

Applicant: Quality Coal Co., Inc.
Mine Name: Sparks Branch Mine No. 2
Permit Number: P-

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: Quality Coal Co., Inc.
Street Address: P.O. Box 2705
City: Jasper State: AL Zip: 35502-2705
Mailing Address: P. O. Box 2705
City: Jasper State: AL Zip: 35502-2705
Telephone Number: (205) 384-6300
Social Security Number (Voluntary): _____
Employer Identification Number: _____
ASMC License#: L-743

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: Quality Coal Co., Inc.
Mine Name: Sparks Branch Mine No. 2
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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 IA through Part IF of the License application form. Check one of the following

- +) ,
- * * A license update is included
- .) -
- +) ,
- *X* 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: <u>Quality Coal Co., Inc.</u>
Mine Name: <u>Sparks Branch Mine No. 2</u>
Permit Number: <u>P-</u>

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 15

Legal description of property or permit map symbol: George P. Cooper, Jr. (S)

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

Legal owner(s) of record: George P. Cooper, Jr.

Address: 2088 Hillard Loop City: Townley State: AL Zip: 35587

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	George P. Cooper, Jr.	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Arlie Grace (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Arlie Grace
 Address: 2429 Hillard Loop City: Townley State: AL Zip: 35587
 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	Arlie Grace	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Mary Myers (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Mary Myers
 Address: 2139 Hillard Loop City: Townley State: AL Zip: 35587
 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	Mary Myers	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Travis Lee & Ethel M. Caldwell (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Travis Lee & Ethel M. Caldwell
 Address: 3803 Oak Colony Drive City: Tuscaloosa State: AL Zip: 35406
 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	Travis Lee & Ethel M. Caldwell	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: James E. Davis (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: James E. Davis
 Address: 1197 Supreme Road City: Townley State: AL Zip: 35587
 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	James E. Davis	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: John T. & Faye Davis (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: John T. & Faye Davis
 Address: 2739 County Road 85 City: Fayette State: AL Zip: 35555
 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 T. & Faye Davis	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Glen Allen & Johnnie L. Sparks (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Glen Allen & Johnnie L. Sparks
 Address: 653 Hillard Loop City: Townley State: AL Zip: 35587
 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	Glen Allen & Johnnie L. Sparks	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Jerry J. & Hogg Herbert Sparks(S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Jerry J. & Hogg Herbert Sparks & Sparks Family Trust
 Address: 910 5th Street 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	Jerry J. Hogg Herbert Sparks & Sparks Family Trust	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Glen A. Sparks (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Glen A. Sparks
 Address: 653 Hillard Loop City: Townley State: AL Zip: 35587
 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	Glen A. Sparks	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Charles F. Sparks
c/o Patsy L. Sparks (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Charles F. Sparks c/o Patsy L. Sparks
 Address: 294 Mackey Boshell Road City: Jasper State: AL Zip: 35501
 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	Charles F. Sparks c/o Patsy L. Sparks	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Linda Boshell & Mitchell
A. Davidson (S)(1/10 M)

Surface/Mineral/or Fee Simple (both): Surface & 1/10 Mineral
 Legal owner(s) of record: Linda Boshell & Mitchell A. Davidson
 Address: 1556 Hillard Loop City: Townley State: AL Zip: 35587
 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	Linda Boshell & Mitchell A. Davidson	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Kathy Boshell & Jeffery Lynn Chambless (S) (1/10 M)

Surface/Mineral/or Fee Simple (both): Surface & 1/10 Mineral
 Legal owner(s) of record: Kathy Boshell & Jeffery Lynn Chambless (S)
 Address: 1365 Hillard Loop City: Townley State: AL Zip: 35587
 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	Kathy Boshell & Jeffery Lynn Chambless	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Joseph M. Felkins (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Joseph M. Felkins
 Address: 1925 Hillard Loop City: Townley State: AL Zip: 35587
 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	Joseph M. Felkins	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Sally Williams
& Drummond Co., Inc. (S)
 Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Mrs. Robert Taylor Williams & Drummond Co., Inc.
 Address: 1500 College Hill Road City: Jasper State: AL Zip: 35501
 Holders of leasehold interest: Mrs. Robert Taylor Williams (13 1/3 %)
 Address: _____ City: _____ State: _____ Zip: _____
 Holders of leasehold interest: Drummond company, Inc. (86 2/3 %)
 Address: P.O. Box 1549 City: Jasper State: AL Zip: 35501

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	Sally Williams & Drummond Co. Inc.	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Dan & Carolyn A. Mann (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Dan & Carolyn A. Mann
 Address: 2473 Hillard Loop City: Townley State: AL Zip: 35587
 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	Dan & Carolyn A. Mann	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Terry M. & Cathy J. McKelvey
 (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Terry M. & Cathy J. McKelvey
 Address: 1952 Highway 124 City: Townley State: AL Zip: 35587
 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	Terry M. & Cathy J. McKelvey	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Gina Simmons & Terina Shumate
 (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Gina Simmons & Terina Shumate
 Address: 490 Hillard Loop City: Townley State: AL Zip: 35587
 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	Gina Simmons & Terina Shumate	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Bill W. & Betty Davis (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Bill W. & Betty Davis
 Address: 860 Hampton Road South City: Southside State: AL Zip: 35907
 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	Bill W. & Betty Davis	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: William Neal Smith (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: William Neal Smith
 Address: 2939 Hillard Loop City: Townley State: AL Zip: 35587
 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	William Neal Smith	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: School Indemnity Lands
 (Fee)

Surface/Mineral/or Fee Simple (both): Fee
 Legal owner(s) of record: School Indemnity Lands
 Address: 501 Dexter Avenue City: Montgomery State: AL Zip: 36016
 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	State Indemnity Lands	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: John H. & Wilodean Wright (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: John H. & Wilodean Wright
 Address: 1067 Plesant Grove Road City: Oakman State: AL Zip: 35579
 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 H. & Wilodean Wright	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
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PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Glen A. Sparks & John N. & Karen Freeman (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Glen A. Sparks & John N. & Karen Freeman
 Address: 10476 Harborview Drive City: Northport State: AL Zip: 35475
 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	Glen A. Sparks & John N. & Karen Freeman	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Betty D. Hood (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Betty D. Hood
 Address: 410 Hillard Loop City: Townley State: AL Zip: 35587
 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	Betty D. Hood	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
 Permit Number: P-

PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: James E. Davis c/o Deborah Ann Davis Howton (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: James E. Davis c/o Deborah Ann Davis Howton
 Address: 1016 Hillard Loop City: Townley State: AL Zip: 35587
 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	James E. Davis c/o Deborah Ann Davis Howton	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: C. Maurice & Jan Ferguson (S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: C. Maurice & Jan Ferguson
 Address: 1016 Hillard Loop City: Townley State: AL Zip: 35587
 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	C. Maurice & Jan Ferguson	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
 Permit Number: P-

PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Richard M. Tyree(S)

Surface/Mineral/or Fee Simple (both): Surface
 Legal owner(s) of record: Richard M. Tyree
 Address: 1722 Highway 124 City: Townley State: AL Zip: 35587
 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	Richard M. Tyree	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: Grady Taylor & Sally Williams & Drummond Co., Inc. (M)

Surface/Mineral/or Fee Simple (both): Mineral
 Legal owner(s) of record: Grady Taylor & Sally Williams & Drummond Co., Inc.
 Address: P.O. Box 1549 City: Jasper State: AL Zip: 35501
 Holders of leasehold interest: Grady Taylor & Sally Williams (13 1/3 %)
 Address: 1500 College Hill Road City: Jasper State: AL Zip: 35501
 Holders of leasehold interest: Drummond company, Inc. (86 2/3 %)
 Address: P.O. Box 1549 City: Jasper State: AL Zip: 35501

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	Grady Taylor & Sally Williams & Drummond Co. Inc.	Quality Coal Co., Inc.		No

Applicant: Quality Coal Co., Inc.
 Mine Name: Sparks Branch Mine No. 2
 Permit Number: P-

PART I C 1. (CONTINUED)

Legal description of property or permit map symbol: Cephus Boshell(M)

Surface/Mineral/or Fee Simple (both): Mineral
 Legal owner(s) of record: Cephus Boshell
 Address: 1472 Hillard Loop City: Townley State: AL Zip: 35587
 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	Cephus Boshell	Quality Coal Co., Inc.		No

Legal description of property or permit map symbol: K.D. Edgil, Jr. (M)

Surface/Mineral/or Fee Simple (both): Mineral
 Legal owner(s) of record: K.D. Edgil
 Address: 1802 4th Street NE City: Jasper State: AL Zip: 35501
 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	K.D. Edgil	Quality Coal Co., Inc.		No

Applicant: <u>Quality Coal Co., Inc.</u> Mine Name: <u>Sparks Branch Mine No. 2</u> Permit Number: <u>P-3947</u>
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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/SW, SW/SW and SE/SW of Section 14; SE/NW, SW/NE, SE/NE, NE/SW, SE/SW, NW/SE, NE/SE, SW/SE and SE/SE of Section 15; NE/NW, NE/NE, NW/NE, SW/NE and SE/NE of Section 22; NW/NW, NE/NW, of Section 23, Township 14 South, Range 8 West, Walker County, Alabama.

3. Give the acreage of the permit, each increment and the type of bonding.
- a. Total permit acreage: 385 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>49</u>	<u>Certificate of Deposit</u>
2.	<u>85</u>	<u>Certificate of Deposit</u>
3.	<u>79</u>	<u>Certificate of Deposit</u>
4.	<u>50</u>	<u>Certificate of Deposit</u>
5.	<u>105</u>	<u>Certificate of Deposit</u>
6.	<u>17</u>	<u>Certificate of Deposit</u>

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Increments 1 & 6.
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.
- 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>Pre-law</u>	<u>99.0</u>	<u>Not Reclaimed</u>
<u>P-3687</u>	<u>83.0</u>	<u>Expired</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).

Quality Coal Co., Inc., will accept the reclamation responsibility for the previously disturbed areas which they redisturb.

5. Is disturbance to be conducted within 300 feet, measured horizontally from an occupied dwelling? (XXX)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.

Applicant: <u>Quality Coal Co., Inc.</u>
Mine Name: <u>Sparks Branch Mine No. 2</u>
Permit Number: <u>P-</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>01-03195</u>	<u>MSHA</u>	<u>*</u>	<u>Issued 07-14-00</u>
<u>NPDES</u>	<u>AL0078972</u>	<u>ADEM</u>	<u>**</u>	<u>Issued 09-28-07</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?

()YES (XXX)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
_____	_____	_____
_____	_____	_____

9. Describe access to the proposed mine from a known point on the nearest public highway: From the intersection of State Highway 69 and County Road 124 in McCollum, Alabama, travel west on County Road 124 for approximately 1.3 miles to the intersection of County Road 124 and Hillard Loop Road. Turn right and travel north on Hillard Loop Road for approximately 0.6 miles to the mine entrance 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: The Daily Mountain Eagle
See Attachment for I.E.13.

Applicant: <u>Quality Coal Co., Inc.</u>
Mine Name: <u>Sparks Branch Mine No. 2</u>
Permit Number: <u>P-</u>

Attachment I.E.13.

PUBLIC NOTICE OF FILING 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, Quality Coal Co., Inc., P.O. Box 2705 Jasper, AL 35502-2705, hereby gives notice that it has filed an application with the Alabama Surface Mining Commission to permit a surface mining site whose access is as follows: From the intersection of State Highway 69 and County Road 124 in McCollum, Alabama, travel west on County Road 124 for approximately 1.3 miles to the intersection of County Road 124 and Hillard Loop Road. Turn right and travel north on Hillard Loop Road for approximately 0.6 miles to the mine entrance located on the left. The area to be permitted is located in the NW/SW, SW/SW and SE/SW of Section 14; SE/NW, SW/NE, SE/NE, NE/SW, SE/SW, NW/SE, NE/SE, SW/SE and SE/SE of Section 15; NE/NW, NE/NE, NW/NE, SW/NE and SE/NE of Section 22; NW/NW, NE/NW, of Section 23, Township 14 South, Range 8 West, Walker County, Alabama, as shown by the Jasper, Alabama United States Geological Survey quadrangle map. A copy of the permit application is available for public inspection at the Alabama Surface Mining Commission website <http://surface-mining.alabama.gov>. 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.