

**HIGHLAND ENERGY, INC.
FISHTRAP MINE NO. 2, P-3930, R-10**

HIGHLAND ENERGY, INC

FISHTRAP MINE NO. 2, P-3930, R-10

**ALABAMA SURFACE MINING COMMISSION
SURFACE MINING PERMIT APPLICATION**

PART I

Prepared By:

SIMMONS-JOHNSEY ENGINEERING, LLC
407 9th Ave.
Jasper, Alabama 35501
Telephone: (205) 522-2057

HIGHLAND ENERGY, INC.
FISHTRAP MINE NO. 2, P-3930, R-10

Fee: _____

Bond Required: _____

Date Approved: _____

APPLICATION FOR PERMIT REVISION

Name of Permittee: **Highland Energy, Inc.**

License Number: L-863 Complete Permit Number: P-3930-01-31-S

Expiration Date of Permit: 3/26/2031 Revision Number: R-10

Mine Name: Fishtrap Mine No. 2

Nature of Proposed Revision R-10

- 1) Transfer 59 undisturbed acres (58 mining and 1 incidental) from
Increment No. 1 to Increment No. 2 and de-bond.
- 2) Transfer 207 undisturbed acres (205 mining and 2 incidental) from
Increment No. 1 to Increment No. 3 and de-bond.

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

None.

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: Highland Energy, Inc
Street Address: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Mailing Address: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Telephone Number: (205) 590-4245
Social Security Number(Voluntary): ___ - ___ -
Employer Identification Number: 204936132
ASMC License#: L-863

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

Name: Highland Energy, Inc
Street Address: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Mailing Address: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Telephone Number: (205) 590-4245
Social Security Number(Voluntary): ___ - ___ -
Employer Identification Number: 204936132
ASMC License#: L-863

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: Simmons-Johnsey Engineering, LLC
Mailing Address: 405 9th Ave.
City: Jasper State: AL Zip: 35501
Telephone Number: (205) 522-2057

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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: Highland Energy, Inc
Street Address: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Mailing Address: P.O. Box 1565
City: Cordova State: AL Zip: 35550
Telephone Number: (205) 590-4245
Social Security Number(Voluntary): ___-___-
Employer Identification Number: 204936132
ASMC License#: L-863

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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: S1 & F1

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

Legal owner(s) of record: Highland Energy, Inc.

Address: 7802 Highway 78 City: Cordova State: AL Zip: 35550

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	North American Coal Royalty Resources, LLC	Highland Energy, Inc.	8/30/23	No
DEED	Shamrock Sustainable Investments, LLC	Highland Energy, Inc.	2/23/24	NO

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PART I C 1. (CONTINUED)

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Legal description of property or permit map symbol: S4

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

Legal owner(s) of record: Drummond Company, Inc

Address: P.O. Box 1549 City: Jasper State: AL Zip: 35502

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	Drummond Company, Inc.	Highland Energy, Inc.	7/24/24	No

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PART I C 1. (CONTINUED)

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Legal description of property or permit map symbol: M2

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

Legal owner(s) of record: West Jefferson Minerals, LLP

Address: 120 N Walston Bridge Road City: Jasper State: AL Zip: 35504

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	West Jefferson Minerals, LLP	Highland Energy, Inc.	7/24/24	No

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PART I C 1. (CONTINUED)

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Legal description of property or permit map symbol: M3

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

Legal owner(s) of record: RGGS Land & Minerals, Ltd., L.P.

Address: 2000 Hwy. 33 City: Pelham State: AL Zip: 35124

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	RGGS Land & Minerals, Ltd., L.P.	Highland Energy, Inc.	10/09/24	No

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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

Page 1 of 1

Name: Alabama Power Company
Address: P.O. Box 2641
City: Birmingham State: AL Zip: 35291
Interest owned (Surface, Coal or Fee Simple): Surface
Type of Interest (Owner, Lease, or Other): Owner

Name: Shamrock Sustainable Investments LLC
Address: 33 Broad Street, Suite 800
City: Boston State: MA Zip: 02109
Interest owned (Surface, Coal or Fee Simple): Surface
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: Give the legal description of all lands contiguous to the permit area for which the permit applicant:

The applicant has no interest in any lands or contiguous land other than the permitted area.

- 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 IF 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: _____

Legal description: _____

Describe the nature of the interest: _____

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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/NW of Section 2; NE/NE, SE/NE, SW/NE, NW/NE, NE/NW, NW/NW, SW/NW, SE/NW, NW/SE, SW/SE, NE/SW, NW/SW, SE/SW, SW/SW of Section 3; NE/NE, SE/NE, NE/SE, NW/SE, SW/SE, SE/SE, SE/SW, SW/SW of Section 4, NE/NE, SW/NE, NW/NE, SW/SE, NW/SE, NE/SW, SE/SW, SW/SW, NE/NW, SE/NW, SW/NW, NW/NW of Section 9, NE/NW, SW/NW, NW/NW of Section 16, all in Township 17 South, Range 5 West, also the SE/SE of Section 33; the SW/SW, SE/SW, NW/SW, NE/SW, NW/SE, SW/SE, SE/SE of Section 34, all in Township 16 South, Range 5 West, Jefferson County, Alabama.

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

a. Total permit acreage: 470 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	204	Certificate of Deposit
2	59	Certificate of Deposit
3	207	Certificate of Deposit

Identify the increment(s) on which mining will initially begin upon issuance of this permit:

Increment 1

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

(X) YES () NO

5. 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>	<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>Pre-law</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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PART I D. (CONTINUED)

5. Is disturbance to be conducted within 300 feet, measured horizontally, from an occupied dwelling?
() YES (X) 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 (X) 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 Date of Issuance
<u>MSHA ID</u>	<u>01-03182</u>	<u>MSHA</u>	<u>*1</u>	<u>03/05/2002</u>
<u>NPDES</u>	<u>AL0073075</u>	<u>ADEM</u>	<u>*2</u>	<u>Modified 01/01/2011</u>

*1 1030 London Dr., Ste. 400, Birmingham, AL 35211

*2 1400 Coliseum Blvd., Montgomery, AL 36130

8. Is the property in the permit covered by zoning or other land use restrictions? (X) YES () 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?
<u>Jefferson County</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 the intersection of Flat Top Road and Porter Road. Travel south on Porter Road approximately 3.5 miles to the mine entrance on the left. The mine entrance 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 (X) NO

If YES, list SOAP I.D. Number: _____

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

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PART I E. PUBLIC NOTICE AND AVAILABILITY FOR INSPECTION

1. 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 and Alabama Surface Mining Commission website <http://surface-mining.alabama.gov>

2. 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