

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

|   |   |                         |
|---|---|-------------------------|
| In re:  | ) |                         |
|   | ) | Chapter 11              |
| Westmoreland Coal Company, <i>et al.</i> , <sup>1</sup> | ) | Case No. 18-35672 (DRJ) |
| Debtors.  | ) | Jointly Administrated   |
|   | ) |                         |
|   | ) |                         |

**FINDINGS AND ORDER DIRECTING CCU COAL AND CONSTRUCTION, LLC AND  
THE SELLERS TO COMPLY WITH THE OXFORD ASSET PURCHASE  
AGREEMENT APPROVED BY THIS COURT’S FEBRUARY 5, 2019 ORDER**

This matter coming before the Court on the State of Ohio, Ohio Environmental Protection Agency’s (“Ohio EPA”) Application for Allowance and Payment of Administrative Claim (the “Application”) and Debtors’ (I) Emergency Preliminary Objection to the Application and (II) Emergency Request for a hearing on such Application; the Court having heard arguments by Ohio EPA and Sellers<sup>2</sup> at the hearing hereby FINDS as follows:

1. On February 5, 2019, this Court issued an Order approving the Oxford Asset Purchase Agreement (“Oxford APA”). This Order requires CCU Coal and Construction, LLC (“CCU Coal and Construction”) and the Sellers to comply with the Oxford APA.

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<sup>1</sup> Due to the large number of debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the debtors and the last four digits of their tax identification, registration, or like numbers, is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent in these chapter 11 cases at [www.donlinrecano.com/westmoreland](http://www.donlinrecano.com/westmoreland). Westmoreland Coal Company’s service address for the purposes of these chapter 11 cases is 9540 South Maroon Circle, Suite 300, Englewood Colorado 80112.

<sup>2</sup> “Sellers” as defined in the Oxford APA are Westmoreland Resource Partners, LP and direct and indirect wholly owned subsidiaries of Westmorland Resource Partners, LP.

2. As set forth in Section 2.1 Purchase and Sale of Assets and Section 2.3 Assumption of Liabilities of the Oxford APA, CCU Coal and Construction assumed all environmental Liabilities related to and under all 401 Certifications issued by Ohio EPA for forty-nine inactive Oxford mines identified in Schedule 2.1(b)(vi) and **Exhibit 1**.

3. Section 8.5 Transferred Permit/License and Surety Bond Matters, subparagraph (a) of the Oxford APA sets forth the permit transfer obligations of Sellers and CCU Coal and Construction subject to applicable Law, as defined in the Oxford APA. Ohio law, including Ohio Adm.Code Rule 3745-32-03(G), is applicable to transfers of 401 Certifications.

4. In accordance with Ohio law, in order to complete the transfer of the 401 Certifications, CCU Coal and Construction and Sellers shall comply with Ohio Adm.Code Rule 3745-32-03(G)(1)(a) through (c). This Rule requires Sellers, the holders of the 401 Certifications, to submit to the Director of Ohio EPA two signed and notarized statements: a signed and notarized statement from CCU Coal and Construction assuming the obligations of the 401 Certifications and a signed and notarized statement from Sellers regarding project status and compliance with the terms of the 401 Certifications.

Based upon the above findings, this Court hereby ORDERS as follows:

1. Within 10 days of the entry of this Order, CCU Coal and Construction shall submit the signed and notarized statement required by Ohio Adm.Code Rule 3745-32-03(G)(1)(b) to the Sellers.

2. Within 15 days of this Order, Sellers shall submit to the Director of Ohio EPA the two signed and notarized statements from CCU Coal and Construction and Sellers and complete the application for transfer of the forty-nine 401 Certifications required by Ohio Adm.Code Rule 3745-32-03(G)(1)(a) through (c).

3. Within 10 days after the Director approves the transfer of the forty-nine 401 Certifications to CCU Coal and Construction, Ohio EPA shall withdraw its application for administrative expenses.

4. This Order is without prejudice to Ohio EPA's filing of a general unsecured claim by the governmental bar date of April 8, 2019.

5. The Court retains jurisdiction with respect to all matters arising from or related to this Order.

SIGNED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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UNITED STATES BANKRUPTCY JUDGE