



STATE OF ALABAMA
SURFACE MINING COMMISSION

P.O. BOX 2390 - JASPER, ALABAMA 35502-2390
(205) 221-4130 • FAX: (205) 221-5077

Permit Revision Number: R-17

REVISION TO PERMIT FOR
SURFACE COAL MINING OPERATIONS

Pursuant to the Alabama Surface Mining Control and Reclamation Act, Act No. 81-435, and duly promulgated rules of the Commission, revision is hereby approved for permit:

P-3859-01-14-S
SHANNON LLC
PO BOX 621
JASPER AL 35502
(SHANNON MINE)

License No.: L-813
Pursuant to the permit map: 1 OF 1
Certified by: STEVEN R INGLE #18213
Date: 11-29-11

The permit is revised as follows:

1. Add 58.0 incidental acres (Warehouse/Maintenance Area) to Increment #6.
2. Add 5.0 incidental acres (Basin 023) to Increment #6.
3. Add 1.0 incidental acre (Low Water Crossing) to Increment #6.
4. Transfer 8.0 acres from Increment #2 to Increment #6 for an extension of Primary Road #7.
5. Transfer 0.10 acres (Primary Road #7) from Increment #2 to Increment #6 (no acreage change).
6. Update the drainage control plan through the addition of Basin 023.
7. Update the Hydrologic Monitoring Plan.
8. Delay in Contemporaneous Reclamation for 12 months on the highwall within Increment #5, located in the NE ¼ of the SW ¼ and the SE ¼ of the SW ¼ of section 9, Township 20 South, Range 6 West, Tuscaloosa County, Alabama.

CONDITION R-17-1: The permittee shall notify the ASMC and seek consultation with the U.S. Fish and wildlife Service if:

- a. The permit is modified in any way that causes an effect on species or Critical Habitat listed under the Endangered Species Act of 1973.
- b. New information reveals the operation may affect Federally protected species or designated Critical Habitat in a manner or extent not previously considered, or
- c. A new species is listed or Critical Habitat is designated under the Endangered Species Act that may be affected by the operation.

CONDITION R-17-2: The permittee shall contact the ASMC and consult with the Alabama Historic Preservation Officer if the permit is modified or if previously unknown archaeological or historic resources are discovered on the permit area. Upon discovery of previously unknown artifacts or archaeological features the permittee shall cease operations until the Alabama Historic Preservation Officer approves resumption of operations.

FINDING R-17-1: The Regulatory Authority has taken into account the effect of the proposed permitting action on properties listed or eligible for listing on the National Register of Historic Places. A site survey performed by the University of Alabama Office of Archaeological Research dated June 3, 2011 found no sites eligible for listing on the National Register of Historic Places located on the mine site. The State Historic Preservation Officer concurred with this finding by letter dated June 22, 2011. The areas added by this revision were within the study areas of the original permit and do not require additional consultation. This finding is supported in part by inclusion of appropriate permit conditions or changes in the operation plan protecting historic resources, or a documented decision that the Regulatory Authority has determined that no additional protection measures are necessary. Concerns for unknown resources, which might be discovered during mining have been made conditions of the permit.

FINDING R-17-2: The US Fish and wildlife Service (FWS) provided comments dated September 13, 2011 on the proposed mining operation. The FWS indicated that there were no known threatened or endangered species located on the permit area. The ADCNR expressed concerns over possible wetlands on the permit area. The US Army Corps of Engineers determined by electronic correspondence dated August 24, 2011 that the stream crossing proposed in this revision will not require a Department of the Army Permit. The US Army Corps of Engineers authorized the activities covered under this revision under Nationwide Permit 21 SAM-2011-01072 dated November 2, 2011 issued for proposed Shannon Mine No. 4, which is currently under review by ASMC. The Shannon Mine No. 4 permit will re-permit the areas covered in this revision. This authorization requires mitigation of 3283 linear feet of intermittent stream by reconstruction and purchase of 0.15 wetland credit for ephemeral stream impacts.

FINDING R-17-3: The proposed permit area is:

- a. Not within an area under study or administrative proceedings under a petition, filed pursuant to Chapter 880-X-7 to have an area designated as unsuitable for surface coal mining operations.
- b. Not within an area designated as unsuitable for mining pursuant to Chapter 880-X-7 or subject to the prohibitions or limitations of Section 880-X-7B-.06 and Section 880-X-7B-.07 of this chapter.

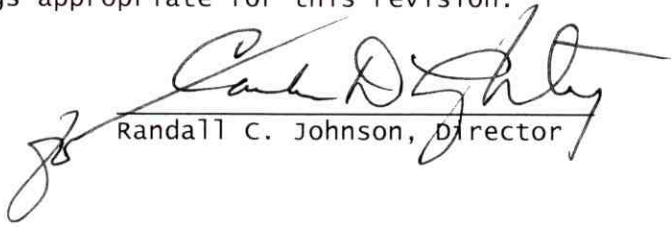
ACREAGE SUMMARY:

* Increment #1 remains at -----	167 acres
* Increment #2 decreases to -----	211 acres
Increment #3 remains at -----	67 acres
Increment #4 remains at -----	183 acres
* Increment #5 remains at -----	102 acres
* Increment #6 increases to -----	250 acres
* Bonded to date Total -----	980 Acres

All other terms and conditions remain in effect as well as all Findings in the original permit and any Findings appropriate for this revision.

EFFECTIVE DATE: December 8, 2011

cc: I & E, Permit File


 Randall C. Johnson, Director