

**CANE CREEK, LLC
PRATT NO. 1 MINE, P-3972**

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ALABAMA SURFACE MINING COMMISSION

SURFACE MINING PERMIT APPLICATION

P A R T I

Prepared by:

MCGEHEE ENGINEERING CORP.

P. O. Box 3431

450 19th Street West

Jasper, Alabama 35502-3431

Telephone: (205) 221-0686

Fax: (205) 221-7721

STATE OF ALABAMA SURFACE MINING COMMISSION

- () Transfer Application for a Surface Coal Mine
(X) Transfer Application for an Underground Coal Mine
() Transfer Application for a Preparation Facility

NAME OF CURRENT PERMITTEE: North Pratt Mining, LLC
ADDRESS: P O Box 279, Pelham AL 35124

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: Cane Creek, LLC.
Street Address: 2361 Cumberland Lake Drive
City: Pinson State: AL Zip: 35126
Mailing Address: Same as Above
City: _____ State: _____ Zip: _____
Telephone Number: (205) 590-4245
Social Security Number (Voluntary): - -
Employer Identification Number: _____
ASMC License#: L-0793

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

Name: Cane Creek, LLC.
Street Address: 2361 Cumberland Lake Drive
City: Pinson State: AL Zip: 35126
Mailing Address: Same as Above
City: _____ State: _____ Zip: _____
Telephone Number: (205) 590-4245
Social Security Number (Voluntary): - -
Employer Identification Number: _____
ASMC License#: L-0793

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: McGehee Engineering, Corp.
Mailing Address: P. O. Box 3431, 450 19th Street West
City: Jasper State: AL Zip: 35502
Telephone Number: (205) 221-0686 Fax: (205) 221-7721

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.

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: Cane Creek, LLC.
Street Address: 2361 Cumberland Lake Drive
City: Pinson State: AL Zip: 35126
Mailing Address: Same as Above
City: _____ State: _____ Zip: _____
Telephone Number: (205) 590-4245
Social Security Number (Voluntary): - -
Employer Identification Number: _____
ASMC License#: L-0793

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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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: VALLEY CREEK LAND & TIMBER, LLC

Address: 1300 MEADOWBROOK RD, SUITE 202 City: JACKSON State: MS. Zip: 39211

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	U.S.X. CORPORATION	CANE CREEK, LLC	8/28/2012	NO
ASSIGNMENT	NORTH PRATT MINING, LLC	CANE CREEK, LLC	2/26/2016	NO

Note: U.S.X. Corporation sold their surface rights to Valley Creek Land & Timber, LLC in August 2014.

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

Legal description of property or permit map symbol: S-2
(SEE PERMIT MAP)

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

Legal owner(s) of record: COAL HOLDINGS USA LLC
 Address: P.O. BOX 278 City: PELHAM State: AL Zip: 35124

Holders of leasehold interest: _____
 Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____
 Address: _____ City: _____ State: _____ Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry (If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain
LEASE	COAL HOLDINGS USA LLC	CANE CREEK, LLC.	3/1/2013	NO
ASSIGNMENT	NORTH PRATT MINING, LLC	CANE CREEK, LLC	2/26/2016	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

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Name: VALLEY CREEK LAND & TIMBER, LLC
Address: 1300 MEADOWBROOK ROAD, SUITE 202
City: JACKSON State: MS Zip: 39211
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease , or Other): OWNER

Name: COAL HOLDINGS USA LLC
Address: P.O. BOX 278
City: PELHAM State: AL Zip: 35124
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease , or Other): OWNER

Name: R. G. G. S. LAND & MINERALS, LTD. ATTN: TOM SPECK
Address: P.O. BOX 4667
City: HOUSTON State: TX Zip: 77210
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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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.

NE/SE, SE/SE, SW/SE, SE/SW, SE/NE of Section 19, SW/NW & NW/SW of Section 20, NE/NW, NW/NW, SW/NW, SE/NW, SW/NE, SE/NE, NE/SW, NW/SW & NW/SE of Section 30, Township 16 South, Range 4 West; NE/NE & SE/NE of Section 25, Township 16 South, Range 5 West, in Jefferson County, Alabama.

3. Give the acreage of the permit, each increment and the type of bonding.
- a. Total permit acreage: 70.0 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	18.0	Certificate of Deposit
3	40.0	Certificate of Deposit
4	12.0	Certificate of Deposit

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

4. Has any acreage in the proposed permit area been previously disturbed by mining? (XX) 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.
SEE PERMIT MAP
- b. List, for each area, the permit number under which it was disturbed and the number of acres. Indicate the status of each permit as Unreleased, Grading released, or 100% released.
(If no permit, indicate as such)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>Unknown</u>	<u> </u>	<u>Unknown</u>
<u>P-3768</u>	<u>48</u>	<u>Phase III Bond Release</u>

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.

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.

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7. List all other licenses and permits required to conduct mining operations including, but not limited to, MSHA I.D. and NPDES. Give the identification or permit number, the name and address of the issuing authority, and the status or date of approval or issuance of each:

Permit	ID or Permit Number	Issuing Authority	Address	Status or date of issuance
<u>MSHA ID</u>	<u>01-03102</u>	<u>MSHA</u>	<u>228 West Valley Ave. Birmingham, AL 35209</u>	<u>06-01-97</u>
<u>NPDES</u>	<u>AL0082023</u>	<u>ADEM</u>	<u>1751 Federal Drive Montgomery, AL 36130</u>	<u>08-23-13</u>

8. Is the property in the permit covered by zoning or other land use restrictions? (XX) YES () NO.
If yes, indicate the jurisdictional authority and zoning or landuse restriction for the entire permit area. If more than one zoning classification exists for the permit area, identify the boundaries of each on the permit map.

Jurisdictional Authority	Zoning Classification	Allows mining? Yes or No
<u>Jefferson County City of Adamsville</u>	<u>I-3 Agriculture</u>	<u>Yes Conditional Use Permit Original Permit Application</u>

9. Describe access to the proposed mine from a known point on the nearest public highway:

From the intersection of Flat Top Road and U.S. Highway 78 near Graysville, Alabama, go westerly on Flat Top Road for approximately 0.75 miles to the proposed haul road on the left.

10. Did the applicant receive assistance from the Small Operator Assistance Program in preparing this application?
() YES (XX) 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 approved public office in which a copy of this application will be filed for public inspection following notification of completeness: Birmingham News
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

**CANE CREEK, LLC
PRATT NO. 1 MINE, P-3972**

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, Cane Creek, LLC., 2361 Cumberland Lake Drive, Pinson, Alabama 35126, hereby gives notice that it has filed application to succeed by transfer to the rights granted under Surface Coal Mining Permit Pratt No. 1 Mine (P-3972) currently held by North Pratt Mining, LLC., P.O. Box 279, Pelham, Alabama 35124. The mine is located in:

From the intersection of Flat Top Road and U.S. Highway 78 near Graysville, Alabama, go westerly on Flat Top Road for approximately 0.75 miles to the proposed haul road on the left.

NE/SE, SE/SE, SW/SE, SE/SW, SE/NE of Section 19, SW/NW & NW/SW of Section 20, NE/NW, NW/NW, SW/NW, SE/NW, SW/NE, SE/NE, NE/SW, NW/SW & NW/SE of Section 30, Township 16 South, Range 4 West; NE/NE & SE/NE of Section 25, Township 16 South, Range 5 West, in Jefferson 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 Birmingham News Newspaper.

TO THE BIRMINGHAM NEWS:

Please run this notice one time as soon as possible.

Please send invoice and notarized proof of publication to: Cane Creek, LLC.
2361 Cumberland Lake Drive
Pinson, Alabama 35126
Telephone (205) 590-4245

Also, please send a notarized proof of publication to:
McGehee Engineering Corp.
P. O. Box 3431
Jasper, AL 35502-3431
Telephone (205) 221-0686

If you should have any questions or need additional information, please call: (205) 221-0686.