



STATE OF ALABAMA
SURFACE MINING COMMISSION

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

Permit Revision Number: R-5

REVISION TO PERMIT FOR
SURFACE COAL MINING OPERATIONS

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

P-3950-01-16-S
BLACK WARRIOR MINERALS INC
PO BOX 1190
SUMITON AL 35148
(MINE NO. 1)

License No.: L-698
Pursuant to the permit map: 1 OF 1
Certified by: SANFORD M HENDON #18208
Date: 6-23-14

The permit is revised as follows:

1. Delete 12 mining acres and Basin 117P from Inc. #1 as undisturbed.
2. Delete 2 mining acres from Inc. #4 as undisturbed.
3. Transfer 22 mining acres from Inc. #3 to Inc. #2.
4. Transfer 15 mining acres from Inc. #5 to Inc. #3.
5. Transfer 23 mining acres from Inc. #5 to Inc. #4.
6. Transfer 0.3 mining acres from Inc. #2 to Inc. #3 (no acreage change).
7. Add 12 mining acres and Sediment Basin 013P to Inc. #3.
8. Add 9 mining acres to Inc. #4.
9. Add 6 mining acres to Inc. #5.
10. Add 1 new acre to Inc. #6 for ancillary road.
11. Transfer 4 incidental acres from Inc. #5 to Inc. #6 for ancillary roads.
12. Transfer 3 mining acres from Inc. #1 to Inc. #2.
13. Transfer 3 mining acres from Inc. #2 to Inc. #1.
14. Modify the operation plan.
15. Modify the drainage control plan.
16. Extend the topsoil waiver to the 28 acres being added.
17. Modify the Hydrologic Monitoring Plan.

CONDITIONS R-5: THESE CONDITIONS ONLY APPLY TO MINING OCCURRING IN PARCEL ID# 7-9-0-0-24 SECTION 9, TOWNSHIP 15, RANGE 3 WEST ON PERMIT P-3950.

1. There shall be no land disturbance within 150 feet of any property zoned A-1 (Agriculture); said 150 foot setback boundary is to be flagged.
2. There shall be no blasting within 600 feet of any currently occupied dwelling.
3. There shall be no mining or disturbance on the northernmost 19.5 acre property except what is minimally necessary to construct and maintain sediment ponds and is within the current mining permit boundary.

4. No operation at the mining facility shall commence prior to 7 A.M., nor extend past 5 P.M., Monday through Saturday only (i.e., no activity is to take place on Sunday).
5. There shall be no blasting prior to 9 A.M., all blasting shall take place Monday through Friday (i.e., not on Saturdays or Sundays), no more than one (1) blasting event per day, and on no more than four (4) days in any given week.
6. The property shall revert to A-1 (Agriculture) zoning upon completion of the mining of the property or on January 1, 2021, whichever comes first.
7. All hauling traffic shall use the existing drive and shall only turn left (to the southwest) out of the mining site along Sardis Road.
8. No more than 50 coal-hauling truck loads shall be allowed to leave the site per day.
9. A website shall be established posting to the general public all information pertaining to the mining operation, including the progress of the operation on the subject property, and any blasting information to include warnings, schedules, and seismic readings.
10. The property is to be reforested after 18 months of the last grass planting following the completion of the mining operation.
11. Only 40 acres of timber shall be cleared and hauled from the site at any given time following notification of all residents within ½ mile of the subject property.

AN INFORMAL CONFERENCE WAS HELD ON MAY 8, 2014. THE FOLLOWING ARE THE COMMENTS AND RESPONSES IN REGARD TO THIS CONFERENCE.

COMMENT: "The pollution in the surrounding area that it is a fact that once they stop mining you can't even plant a garden to feed your family for 20 years because of the contamination that it's done because of this mining process they're doing."

RESPONSE: Prior to the initial permit being issued, a Topsoil Variance (TSV) was approved for this permit area. Some of the requirements for a TSV approval include chemical analysis of the overburden at the mine site. The overburden above the Mary Lee coal seam shows to be better as a substitute than the soil that was currently there. Prior to a Phase I Bond Release, sampling and testing of the soil substitute material will be conducted and submitted to the ASMC for review. This testing includes textural analysis as well as chemical analysis.

COMMENT: "Water and river pollution to date they have received 3 violations that I know of polluting the Warrior River."

RESPONSE: Records indicate that there has been 1 NPDES violation for water quality at this mine site, in 2012. The violation was for an exceedance of Total Suspended Solids of 98 mg/l. This permit drains to Crooked Creek, a tributary of the Locust Fork, which is the right fork of one of three forks of the Black Warrior River. The distance from Crooked Creek to the Locust Fork is just over 3 miles. The Locust Fork flows into the Mulberry Fork thus becoming the Black Warrior River well over 20 miles downstream from this mine site.

COMMENT: "All you have to do is look at the previous areas that have been done. As good as it gets that no trees, foliage, and/or grass will grow approximately for at least 20 years due to the pollution and that the area suffers."

RESPONSE: Current mining practices require 80% vegetative coverage before a Phase II Bond Release can be approved. 5 years growth is required before a Phase II Bond Release is approved.

COMMENT: "They did not begin mining within 18 months of the permit issuance of the NPDES permit issuance which by terms of the NPDES permit means it should be expired.....there's no evidence in ADEM's records that a new application has been received or administratively extended."

RESPONSE: NPDES permits are issued by the Alabama Department of Environmental Management (ADEM), not the ASMC. The ASMC requires permits follow the NPDES permit requirements as well as any additional requirements set forth by the ASMC. The NPDES renewal permit was submitted on time and was administratively extended at ADEM. A draft NPDES permit was put on ADEM's website on 7-18-2014. The permit has remained valid, with the permit under draft being issued to Black warrior Minerals.

COMMENT: Peggy Sue Harris stated that the ASMC closed her file on February 24, 2014.

RESPONSE: A letter was sent to Peggy Sue Harris on February 24, 2014. The letter in no way closed her file. In fact, after the letter she came to the ASMC office and met with Gail Thompson, Bruce Busby and Ed Sheehan to review her complaint file. The ASMC explained that we do not do damage assessments; that any claim of blasting damage is between the homeowner and the permittee.

COMMENT: A commenter stated that Indian Burial Mounds were "knowingly" being disturbed and a Section 106 review was needed:

RESPONSE: The area to be added by this revision had a cultural resource assessment conducted by The University of Alabama, Office of Archaeological Research. The Alabama Historical Commission determined that project activities would have no adverse effect on cultural resources, by letter dated June 23, 2010.

COMMENT: A commenter stated that vegetation will not grow for 20 years after mining because of contamination:

RESPONSE: Vegetation has to be established for a reclaimed area the first planting season after contouring reclamation. Vegetative coverage must be established for 5 years prior to final bond release.

COMMENT: A commenter stated that Part II was not available on the website.

RESPONSE: Part II at the time of the Informal Conference was still forthcoming.

COMMENT: A commenter stated that "Threatened and Endangered species had not been adequately considered.

RESPONSE: A threatened and endangered species survey was submitted to U.S. Fish and Wildlife Service (FWS). FWS stated by comment on June 30, 2014 that no federally listed species/critical habitat occur in the project area.

COMMENT: Page #16 addresses the design plans for sediment ponds 103 and 104. The comment stated: "The SEDCAD analysis that was included in the permit application which is the real only analysis of potential pollution

that was included in the permit application. Ok, it shows that a basin 103 a 10 year 24 hour storm would produce a peak sedimentation concentration of 10,530 milligrams per liter which is well in excess of their permit limit of 70 milligrams per liter. At basin 104, the SEDCAD analysis shows a peak concentration of 3,188 milligrams per liter also well in excess of that...ah, maximum limit."

RESPONSE: This revision did not address basin 104. In regard to basin 103, the ADEM requirements for storm event of 10 year, 24 hour is 0.5 ml/liter for settleable solids. The design for basin 103 clearly shows the settleable solids discharge for basin 103 at the 10 year 24 hour event as 0.15 ml/l. This is well below the 0.50 ml/l requirement. The original Revision #5 permit application did include basin 104, however, the proposed mine area to the pond and the pond itself was removed from the revision.

The 70 milligrams per liter as referenced in the comment is for total suspended solids.

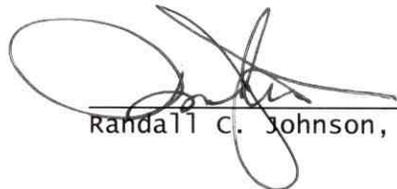
ACREAGE SUMMARY:

*	Increment #1 decreases to	-----	78 Acres
*	Increment #2 increases to	-----	87 acres
*	Increment #3 increases to	-----	92 acres
	Increment #4 increases to	-----	32 acres
	Increment #5 decreases to	-----	37 acres
*	Increment #6 increases to	-----	28 acres
	Total	-----	354 Acres

* Bonded to date

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

EFFECTIVE DATE: August 12, 2014



Randall C. Johnson, Director

/ns
cc: I & E, Permit File

