 1 of 1

Name: LOWELL BARRON  
Address: P.O. BOX 65  
City: FIFFE State: AL Zip: 35502  
Interest owned (Surface, Coal or Fee Simple): SURFACE  
Type of Interest (Owner, Lease, or Other): OWNER

Name: ALMA SHRADER  
Address: ROUTE 2 BOX 764  
City: FLAT ROCK State: AL Zip: 35966  
Interest owned (Surface, Coal or Fee Simple): SURFACE  
Type of Interest (Owner, Lease, or Other): OWNER

Name: NORTH ALABAMA MINERALS DEVELOPMENT CO., INC.  
Address: P. O. BOX 407  
City: HUNTSVILLE State: AL Zip: 35804  
Interest owned (Surface, Coal or Fee Simple): MINERAL  
Type of Interest (Owner, Lease, or Other): OWNER

Name: LOWELL BARRON  
Address: P.O. BOX 65  
City: FIFFE State: AL Zip: 35502  
Interest owned (Surface, Coal or Fee Simple): FEE  
Type of Interest (Owner, Lease, or Other): OWNER

PART I C. (CONTINUED)

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

THE APPLICANT HAS NO INTEREST IN ANY LANDS OR CONTIGUOUS LAND  
OTHER THAN THE PERMITTED AREA.

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 AS NECESSARY

=====  
=====  
**Page 1 of 1**  
=====  
=====

=====  
=====  
Legal description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe the nature of the interest: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

=====  
=====  
Legal Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

=====  
=====  
Describe the nature of the interest: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

=====  
=====  
Legal description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe the nature of the interest: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART I D. PERMIT AREA INFORMATION**

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

The NE/SE & SE/SE of Section 9; the NW/SW, NE/SW, NW/SE, SW/SW & SE/SW of Section 10, the NW/NW & NE/NW of Section 15; the NE/NE of Section 16, Township 3 South, Range 9 East, Jackson County, Alabama.

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

a. Total permit acreage: 110.0 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.	14.0	Bond Account
2.	30.0	Bond Account
3.	15.0	Bond Account
4.	8.0	Bond Account
5.	27.0	Bond Account
6.	16.0	Bond Account

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

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

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

- a. Show the boundaries of the previously disturbed area(s) on the permit map and identify with an appropriate symbol.
- b. List, for each area, the permit number under which it was disturbed and the number of acres. Indicate the status of each permit as Unreleased, Grading released, or 100% released.

(If no permit, indicate as such)

<u>Increment</u>	<u>Acres</u>	<u>Permit Number</u>	<u>Status</u>
1	12.0	P-3679	Un-reclaimed
2	28.0	P-3679	Un-reclaimed
6	8.0	P-3679	Un-reclaimed

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

(XX) YES ( ) NO.

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



**ALABAMA CARBON, LLC  
MINE No. 1, P-3843  
ATTACHMENT I-E-2**

**PUBLIC NOTICE OF APPLICATION  
TO TRANSFER A SURFACE COAL MINING PERMIT**

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Alabama Carbon, LLC, 106 Lockheed Drive, Beaver, WV 25813 hereby gives notice that it has filed application to succeed by transfer to the rights granted under Surface Coal Mining Permit P-3843-39-09-S currently held by GTM Energy Partners, LLC.. The operation is known as Mine No.1 and is located in:

The NE/SE & SE/SE of Section 9; the NW/SW, NE/SW, NW/SE, SW/SW & SE/SW of Section 10, the NW/NW & NE/NW of Section 15; the NE/NE of Section 16, Township 3 South, Range 9 East, Jackson County, Alabama.

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

This notice to be published in the Daily Sentinel.

**TO THE DAILY SENTINEL:**

Please run the attached ad on Saturday, September 24<sup>th</sup>, 2011

**Please send invoice to:**

**Alabama Carbon, LLC.**  
106 Lockheed Drive  
Beaver, WV 25813  
Telephone (256) 632-2267

**Please send a notarized proof of publication to:**

Also, if you should have any questions or need additional information, please call:

**McGehee Engineering Corp.**  
P. O. Box 3431  
Jasper, AL 35502-3431  
Telephone (205) 221-0686

**PART VII - FINAL VERIFICATION OF PERMIT APPLICATION P-3843**

I, the undersigned operator and holder of an A.S.M.C. license, do hereby certify that:

- The information in the license file regarding ownership and control and violation information is accurate and complete as of this date.
- The information in the license file regarding ownership and control and violation information is not accurate and complete as of this date. The necessary update is attached.

This application is submitted in conformance with 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 changes of facts as may pertain to the license information or this permit application.

ALABAMA CARBON, LLC  
Licensee:

License No.: L-816

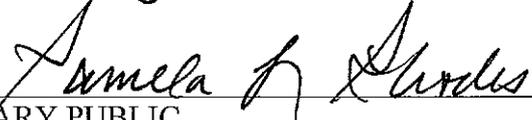
By: James C. Justice, III  
Its Vice President

  
Signature

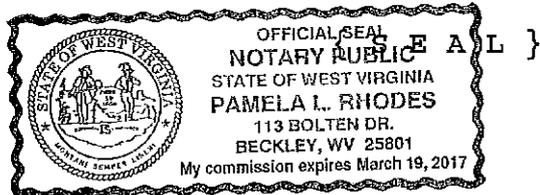
STATE OF <sup>WV</sup>ALABAMA )))  
COUNTY OF <sup>Raleigh</sup>WALKER )))

Before me, the undersigned authority, personally appeared James C. Justice, III 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 24th day of August 2011.

  
NOTARY PUBLIC

My Commission Expires: 3/19/17



ALABAMA CARBON, LLC  
MINE No. 1, P-3843

PART VI - VERIFICATION OF PERMIT APPLICATION (771.27)

I, the undersigned operator and holder of an A.S.M.C. license do hereby submit this as my application for a permit to engage in surface coal mining operation 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 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 changes of facts as may pertain to the license information or this permit application.

ALABAMA CARBON, LLC

License No.: L-816

Licensee:

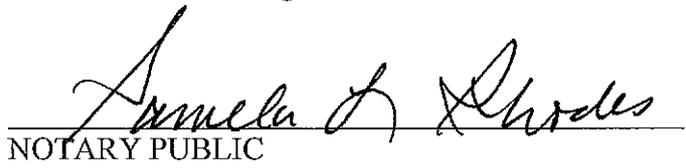
By: James C. Justice, III  
Its Vice President

  
Signature

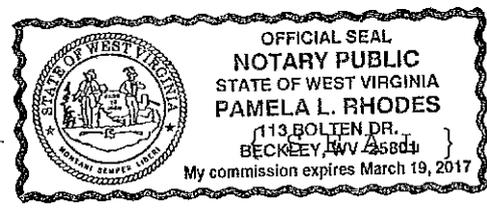
STATE OF <sup>WV</sup>~~ALABAMA~~ )))  
COUNTY OF <sup>Raleigh</sup>~~WALKER~~ )))

Before me, the undersigned authority, personally appeared James C. Justice, III 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 the 24<sup>th</sup> day of August, 2011.

  
NOTARY PUBLIC

My Commission Expires: 3/19/17



**ASMC PERMIT TRANSFER AGREEMENT**

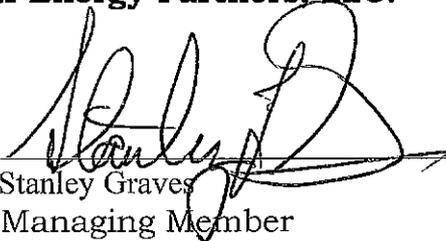
This Agreement is entered into this date by **GTM Energy Partners, LLC.** and **Alabama Carbon, LLC.** in order to effect a transfer of Alabama Surface Mining Commission Permit No. P-3843 (Mine No. 1) and the responsibility, coverage, and liability there under from **GTM Energy Partners, LLC.** to **Alabama Carbon, LLC.**

On the date such transfer becomes effective; **Alabama Carbon, LLC.** agrees to assume the responsibility, coverage, and liability of ASMC Permit No. P-3843 and **GTM Energy Partners, LLC.** agrees to relinquish all rights that it may have under said permit.

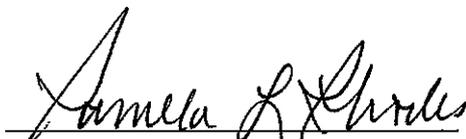
This agreement is entered into by both parties this the 9<sup>th</sup> day of Sept., 2011. Said transfer is to become effective on the effective date of the ASMC Permit No. P-3843 transfer approval.

**GTM Energy Partners, LLC.**

  
Witness Signature

By:   
Stanley Graves  
Managing Member

**Alabama Carbon, LLC.**

  
Witness Signature

By:   
James C. Justice, III  
Vice President