HALEY BROTHERS COAL, INC.

LITTLE SPRING CREEK - EAST MINE, P-3956

ALABAMA SURFACE MINING COMMISSION

SURFACE MINING PERMIT APPLICATION

PART I

ADMINISTRATIVE

Prepared by:

TASK Engineering Management Inc.
P.O. Box 660548
Birmingham, Alabama 35266-0548
Telephone 205.978.5070
Email: jw-task@charter.net

STATE OF ALABAMA
SURFACE MINING COMMISSION

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

1. PERMIT APPLICANT

Name: Haley Brothers Coal, Inc.
Street Address: 414 5th Avenue NW
City: Carbon Hill State: AL Zip: 35549
Mailing Address: PO Box 56
City: Carbon Hill State: AL Zip: 35549
Telephone Number: (205) 924-2412
Social Security Number (Voluntary):
Employer Identification Number: 63-0753123
ASMC License #: L-0213

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

Name: Haley Brothers Coal, Inc.
Street Address: 414 5th Avenue NW
City: Carbon Hill State: AL Zip: 35549
Mailing Address: PO Box 56
City: Carbon Hill State: AL Zip: 35549
Telephone Number: (205) 924-2412
Social Security Number (Voluntary):
Employer Identification Number: 63-0753123
ASMC License #: L-0213

3. IDENTIFY THE OPERATORS FOR THIS MINE DIFFERENT FROM THE PERMITTE

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: TASK Engineering Management Inc.
Mailing Address: P.O. Box 660548
City: Birmingham State: AL Zip: 35266-0548
Telephone Number: (205) 978-5070
Email Address: jw-task@charter.net

PART I B. OWNERSHIP AND CONTROL

1. PERMIT APPLICANT OWNER 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

__X__ Information contained in the license file is accurate and complete at the time of filing of this application. No update 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 the 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

__X__ Information contained in the license file is accurate and complete at the time of filing of this application. No update 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 permitte conducts surface coal mining operations.

(USE ADDITIONAL SHEETS IN THE FORMAT BELOW IF NECESSARY)

Name: Haley Brothers Coal, Inc.
Street Address: 414 5th Avenue NW
City: Carbon Hill State: AL Zip: 35549
Mailing Address: PO Box 56
City: Carbon Hill State: AL Zip: 35549
Telephone Number: (205) 924-2412
Social Security Number (Voluntary): _____
Employer Identification Number: 63-0753123
ASMC License #: L-0213

PART I C. PROPERTY OWNERSHIP, INTEREST 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 NESCESSARY

Page 1 of 15

Legal description of property or permit map symbol: S-17
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner (s) of record: FREDERICKSON & ARLYN L. LYNN TRUST C/O MARK MUIR
Address: 1924 RIVERWOODS ROAD City: BIRMINGHAM State: AL Zip: 35244
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 the 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	FREDERICKSON& ARLYN L. LYNN TRUST C/O MARK MUIR	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: S-37
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner (s) of record: UNDERWOOD WILLIAMS
Address: 3465 HY 72 EAST City: BROWNSBORO State: AL Zip: 35741
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 the 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	UNDERWOOD WILLIAMS	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: S-38
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner (s) of record: CHARLES TWEEDY, III
Address: PO BOX 1647 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 the 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 TWEEDY, III	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: S-39
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner (s) of record: TERRY RAY & LISA P. FULLMAN
Address: 4033 CHARRING CROSS LN City: BIRMINGHAM State: AL Zip: 35226
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 the 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 RAY & LISA P. FULLMAN	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: S-40
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner (s) of record: CLEVELAND LAND & LUMBER CO., INC.
Address: PO BOX 130 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 the 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	CLEVELAND LAND & LUMBER CO., INC	HALEY BROTHERS COAL, INC.	PENDING	NO

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

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: BIRD FARM COAL COMPANY, LLC C/O MARK MUIR
Address: 1924 RIVER WOODS RD City: BIRMINGHAM State: AL Zip: 35244
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 the 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	BIRD FARM COAL CO, LLC C/O MARK MUIR	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-4
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL
Legal owner (s) of record: STOVALL, LLC
Address: 2148 IRON MOUNTAIN RD City: CARBON HILL State: AL Zip: 35549
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 the 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	STOVALL, LLC	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-9
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL
Legal owner (s) of record: CAINE O'REAR, JR. FAMILY TRUST C/O GRIFFITH O'REAR
Address: PO BOX 191 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 the 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	CAINE O'REAR,JR FAMILY TRUST C/O GRIFFITH O'REAR	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-10
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL
Legal owner (s) of record: BANKHEAD DEVELOPMENT, LTD
Address: PO BOX 2385 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 the 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	BANKHEAD DEVELOPMENT, LTD	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-11
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL (33% OWNERSHIP)
Legal owner (s) of record: BRYANT A. ASHMORE & JAMES DILLON, JR. C/O DEANNE & JAMES DILLON
Address: P O BOX 1742 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 the 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	BRYANT A ASHMORE & JAMES DILLON, JR C/O DEANNE & JAMES DILLON	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-11
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL (33% OWNERSHIP)
Legal owner (s) of record: CHARLES CHURCHMAN
Address: 6360 STATION MILL RD City: NORCROSS State: GA Zip: 30092
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 the 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 CHURCHMAN	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-11
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL (16.67% OWNERSHIP)
Legal owner (s) of record: JEAN ATKINS CHURMAN & ETALS C/O PHILIP CHURCHMAN
Address: 289 WIMBLEWILL WAY SW City: LILBURN State: GA Zip: 30047
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 the 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	JEAN ATKINS CHURCHMAN & ETALS C/O PHIL CHURCHMAN	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-11
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL (16.67% OWNERSHIP)
Legal owner (s) of record: MRS. BECKY LEGG
Address: 301 SOUTH RIDGE RD 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 the 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	MRS. BECKY LEGG	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: M-13
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): MINERAL
Legal owner (s) of record: CEDRUM LAND COMPANY C/O DRUMMOND COMPANY
Address: PO BOX 1549 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 the 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	CEDRUM LAND COMPANY C/O THE DRUMMOND CO	HALEY BROTHERS COAL, INC.	PENDING	NO

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

Legal description of property or permit map symbol: F-1
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): FEE SIMPLE
Legal owner (s) of record: CLEVELAND LAND & LUMBER COMPANY, INC.
Address: PO BOX 130 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 the 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	CLEVELAND LAND & LUMBER CO	HALEY BROTHERS COAL, INC.	PENDING	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 owner of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEET AS NECESSARY IN THE FORMAT BELOW

Name: FREDRICKSON & ARLYN L. LYNN TRUST C/O MARK MUIR
Address: 1924 RIVERWOODS ROAD
City: BIRMINGHAM State: AL Zip: 35244
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: UNDERWOOD WILLIAMS
Address: 3711 BIRD FARM ROAD
City: JASPER State: AL Zip: 35503
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: MARK LEE & BRANDY LEE GEORGE
Address: 1053 BIRD FARM ROAD
City: BROWNSBORO State: AL Zip: 35741
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: JESSE & TERAH SNOW GEORGE
Address: 781 BIRD FARM ROAD
City: JASPER State: AL Zip: 35503
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: CHARLES TWEEDY, III
Address: PO BOX 1647
City: JASPER State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: TERRY RAY & LISA P. FULLMAN
Address: 4033 CHARRING CROSS LANE
City: BIRMINGHAM State: AL Zip: 35226
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: WF COBB, III & BARBARA TAYLOR
Address: PO BOX 1051
City: JASPER State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

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 owner of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEET AS NECESSARY IN THE FORMAT BELOW

Name: ROBERT THOMPSON C/O MARK GEORGE
Address: 1053 BIRD FARM ROAD
City: JASPER State: AL Zip: 35503
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: JOHNNY RAY BURNETTE
Address: 1601 BIRD FARM ROAD
City: ARLEY State: AL Zip: 35541
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease or Other): OWNER

Name: BIRD FARM COAL COMPANY, LLC C/O MARK MUIR
Address: 1924 RIVER WOODS ROAD
City: BIRMINGHAM State: AL Zip: 35244
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: CAINE O'REAR, JR. FAMILY TRUST C/O GRIFFITH O'REAR
Address: PO BOX 191
City: JASPER State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: STOVALL, LLC
Address: 2148 IRON MOUTAIN ROAD
City: CARBON HILL State: AL Zip: 35549
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: BANKHEAD DEVELOPMENT, LTD.
Address: PO BOX 2385
City: JASPER State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: CHARLES CHURCHMAN
Address: 6360 STATION MILL DRIVE & JAMES DILLON
City: NORCROSS State: GA Zip: 30092
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

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 owner of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEET AS NECESSARY IN THE FORMAT BELOW

Name: PHILIP CHURCHMAN
Address: 289 WIMBLE WAY SW
City: LILBURN State: GA Zip: 30047
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: MRS. BECKY LEGG
Address: 301 SOUTH RIDGE ROAD
City: JASPER State: AL Zip: 35504
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name: BRYANT A. ASHMORE & JAMES DILLON, JR. C/O
Address: PO BOX 1742 DEANNE & JAMES DILLON
City: JASPER State: AL Zip: 35501
Interest owned (Surface, Coal or Fee Simple): MINERAL
Type of Interest (Owner, Lease or Other): OWNER

Name:
Address:
City: State: Zip:
Interest owned (Surface, Coal or Fee Simple):
Type of Interest (Owner, Lease or Other):

Name:
Address:
City: State: Zip:
Interest owned (Surface, Coal or Fee Simple):
Type of Interest (Owner, Lease or Other):

Name:
Address:
City: State: Zip:
Interest owned (Surface, Coal or Fee Simple):
Type of Interest (Owner, Lease or Other):

Name:
Address:
City: State: Zip:
Interest owned (Surface, Coal or Fee Simple):
Type of Interest (Owner, Lease or Other):

PART I C. (CONTINUED)

3. INTEREST 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

THE APPLICANT DOES NOT HAVE ANY INTEREST OR PENDING INTEREST IN ANY LANDS CONTIGUOUS TO THE PERMIT AREA.

USE ADDITIONAL SHEET AS NECESSARY IN THE FORMAT BELOW

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: _____

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.
SE/NE, SW/NE, NE/SE, NW/SE, NE/SW, SE/SE, SW/SE, SE/SW, SE/NW - SECTION 34, T12S, R7W; NW/SW, SW/SW, SE/SW - SECTION 35, T12S, R7W; NE/NW, NW/NW, SE/NW, SW/NW - SECTION 2, T13S, R7W; NE/NE, NW/NE, NE/NW, SE/NE, SW/NE, SE/NW, NE/SE, NW/SE, SE/SE - SECTION 3, T13S, R7W; WALKER COUNTY, ALABAMA.

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

   a. Total permit acreage: 589 acres See **Permit Map**

   b. Give the acreage and type of bond for each mining increment:

Increment	Acres	Type Bond Proposed
1	217.00	Letter of Credit
2	102.00	Letter of Credit
3	98.00	Letter of Credit
4	166.00	Letter of Credit
5	6.00	Letter of Credit

   c. Identify the increment (s) on which mining will initially begin upon issuance of this permit: Increments 1 & 5 .

4. Has any acreage in the proposed permit area been previously disturbed by mining?
( ) YES (X) NO
If yes, supply the following for any and all previously disturbed areas:

   a. Show all 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 release or 100% released. (If no permit, indicate as such)

Permit	Acres	Status

   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 (X) NO

If yes, attach a signed waiver from the owner of the dwelling indicating the minimum distance will be allowed by the owner.

PART I D. (CONTINUED)

6. Is the 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
MSHA ID	01-03444	MSHA	228 West Valley Ave Birmingham, AL 35209	ISSUED 11/07/11
NPDES	AL0080781	ADEM	1400 Coliseum Blvd. Montgomery, AL 36130	ISSUED 6/24/11

8. Is the property in the permit covered by zoning or other land use restrictions?
   ( ) YES (X) NO

   If YES, indicate the jurisdictional authority and zoning or land use restrictions for 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

9. Describe access to the proposed mine from known point on the nearest public highway:
   From the town of Curry, take State Highway 257 South 2.8 miles, turn right on Macedonia Loop Road, go 0.4 miles and turn right on Country Club Road, then turn immediately right on Bird Farm Road. Site is 1.5 miles on left.

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.

PART I E. PUBLIC NOTICE AND AVAILABILITY FOR INSPECTION

12. Give the name of the approval public office in which a copy of this application will be filed for public inspection following notification of completeness: ASMC Website & Office

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 .

ATTACHMENT I-E-13

PUBLIC NOTICE FILING OF PERMIT APPLICATION

In accordance with the provision of Act. N. 81-435 of the State of Alabama and the regulations promulgated under this act, Haley Brothers Coal, Inc., 414 5th Avenue NW, Carbon Hill, Alabama 35549, is filing an application to permit its Little Spring Creek - East Mine, P-3956, Surface Mine. Access to the mine is as follows:

From the town of Curry take State Hwy. 257 South 2.8 miles, turn right on Macedonia Loop Rd, go 0.4 miles and turn right on Country Club Rd. them turn immediately right on Bird Farm Rd. Site is 1.5 miles on left.

SE/NE, SW/NE, NE/SE, NW/SE, NE/SW, SE/SE, SW/SE, SE/SW, SE/NW - SECTION 34, T12S, R7W; NW/SW, SW/SW, SE/SW - SECTION 35, T12S, R7W; NE/NW, NW/NW, SW/NW, SE/NW - SECTION 2, T13S, R7W; NE/NE, NW/NE, NE/NW, SE/NE, SW/NE, SE/NW, NE/SE, NW/SE, SE/SE - SECTION 3, T13S, R7W; WALKER COUNTY, ALABAMA.

A copy of the permit 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 application is also available for public inspection and review at the Alabama Surface Mining Commission office located on the second floor of the Pinnacle Bank Building at 1811 2nd Avenue, Jasper, Alabama 35501. Written comments, objections, request for a public hearing or an informal conference concerning this permit should be sent to the Alabama Surface Mining Commission, PO 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 Daily Mountain Eagle Newspaper.

TO THE DAILY MOUNTAIN EAGLE:

Please run this notice once a week for four (4) consecutive weeks. Please send invoice and notarized proof of publication to:

TASK Engineering Management Inc.
P.O. Box 660548
Birmingham, Alabama 35266-0548
Telephone: (205) 978-5070

If you have any questions or need additional information, please call us at (205) 978-5070.