

OHIO E.P.A.

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

Ohio Permit Nos. UIC 05-53-05-PTD-V

Applicant: Southern Ohio Coal Company
Meigs Mine Number 2

Address: 27605 Point Rock Road
Albany, Ohio

Telephone: (740) 669-7720

Facility Name: Southern Ohio Coal Company
Meigs Mine Number 2

Facility Location: Located at Section 25, Columbiana Township,
Meigs County, Albany, Ohio

Description: Class V Underground Injection Wells to inject
leachate from a reclaimed surface coal refuse pile
into the unused mine workings of the Meigs
Number 2 Mine - Clarion 4A Coal Bed.

Issuance Date: October 17, 2012

Effective Date: October 17, 2012

Expiration Date: April 17, 2014

The above named applicant is hereby ISSUED an Area Permit to Drill 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 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 is 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.

By: Orin Casler Date: 4-2-13

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.



Scott J. Nally, Director
OHIO ENVIRONMENTAL PROTECTION AGENCY

PART I
GENERAL PERMIT COMPLIANCE

A. EFFECT OF PERMIT

The permittee is authorized to engage in the installation 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 or regulations.

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, 3745-34-25(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.

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(O). 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

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 well(s) shall be constructed as indicated in Attachment 2 of the Class V permit applications. The 8-inch borehole(s) shall be drilled into the abandoned Mine No. 2 (injection zone) with casings of 6-inch diameter HDPE pipe (SDR-9) completely grouted from the opening of the mine void to the ground surface.
2. All annular space between the injection well casing(s) and the borehole(s) shall be completely filled from bottom to top with grout using a tremie pipe.
3. The wells shall be constructed such that the injection zone is the abandoned mine workings and voids of the Clarion 4A coal bed, a member of the Allegheny Formation, approximately 225 to 265 feet below the surface.

B. DATA COLLECTION DURING DRILLING

1. Well logs and drilling reports shall be completed for the injection wells 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. A well completion report including as built drawings shall be 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 injection site.

C. REPORTING

The well construction/completion report as described in Part II(B)(2) shall be submitted within 60 days to 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