State of Mississippi
Surface Mining and Reclamation
PERMIT

TO CONDUCT SURFACE MINING OPERATIONS
IN ACCORDANCE WITH THE
MISSISSIPPI SURFACE MINING AND RECLAMATION LAW
MISS. CODE ANN. § 53-7-1 ET SEQ.

THIS CERTIFIES THAT

Hill Brothers Construction Company Inc.

has been granted permission to
conduct surface mining operations in accordance with the requirements and conditions
set forth herein in the operation of the

Hawks Mine
DeSoto County, Mississippi.

This permit is issued in accordance with the provisions of the Mississippi Surface Mining and Reclamation Law, Miss. Code Ann. § 53-7-1 et seq., and the regulations and standards adopted and promulgated thereunder.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD

Michael B E. Bograd
AUTHORIZED SIGNATURE

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: March 14, 2013
Expires: Five years from date of issuance

Permit No. P13-005
Application No. A1858
AI No. 63097

A. General Provisions

1. The definitions and provisions contained in the Mississippi Surface Mining and Reclamation Act ("the Act") and the Mississippi Surface Mining and Reclamation Rules and Regulations ("the Regulations") shall be applied in interpreting any provision of this permit.

2. The permittee shall conduct all surface mining and reclamation operations as described in the complete application and any additional operational or reclamation plans submitted to and approved by the Mississippi Department of Environmental Quality ("MDEQ"), while complying with the Act and the Regulations, unless otherwise provided as a variance in the following provisions. The complete application and any additional operational or reclamation plans submitted to and approved by MDEQ currently or in the future are incorporated herein by reference. The provisions and conditions of this permit enforce the provisions of the Act and the Regulations, and no provision of this permit is intended to exempt the permittee from, or to modify, any provision of the Act, the Regulations, or any other Mississippi or federal law or regulation unless the provision is listed in section E of this permit regarding Variances.

3. The permittee shall allow any authorized representatives of MDEQ, without advance notice or a search warrant, and without delay, to have the rights of entry provided in the Regulations.

4. The permittee shall conduct surface mining and reclamation operations:

   A. Only on those lands specifically designated on the maps submitted and approved in the complete application;

   B. Only within the effective dates of the permit; and

   C. Only on those lands which are subject to the performance bonds or other equivalent guarantee in effect at the time of mining pursuant to the Regulations.

5. The provisions of this permit are severable. If any provision of this permit is held invalid, or if any statutory or regulatory provision upon which such permit provision is based is held invalid or suspended, repealed or amended, such permit provision shall be null, void and ineffective for all purposes, but the remainder of this permit shall not be affected thereby.

6. This permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations.

7. The permittee shall comply with all conditions of this permit.

8. The filing of a request by MDEQ or the permittee for a permit modification, revocation and reissuance, transfer, or termination or the notification of planned changes or anticipated noncompliance on the part of the permittee does not stay the applicability or enforceability of any permit condition.

9. This permit is not transferable to any person except after notice to and by approval of the Permit Board.

10. The term of this permit is five (5) years from the date issued. Upon expiration, this permit grants no further authority to the permittee to conduct surface mining operations at this site.

11. No officer, agent, employee or other person in any way associated with the permittee shall, except as permitted by law, willfully resist, prevent, impede, or interfere with MDEQ or any of its employees in the performance of duties pursuant to the Act or the Regulations.

12. No blasting operations are approved for this permit.

13. The permittee shall obtain, prior to commencing mining operations, all other required permits from all other local, state and federal agencies.

B. Duties and Requirements

1. Duty to Comply. The permittee shall comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and the Regulations and is grounds for enforcement action, permit termination, revocation and reissuance, modification, or for denial of a permit renewal application.

2. The permittee shall comply with the permittee's surface mining plan, reclamation plan and the standards specified in Miss. Code Ann. § 53-7-37 (Rev. 2003).

3. Duty to reapply. If the permittee wishes to continue an activity allowed by this permit after the expiration date of this permit, the permittee must submit a complete application for renewal of the permit at least 60 days before this permit expires.

4. Duty to mitigate. The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.

5. Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all equipment and systems which are installed or used by the permittee to achieve compliance with the conditions of this permit and the application as submitted to MDEQ and approved by the Mississippi Environmental Quality Permit Board.

6. Duty to provide information. The permittee shall furnish to MDEQ, within a reasonable time, any relevant information which MDEQ may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit.

C. Site-Specific Operating Conditions

1. The permittee is authorized to open pit mine 28 acres for borrow material in Section 31, Township 2 South, Range 5 West, DeSoto County.

2. This is the initial permit for this site.

3. Buffer Zones. Also see Part E, Variances and Waivers

   The Regulations prohibit mining within 100 feet of the outside right-of-way of any public road, except where mine access roads or haul roads join such right-of-way line; within 300 feet of any occupied dwelling, public building, school, church, community or institutional building; within 100 feet of a cemetery; or, when a highwall will be created and the excavation exceeds thirty feet in depth, within twenty-five feet plus one and one half times the depth of the excavation from a permit boundary. If the excavation is less than thirty feet in depth and a highwall will be created, the distance from the permit boundary shall follow the distance chart in the Regulations at §400(d)(4). The Permit Board may modify these buffer zones, and allow mining within them, upon receipt of written permission from the governmental entity having authority over the subject road, or the owner or occupant of the subject dwelling.

   A. Mining will not take place within 100 feet of the outside right-of-way of a public road.

   B. Mining will not take place within 100 feet of a cemetery.

   C. Mining will not take place within 300 feet of an occupied dwelling.

   D. Mining will not take place within 60 feet of the permit boundary.

4. Permit boundaries shall be marked and durable posts shall be placed at the corners of the permit area. The posts shall be painted or flagged to be readily visible during the life of the operation.

5. This permit may be mined to a maximum depth of 20 feet.

6. Dust shall be controlled by water sprayed on the haul roads.

7. Terraced slopes, brush barriers, silt fence, and any other Best Management Practices required will be used for sediment control.

8. Reclamation Schedule. Concurrent reclamation is required by the Act and the Regulations.

   A. Begin clearing: Done.

   B. Begin mining: after March, 2013, and upon permit issuance.

   C. Complete mining: December, 2015.

   D. Reclamation will be concurrent with completion of mining of any segment of the permit.

   E. Complete reclamation: March, 2016.

9. Explosives will not be used.

10. The permittee must obtain any necessary permits through the MDEQ Office of Pollution Control to discharge impacted stormwater or processed water into a specific Water(s) of the State and must do so in accordance with effluent limitations, monitoring requirements, and other conditions set forth in a State of Mississippi Waste Pollution Control Permit to Discharge Wastewater in Accordance with the National Pollutant Discharge Elimination System.

11. Reclamation Plan

   A. The topsoil shall be segregated and stored in stockpiles which will be protected with grass cover adequate to prevent erosion. The use of the topsoil during reclamation will be to respread it over areas requiring vegetative cover.

   B. The site shall be reclaimed with grass cover and reforestation to prevent erosion.

   C. All highwalls shall be eliminated and all areas of the permit shall be graded to a slope no steeper than three horizontal feet to one vertical foot.

   D. The permit area shall be graded and planted with grass cover to prevent erosion. Bermuda is to be planted by broadcast seeding at the rate of 25 pounds per acre during the Summer and Fall planting seasons. Fescue is to be planted by broadcast seeding at the rate of 25 pounds per acre during the Spring and Fall planting seasons. Rye will be planted as needed.

E. Fertilizer (13-13-13 type), for initial planting, shall be applied at the rate of 400 pounds per acre and lime shall be applied at the rate of 2 tons per acre, and be applied by broadcasting. Fertilizer (13-13-13 type) shall be applied at the rate of 200 pounds per acre, during the growing season, each successive year prior to final bond release.

F. Vegetation will be maintained until final bond release by mowing each year in September. Eroded areas shall be re-graded and re-planted as needed, but in no case less frequently than annually.

G. Gullies shall be repaired as necessary to prevent erosion and shall follow all applicable National Pollutant Discharge Elimination System (NPDES) permit requirements.

H. Debris shall be disposed of by burying, as permitted by local ordinance.

12. The performance bond instrument submitted is Bond No. 83B108896 from Liberty Mutual Insurance Company, Boston, MA, as Surety, executed by Hill Brothers Construction Co., Inc. as Principal, in the amount of $56,000.00, on January 30, 2013, which is $2,000.00 per acre.

13. The facility shall be constructed, operated, and monitored in such a manner as to ensure Mississippi Groundwater Quality Standards are not exceeded by any activity of this facility.

14. The facility shall be constructed, operated, and monitored in such a manner as to prevent a discharge of pollutants into waters of the State, including wetlands, that violates any requirements of the Clean Water Act or the Mississippi Air And Water Pollution Control Act, including, but not limited to, the National Pollutant Discharge Elimination System (NPDES) requirements.

15. Based on the Wastewater Regulations for National Pollutant Discharge Elimination System (NPDES) Permits, Underground Injection Control (UIC) Permits, State Permits, Water Quality Based Effluent Limitations and Water Quality Certification (Regulation WPC-1), Chapter 3, Section IV, part 3, the following buffer zones shall be established between all mining activity and any existing stream, and maintained for the life of the permit:

A. 50-foot buffer zone for intermittent streams (generally shown as a broken blue line on the latest version of the U. S. Geological Survey topographic quadrangle map)

B. 100-foot buffer zone for perennial streams (generally shown as a solid blue line on the latest version of the U. S. Geological Survey topographic quadrangle map)

C. 300-foot buffer zone for navigable waterways (as defined by the U. S. Army Corps of Engineers)

16. No dam may be constructed on the permitted site without first obtaining prior written authorization for the dam in accordance with Dam Safety Regulation LW-4.

D. Wildlife, Threatened and Endangered Species and Unique Biological Communities

1. The permittee shall promptly report to the Mississippi Department of Wildlife, Fisheries, and Parks and MDEQ any State of Mississippi or federally-listed endangered or threatened species within the permit area of which the permittee becomes aware.

2. The permittee shall promptly report to the Mississippi Department of Wildlife, Fisheries, and Parks and MDEQ any unique biological communities within the permit area of which the permittee becomes aware.

E. Variances and Waivers

There are no variances or waivers.

END OF PERMIT

REVISED

Permit No. P13-005 STATE OF MISSISSIPPI Application No. A1858

SURFACE MINING PERMIT APPLICATION AI#63097

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF GEOLOGY / MINING & RECLAMATION DIVISION
P. O. Box 2279
Jackson, Mississippi 39225-2279
(601) 961-5515
Fax (601) 961-5521

For Office use only

Other permits required:	Y/N	Date
NPDES	___	___
State Operating Permit	___	___
Corps of Engineers	___	___
_____	___	___
_____	___	___

City/County approval Required Yes ___ No ___
Received Date: _____
County _____
City _____

A. GENERAL INFORMATION

1. Name of Applicant: Hill Brothers Construction Comapny, Inc.
   Mailing Address: P.O. Box 131, Falkner, MS 38629
   E-mail Address: donnieg@hbconst.com
   Phone No. 662-837-3041 Fax No. 662-837-3201
   Authorized Representative Donnie Greene
2. Engineering Firm, Consultant, etc.: N/A
   Mailing Address: _____
   E-mail Address: _____
   Phone No. _____ Fax No. _____
3. Name of Mine: Hawks Pit - Desoto Mine Supervisor: Rob Hill
   Phone No. 662-837-2498 Fax No. 662-837-3201
4. Location of Operation (to nearest quarter-quarter section):
   Northwest 1/4 of Southwest 1/4 of 31 (Section) 2 South (Township) 5 West (Range) Desoto (County)
5. Physical address of mine or nearest named road Fairview Road
6. Method of Operation ☒ Open Pit ☐ Strip ☐ Dredge ☐ Wash Operation, if so Water Source _____
   Wash System Type ☐ Closed system ☐ Open system
7. **Number of Acres to be Permitted:**
   Excavation 27
   Haul roads, plant site, ponds, storage piles, etc. 1
   TOTAL PERMITTED AREA 28
8. Is the Permit Area located:

	Yes	No
a. within 100 feet of a public road?	___	X
b. within 100 feet of a cemetery?	___	X
c. within 300 feet of an occupied building?	___	X

   If YES to a, b, or c, a letter must be filed with the Office giving permission from the owner or maintaining authority to mine within these distances to the subject property.
9. Materials to be Mined: Borrow Dirt

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10. Has the applicant applied for, or have, any other permits or licenses that pertain to this or any other mining operation? Yes x No ___

If "YES," list them in the space provided on page 5, or attach separate pages, and give the current status of each, including any violations or penalties.

B. MINING PROCEDURE AND ENVIRONMENTAL ANALYSIS

1. Description of materials:

Thickness of overburden (Topsoil MUST be stockpiled for use during reclamation) 1 ft.

Thickness of useable material 20 ft.

Total depth of excavation 10-20 ft.

Estimated annual production 1,166,400 cy ~~tons~~

2. Anticipated Schedule (month/year)

Begin clearing 2 / 2013

Begin mining 3 / 2013

Complete mining 12 / 2015

Begin reclamation 1 / 2016

Complete reclamation 3 / 2016

3. Depth to ground water: 40 ft.

4. How will dust be controlled?

☒ Water on haul roads

☐ _____

5. Types of erosion control structures that will be utilized.

☐ Settling ponds ☐ Drainage ditches

☒ Diversion berms ☐ Terraced slopes

☐ _____

6. Describe the land to be affected by mining as it presently exists:

a. Land use mixed woods and pasture b. Predominant vegetation grass

7. Will explosives be used? ___ Yes x No

8. Is test-boring data available? ___ Yes x No

9. Are toxic materials likely to be encountered at any time? ___ Yes x No

10. Will there be any discharge to local streams or other bodies of water? x Yes ___ No

If any of questions 7-10 are answered "YES," provide additional information on page 5, or attach separate pages.

C. RECLAMATION PLAN

NOTE: It is suggested that the county NRCS office be consulted for specific recommendations on the following items.

1. Describe the soil handling technique for the reclamation phase of the operation:

☒ Topsoil segregated ☐ Mixed strata ☐ _____

2. Describe the protection method for the stockpiled topsoil.

☐ berm around the storage pile

☒ grass cover on the pile (recommended)

☐ stored under a cover

☐ _____

3. How will highwalls, standing faces, and banks be reduced to minimize erosion? (All highwalls must be sloped, minimum 3 horizontal to 1 vertical.)

☐ slopes will be terraced

☒ sloped to a gradient of 3 to 1

☐ blended with surrounding contours

☐ _____

4. What is the general plan for reclamation?

☐ reforestation
☒ establish grass cover
☐ pond or lake
☐ _____

5. What planting method will be used?

☒ broadcast seed ☐ mechanical seeding
☐ seeding by manual labor
☐ _____

6. How will fertilizer and lime be applied and incorporated?

☐ harrowing ☒ broadcasting ☐ disking

7. Quantity of lime and fertilizer to be applied?

a. For initial planting

lime: 2 tons per acre

fertilizer: 13 - 13 - 13 (type) 400 pounds per acre

b. For successive years prior to 100% release

fertilizer: 13 - 13 - 13 (type) 200 pounds per acre

when: growing season (month)

8. Describe the planting schedule:

Tree or Seed Species	Tree spacing or lbs./acre	Planting Season
Bermuda	25	Summer, Fall
Tall Fescue	25	Spring, Fall
Rye Grass	25	As needed

9. Will the area be mulched? ___ Yes x No If yes, rate per acre _____

Method of holding in place: ☒ crimped ☐ _____

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10. How will the vegetation be maintained until the final bond release?

☐ watering
☒ mowing
times per year 1
approximate month(s) June, _____, _____
☒ repairing gullies
☒ replanting eroded areas
☐ _____

11. How will debris be disposed of when the mine is finally closed?

☐ burying ☐ burning ☒ hauling away

12. Will a soil analysis be submitted for this site? ___ Yes x No
NOTE: available from the Cooperative Extension Service through the applicant's County Agent

13. Estimated cost per acre for reclamation of this site: $2,000.00 (minimum of $1,000 per acre)

D. NAMES AND ADDRESSES OF PERSONS AFFECTED BY THIS OPERATION

1. Landowner(s) of area to be mined/leased

Name:	Bill Hawks	Name:	
Address:	1004 E. Capitol Street	Address:	
	Washington, D.C. 20003		
Phone:	Gary Jamerson: 901-485-5516	Phone:	

2. Landowner(s) within 500 feet of the area

Name:	Dan & Mickey Eason & Jessica Robinson	Name:	
Address:	1550 N. Parkway #1003	Address:	
	Memphis, Tennessee 38112		
Phone:	unknown	Phone:	
Name:		Name:	
Address:		Address:	
Phone:		Phone:	

3. Person(s) living on permit area

Name:		Name:	
Address:		Address:	
Phone:		Phone:	

I declare that I have knowledge of the facts presented in the preceding pages and in all of the items attached to this application; furthermore, I certify that they are true to the best of my knowledge.

2-1-13
date

Kenneth W. Drewery
signature

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Kenneth W. Drewery
printed name

Treasurer
title

E. ADDITIONAL COMMENTS

Item Number	Space for detailed answers to any of the previous items. Indicate item number to which the answers apply.
A10	See separate sheet containing HBCC's Current Pit Permits
B10	Storm drainage to unnamed on-site creek

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If more space is required, use full sheets of paper the same size as this page. Attach all sheets to this application.

12/14/12

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CURRENT PIT PERMITS

JOBS	DESCRIPTION	ACRES	MSR# / PERMIT#	STATUS
8055	Morris	4.0	MSR322176 Exempt	active
8065	Wills Mine	15.0	MSR322183 P12-009	Active
	Eudora Mine	4.0	MSR 322188 Exempt	
8075	Livingston development	4.0	Exempt MSR32	
6160	Hill Leasing	19.80	320670 / P99-055	
	Boydstun Pit #2	15.0	P01-009	90%
Pontotoc	Hill Webb Pit #1	10.09	320942 / P01-013	Not active
	Hill Webb Pit #2	10.78	320941 / P01-012	Not active
	MSU	27.36	P03-018	90%
7030	VARNER PIT #1	14.0	P05-020	90%
7030	VARNER PIT #2	18.76	MSR321170 P04-004A	
7155	Dodson	19.96	MSR321333	80%
7685	Martha Ray Pit	4.0	Exempt MSR321805	
7685	Keith Mine # 2	7.0	P09-013 MSR321862	
7830	HB Mine #2	22.5	P09-023 MSR321908	
7890	DLP Mine	22.5	P10-015 MSR321987	80%

P03-018 pending removal of bridges
P04-030 80% released 11/9/2010
P10-015 request 10% March 2013
P01-009 due for release Feb 2014

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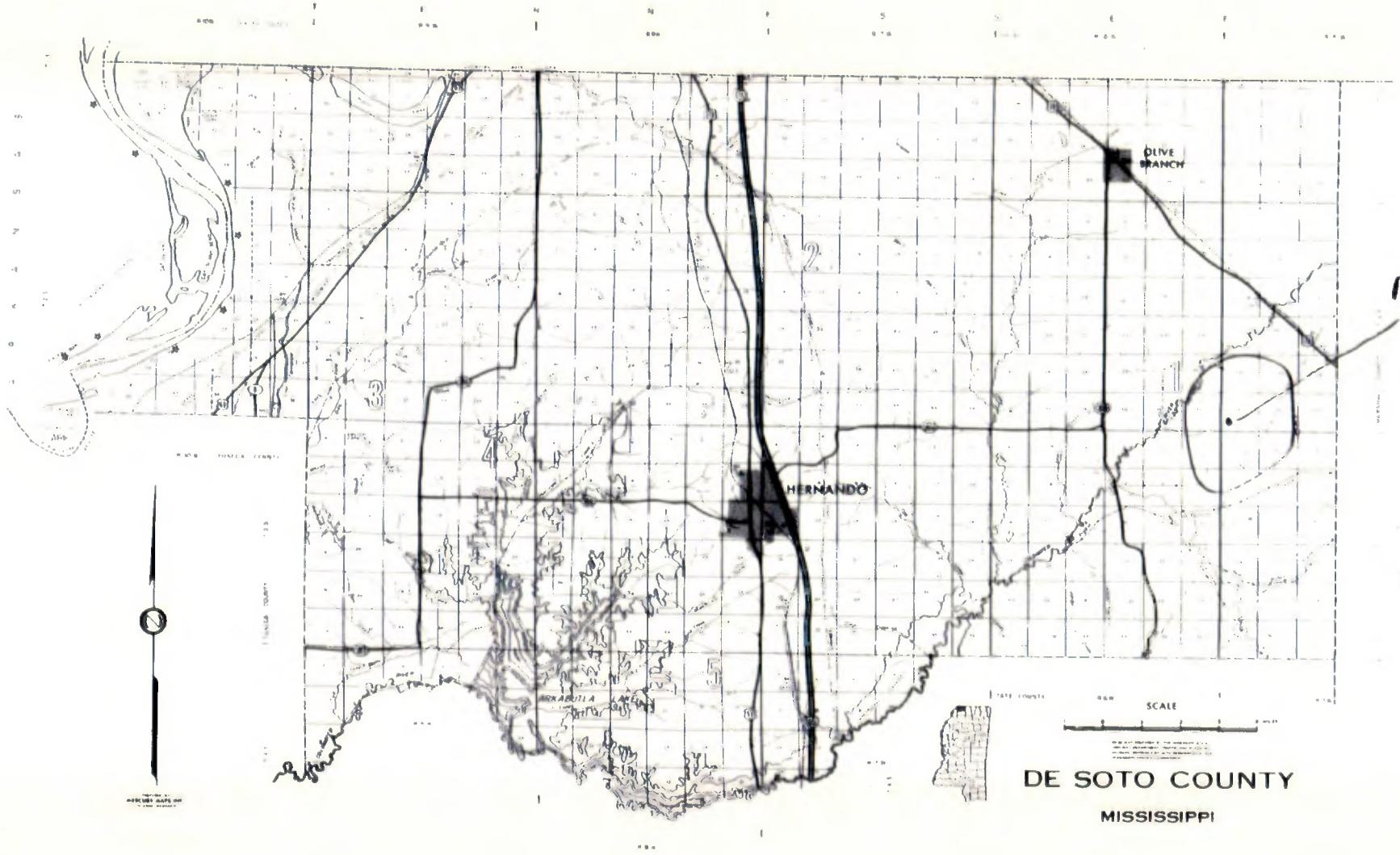
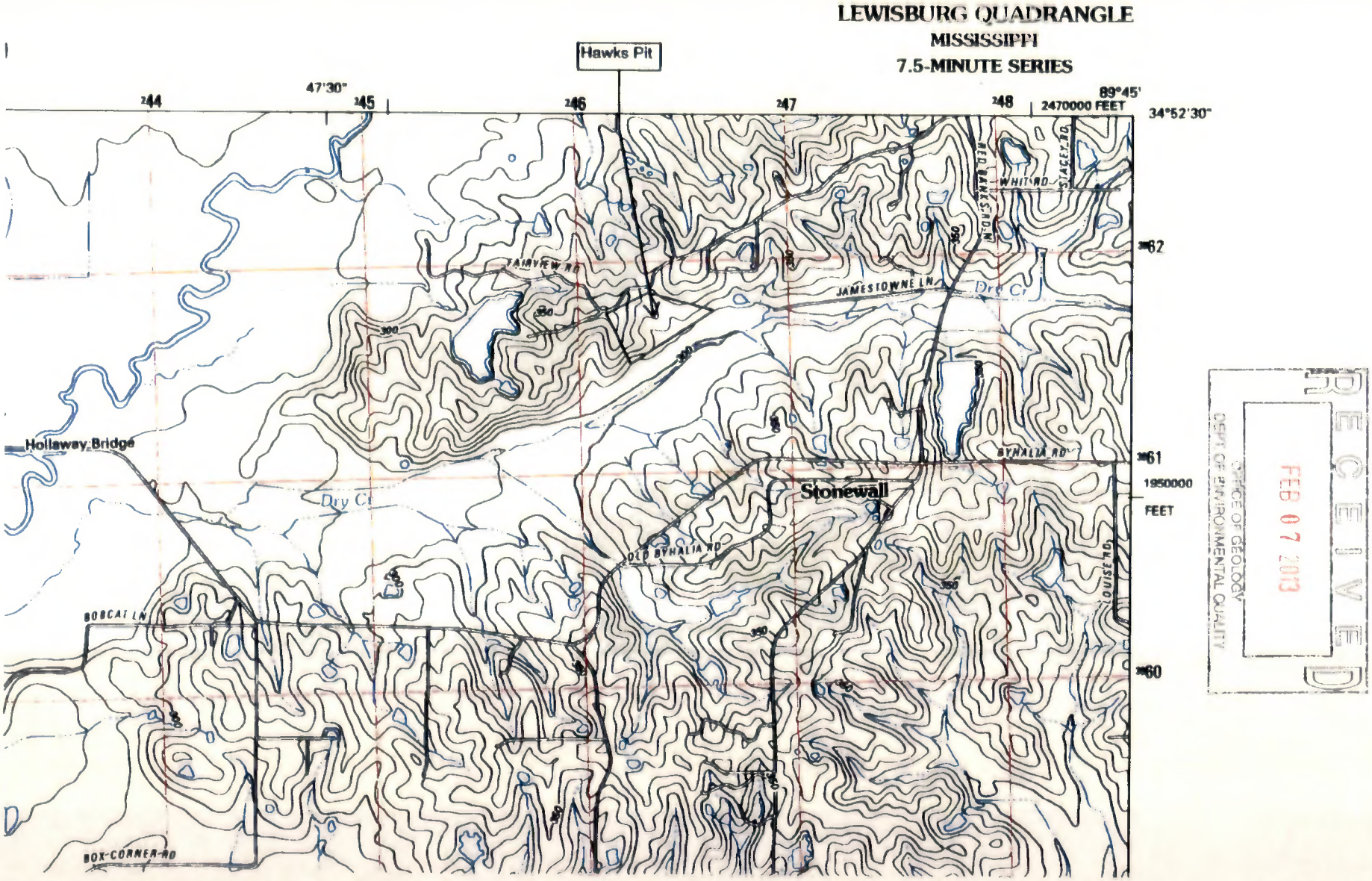


Mine Location

Map #1


LEWISBURG QUADRANGLE
MISSISSIPPI
7.5-MINUTE SERIES
Hawks Pit
47'30"
89°45'
2470000 FEET
34°52'30"
44
45
46
47
48
62
61
60
1950000
FEET
Hollaway Bridge
Dry Cr
Stonewall
Dry Cr
FAIRVIEW RD
JAMESTOWNE LN
WHIT RD
STACEY RD
REED TANKERSON
BYHALIA RD
OLD BYHALIA RD
LOUISE LN
BOBCAT LN
BOX CORNER RD
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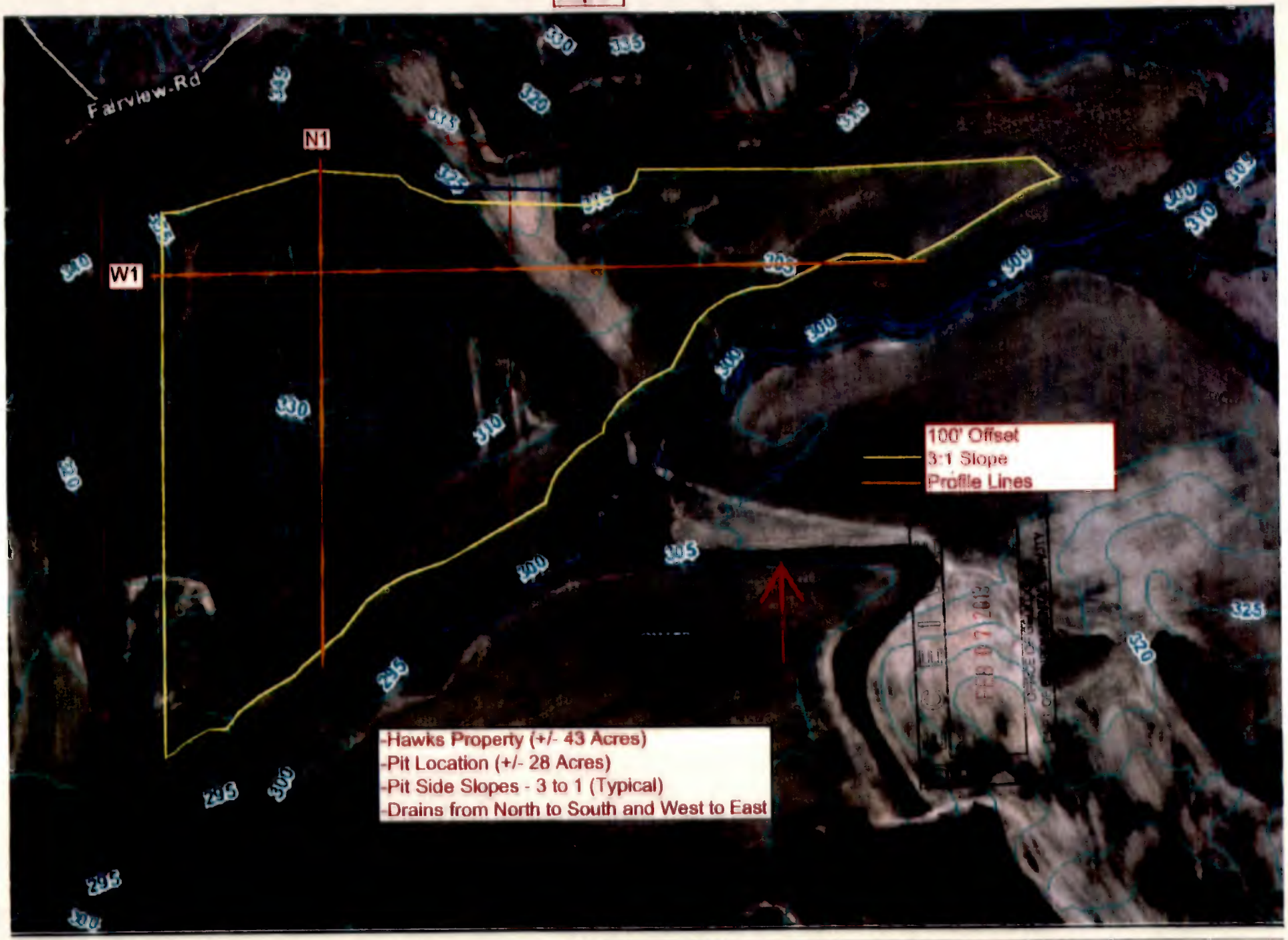
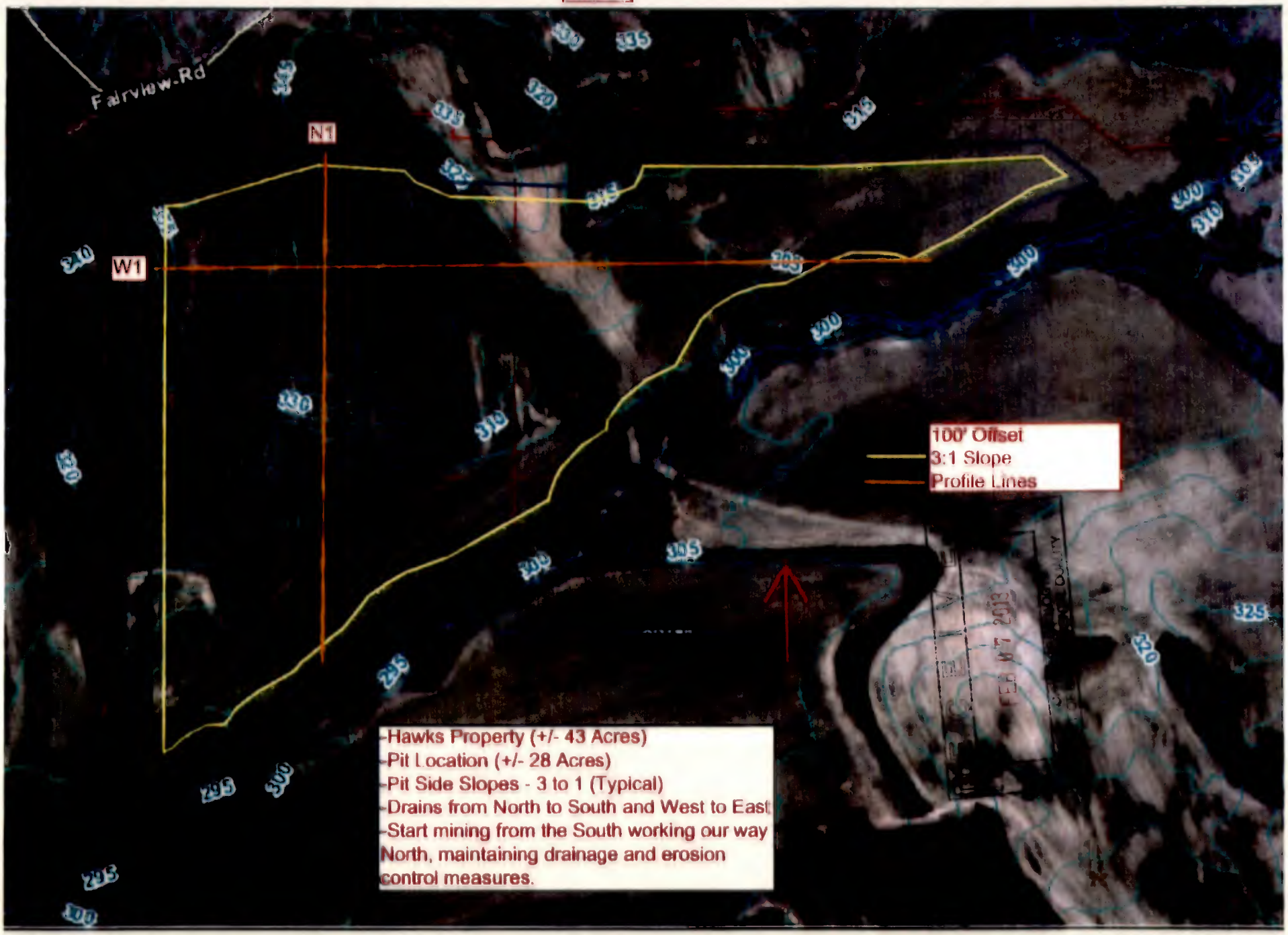
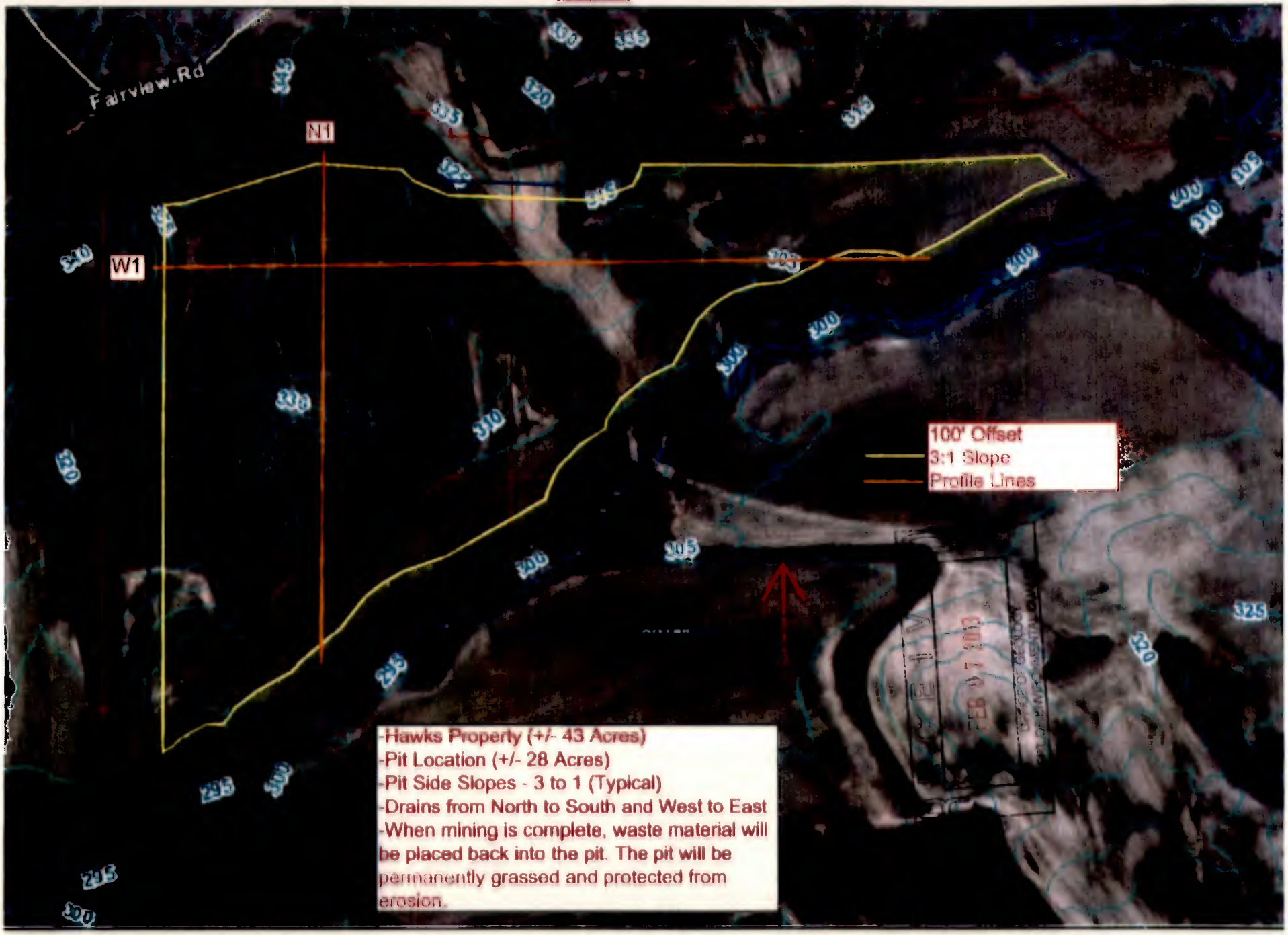
Map 2


Fairview Rd
N1
W1
100' Offset
3:1 Slope
Profile Lines
-Hawks Property (+/- 43 Acres)
-Pit Location (+/- 28 Acres)
-Pit Side Slopes - 3 to 1 (Typical)
-Drains from North to South and West to East

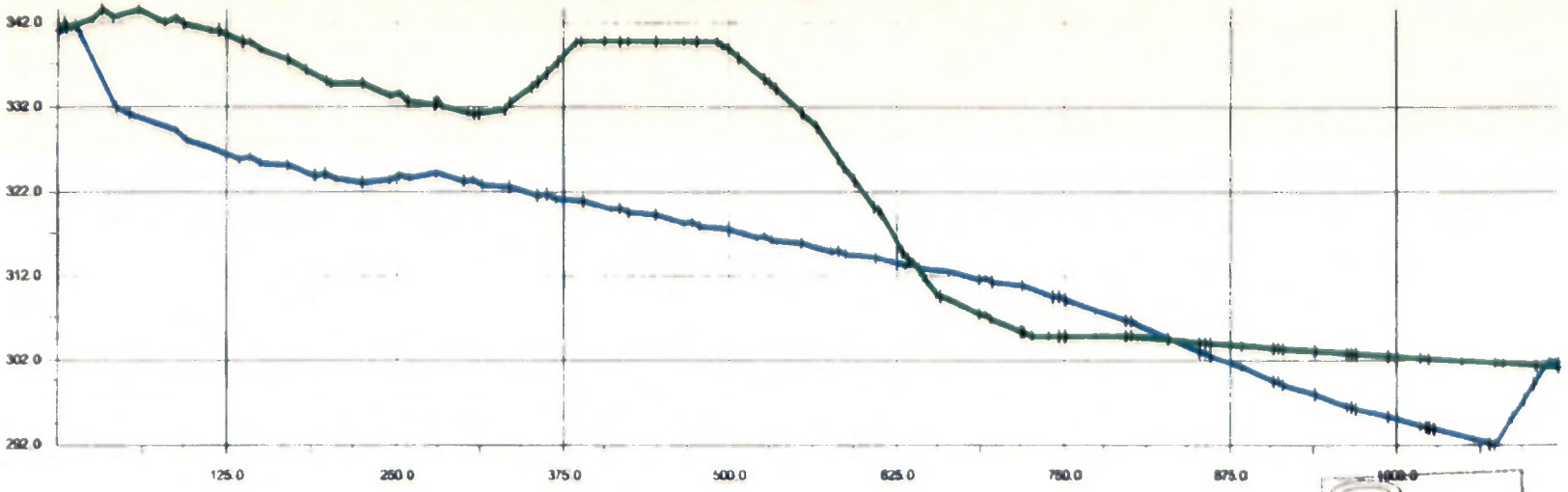
Map 3


Fairview Rd
N1
W1
100' Offset
3:1 Slope
Profile Lines
-Hawks Property (+/- 43 Acres)
-Pit Location (+/- 28 Acres)
-Pit Side Slopes - 3 to 1 (Typical)
-Drains from North to South and West to East
-Start mining from the South working our way North, maintaining drainage and erosion control measures.

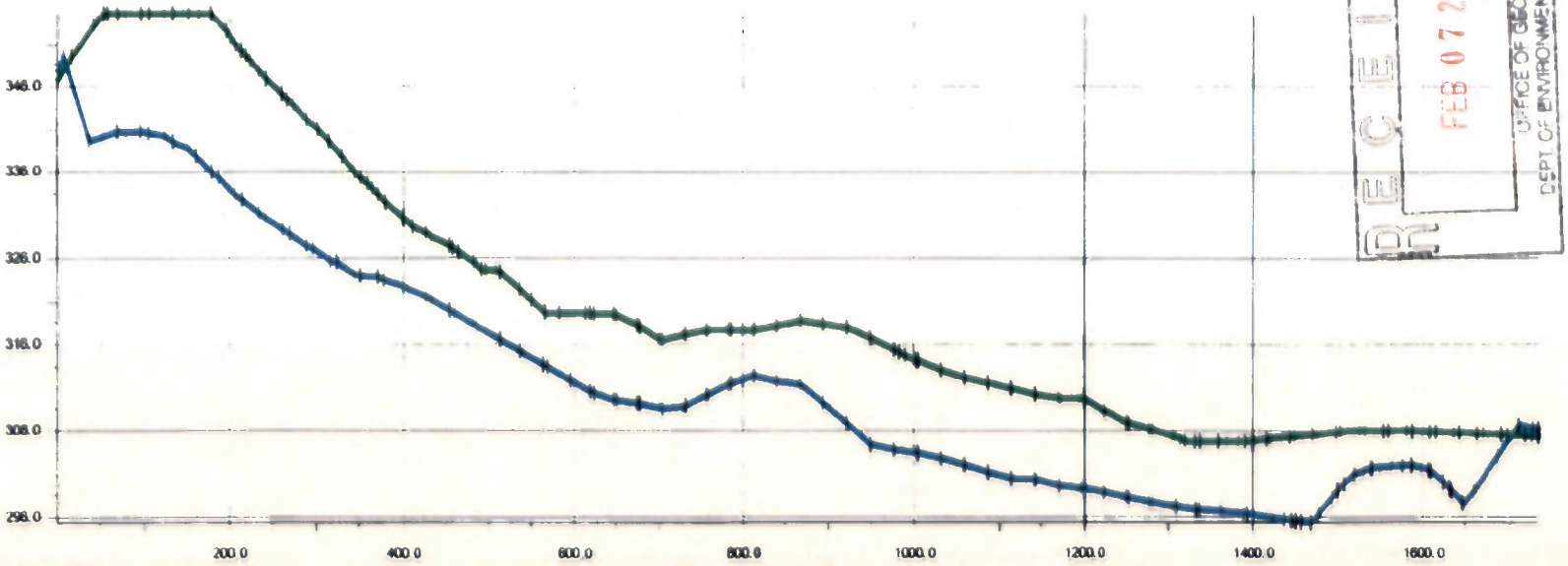
Map 4


Fairview Rd
N1
W1
100' Offset
3:1 Slope
Profile Lines
-Hawks Property (+/- 43 Acres)
-Pit Location (+/- 28 Acres)
-Pit Side Slopes - 3 to 1 (Typical)
-Drains from North to South and West to East
-When mining is complete, waste material will be placed back into the pit. The pit will be permanently grassed and protected from erosion.

Map 5
Pit Side Slopes - 3 to 1 (Typical)
Drains from North to South and West to East



North to South



West to East

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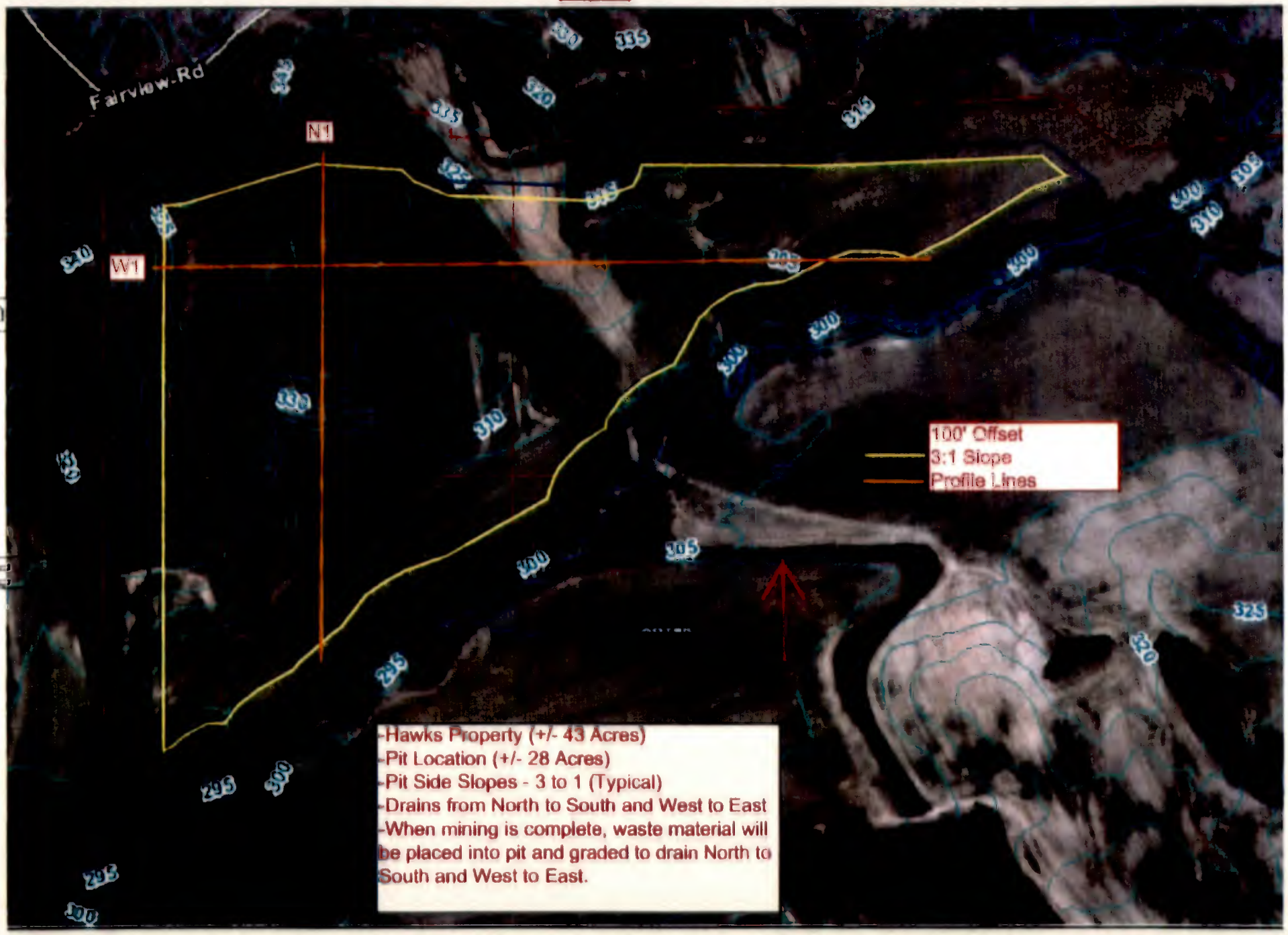
Map 6



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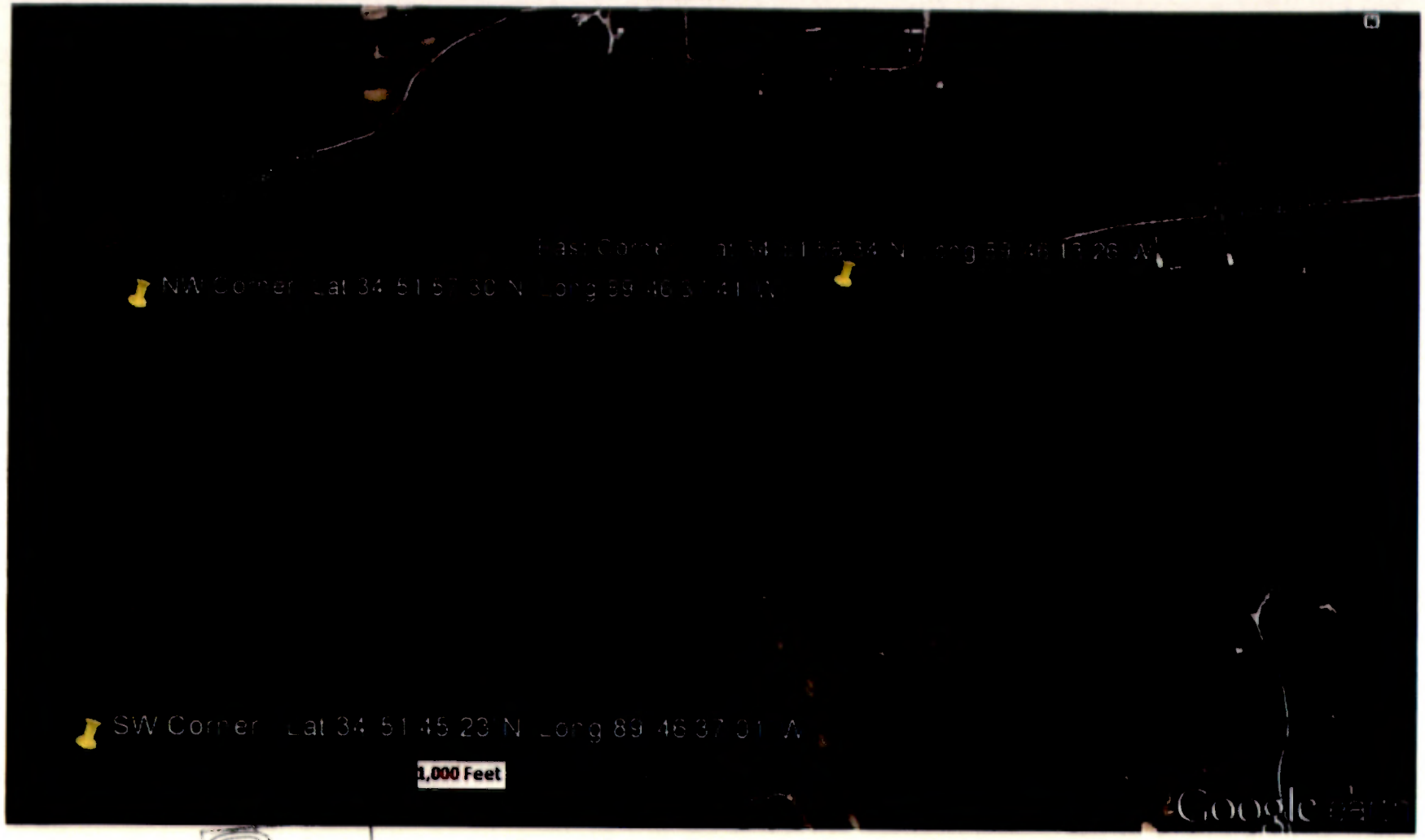
Map 7



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GPS Location of Corners