

**OHIO ENVIRONMENTAL PROTECTION AGENCY
DIVISION OF DRINKING AND GROUND WATERS
UNDERGROUND INJECTION CONTROL AREA PERMIT TO DRILL AND
AREA PERMIT TO OPERATE CLASS V INJECTION WELLS**

Ohio Permit Nos. UIC 05-07-12-PTD-V
UIC 05-07-12-PTO-V

Applicant: Bellaire Corporation

Address: 14785 Preston Rd, Suite 1100
Dallas, Texas 75240-7891

Telephone: (214) 239-2625

Facility Name: Bellaire Corporation

Facility Location: Located at Section 15, York Township,
Belmont County,
Powhatan Point, Ohio 43942

Description: Up to four (4) Class V Underground Injection Wells to
inject treated acid mine drainage (AMD) into the
abandoned mine workings at the Town Run Refuse
Site.

Issuance Date: December 15, 2010

Effective Date: December 15, 2010

Expiration Date: December 15, 2015

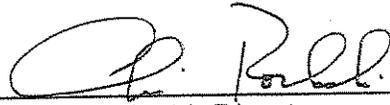
OHIO E.P.A.
DEC 15 2010
ENVIRONMENTAL PROTECTION AGENCY

The above named applicant is hereby ISSUED an Area Permit to Drill and an Area Permit to Operate for the above described underground injection wells pursuant to Sections 6111.043 and 6111.044 of the Ohio Revised Code and to Chapter 3745-34 of the Ohio Administrative Code. Issuance of this Area Permit to Drill and Area Permit to Operate does not constitute expressed or implied approval or agreement that, if constructed and/or modified in accordance with the specifications and/or information accompanying the permit applications, the above described activity will be in compliance with applicable State and Federal laws and rules and regulations. This Area Permit to Drill and Area Permit to Operate are issued subject to the attached conditions which are hereby incorporated and made a part hereof.

I certify this to be a true and accurate copy of the
official documents as filed in the records of the Ohio
Environmental Protection Agency.

Steve Lassiter Date: 12-15-10

Expiration Date: This permit shall expire at midnight on the expiration date indicated above, unless terminated or modified under Chapter 3745-34 of the Ohio Administrative Code.

A handwritten signature in black ink, appearing to read "C. Korleski", written over a horizontal line.

Chris Korleski, Director
OHIO ENVIRONMENTAL PROTECTION AGENCY

PART I
GENERAL PERMIT COMPLIANCE

A. EFFECT OF PERMIT

The permittee is authorized to engage in the operation of Class V underground injection wells in accordance with Chapter 3745-34 of the Ohio Administrative Code (OAC) and the conditions of this permit. Notwithstanding any other provisions of these permits, the permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other injection activity in a manner that allows the movement of injection or formation fluids into underground sources of drinking water (USDWs) if the presence of that material may cause a violation of any primary drinking water regulation under OAC Chapter 3745-81 or may otherwise adversely affect the health of persons. Any underground injection activity not specifically authorized in this permit is prohibited. Compliance with this permit during its term constitutes compliance for purposes of enforcement, exclusively with Sections 6111.043 and 6111.044 of the Ohio Revised Code (ORC). Such compliance does not constitute a defense to any action brought under ORC Sections 6109.31, 6109.32 or 6109.33 or any other common or statutory law other than ORC Sections 6111.043 and 6111.044. Issuance of this permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of state or local law. Nothing in this permit shall be construed to relieve the permittee of any duties under applicable state and federal law, regulations, or permits.

B. PERMIT ACTIONS

1. Modification, Revocation, Reissuance and Termination. The Director may, for cause or upon request from the permittee, modify, revoke and reissue, or terminate this permit in accordance with OAC Rules 3745-34-07, 3745-34-23, and 3745-34-24. Also, the permit is subject to minor modifications for cause as specified in OAC Rule 3745-34-25. The filing of a request for a permit modification, revocation and reissuance, 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.
2. Transfer of Permits. This permit may be transferred to a new owner or operator pursuant to OAC Rule 3745-34-22, 3745-34-23, 3745-34-24, 3745-34-25(D) or 3745-34-26(L)(3), as may become applicable.

C. SEVERABILITY

The provisions of this permit are severable, and if any provision of this permit or the application of any provision of this permit to any circumstance is held invalid, the

application of such provision to any other circumstances and the remainder of this permit shall not be affected thereby.

D. CONFIDENTIALITY

In accordance with OAC Rule 3745-34-03 any information submitted to the Ohio EPA pursuant to this permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping words "confidential business information" on each page containing such information. If no claim is made at the time of submission, the Ohio EPA may make the information available to the public without further notice. If a claim is asserted, documentation for the claim must be tendered and the validity of the claim will be assessed in accordance with the procedures in OAC Rule 3745-34-03. If the documentation for the claim of confidentiality is not received, the Ohio EPA may deny the claim without further inquiry. Claims of confidentiality for the following information will be denied:

1. The name and address of the permittee;
2. Information which deals with the existence, absence or level of contaminants in receiving water and amounts or contents of fluids injected.

E. DUTIES AND REQUIREMENTS (OAC RULE 3745-34-26)

1. Duty to Comply. The permittee shall comply with all applicable UIC regulations and conditions of this permit. Any permit noncompliance constitutes a violation of ORC Chapter 6111. and is grounds for enforcement action, permit termination, revocation and reissuance, modification, or denial of a permit renewal application. Such noncompliance also may be grounds for enforcement action under other applicable state and federal law.
2. Penalties for Violations of Permit Conditions. Any person who violates a requirement of this permit is subject to injunctive relief, civil penalties, fines and/or other enforcement action under ORC Chapter 6111. Any person who knowingly or recklessly violates permit conditions may be subject to criminal prosecution.
3. Continuation of Expiring Permits. Duty to Reapply. If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee shall submit a complete application for a new permit at least 180 days before expiration of this permit.
4. Need to Halt or Reduce Activity Not a Defense. It shall not be a defense, for a permittee in an enforcement action, that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

5. 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.
6. Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this permit.
7. Duty to Provide Information. The permittee shall furnish to the Director, within a time specified, any information which the Director may request in order to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with the permit. The permittee shall furnish to the Director, upon request, copies of all records required to be kept by the permittee.
8. Inspection and Entry. The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law to:
 - a. Enter permittee's premises where a regulated facility or activity is located or conducted, or where records are kept under the conditions of this permit;
 - b. Have access to and copy, at reasonable times any records that are required to be kept under the conditions of this permit;
 - c. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
 - d. Sample or monitor at reasonable times for the purposes of assuring permit compliance or as otherwise authorized by ORC Chapter 6111. and OAC Chapter 3745-34, any substances or parameters at any location.
9. Records.
 - a. Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

- b. The permittee shall maintain records of all data used to complete the permit application forms and any supplemental information submitted under OAC Rule 3745-34-16 and retain records of all monitoring information, including all calibration and maintenance records and all reports required by this permit for the permitted life of the well(s) in accordance with OAC Rule 3745-34-26(J)(2)(a). This period may be extended by request of the Director at any time.
 - c. The permittee shall retain records concerning the nature and composition of all injected fluids for three (3) years after completion of plugging and abandonment of the well(s).
 - d. The permittee shall deliver the records to the Director after the retention periods specified by paragraphs (b) and (c) above unless the permittee obtains written approval from the Director to discard the records.
 - e. Records of monitoring information shall include the following as applicable pursuant to OAC Rule 3745-34-26(J)(3):
 - i. The date, exact place, and time of sampling or measurements;
 - ii. The name(s) of the individual(s) who performed the sampling or measurements;
 - iii. A detailed description of sampling methodology;
 - iv. The date(s) analyses or measurements were performed;
 - v. The name(s) of the individual(s) who performed the analyses or measurements and the laboratory that performed the analyses or measurements;
 - vi. The analytical techniques or methods used; and
 - vii. All results of such analyses.
10. Signatory Requirements. All reports or other information, required to be submitted by these permits or requested by the Director, shall be signed and certified in accordance with OAC Rule 3745-34-17. Within thirty (30) days of the effective date of this permit, the permittee shall designate the duly authorized representative for all submissions required under this permit, in written form to the Director, in compliance with OAC Rule 3745-34-17(B)(1)-(3).

11. Reporting Requirements.

- a. **Planned Changes.** The permittee shall give written notice to the Director, as soon as possible, of any planned physical alterations or additions to the permitted facility. Such notice shall be given at least ten (10) days prior to the commencement of construction or implementation of any planned change. The permittee shall include as part of such written notice to the Director justification of any planned physical alterations to the permitted well(s).
- b. **Anticipated Noncompliance.** The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- c. **Compliance Schedules.** Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of these permits shall be submitted no later than thirty (30) days following each schedule date.
- d. **Twenty-four (24) Hour Reporting.**
 1. The permittee shall report to the Director any noncompliance which may endanger health or the environment. Appropriate information shall be provided orally within 24 hours from the time the permittee becomes aware of the circumstances. The following shall be included as information which must be reported orally within 24 hours:
 - i. Any monitoring or other information which indicates that any contaminant may cause an endangerment to an underground source of drinking water.
 - ii. Any noncompliance with a permit condition, or malfunction of the injection system, which may cause unpermitted fluid migration into or between underground sources of drinking water.
 2. A written submission also shall be provided within five (5) business days of the time the permittee becomes aware of the circumstances of such noncompliance. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, the anticipated time it is expected to continue; and if the noncompliance has or has not been corrected, and steps taken or planned to reduce, eliminate and prevent recurrence of the noncompliance.

- e. Other Noncompliance. The permittee shall report all other instances of noncompliance not otherwise reported under paragraph (E)(11)(d) above at the time monitoring reports are submitted. The reports shall contain the information listed in permit condition 11(d)(2) above.
- f. Other Information. When the permittee becomes aware of failure to submit any relevant facts in the permit applications or that incorrect information was submitted in a permit application or in any report to the Director, the permittee shall submit such facts and corrected information within ten (10) days of becoming aware of the failure to submit.
- g. If the authorization under Part I (E)(10) of this permit is no longer valid, a new authorization satisfying the requirements of OAC Rule 3745-34-17(B) and (C) shall be submitted in written form prior to or together with any reports, information or applications requiring the signature and certification of the authorized signatory.
- h. Monthly Operating Reports shall be submitted as required in Part II of this permit.

F. PLUGGING AND ABANDONMENT

- 1. Plan for Plugging and Abandonment. At least thirty (30) days before any well installed pursuant to this permit is taken out of service, the permittee shall submit to the Ohio Environmental Protection Agency a plan for the plugging and abandonment of such well per OAC Rule 3745-34-11(N). The required plan shall specify procedures and contain such other provisions as are necessary to ensure that no movement of fluids into an underground source of drinking water is allowed.
- 2. Abandonment Report. Within thirty (30) days after abandoning the well(s), the permittee shall submit a report to the Director certifying in accordance with OAC Rule 3745-34-17 that the well was closed in compliance with OAC Rule 3745-34-07(A). At a minimum, the report shall include: Surface and subsurface diagrams locating the position at which the plugs are situated (if applicable); and, a description of all casing, subsurface structures and piping left in the well(s) or subsurface.

G. FINANCIAL RESPONSIBILITY

- 1. Financial Responsibility. The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner consistent with Chapters 3745-9 and 3745-34 of the OAC. The permittee is required to show evidence of current financial responsibility to the

Director in the form of a surety bond submitted within 45 days of the effective date of this permit.

H. CORRECTIVE ACTION

1. The permittee shall develop a corrective action plan in the event that routine monitoring or any other information indicates that injection activities may have caused a violation of Rule 3745-34-07(A) or (B) of the OAC.

Such plan shall include a determination of the nature, rate, and extent of the violation. The Director may also require the plan to include appropriate remedial actions including, but not limited to discontinuance of injection operations.

2. The plan for corrective action shall be submitted to the Director within thirty (30) days of the date the permittee discovers evidence, or is notified by the Director, that a violation of Rule 3745-34-07 (A) or (B) of the OAC may have occurred. The corrective action plan shall be subject to review and approval by Ohio EPA prior to implementation.

PART II
SPECIAL PERMIT CONDITIONS

A. WELL CONSTRUCTION AND COMPLETION

1. The injection wells shall be continuously cased and cemented using 6.625 inch outside diameter (OD) PVC pipe, SDR-21-60 installed through a 10-7/8 inch diameter borehole from a point 2 feet above the surface of the ground, to a point approximately 13 feet above the mine floor. The borehole will be continued through the well casing into the mine void.
2. All annular space between the injection well casings and the borehole shall be completely filled with grout. A cement bond log shall be run to verify that all annular space has been completely filled with grout.
3. The wells shall be constructed such that the injection zone is the abandoned mine workings and voids of the Pittsburgh Number 8 Coal Seam, approximately 160 to 200 feet below the surface.

B. DATA COLLECTION DURING DRILLING

1. A well log and drilling report shall be completed for this injection well and submitted to Ohio Department of Natural Resources, Division of Water pursuant to Section 1521.05 of the Ohio Revised Code and a copy submitted to the Ohio EPA within thirty (30) days after completion of the wells.
2. All other well completion, well testing, and technical data obtained shall be compiled, analyzed and submitted to the Director within sixty (60) days of well installation.
3. Representatives of Ohio EPA and the Ohio Department of Natural Resources (ODNR), Division of Geological Survey shall have the right to inspect any core, or other drill samples, obtained in conjunction with this or any other activity at the Cove Site.

C. WELL OPERATION

1. Injection Zone. The injection zone shall be limited to the mine workings and voids of the Pittsburgh Number 8 Abandoned Coal Mine.
2. Injection Pressure Limitation. Injection pressure at the well head shall be limited to atmospheric pressure at all times.

3. Injectate Quality Limits. The injectate shall have a pH of 7 or above and all iron shall be in the ferric state at all times.
4. Injection Wells. The permittee shall, at all times, operate the injection wells in such a way that will not result in the migration of injected fluids or mine water into underground sources of drinking water above, below or adjacent to the injection formation. The permittee shall operate the injection well in such a way to ensure that Rule 3745-34-07 (A) or (B) of the OAC is not violated within any USDW and that any secondary maximum contaminant levels as defined in Chapter 3745-82 of the OAC are not significantly exceeded within any USDW as a consequence of the injection well operation, as evidenced by mine water monitoring conducted pursuant to Part II(D)(2) of this permit. No substances other than those listed on the cover page of this permit shall be injected.

Injection wells used intermittently shall be secured with locking caps and maintained in such a way to prevent anything from entering the well(s) until such time that injection commences or resumes.

D. MONITORING

Within sixty (60) days of the effective date of this permit, the permittee shall submit a detailed sampling and analysis plan that conforms to the standards and contains the information listed in **ATTACHMENTS 1 and 2** of this permit for sampling and analyzing the injectate and mine water.

1. Injected Fluids. To be monitored:
 - a. The permittee shall measure the daily injection volume and determine the daily average injection rate. This data shall be submitted with the monthly chemical analytical data from the injectate sampling as required below;
 - b. The permittee shall sample and analyze the injection fluid on a monthly basis for the following constituents and parameters: total iron, total manganese, total acidity, total alkalinity, conductivity, pH and sulfate; The results of analyses shall be reported no later than 15 days after the first of the month following the sampling; and
 - c. The permittee shall sample and analyze the injection fluid on a quarterly basis (every three months) for the following constituents: calcium, magnesium, sodium, carbonate, bicarbonate, chloride, fluoride, nitrate, total dissolved solids, potassium, barium, boron, strontium, arsenic, cadmium, aluminum, antimony, cobalt, chromium, lead, zinc and dissolved oxygen.

The results of analyses shall be reported no later than 15 days after the first of the month following the sampling.

2. Mine Water Down-Gradient of Injection Well. To be monitored:

The permittee shall sample the ground water from the mine workings and voids of the Pittsburgh Number 8 Coal Seam every six (6) months for the following constituents and parameters: Calcium, magnesium, sodium, carbonate, bicarbonate, chloride, fluoride, nitrate, total dissolved solids, potassium, barium, boron, strontium, arsenic, cadmium, aluminum, antimony, cobalt, chromium, lead, mercury, selenium, silver, zinc, dissolved oxygen, total iron, total manganese, total acidity, total alkalinity, conductivity, pH and sulfate. This monitoring shall be conducted to provide direct evidence that the injection operation complies with OAC Rule 3745-34-07(A). The results of analyses shall be reported no later than the 15th day of the month that follows sampling.

E. REPORTING

The permittee shall submit monitoring reports in accordance with **ATTACHMENT 3** of this permit to the Ohio EPA, Division of Drinking and Ground Waters, Underground Injection Control Unit by the 15th day of the month following each month that monitoring results are required in accordance with schedules described in Part II(D) of this permit at the following address:

Ohio EPA
Division of Drinking and Ground Waters
Underground Injection Control Section
Lazarus Government Center
50 West Town Street
P.O. Box 1049
Columbus, Ohio 43216-1049

Reports shall contain information regarding types of tests and methods used to generate monitoring data, as specified in Part I(E)(9) of this permit.

ATTACHMENT 1

GROUND WATER SAMPLING AND ANALYSIS PLAN

The ground water sampling and analysis plan shall include copies of all blank forms necessary and a detailed description of the equipment, procedures, and techniques to be used to do the following:

- (A) Measure the elevation of the ground water and the depth of ground water in the monitoring well if a permanent pump does not block access. If the monitoring point of the well is in a deep mine, the level of ground water in the mine should be measured.
- (B) Purge the ground water monitoring wells. This description shall include the type of pump used to purge the well. If purging the well is not practical or necessary than a description and documentation shall be included in the sampling and analysis plan to justify that purging is not necessary to obtain a sample chemically representative of the ground water being sampled.
- (C) The owner or operator shall include a description of the ground water sample withdrawal technique for each ground water monitoring well and sample handling and preservation for each ground water sample.
- (D) Perform field analysis for temperature, pH, specific conductance, and turbidity each time the ground water monitoring well is sampled, including the following:
 - (1) Procedures and blank forms for recording field measurements that include the specific location, time, and site-specific conditions associated with the field data acquisition.
 - (2) Procedures used for the calibration of field devices and blank forms for the documentation of calibration procedures.
- (E) Decontaminate all non-dedicated and non-disposable monitoring, purging, and sampling equipment prior to use at each ground water monitoring well.
- (F) Establish the chain of custody of the ground water samples. The chain of custody form must be included with the sampling and analysis plan and shall note:
 - (1) Name of the facility and facility identification number as assigned by Ohio EPA, if applicable.
 - (2) Field sample identification number for each sample.
 - (3) Date and time each sample was collected.

- (4) The printed name and signature of each person having custody of the sample prior to its analysis with the exception of a person employed by a commercial carrier contracted to transport the ground water samples to the laboratory.
 - (5) The date and time that each person receives custody of the ground water sample, including the date and time the sample is relinquished to the laboratory.
 - (6) Chemical preservatives added to the sample.
 - (7) Whether ice is present or the internal temperature of each cooler when received by the laboratory.
 - (8) All special instructions regarding sample handling, preservation, analysis, or other information that needs to be documented to ensure that the associated sample analytical results will be representative.
- (G) Obtain field quality control samples.
- (H) Obtain all of the information required to be recorded on the ground water sampling form. A copy of the blank ground water sampling form shall also be included.

ATTACHMENT 2

INJECTATE SAMPLING AND ANALYSIS PROCEDURES

The injectate sampling and analysis plan shall include copies of all blank forms necessary and a detailed description of the equipment, procedures, and techniques to be used to do the following:

- (A) The owner or operator shall include a description of the sample withdrawal technique including location of sampling, sampling device used, sample containers used, and sample handling and preservation for each sample obtained.
- (B) Perform field analysis for temperature, pH, specific conductance, and turbidity for each sample, including the following:
 - (1) Procedures and blank forms for recording field measurements that include the specific location, time, and site-specific conditions associated with the field data acquisition..
 - (2) Procedures used for the calibration of field devices and blank forms for the documentation of calibration procedures.
- (C) Decontaminate all non-dedicated and non-disposable monitoring, purging, and sampling equipment prior to use.
- (D) Establish the chain of custody for the samples. The chain of custody form must be included with the sampling and analysis plan and shall note:
 - (1) Name of the facility and facility identification number as assigned by Ohio EPA, if applicable.
 - (2) Field sample identification number for each sample.
 - (3) Date and time each sample was collected.
 - (4) The printed name and signature of each person having custody of the sample prior to its analysis with the exception of a person employed by a commercial carrier contracted to transport the ground water samples to the laboratory.
 - (5) The date and time that each person receives custody of the ground water sample, including the date and time the sample is relinquished to the laboratory.
 - (6) Chemical preservatives added to the sample.

- (7) Whether ice is present or the internal temperature of each cooler when received by the laboratory.
 - (8) All special instructions regarding sample handling, preservation, analysis, or other information that needs to be documented to ensure that the associated sample analytical results will be representative.
- (E) Obtain field quality control samples.
- (F) Obtain all of the information required to be recorded on the sampling form. A copy of the blank sampling form shall also be included.

ATTACHMENT 3

SUBMISSION OF ANALYTICAL DATA

The following information shall be submitted to and received by Ohio EPA in a form specified by the director:

- (A) All results generated and information recorded in accordance with the sampling and analysis plan specified in the PTO.
- (B) Laboratory data sheets. The laboratory data sheets shall include at a minimum the following:
 - (1) Name of the facility.
 - (2) Field sample identification number for each ground water sample.
 - (3) Laboratory sample identification number for each ground water sample.
 - (4) Sampling date.
 - (5) Date the laboratory received the sample.
 - (6) Analytical method identification numbers for all parameters.
 - (7) Sample extraction date, if applicable.
 - (8) Sample analysis date.
 - (9) Analytical results for all parameters including method detection limits (MDLs), practical quantitation limits (PQLs) and any laboratory estimated values.
 - (10) Laboratory data qualifiers, if applicable.
 - (11) Sample dilution factor, if applicable.
 - (12) Laboratory quality control information. This information shall include at a minimum the following:
 - (a) Case narrative describing each problem that was encountered between sample receipt and the completion of sample analysis.
 - (b) Field and laboratory sample identification numbers.

- (c) Holding times specified in the sampling and analysis plan for each parameter, or a statement by the laboratory that all holding time requirements were met.
 - (d) Whether meniscus bubbles were present in any volatile organic sample containers when received by the laboratory.
 - (e) Surrogate and spike recoveries with control limits.
 - (f) Data results from the analysis of blank samples including trip blanks, method blanks, and, if required, instrument blanks with control limits.
 - (g) Data from the analysis of matrix spike/matrix spike duplicates (MS/MSD) and matrix spike blanks with control limits.
 - (h) Relative per cent difference calculations based on MS/MSD results.
 - (i) Laboratory control sample results if the metals spike recovery results are determined to be out of control.
- (D) Data summary tables. The data summary tables shall include ground water elevation data and the analytical data collected from the sampling event applicable to the data submission and may include previously submitted data from past sampling events.