

ASMC Use Only:

Fee: _____
Bond Required: _____
Date Approved: _____

APPLICATION FOR PERMIT REVISION

Name of Permittee: RJR Mining Co, Inc.

License Number: L-614 Permit Number: P-3926-01-14-S

Permit Expiration Date: 10-07-14 Mine Name: Majestic Mine No. 2

Revision Number: Revision R-2

Nature of Proposed Revision:

- 1) Request to update the operations plan with regard to cut alignment. (No Acreage Change)

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

Applicant: RJR Mining Co, Inc.
Mine Name: Majestic Mine No. 2
Permit Number: P-3926 / Revision R-2

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

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: RJR Mining Company, Inc.
Street Address: 210 2nd Street SE
City: Cullman State: AL Zip: 35055
Mailing Address: 210 2nd Street SE
City: Cullman State: AL Zip: 35055
Telephone Number: (256) 775-0067
Social Security Number (Voluntary): _____
Employer Identification Number: _____
ASMC License#: L-614

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: Leslie G. Stephens c/o PERC Engineering Co., Inc.
Mailing Address: Post Office Box 1712
City: Jasper State: AL Zip: 35502-1712
Telephone Number: (205) 384-5553

ALSO PLEASE COPY: Randy C. Johnson
RJR Mining Company, Inc.
210 2nd Street SE
Cullman, AL 35055
Telephone: (256) 775-0067

Applicant: RJR Mining Co, Inc.
Mine Name: Majestic Mine No. 2
Permit Number: P-3926 / Revision R-2

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 IA through Part IF 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: **NOT APPLICABLE**

- 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: Applicant
Street Address: _____
City: _____ State: _____ Zip: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone: (____) _____ - _____
Social Security Number (Voluntary): _____ - _____ - _____
Employer Identification Number: _____
ASMC License Number: _____

Applicant: RJR Mining Co, Inc.
 Mine Name: Majestic Mine No. 2
 Permit Number: P-3926 / Revision R-2

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 1

Legal description of property or permit map symbol: RJR Mining Company, Inc. (Fee)
 Surface/Mineral/or Fee Simple (both): Fee
 Legal owner(s) of record: Randy C. Johnson & David R. Nelson
 Address: 210 2nd Street SE City: Cullman State: AL Zip: 35055
 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 Book: LR200802 Page: 2894	Drummond Company, Inc.	RJR Mining Company, Inc.	01/30/2008	No
Reversionary Quitclaim Deed	Drummond Company, Inc.	RJR Mining Company, Inc.	10/21/2010	No

Applicant: RJR Mining Co, Inc.
Mine Name: Majestic Mine No. 2
Permit Number: P-3926 / Revision R-2

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: Drummond Company, Inc.
Address: P. O. Box 1549
City: Jasper State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): Fee
Type of Interest (Owner, Lease, or Other): Owner

Applicant: RJR Mining Co, Inc.
Mine Name: Majestic Mine No. 2
Permit Number: P-3926 / Revision R-2

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 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: _____

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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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Applicant: <u>RJR Mining Co, Inc.</u> Mine Name: <u>Majestic Mine No. 2</u> Permit Number: <u>P-3926 / Revision R-2</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.
NE 1/4 of SW 1/4, NW 1/4 of SE 1/4, NE 1/4 of SE 1/4, SW 1/4 of SW 1/4, SE 1/4 of SW 1/4, SW 1/4 of SE 1/4, SE 1/4 of SE 1/4 of Section 5, all in Township 15 South, Range 2 West, Jefferson County, Alabama.

3. Give the acreage of the permit, each increment and the type of bonding.
 - a. Total permit acreage: 84 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>32</u>	<u>Certificate of Deposit</u>
2.	<u>44</u>	<u>Certificate of Deposit</u>
3.	<u>0</u>	<u>Certicicate of Deposit</u>
4.	<u>5</u>	<u>Certificate of Deposit</u>
5.	<u>3</u>	<u>Certificate of Deposit</u>

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Increment 2.
4. Has any acreage in the proposed permit area been previously disturbed by mining? () 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>
_____	_____	_____
_____	_____	_____
_____	_____	_____

- 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).
5. Is disturbance to be conducted within 300 feet, measured horizontally from an occupied dwelling? () 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. All setbacks will be observed until waivers are obtained.

Applicant: <u>RJR Mining Co, Inc.</u>
Mine Name: <u>Majestic Mine No. 2</u>
Permit Number: <u>P-3926 / Revision R-2</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>01-02951</u>	<u>MSHA</u>	<u>*</u>	<u>06/02/92</u>
<u>NPDES</u>	<u>AL0063541</u>	<u>ADEM</u>	<u>**</u>	<u>11/01/07</u>

* 228 West Valley Avenue, Birmingham, AL 35209

** 1400 Coliseum Blvd., Montgomery, AL 36130

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</u>	<u>* I-3</u>	<u>Yes</u>

9. Describe access to the proposed mine from a known point on the nearest public highway: From the town of Morris travel north on the Morris - Majestic Road approximately 2.5 miles to the mine entrance. The mine will be located on the left.

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 ASMC 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: N/A