

**ASMC Use Only:**

Fee: \_\_\_\_\_  
Bond Required: \_\_\_\_\_  
Date Approved: \_\_\_\_\_

APPLICATION FOR PERMIT REVISION

Name of Permittee: Best Coal, Inc.

License Number: L-0568 Permit Number: P-3850-01-14-S

Permit Expiration Date: 03-28-14 Mine Name: Narley Mine

Revision Number: Revision R-8

Nature of Revision:

- 1) Add 75.0 acres to Increment No. 4 for Mining Area.
- 2) Add 2.0 incidental acres to Increment No. 6 for Basin 026P.
- 3) Transfer 41.0 acres from Increment No. 2 to Increment No. 3 for Mining Spoil Area.
- 4) Update the operations plan.
- 5) Update the General Plan through the addition of Basin 026P and the re-evaluation of Basin 005E.
- 6) Update the Hydrologic Monitoring Plan.
- 7) Extend the Topsoil Variance to include the area added by this revision.
- 8) Extend Cross Section E-E' to cover area added by Revision R-8.

Attach Detailed estimate of effect of proposed revision on reclamation costs.

Applicant: Best Coal, Inc.  
Mine Name: Narley Mine  
Permit Number: P- 3850, Revision R-8

# STATE OF ALABAMA

## SURFACE MINING COMMISSION

- ( X ) Permit Application for a Surface Coal Mine  
( ) Permit Application for an Underground Coal Mine  
( ) Permit Application for a Preparation Facility

### 1. PERMIT APPLICANT

Name: Best Coal, Inc.  
Street Address: 2361 Cumberland Lake Drive  
City: Pinson State: AL Zip: 35126  
Mailing Address: 2361 Cumberland Lake Drive  
City: Pinson State: AL Zip: 35126  
Telephone Number: ( 205 ) 590-4245  
Social Security Number (Voluntary): \_\_\_\_\_  
Employer Identification Number: \_\_\_\_\_  
ASMC License#: L-0568

### 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: Heath Franks c/o PERC Engineering Co., Inc.  
Mailing Address: Post Office Box 1712  
City: Jasper State: AL Zip: 35502-1712  
Telephone Number: ( 205 ) 295-3112

Applicant: Best Coal, Inc.  
 Mine Name: Narley Mine  
 Permit Number: P- 3850, Revision R-8

**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**

Page 1 of 4

Legal description of property or permit map symbol: Roger W. & Ruth W. Dyer (S)

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

Legal owner(s) of record: Roger W. & Ruth W. Dyer

Address: 8090 Dyer Road City: Gardendale State: AL Zip: 35071

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	Roger W and Ruth W. Dyer	Best Coal, Inc.	10/23/03	No

Applicant: Best Coal, Inc.  
 Mine Name: Narley Mine  
 Permit Number: P- 3850, Revision R-8

**PART I C 1. (CONTINUED)**

Legal description of property or permit map symbol: \_\_\_\_\_

William A. Cousins (S)

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

Legal owner(s) of record: William A. Cousins

Address: 7316 Lee Trail City: Gardendale State: AL Zip: 35071

Holder(s) 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	William A. Cousins	Best Coal, Inc.	07/14/08	No

Legal description of property or permit map symbol: \_\_\_\_\_

Alawest-AL, L.L.C. (S), (M) & (Fee)

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

Legal owner(s) of record: Alawest, Inc.

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

Holder(s) 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	Alawest-AL, L.L.C.	Best Coal, Inc.	07/17/03	No
Amendment	Alawest-AL, L.L.C.	Best Coal, Inc.	01/13/12	No

Applicant: Best Coal, Inc.  
 Mine Name: Narley Mine  
 Permit Number: P- 3850, Revision R-8

**PART I C 1. (CONTINUED)**

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Legal description of property or permit map symbol: United States of America (S)  
 Surface/Mineral/or Fee Simple (both): Surface  
 Legal owner(s) of record: United States of America  
 Address: Bureau pf Land Management, c/o Sid Vogelpohl Assistant District Manager for solid Minerals  
 Address: 411 Briarwood Drive, Suite 411 City: Jackson State: MS Zip: 39206  
 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	United States of America	Best Coal, Inc.	Pending	No

Legal description of property or permit map symbol: \_\_\_\_\_  
John and Norma Huguley (S)  
 Surface/Mineral/or Fee Simple (both): Surface  
 Legal owner(s) of record: John and Norma Huguley  
 Address: 1767 Jett Road City: Mount Olive State: AL Zip: 35117  
 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	John and Norma Huguley	Best Coal, Inc.	07/15/08	No

Applicant: Best Coal, Inc.  
 Mine Name: Narley Mine  
 Permit Number: P- 3850, Revision R-8

**PART I C 1. (CONTINUED)**

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 Page 4 of 4  
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Legal description of property or permit map symbol: \_\_\_\_\_  
George Huddleston(M)

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

Legal owner(s) of record: Huddleston Minerals, LLC

Address: 540 South Perry Street City: Montgomery State: AL Zip: 36104

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	Huddleston Minerals, LLC	Best Coal, Inc.	07/15/08	No

**AMENDMENT OF COAL MINING LEASE**

STATE OF ALABAMA    }

JEFFERSON COUNTY   }

THIS AMENDMENT OF COAL MINING LEASE (this "Amendment") is entered into on this 13<sup>th</sup> day of January, 2012, by and between ALAWEST-AL, LLC (hereinafter called "Lessor") and BEST COAL, INC. (hereinafter called "Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee entered into a Coal Mining Lease dated July 17, 2003; and

WHEREAS, the parties hereto have made previous amendments to said Lease; and

WHEREAS, the parties hereto are desirous of making another amendment to said Lease,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to amend the Lease as follows:

1. Add the following to the Lease:

**MINERAL ONLY PROPERTY:**

NE ¼ OF SE ¼ Section 24, Township 15 South, Range 4 West

**FEE PROPERTY**

S ½ OF SE ¼ Section 24, Township 15 South, Range 4 West

2. The parties further agree that all covenants, terms and conditions of said Coal Mining Lease dated July 17, 2003, as previously amended and not herein modified or amended shall remain in full force and effect.

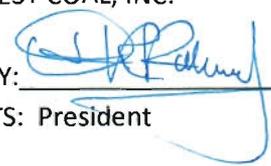
Witness: 

Witness: 

LESSOR:  
ALAWEST-AL, LLC

BY: 

LESSEE:  
BEST COAL, INC.

BY:   
ITS: President

Applicant: Best Coal, Inc.  
Mine Name: Narley Mine  
Permit Number: P- 3850, Revision R-8

**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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**PAGE 1 of 2**

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Name: Roger W. & Ruth W. Dyer  
Address: 8090 Dyer Road  
City: Gardendale State: AL Zip: 35071  
Interest owned (Surface, Coal or Fee Simple): Surface  
Type of Interest (Owner, Lease, or Other): Owner

Name: William A. Cousins  
Address: P. O. Box 352  
City: Mount Olive State: AL Zip: 35117  
Interest owned (Surface, Coal or Fee Simple): Surface  
Type of Interest (Owner, Lease, or Other): Owner

Name: Alawest-AL, L.L.C.  
Address: P. O. Box 412  
City: Northport State: AL Zip: 35476  
Interest owned (Surface, Coal or Fee Simple): Surface, Coal  
Fee Simple  
Type of Interest (Owner, Lease, or Other): Owner

Name: United States of America  
Address: Bureau of Land Management, 411 Briarwood Drive,  
Suite 411  
City: Jackson State: MS Zip: 39206  
Interest owned (Surface, Coal or Fee Simple): Mineral  
Type of Interest (Owner, Lease, or Other): Owner

Name: John & Norma Huguley  
Address: 1767 Jett Road  
City: Mount Olive State: AL Zip: 35117  
Interest owned (Surface, Coal or Fee Simple): Surface  
Type of Interest (Owner, Lease, or Other): Owner

Name: George Huddleston  
Address: 540 South Perry Street  
City: Montgomery State: AL Zip: 36104  
Interest owned (Surface, Coal or Fee Simple): Mineral  
Type of Interest (Owner, Lease, or Other): Owner

Applicant: Best Coal, Inc.  
Mine Name: Narley Mine  
Permit Number: P- 3850, Revision R-8

**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 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 AS NECESSARY IN THE FORMAT BELOW**

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PAGE    OF    **Not Applicable**

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

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

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

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

=====

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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Applicant: <u>Best Coal, Inc.</u>
Mine Name: <u>Narley Mine</u>
Permit Number: P- <u>3850, Revision R-8</u>

**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. NW of SE 1/4, NE of SE 1/4, SW of SE 1/4, SE 1/4 of SE 1/4, SE 1/4 of SW 1/4 of Section 13, NE 1/4 of NE 1/4, SE 1/4 of NE 1/4 of Section 23, NW 1/4 of NW 1/4, NE 1/4 of NW 1/4, SW 1/4 of NW 1/4, SE 1/4 of NW 1/4, NW 1/4 of NE 1/4, NE 1/4 of NE 1/4, SW 1/4 of NE 1/4, SE 1/4 of NE 1/4, NW 1/4 of SE 1/4, NE 1/4 of SE 1/4, SW 1/4 of SE 1/4, SE 1/4 of SE 1/4 of Section 24, Township 15 South, Range 4 West, SW 1/4 of SW 1/4 of Section 18, Township 15 South, Range 3 West, NW 1/4 of NW 1/4, SW 1/4 of NW 1/4, NW 1/4 of SW 1/4, NE 1/4 of SW 1/4, SW 1/4 of SW 1/4 of Section 19, Township 15 South, Range 3 West, Jefferson County, Alabama.

3. Give the acreage of the permit, each increment and the type of bonding.
  - a. Total permit revision acreage: 571 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>78</u>	<u>Surety Bond</u>
2.	<u>62</u>	<u>Surety Bond</u>
3.	<u>41</u>	<u>Surety Bond</u>
4.	<u>264</u>	<u>Surety Bond</u>
5.	<u>93</u>	<u>Surety Bond</u>
6.	<u>33</u>	<u>Surety Bond</u>

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Increment 4.

4. Has any acreage in the proposed permit area been previously disturbed by mining?  
(XXX)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.

See permit map.

- 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, indicated as such.

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>Pre-law</u>	<u>19.0</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). Best Coal, Inc. intends to accept the reclamation responsibility for the areas which they redisturb.

5. Is disturbance to be conducted within 300 feet, measured horizontally from an occupied dwelling? ( )YES (XX)NO.

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

Applicant: <u>Best Coal, Inc.</u>
Mine Name: <u>Narley Mine</u>
Permit Number: P- <u>3850, Revision R-8</u>

**PART I D. (CONTINUED)**

6. Is disturbance proposed within 100 feet of a public road right-of-way or will a public road be closed or relocated? ( ) YES (XX) NO.  
 If YES, enclose a copy of the approval granted by the government entity which has jurisdiction over the road. The approval must state the minimum distance disturbance will be allowed to the road or road right-of-way.

7. 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 of issuance
<u>MSHA ID</u>	<u>01-03285</u>	<u>MSHA</u>	<u>*</u>	<u>02/05/04</u>
<u>NPDES</u>	<u>AL0075752</u>	<u>ADEM</u>	<u>**</u>	<u>11/01/03</u>

\* 228 West Valley Avenue, Birmingham, AL 35209

\*\* 1400 Coliseum Blvd., Montgomery, AL 36110-2059

8. Is the property in the permit covered by zoning or other land use restrictions?  
 (XXX)YES ( )NO.  
 If yes, indicate the jurisdictional authority and zoning or landuse area. If more than one zoning classification exists for the permit area, identify the boundaries of each the permit map.

Jurisdictional Authority	Zoning Classification	Allows mining? Yes or No
<u>Jefferson County Zoning Board</u>	<u>I-3-S</u>	<u>Yes</u>

9. Describe access to the proposed mine from a known point on the nearest public highway:  
From Mt. Olive, Alabama travel north on Mt. Olive Road approximately 3.6 miles to the intersection of Mt. Olive Road and Old Mt. Olive Road. Turn left onto Old Mt. Olive Road and travel approximately 0.75 miles to the intersection of Old Mt. Olive Road and Glovers Bend Road. Turn left onto Glovers Bend Road and travel approximately 0.85 miles to the mine entrance on the left. The Permit area will be marked and signs will be posted.

10. Did the applicant receive assistance from the Small Operator Assistance Program in preparing this application?

( ) YES (XXX) NO  
 If YES, list SOAP I.D. Number: \_\_\_\_\_

11. Submit a certificate of proof of Liability Insurance with this application. See AMC Master 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>

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 Birmingham News  
See Attachment I.E.13

Applicant: Best Coal, Inc.  
Mine Name: Narley Mine  
Permit Number: P- 3850, Revision R-8

Attachment for I.E.13.

PUBLIC NOTICE OF PERMIT APPLICATION

In accordance with the provisions of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Best Coal, Inc., 2361 Cumberland Lake Drive, Pinson, AL 35126, hereby gives notice that it has filed an application with the Alabama Surface Mining Commission to revise permit P-3850-01-14-S for its Narley Mine located in Jefferson County. The nature of revision is as follows:

1) Add 79.0 mining acres to Increment No. 4. 2) Add 1.0 incidental acre to Increment No. 6 for Basin 082P. 3) Update the operations plan. 4) Update the General Plan through the addition of Basin 082P and the re-evaluation of Basin 005E. 5) Update the Hydrologic Monitoring Plan. 6) Extend the Topsoil Variance to include the area added by this revision. 7) Extend Cross Section E-E' to cover area added by Revision R-8.

A copy of the permit revision application is available for public inspection at the Alabama Surface Mining Commission website <http://surface-mining.alabama.gov/PermitApplications.html> Written comments, objections, or requests for informal conferences should be submitted to the Alabama Surface Mining Commission, P.O. Box 2390, Jasper, Alabama 35502-2390, within 30 days from the last publication of this notice.