

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

ALABAMA CARBON, LLC

CRANE CENTRAL MINE, P-3946

**ALABAMA SURFACE MINING COMMISSION
SURFACE MINING TRANSFER 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

STATE OF ALABAMA SURFACE MINING COMMISSION

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

NAME OF CURRENT PERMITTEE: GTM Energy Partners, LLC.

ADDRESS: P.O. Box 19127 Birmingham, AL 35219

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: Alabama Carbon, LLC
Street Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Mailing Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Telephone Number: 256-632-2267
Social Security Number(Voluntary): - -
Employer Identification Number: 45-2354416
ASMC License#: L-816

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

Name: Alabama Carbon, LLC
Street Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Mailing Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Telephone Number: 256-632-2267
Social Security Number(Voluntary): - -
Employer Identification Number: 45-2354416
ASMC License#: L-816

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

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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: Alabama Carbon, LLC
Street Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Mailing Address: 106 Lockheed Drive
City: Beaver State: WV Zip: 25813
Telephone Number: 256-632-2267
Social Security Number(Voluntary): - -
Employer Identification Number: 45-2354416
ASMC License#: L-816

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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 6
=====

Legal description of property or permit map symbol: S-1 & F-1

(SEE PERMIT MAP)

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

Legal owner(s) of record: Larry Crane

Address: P.O. Box 1389 City: Trenton State: GA. Zip: 30752

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	LARRY CRANE	GTM ENERGY PARTNERS, LLC.	05/01/08	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	05-20-11	NO

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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

Legal description of property or permit map symbol: _____ **S-3** _____

(SEE PERMIT MAP)

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

Legal owner(s) of record: **John Wolf** _____

Address: **1431 Trumanburg Rd** _____ City: **Ithaca** State: **NY** Zip: **14850** _____

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
PENDING	JOHN WOLF	ALABAMA CARBON , LLC.	PENDING	NO

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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

Legal description of property or permit map symbol: S-4

(SEE PERMIT MAP)

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

Legal owner(s) of record: Randy Wolf

Address: 899 County Road 174 City: Flat Rock State: AL Zip: 35966

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
PENDING	RANDY WOLF	ALABAMA CARBON, LLC.	PENDING	NO

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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

Page 4 of 6

Legal description of property or permit map symbol: S-5

(SEE PERMIT MAP)

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

Legal owner(s) of record: David F. Smith & Robert D. Word Jr.

Address: P.O Box 827 City: Scottsboro State: AL Zip: 35768

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	DAVID F. SMITH & ROBERT D. WORD JR.	ALABAMA CARBON, LLC.	02-27-08	NO
ASSIGNMENT	GTM Energy Partners, LLC.	Alabama Carbon, LLC.	05-20-11	NO

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

Legal description of property or permit map symbol: _____ **S-6**

(SEE PERMIT MAP)

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

Legal owner(s) of record: **David Crane**

Address: **P.O. Box 1389** City: **Trenton** State: **GA** Zip: **30752**

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
PENDING	DAVID CRANE	ALABAMA CARBON , LLC.	PENDING	NO

PART I C. PROPERTY OWNERSHIP, INTERESTS 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: North Alabama Mineral Development Co.

Address: 401 Franklin St. City: Huntsville State: AL Zip: 35801

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
PENDING	NORTH ALABAMA MINERAL DEVELOPMENT CO.	ALABAMA CARBON , LLC.	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 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: Larry Crane
Address: P.O. BOX 1389
City: Trenton State: GA Zip: 30752
Interest owned (Surface, Coal or Fee Simple): SURFACE, FEE
Type of Interest (Owner, Lease, or Other): OWNER

Name: John Wolf
Address: 1431 Trumanburg Road
City: Ithaca State: NY Zip: 14850
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease, or Other): OWNER

Name: Randy Wolf
Address: 899 County Road 174
City: Flat Rock State: AL Zip: 35966
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease, or Other): OWNER

Name: David F. Smith & Robert D. Word Jr.
Address: P.O. Box 827
City: Scottsboro State: AL Zip: 35768
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease, or Other): OWNER

Name: David Crane
Address: P.O. Box 1389
City: Trenton State: GA Zip: 30752
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease, or Other): OWNER

Name: John Authur & Kay Patterson
Address: 1845 S Prairie Cr
City: Hixson State: TN Zip: 37343
Interest owned (Surface, Coal or Fee Simple): SURFACE
Type of Interest (Owner, Lease, or Other): OWNER

Name: North Alabama Mineral Development Co.
Address: 401 Franklin St.
City: Huntsville State: AL Zip: 35801
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

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: _____

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946**

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.

The NE/SW, SE/SW, NW/SE, NE/SE, SW/SE, and SE/SE of Section 20; the SE/NW, SW/NE, NW/SE, SW/SE, NW/SW, NE/SW, SW/SW, and SE/SW of Section 21; the NW/NE, NW/SW, NE/SW, NW/NW, NE/NW, SW/NW, and SE/NW of Section 28; the NE/NE of Section 29, Township 2 South, Range 9 East, Jackson County, Alabama.

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

a. Total permit acreage: 397.0 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.	65.0	Bond Account
2.	111.0	Bond Account
3.	154.0	Bond Account
4.	54.0	Bond Account
6.	9.0	Bond Account
7.	4.0	Bond Account

c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Inc. No. 6

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.
- 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>Increment</u>	<u>Acres</u>	<u>Permit Number</u>	<u>Status</u>
_____	_____	_____	_____

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 disturbance will be allowed by the owner

**ALABAMA CARBON, LLC
CRANE CENTRAL MINE, P-3946
ATTACHMENT I-E-2**

**PUBLIC NOTICE OF APPLICATION
TO TRANSFER A SURFACE COAL MINING PERMIT**

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Alabama Carbon, LLC, 106 Lockheed Drive, Beaver, WV 25813 hereby gives notice that it has filed application to succeed by transfer to the rights granted under Surface Coal Mining Permit P-3946-39-15-S currently held by GTM Energy Partners, LLC.. The operation is known as Crane Central Mine and is located in:

The NE/SW, SE/SW, NW/SE, NE/SE, SW/SE, and SE/SE of Section 20; the SE/NW, SW/NE, NW/SE, SW/SE, NW/SW, NE/SW, SW/SW, and SE/SW of Section 21; the NW/NE, NW/SW, NE/SW, NW/NW, NE/NW, SW/NW, and SE/NW of Section 28; the NE/NE of Section 29, Township 2 South, Range 9 East, Jackson 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 Sentinel.

TO THE DAILY SENTINEL:

Please run the attached ad on Saturday, September 24th, 2011

Please send invoice to:

Alabama Carbon, LLC.
106 Lockheed Drive
Beaver, WV 25813
Telephone (256) 632-2267

Please send a notarized proof of publication to:

Also, if you should have any questions or need additional information, please call:

McGehee Engineering Corp.
P. O. Box 3431
Jasper, AL 35502-3431
Telephone (205) 221-0686

PART VII - FINAL VERIFICATION OF PERMIT APPLICATION P-3946

I, the undersigned operator and holder of an A.S.M.C. license, do hereby certify that:

- The information in the license file regarding ownership and control and violation information is accurate and complete as of this date.
- The information in the license file regarding ownership and control and violation information is not accurate and complete as of this date. The necessary update is attached.

This application is submitted in conformance with rules and regulations of the Commission and it is agreed that any operations pursuant to the permit will be conducted in accordance with those rules and regulations. I further certify that I will keep the Commission advised of any changes of facts as may pertain to the license information or this permit application.

ALABAMA CARBON, LLC

License No.: L-816

Licensee:

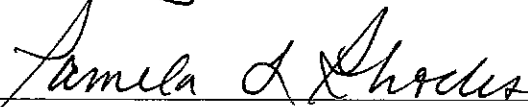
By: James C. Justice, III
Its Vice President


Signature

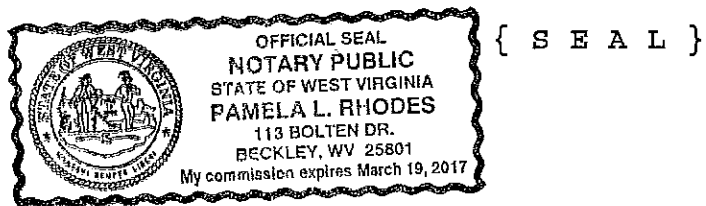
WV
STATE OF ~~ALABAMA~~)))
Raleigh
COUNTY OF ~~WALKER~~)))

Before me, the undersigned authority, personally appeared James C. Justice, III who being duly sworn upon oath, deposed and said, that he has read the foregoing application, that he is the responsible official of the applicant who executed the application, that the facts and matters contained therein are true and correct to the best of his information and belief, and that he executed the same for the purposes therein expressed.

Sworn to and subscribed before me, this 24th day of August 2011.


NOTARY PUBLIC

My Commission Expires: 3/19/17



PART VI - VERIFICATION OF PERMIT APPLICATION (771.27)

I, the undersigned operator and holder of an A.S.M.C. license do hereby submit this as my application for a permit to engage in surface coal mining operation and certify that the information in the application is true and correct to the best of my information and belief. This application is submitted in conformance with rules and regulations of the Commission and it is agreed that any operations pursuant to the permit will be conducted in accordance with those rules and regulations. I further certify that I will keep the Commission advised of any changes of facts as may pertain to the license information or this permit application.

ALABAMA CARBON, LLC

License No.: L-816

Licensee:

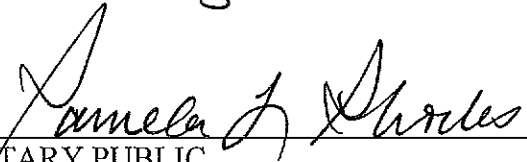
By: James C. Justice, III
Its Vice President


Signature

^{WV}
STATE OF ~~ALABAMA~~)))
^{Raleigh}
COUNTY OF ~~WALKER~~)))

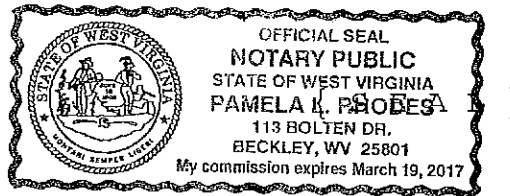
Before me, the undersigned authority, personally appeared James C. Justice, III who being duly sworn upon oath, deposed and said, that he has read the foregoing application, that he is the responsible official of the applicant who executed the application, that the facts and matters contained therein are true and correct to the best of his information and belief, and that he executed the same for the purposes therein expressed.

Sworn to and subscribed before me, this the 24th day of August, 2011.



NOTARY PUBLIC

My Commission Expires: 3/19/17



ASMC PERMIT TRANSFER AGREEMENT

This Agreement is entered into this date by **GTM Energy Partners, LLC.** and **Alabama Carbon, LLC.** in order to effect a transfer of Alabama Surface Mining Commission Permit No. P-3946 (Crane Central Mine) and the responsibility, coverage, and liability there under from **GTM Energy Partners, LLC.** to **Alabama Carbon, LLC.**

On the date such transfer becomes effective; **Alabama Carbon, LLC.** agrees to assume the responsibility, coverage, and liability of ASMC Permit No. P-3946 and **GTM Energy Partners, LLC.** agrees to relinquish all rights that it may have under said permit.

This agreement is entered into by both parties this the 9th day of Sept., 2011. Said transfer is to become effective on the effective date of the ASMC Permit No. P-3946 transfer approval.

GTM Energy Partners, LLC.



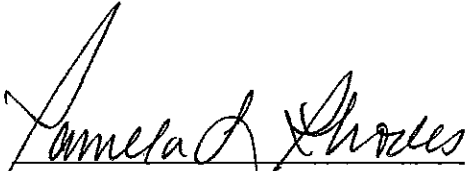
Witness Signature

By:



Stanley Graves
Managing Member

Alabama Carbon, LLC.



Witness Signature

By:



James C. Justice, III
Vice President