

KODIAK MINING COMPANY, LLC

COKE MINE NO. 1, P-3887, R-6

ALABAMA SURFACE MINING COMMISSION

SURFACE MINING PERMIT 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
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Email: staff@mcgehee.org

**KODIAK MINING COMPANY, LLC
COKE MINE NO. 1, P-3887, R-6**

Fee: _____

Bond Required: _____

Date Approved: _____

APPLICATION FOR PERMIT REVISION

Name of Permittee: **Kodiak Mining Company, LLC**

License Number: L-765 Complete Permit Number: P-3887-58-16-U

Expiration Date of Permit: 10/23/16 Revision Number: R-6

Mine Name: Coke Mine No. 1

Nature of Proposed Revision R-6:

The nature of Revision R-6 is as follows:

1. Add underground mining in the Atkins coal seam within the existing permit boundary.
2. Transfer 13 acres from Inc. No. 3 to Inc. No. 4 for newly added Atkins face-up area, spoil area for material excavated from Atkins face-up area and to provide two-way access to the Atkins face-up area.
3. Delete portions of proposed Coarse Refuse Disposal No. 3 (no acreage change) from the permit.
4. Modify the operation plan (including Subsidence Control Plan for Atkins Underground Mine).

Identify any conditions placed on this permit which would relate to the proposed revision being requested:

None.

STATE OF ALABAMA SURFACE MINING COMMISSION

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

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: Kodiak Mining Company, LLC
Street Address: Suite 23, 513 Hay Street
City: Subiaco State: Western Australia Zip: 6008
Mailing Address: Suite 23, 513 Hay Street
City: Subiaco State: Western Australia Zip: 6008
Telephone Number: 8 93888812
Social Security Number(Voluntary): - - -
Employer Identification Number: 203186047
ASMC License#: L-765

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

Name: Kodiak Mining Company, LLC
Street Address: Suite 23, 513 Hay Street
City: Subiaco State: Western Australia Zip: 6008
Mailing Address: Suite 23, 513 Hay Street
City: Subiaco State: Western Australia Zip: 6008
Telephone Number: 8 93888812
Social Security Number(Voluntary): - - -
Employer Identification Number: 203186047
ASMC License#: L-765

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 Fax: (205) 221-7721

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: Kodiak Mining Company, LLC

Street Address: Suite 23, 513 Hay Street

City: Subiaco State: Western Australia Zip: 6008

Mailing Address: Suite 23, 513 Hay Street

City: Subiaco State: Western Australia Zip: 6008

Telephone Number: 8 93888812

Social Security Number(Voluntary): - - -

Employer Identification Number: 203186047

ASMC License#: L-765

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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Page 1 of 3

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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: U. S. X. CORPORATION ATTN: GENERAL MANAGER-SOUTHEAST

Address: P.O. BOX 599, SUITE 183-C City: FAIRFIELD State: AL. Zip: 35064

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	U.S.X. CORPORATION	KODIAK MINING CO., LLC	OCT. 30, 2005	NO
LEASE (THOMPSON SEAM)	U.S.X. CORPORATION	KODIAK MINING CO., LLC	AUG. 22, 2013	

KODIAK MINING COMPANY, LLC
COKE MINE NO. 1, P-3887, R-6

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

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Legal description of property or permit map symbol: S-4
(SEE PERMIT MAP)
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner(s) of record: KODIAK MINING CO., LLC
Address: SUITE 23, 513 HAY STREET City: SUBIACO State: WESTERN AUSTRALIA Zip: 6008
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
DEED	KODIAK MINING CO., LLC	KODIAK MINING CO., LLC	OCT. 26, 2005	NO

KODIAK MINING COMPANY, LLC
COKE MINE NO. 1, P-3887, R-6

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

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Page 3 of 3

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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: R. G. G. S. LAND & MINERALS, LTD. ATTN: TOM SPECK

Address: P.O. BOX 4667 City: HOUSTON State: TX Zip: 77210

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	R.G.G.S CORP.	KODIAK MINING CO., LLC	OCT. 30, 2005	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: U. S. X. CORPORATION ATTN: GENERAL MANAGER-SOUTHEAST

Address: P.O. BOX 599, SUITE 183-C

City: FAIRFIELD State: AL. Zip: 35064

Interest owned (Surface, Coal or Fee Simple): SURFACE

Type of Interest (Owner, Lease , or Other): OWNER

Name: KODIAK MINING COMPANY, LLC

Address: SUITE 23, 513 HAY STREET

City: SUBIACO State: WESTERN AUSTRALIA Zip: 6008

Interest owned (Surface, Coal or Fee Simple): SURFACE

Type of Interest (Owner, Lease , or Other): OWNER

Name: R. G. G. S. LAND & MINERALS, LTD. ATTN: TOM SPECK

Address: P.O. BOX 4667

City: HOUSTON State: TX Zip: 77210

Interest owned (Surface, Coal or Fee Simple): MINERAL

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 _

Legal description: _____

Describe the nature of the interest: _____

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.

NW/SE, SW/SE, SE/SW of Section 20, NW/NE, NE/NW of Section 29, Township 21 South, Range 4 West, all in Shelby County, Alabama.

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

a. Total permit acreage: 710.0 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	159.0	Certificate of Deposit
2	59.0	Certificate of Deposit
3	424.0	Certificate of Deposit
4	28.0	Certificate of Deposit
5	40.0	Certificate of Deposit

- 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.
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, indicate as such)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
=====	=====	=====

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.

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.

KODIAK MINING COMPANY, LLC
COKE MINE NO. 1, P-3887, R-6

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 date of issuance
<u>MSHA ID</u>	<u>01-03217</u>	<u>MSHA</u>	<u>228 West Valley Ave.</u> <u>Birmingham, AL 35209</u>	<u>03-26-09</u>
<u>NPDES</u>	<u>AL0078221</u>	<u>ADEM</u>	<u>1751 Federal Drive</u> <u>Montgomery, AL 36130</u>	<u>11-01-10</u>
<u>NPDES</u>	<u>ALSI9959861</u>	<u>ADEM</u>	<u>1751 Federal Drive</u> <u>Montgomery, AL 36130</u>	<u>08-07-07</u>

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

Jurisdictional Authority	Zoning Classification	Allows mining? Yes or No
<u>N/A</u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

9. Describe access to the proposed mine from a known point on the nearest public highway:

From the intersection of Shelby County roads 10 and 270, travel northeasterly on Shelby County Road 270 for approximately 0.7 miles to the mine entrance.

10. 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: _____

11. Submit a certificate of proof of Liability Insurance with this application.

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: [Alabama Surface Mining Commission](#).
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: [See Attachment I-E-13](#)

**KODIAK MINING COMPANY, LLC
COKE MINE NO. 1, P-3887, R-6
ATTACHMENT I-E-13**

PUBLIC NOTICE FILING OF PERMIT APPLICATION

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Suite 23, 513 Hay Street, Subiaco, Western Australia 6008 is filing an application to revise its Coke Mine No. 1 (P-3887-58-16-U), Underground Mine. Access to the mine is as follows:

From the intersection of Shelby County roads 10 and 270, travel northeasterly on Shelby County Road 270 for approximately 0.7 miles to the mine entrance.

NW/SE, SW/SE, SE/SW of Section 20, NW/NE, NE/NW of Section 29, Township 21 South, Range 4 West, all in Shelby County, Alabama.

The nature of Revision R-6 is as follows:

1. Add underground mining in the Atkins coal seam within the existing permit boundary.
2. Transfer 47 acres from Inc. No. 3 to Inc. No. 4 for newly added Atkins face-up area, spoil area for material excavated from Atkins face-up area and to provide two-way access to the Atkins face-up area.
3. Delete proposed Slurry Impoundment No. 3 (no acreage change) from the permit.
4. Delete portions of proposed Coarse Refuse Disposal No. 3 (no acreage change) from the permit.
5. Modify the operation plan (including Subsidence Control Plan for Atkins Underground Mine).

A copy of the permit revision 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 revision 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 Shelby County Reporter Newspaper.