

HIGHLAND ENERGY, INC.
NO. 5 MINE, P-3957, R-8

HIGHLAND ENERGY, INC.

NO. 5 MINE, P-3957, REVISION R-8

ALABAMA SURFACE MINING COMMISSION

SURFACE MINING PERMIT APPLICATION

P A R T I

Prepared by:

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

HIGHLAND ENERGY, INC.
NO. 5 MINE, P-3957, R-8

ASMC USE ONLY

Fee: _____

Bond Required: _____

Date Approved: _____

APPLICATION FOR PERMIT REVISION

Name of Permittee: Highland Energy, Inc.

License Number: L-0863 Complete Permit Number: P-3957-64-29-S

Expiration Date of Permit: May 22, 2029 Revision Number: R-8

Mine Name: No. 5 Mine

Nature of Proposed Revision R-8:

- 1) Transfer 6 incidental acres (Primary Roads, Storage Area, Basin 003, Drainage, and Access) from Increment No. 1 to Increment No. 6.
- 2) Modify the General Plan to change Sediment Basin 013 to Final Pit Impoundment No. 13.
- 3) Modify Excess Spoil Fill No. 2.
- 4) Change the post mining land use of 11 acres (Final Pit Impoundment No. 13) in Increment No. 1 from Undeveloped / No Current Use to Fish and Wildlife Habitat (Permanent Water Impoundment).
- 5) Change the post mining land use of 3 acres (Basin 005 & 006) in Increment No. 1 from Fish & Wildlife Habitat (Permanent Water Impoundment) to Undeveloped / No Current Use.
- 6) Change the post mining land use of 1 acre (Basin 003) in Increment No. 6 from Fish & Wildlife Habitat (Permanent Water Impoundment) to Undeveloped / No Current Use.

Identify any conditions placed on this permit which would relate to the proposed revision being requested: None.

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

Note: ASMC will calculate additional reclamation bond required.

STATE OF ALABAMA

SURFACE MINING COMMISSION

- (XX) Revision Application for a Surface Coal Mine
() Revision Application for an Underground Coal Mine
() Revision 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
ASMC License#: L-0863

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
ASMC License#: L-0863

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

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: 7802 Highway 78
City: Cordova State: AL Zip: 35550
Telephone Number: (205) 590-4245
Social Security Number(Voluntary): - -
Employer Identification Number: 204936132 ASMC
ASMC License#: L-0863

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

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Page 1 of 2

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Legal description of property or permit map symbol: S-1 (See Permit Map)

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

Legal owner(s) of record: J & JA Properties, LLC

Address: P.O. Box 130 City: Jasper State: AL Zip: 35502

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchaser under 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/Right of Entry	J & JA Properties	Mays Mining, Inc.	6/22/2018	No
Assignment	Mays Mining, Inc.	Highland Energy, Inc.	3/5/2024	No

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

Page 2 of 2

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: Cordova Industrial Development Board

Address: 154 Main St (City Hall) City: Cordova State: AL Zip: 35550

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchaser under 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	Cordova Industrial Development Board	Reed Minerals, Inc.	02/01/2008	No
Assignment	Reed Minerals, Inc.	Centennial Natural Resources, LLC	12/31/2014	No
Assignment	Centennial Natural Resources, LLC	Mays Mining, Inc.	06/25/2018	No
Assignment	Mays Mining, Inc.	Highland Energy, Inc.	3/5/2024	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 owners of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

Page 1 of 1

Name: J & JA Properties, LLC
Address: P. O. Box 130
City: Jasper State: AL Zip: 35502
Interest owned (Surface, Coal or Fee Simple): Surface
Type of Interest (Owner, Lease, or Other): Owner

Name: ALAWEST
Address: P. O. Box 412
City: Northport State: AL Zip: 35476
Interest owned (Surface, Coal or Fee Simple): Surface
Type of Interest (Owner, Lease, or Other): Owner

Name: Norfolk Southern Railway
Address: 8 North Jefferson Street
City: Roanoke State: VA Zip: 24042
Interest owned (Surface, Coal or Fee Simple): Surface
Type of Interest (Owner, Lease, or Other): Owner

Name: Cordova Industrial Development Board
Address: 154 Main St (City Hall)
City: Cordova State: AL Zip: 35550
Interest owned (Surface, Coal or Fee Simple): Mineral
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:

THE APPLICANT HAS NO INTEREST IN ANY LANDS OR CONTIGUOUS LAND
OTHER THAN THE PERMITTED AREA.

Give the legal description of all lands contiguous to the permit area for which the permit applicant:

- 1. Holds an interest,
- 2. Holds an option, or
- 3. Has made a bid for ownership, lease or other interest.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

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Page 1 of 1 Not Applicable

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

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/SE, SW/SE of Section 10, NW/NW, SW/NW, NW/SW of Section 14, NE/NE, SE/NE, NE/SE, SW/NE, NW/NE of Section 15, Township 15 South, Range 6 West, all in Walker County, Alabama.

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

a. Total permit acreage: 113.0 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.	107.0	Certificate of Deposit
6.	6.0	Certificate of Deposit

c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Increment No. 1

4. Has any acreage in the proposed permit area been previously disturbed by mining? () YES (XX) NO

If yes, supply the following for any and all previously disturbed areas:

- a. Show the boundaries of the previously disturbed area(s) on the permit map and identify with an appropriate symbol.
- b. List, for each area, the permit number under which it was disturbed and the number of acres. Indicate the status of each permit as Unreleased, Grading released, or 100% released. (If no permit, indicate as such)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
_____	_____	_____
_____	_____	_____

- c. For each area which has not been reclaimed or received a 100% release, indicate whether you intend to assume responsibility for reclamation of the area under this permit and its performance bond(s).

5. Is disturbance to be conducted within 300 feet, measured horizontally, from an occupied dwelling?
() YES (XX) NO.

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

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: See Attachment I-E-13

HIGHLAND ENERGY, INC.
NO. 5 MINE, P-3957, R-8
ATTACHMENT I-E-13

PUBLIC NOTICE FILING OF PERMIT APPLICATION

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Highland Energy, Inc., 7802 Highway 78 Cordova, AL 35550 is filing a permit revision application to its No. 5 Mine (P-3957), surface mine permit.

Nature of Proposed Revision R-8:

- 1) Transfer 6 incidental acres (Primary Roads, Storage Area, Basin 003, Drainage, and Access) from Increment No. 1 to Increment No. 6.
- 2) Modify the General Plan to change Sediment Basin 013 to Final Pit Impoundment No. 13.
- 3) Modify Excess Spoil Fill No. 2.
- 4) Change the post mining land use of 11 acres (Final Pit Impoundment No. 13) in Increment No. 1 from Undeveloped / No Current Use to Fish and Wildlife Habitat (Permanent Water Impoundment).
- 5) Change the post mining land use of 3 acres (Basin 005 & 006) in Increment No. 1 from Fish & Wildlife Habitat (Permanent Water Impoundment) to Undeveloped / No Current Use.
- 6) Change the post mining land use of 1 acre (Basin 003) in Increment No. 6 from Fish & Wildlife Habitat (Permanent Water Impoundment) to Undeveloped / No Current Use.

Access to the mine is as follows:

From the intersection of Cordova-Gorgas Road and Plywood Plant Road, travel easterly along Plywood Plant Road approximately 1.5 miles to the mine entrance. The mine entrance will be marked and signs will be posted.

SE/SE, SW/SE of Section 10, NW/NW, SW/NW, NW/SW of Section 14, NE/NE, SE/NE, NE/SE, SW/NE, NW/NE of Section 15, Township 15 South, Range 6 West, all in 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 office of the Alabama Surface Mining Commission located on the second floor of the Pinnacle Bank Building at 1811 2nd Avenue, Jasper, Alabama 35501. Written comments, objections, request for public hearing or request for informal conferences concerning this permit should be sent to the Alabama Surface Mining Commission, P.O. 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.