Public Notice

US ARMY CORPS OF ENGINEERS
St. Louis District
Gateway to Excellence

Reply To:
U.S. Army Corps of Engineers
Attn: CEMVS-OD-F
1222 Spruce Street
St. Louis, Missouri 63103-2833

Public Notice No.
P-2866
Public Notice Date
February 13, 2014
Expiration Date
March 5, 2014

Postmaster Please Post Conspicuously Until:

File Number: MVS-2013-724

Interested parties are hereby notified that an application has been received for a Department of the Army permit for certain work in waters of the United States, as described below and shown on the attached maps.

COMMENTS AND ADDITIONAL INFORMATION: Comments on the described work should reference the U.S. Army Corps of Engineers File Number shown above and must reach this office no later than the above expiration date of the Public Notice to become part of the record and be considered in the decision. Comments should be mailed to the following address:

U.S. Army Corps of Engineers
Regulatory Branch
1222 Spruce Street
St. Louis, Missouri 63103-2833
ATTN: Tyson Zobrist

APPLICANT: Sugar Camp Energy, LLC, Attention: Mr. Anthony Webb, 11351 North Thompsonville, Macedonia, Illinois 62860, (618)-435-2491.

LOCATION: The project area is located 2 miles norththwest of Atkin, Illinois. More specifically, in Sections 28, 29, 32 and 33, Township 05 South, Range 04 East and Section 4, Township 06 South, Range 04 East of the 3rd Principle Meridian, Franklin County, Illinois. Latitude: 38.049446°, Longitude: -88.769175°.

PROJECT DESCRIPTION: The applicant seeks authorization to construct a new refuse disposal facility to provide service to the Sugar Camp Energy, LLC, MC #1 Mine (Mine I.D. No. 11-03189, IDNR Permit No. 382) preparation plant facilities located south of the proposed refuse facility. The new refuse cell will be identified as Sugar Camp North Refuse Disposal Facility (Impoundment I.D. No. IL08-03189-06).

The purpose of the Sugar Camp North Refuse Disposal Facility is to provide for the disposal of approximately 5 years of coarse coal refuse and approximately 9 years of fine coal refuse, based on production rates provided by Sugar Camp. The Herrin No. 6 coal seam is proposed to be mined by both longwall and conventional mining techniques in adjacent areas surrounding the proposed facility. Any coal, rock, shale, slurry, culm, gob, boney, slate, clay and related materials, associated with or

near the coal seam, which are either brought aboveground or otherwise removed from a coal mine in the process of mining coal or which are separated from coal during the cleaning or preparation operations are considered coal refuse. That coal refuse needs to be disposed of in some matter, therefore, a coal refuse disposal area (CRDA) is proposed. Based on current mine planning, Sugar Camp will be operating two longwall miners. Based on historical information for the active facility, annual production of 9,265,200 cubic yards per year of coal refuse is expected in association with cleaning of mined coal.

The proposed refuse facility would have a permit area of 1,154-acres and a proposed impact area of approximately 749-acres. The proposed impounding embankment shall range from approximately 100-feet to 115-feet high with a 40-foot wide crest at elevation 525. The embankment would be constructed entirely using coarse coal refuse. Prior to coal refuse placement, a 4-foot thick compacted clay or geosynthetic liner will be placed within the limits of the incised portion of the impoundments as well as below the coarse coal refuse embankment. Ancillary features include a beltline corridor, access/haul/maintenance road, soil storage areas, and sediment control structures. The proposed 200-foot wide beltline corridor will consist of a 84-inch beltline, a 30-foot wide maintenance/access road, a windrowed top soil pile, two decant water return pipes and two slurry lines (approximately 15-inch diameter), two 30-inch culvert at road crossings, and four 36-inch culverts at road crossings. The applicant is currently proposing to directional bore underneath the Middle Fork of the Big Muddy River for the aforementioned slurry lines and decants pipes, while the belt at this location will be elevated and constructed outside of jurisdictional waters. The impoundment will utilize 20-foot wide access roads to access proposed topsoil and subsoil storage areas. Topsoil will be stockpiled in four areas for use during reclamation. Two bridges along Access Road No. 8 will be installed for access over Sugar Camp Creek and an unnamed tributary to Sugar Camp. No impact is expected at these bridge crossings due to no proposed impact below the Ordinary High Water Mark (OHWM). 40-foot wide access/haul roads to the impoundment area are proposed for use during active mining activities. Sediment control structures around soil stockpile storage and the impoundment are proposed. Perimeter ditches, flumes and bench and access road gutters have been specified to convey storm runoff away from the embankment in a controlled fashion.

The applicant considered several practical alternatives, which include a "No Action Alternative" and an "Alternative Site Locations Analysis". In light of the overall project purpose, it is necessary to build a coal refuse disposal area in the vicinity of the preparation plant. Three primary criteria were used to narrow down the alternative site location based on operation and cost feasibility. The first primary criterion was that the facility must be located within a two-mile radius of the existing Sugar Camp Energy Mine No. 1 preparation plant facilities (IDNR Permit No. 382). A distance greater than two-miles was considered cost prohibitive, due to current transportation costs such as beltway and/or trucking.

The second criterion was that the facility must be located on a previously undermined area or an area not proposed from undermining, so as not to limit future coal extraction opportunities and/or negatively affect the structural stability of the coal refuse disposal area. Once the facility is constructed the underlying area cannot be undermined. It was, therefore, an important consideration from the standpoint of the future sustainability of the Sugar Camp Mine and the local economy that future extraction options are not unnecessarily limited and that structural stability of the CRDA be maintained. Potential future mining plans significantly affected the proposed location of the facility.

The third primary criterion was that the facility must be of a size large enough to facilitate a minimum of approximately 7 years of service to the preparation plant (assuming one longwall) or 3.5 years of

service (assuming two longwalls), in order to justify construction expenses. Ensuring that this new facility meets this minimum service life will reduce future need to build additional refuse disposal facilities and any associated environmental impacts. It is expected that the preparation plant will produce approximately 9.26 million cubic yards (MCY) of coal refuse annually. This means that for a potential refuse facility site to be practicable, it must have a minimum storage capacity of approximately 32.4 MCY. Based on the three primary criterions three alternative site locations were considered for the further analysis, including the proposed alternative. The analysis method preformed by the applicant considered environmental and infrastructure impacts, as well as a cost analysis. The environmental analysis included impacts to stream channel, wetlands/open waters, forest habitat, prime farmland, hydric soils and 100-year floodplain. Based on this analysis the proposed alternative was determined to be the least environmentally damaging, practicable alternative based on Section 404(b)(1) guidelines.

The proposed Sugar Camp North Refuse Disposal Facility would impact 19.55-acres of wetlands and 7,187-linear feet of ephemeral, intermittent and perennial stream channel. The applicant proposes permittee responsible compensatory mitigation for impacts associated with the refuse facility at an on-site location (within the Refuse Facility Permit area). The stream impacts associated with project consist of six identified stream channels with most of the impacts being within intermittent and ephemeral channels. Two of the six impacted streams would be minor impacts to perennial channels. Approximately 19.55-acres of mostly forested wetlands would occur with the construction of this project. All forested impacts shall be mitigated at a ratio of 3:1. The conceptual mitigation plan states that approximately 68-acres of forested wetland would be created. The proposed wetland mitigation would be completed near the confluence of Sugar Camp Creek and Middle Fork Big Muddy River and will connect to a previously authorized mitigation site. To mitigate for the impacts to 7,085-linear feet of stream channel the applicant proposes to relocate/create 4,853-linear feet of stream channel. The created channel would serve as a tributary of the Middle Fork Big Muddy River. Riparian buffer would be established along both sides of the new channel. Approximately 2,683-linear feet of channel would provide 100-feet of riparian buffer on each side of the channel and 2,170-linear feet of channel would provide 50-feet of riparian buffer on each side of the channel. The applicant has utilized the Illinois Stream Mitigation Method and has determined that 30,132.8 credits will be required to compensate for all stream impacts associated with the project. Based on the Illinois Stream Mitigation Method the applicant will generate 31,674.8 credits for the stream mitigation that have proposed. The total credits generated by the proposed compensatory mitigation plan will sufficiently compensate the total number of debits generated by the stream impacts for the proposed project.

LOCATION MAPS AND DRAWINGS: See Attachments 1, 2 and 3.

ADDITIONAL INFORMATION: Additional information may be obtained by contacting Tyson Zobrist, Project Manager, U.S. Army Corps of Engineers, at (314) 331-8578. Your inquiries may also be sent by electronic facsimile to (314) 331-8741 or by e-mail to Tyson.J.Zobrist@usace.army.mil.

AUTHORITY: This permit will be processed under Section 404 of the Clean Water Act (33 U.S.C. 1344).

WATER QUALITY CERTIFICATION: This public notice also provides documentation to the Illinois Environmental Protection Agency (IEPA) for water quality certification, or waiver thereof, for the proposed activity in accordance with Section 401 of the Clean Water Act. Certification or waiver indicates that IEPA believes the activity will not violate applicable water quality standards. The review by the IEPA is conducted in accordance with the Illinois water quality standards under 35 Illinois Administrative Code Subtitle C. The water quality standards provide for the IEPA to review individual

projects by providing an antidegradation assessment, which includes an evaluation of alternatives to any proposed increase in pollutant loading that may result from this activity. The "Fact Sheet" containing the antidegradation assessment for this proposed project may be found on the IEPA's web site, at www.epa.state.il.us/public-notices/. In the event that the IEPA is unable to publish the "Fact Sheet" corresponding to the timeframe of this Joint Public Notice, a separate public notice and "Fact Sheet" will be published by the IEPA at the web site identified above. You may also obtain a copy of the "Fact Sheet" by contacting the IEPA at the address or telephone number shown below.

Written comments specifically concerning possible impacts to water quality should be addressed to:

Illinois Environmental Protection Agency
Bureau of Water
Watershed Management Section
1021 N. Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276

A copy of all written comments should also be provided to the Corps of Engineers. If you have any questions please contact the IEPA at (217) 782-3362.

SECTION 404 (b)(1) EVALUATION: The impact of the activity on the public interest will be evaluated in accordance with the Environmental Protection Agency guidelines pursuant to Section 404 (b)(1) of the Clean Water Act.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider the applicant's proposal. Any request for a public hearing shall state, with particularity, the reason for the hearing, and must be based on issues that would warrant additional public review.

ENDANGERED SPECIES: The proposed project is within the range of the federally endangered Indiana bat (*Myotis sodalis*) and the proposed endangered Northern long-eared Bat (*Myotis septentrionalis*). A preliminary determination, in compliance with the Endangered Species Act as amended, has been made that the proposed activities are not likely to adversely affect species designated as threatened or endangered, or adversely affect critical habitat. Therefore, no formal consultation request has been made to the United States Department of Interior, Fish and Wildlife Service. In order to complete our evaluation, comments are solicited from the Fish and Wildlife Service and other interested agencies and individuals through this Public Notice.

CULTURAL RESOURCES: The St. Louis District will evaluate information provided by the State Historic Preservation Officer and the public in response to this public notice and we may require a reconnaissance survey of the project area.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impact including cumulative impacts of the described activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit that may reasonably be expected to accrue from the described activity must be balanced against its reasonably foreseeable detriments. All factors, which may be relevant to the activity described, will be considered including the cumulative effects. Among factors considered are: conservation; economics; aesthetics; general environmental concerns; wetlands; historic properties; fish and wildlife values; flood hazards; flood plain values; land use; navigation; shoreline erosion and accretion;

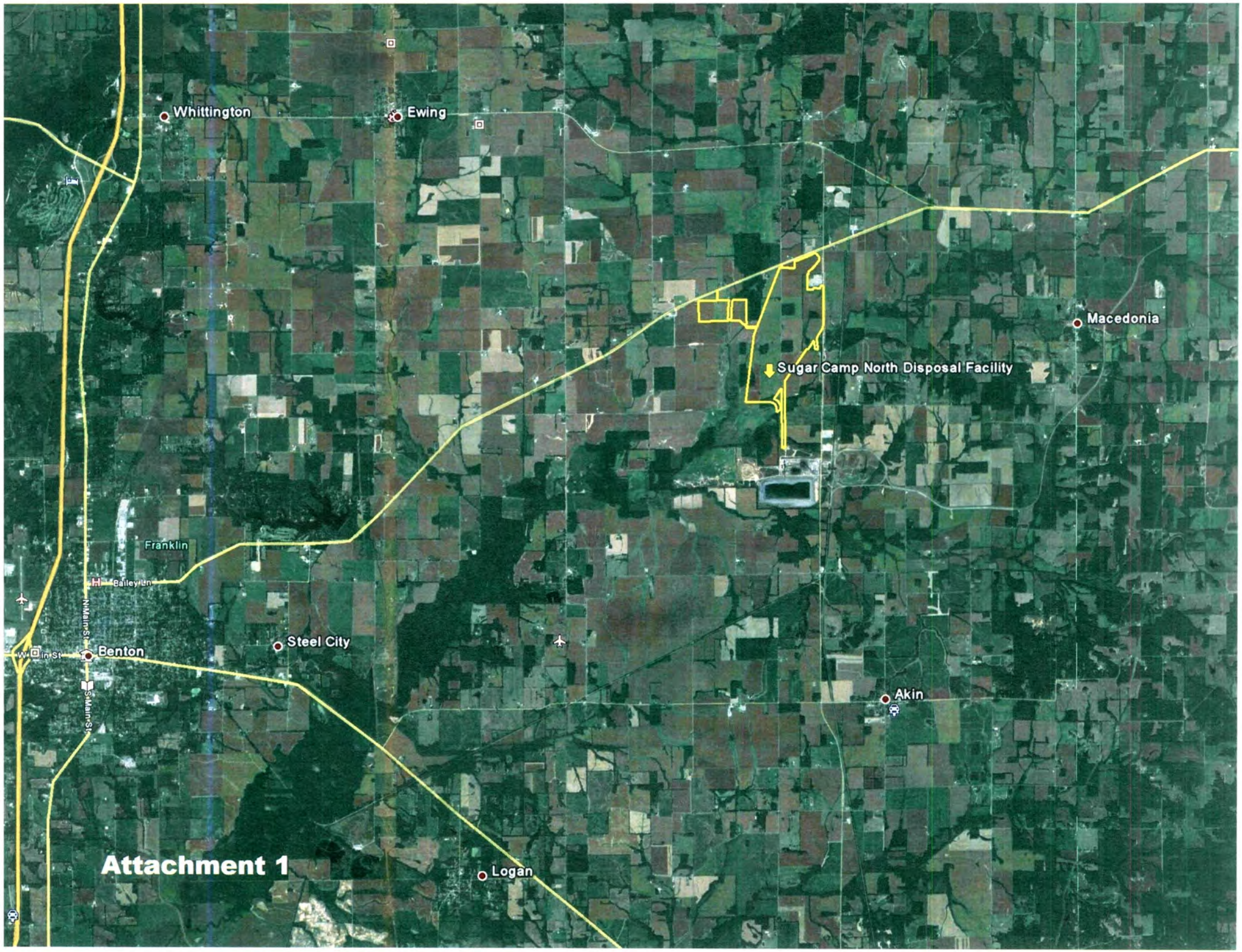
recreation; water supply and conservation; water quality; energy needs; safety; food and fiber production; mineral needs; consideration of property ownership; and in general the needs and welfare of the people.

SOLICITATION OF COMMENTS: The U.S. Army Corps of Engineers is soliciting comments from the public; Federal, state, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of the proposed activity. Any comments received will be considered by the U.S. Army Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

DANNY D. MCCLENDON
Chief, Regulatory Branch

Attachments

NOTICE TO POSTMASTERS:
It is requested that this notice be conspicuously and continually placed for 21 days from the date of this issuance of this notice.


Whittington
Ewing
Macedonia
Sugar Camp North Disposal Facility
Franklin
Bailey Ln
N Main St
Benton
W Main St
S Main St
Steel City
Akin
Logan
Attachment 1

REV.	DATE	DESCRIPTION	P.M.
1	01/30/14	REVISED PER COE FIELD VERIFICATION	

Alliance Consulting, Inc.
Engineers · Constructors · Scientists
BECKLEY, WV (304) 255-0401 · SUMMERSVILLE, WV (304) 863-2361 · CANONSBURG, PA (724) 741-3630

MSHA ID NO. IL08-03189-06
PROPOSED IMPACTS
NORTH REFUSE DISPOSAL FACILITY
Prepared For
M-CLASS MINING LLC
FRANKLIN COUNTY, ILLINOIS

CAD BY JWG 02/01/13
CHECKED BY
APPROVED BY
PROJECT NO. B12-603-1413
DRAWING NO. B12-603-E2

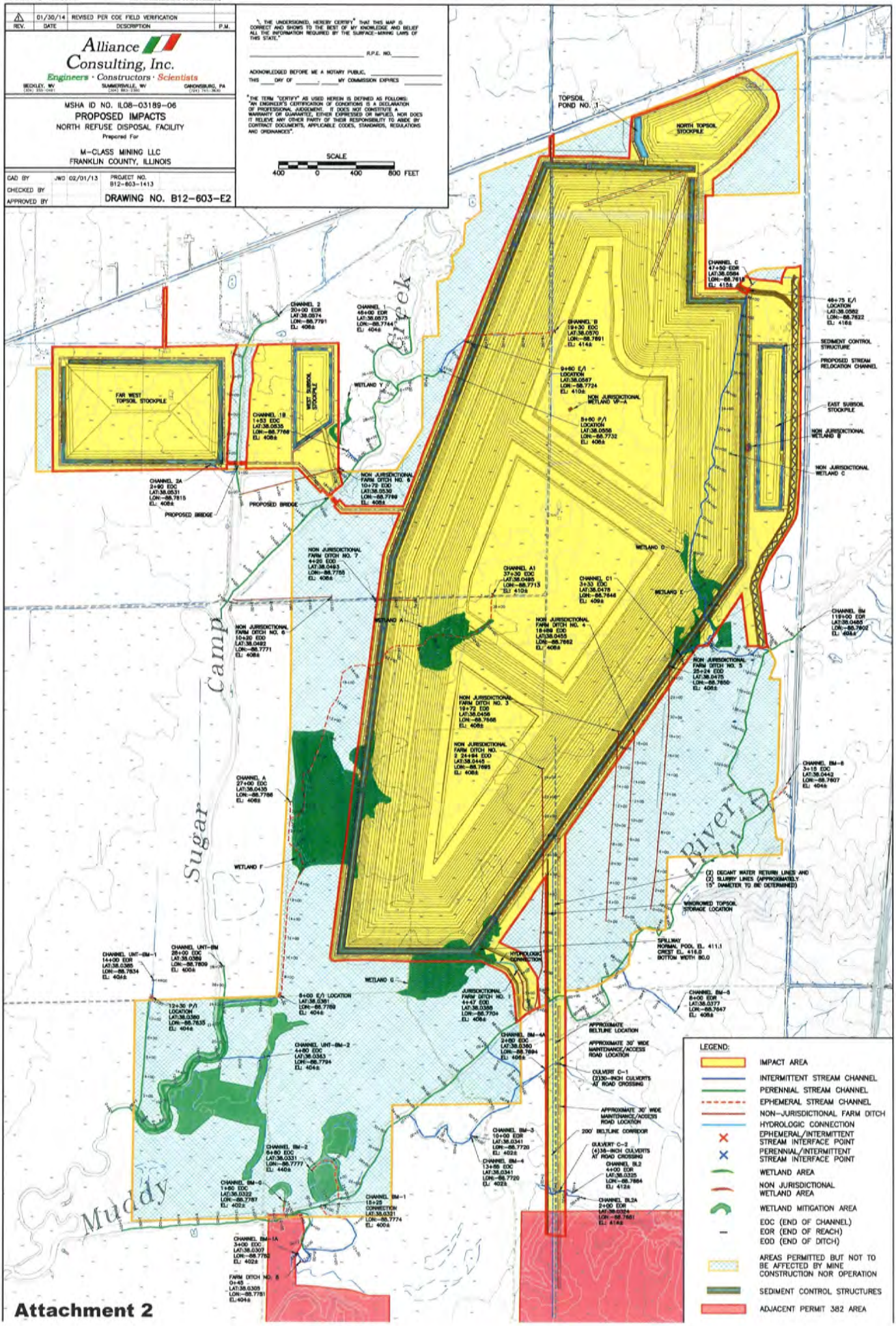
"I, THE UNDERSIGNED, HEREBY CERTIFY* THAT THIS MAP IS CORRECT AND SHOWS TO THE BEST OF MY KNOWLEDGE AND BELIEF ALL THE INFORMATION REQUIRED BY THE SURFACE-MINING LAWS OF THIS STATE."

_____ R.P.E. NO._____

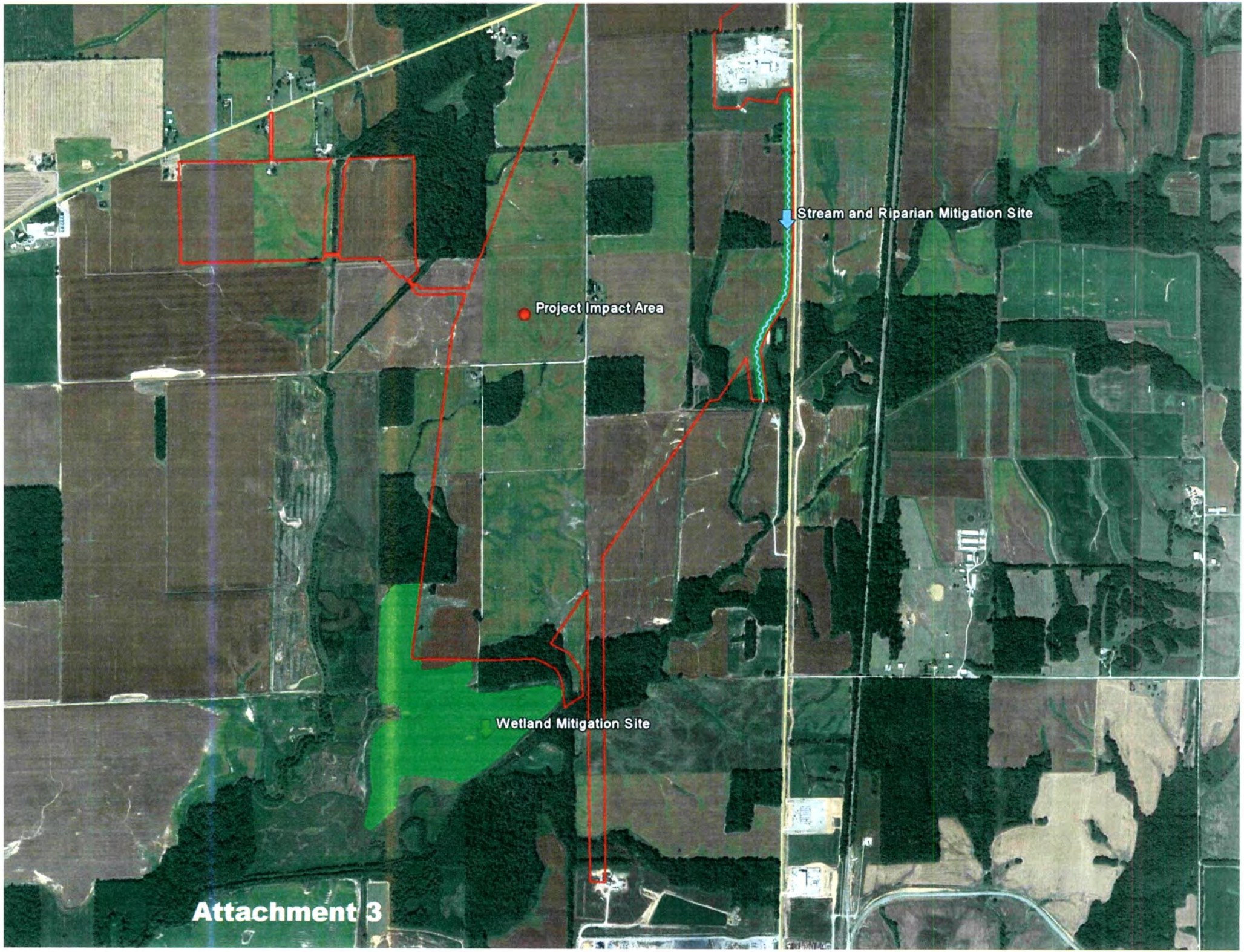
ACKNOWLEDGED BEFORE ME A NOTARY PUBLIC, _____
THIS ____ DAY OF _____, ____ MY COMMISSION EXPIRES _____

*THE TERM "CERTIFY" AS USED HEREIN IS DEFINED AS FOLLOWS: "AN ENGINEER'S CERTIFICATION OF CONDITIONS IS A DECLARATION OF PROFESSIONAL JUDGEMENT. IT DOES NOT CONSTITUTE A WARRANTY OR GUARANTEE, EITHER EXPRESSED OR IMPLIED, NOR DOES IT RELIEVE ANY OTHER PARTY OF THEIR RESPONSIBILITY TO ABIDE BY CONTRACT DOCUMENTS, APPLICABLE CODES, STANDARDS, REGULATIONS AND ORDINANCES".

SCALE
400 0 400 800 FEET



Attachment 2



Attachment 3