

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

In re: §
§ Case No. 18-35672 (DRJ)
§
WESTMORELAND COAL COMPANY, *et* § Chapter 11
al.,¹ §
§ (Jointly Administered)
Debtors.

**NOTICE OF FIRST MONTHLY FEE STATEMENT OF
DRINKER BIDDLE & REATH LLP AS SPECIAL LABOR AND
EMPLOYEE BENEFITS COUNSEL TO THE DEBTORS AND DEBTORS IN
POSSESSION FOR THE PERIOD JANUARY 7, 2019 THROUGH JANUARY 31, 2019**

This notice implements the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals entered on November 14, 2018 [ECF No. 495]. Each party receiving notice of the monthly fee statement will have until 4:00 p.m. (Prevailing Central Time), 21 days after service of the monthly fee statement to object to the requested fees and expenses. Upon the expiration of such 21-day period, the Debtors are authorized and directed to pay the Professional an amount of 80% of the fees and 100% of the expenses requested in the applicable monthly fee statement.

Drinker Biddle & Reath LLP (“DBR”) submits, pursuant to the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals (the “Fee Procedures Order”) entered on November 14, 2018 [ECF No. 495], for payment of interim compensation for services rendered and reimbursement of expenses incurred during the period commencing January 7, 2019 through January 31, 2019 (the “First Monthly Fee Statement”).

¹ 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. Westmoreland Coal Company’s service address for the purposes of these chapter 11 cases is 9540 South Maroon Circle, Suite 300, Englewood, Colorado 80112.

DBR seeks payment of interim compensation in the total amount of \$58,230.80 (80% of the fees for services rendered). A summary of the fees for services rendered is attached hereto as Exhibit B. A detailed invoice of the fees for services rendered is attached hereto as Exhibit A.

In accordance with the Fee Procedures Order and the Order Authorizing and Approving Intercompany Settlement Term Sheet [ECF No. 1548] (the “Intercompany Settlement Order”), DBR has allocated its fees and expenses as required by those orders. Exhibit C attached hereto summarizes DBR’s fee/expense allocation between the WMLP Debtors and the WLB Debtors.

Pursuant to the Fee Procedures Order, any party objecting to the payment of interim compensation and reimbursement of expenses shall, within 21 days of service of the First Monthly Fee Statement, serve via e-mail, on the undersigned and each of the following Application Recipients (as defined in the Fee Procedures Order), a written notice setting forth the precise nature of the objection and the amount at issue:

- A. the Debtors, Westmoreland Coal Company, 9540 South Maroon Circle, Suite 300, Englewood, Colorado 80112, Attn: Jennifer Grafton (jgrafton@westmoreland.com);
- B. counsel to the Debtors, Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn: Gregory F. Pesce (gregory.pesce@kirkland.com) and Timothy R. Bow (timothy.bow@kirkland.com);
- C. co-counsel to the Debtors, Jackson Walker L.L.P., 1401 McKinney Street, Suite 1900, Houston, Texas 77010, Attn: Patricia B. Tomasco (ptomasco@jw.com), Matthew D. Cavanaugh (mcavanaugh@jw.com), and Jennifer F. Wertz (jwertz@jw.com);
- D. counsel to the ad hoc group of secured creditors of Westmoreland Coal Company, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attn: Thomas Moers Mayer (tmayer@kramerlevin.com) and Stephen Zide (szide@kramerlevin.com);
- E. counsel to the ad hoc group of secured creditors of Westmoreland Resource Partners, LP, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New

York 10022, Attn: David M. Hillman (david.hillman@srz.com) and Kristine G. Manoukian (kristine.manoukian@srz.com);

- F. counsel to the Conflicts Committee of the Board of Directors of Westmoreland Resource Partners GP, LLC, and conflicts counsel for the WMLP Debtors, Jones Day, 77 W. Wacker Drive, Chicago, Illinois 60601, Attn: Timothy Hoffmann (thoffmann@jonesday.com), Jones Day, 901 Lakeside Avenue, Cleveland, Ohio 44114, Attn: Heather Lennox (hlennox@jonesday.com);
- G. Office of the United States Trustee, 515 Rusk Street, Houston, Texas 77002 (hector.duran.jr@usdoj.gov; stephen.statham@usdoj.gov); and
- H. counsel to the Official Committee of Unsecured Creditors, Cole Schotz P.C., 301 Commerce Street, Suite 1700, Fort Worth, Texas 76102, Michael D. Warner (mwarner@coleschotz.com) and Benjamin F. Wallen (bwallen@coleschotz.com).

If an objection is timely served pursuant to the Fee Procedures Order, the Debtors shall be authorized and directed to pay DBR an amount equal to 80% of the fees and 100% of the expenses that are not subject to an objection. Any objection must set forth the precise nature of the objection and the amount at issue; it shall not be sufficient to simply object to all fees and expenses.

Respectfully submitted this 27th day of March 2019.

DRINKER BIDDLE & REATH LLP

By: /s/ Vincent P. Slusher
Vincent P. Slusher (State Bar No. 00785480)
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vince.slusher@dbr.com

*Special Labor and Employee Benefits Counsel to
the Debtors and Debtors in Possession*

EXHIBIT A



1500 K Street, N.W.
 Washington, DC 20005-1209
 (202) 842-8800 *office*
 (202) 842-8465 *fax*
 TAX I.D. #23-1423089

Jennifer Grafton
 Westmoreland Coal Company
 9540 S. Maroon Circle, Suite 200
 Englewood, CO 80112

Invoice Number: 15231920
 Invoice Date: 02/21/2019
 Client Number: 220209
 Matter Number: 585686

Re: Special Labor and Benefits Counsel

For professional services rendered through January 31, 2019

Fees

01/07/19	Prepare for and conduct negotiations with UMWA.	GJ Ossi	2.90	2,102.50
01/07/19	Strategy and multiple correspondence with K&E regarding UMWA benefits and bargaining issues.	GJ Ossi	0.70	507.50
01/08/19	Multiple conferences regarding UMWA bargaining and information request (.8); draft transmittal email to UMWA (.4); bargaining strategy (.7); prepare for and attend conference call with lenders and counsel regarding bargaining issues (.8).	GJ Ossi	2.70	1,957.50
01/09/19	Attend conference call regarding labor and bankruptcy issues (.9); review of information request materials (.6).	GJ Ossi	1.60	1,160.00
01/09/19	Prepare for meeting with Coal Act Committee by reviewing applicable case law and Coal Act Funds filings.	GJ Ossi	4.80	3,480.00
01/10/19	Attend to matters related to DBR substitution for Venable.	VP Slusher	1.00	920.00
01/10/19	Strategy conference and additional preparations for meeting with Coal Act Committee (4.1); meet with Coal Act committee and follow-up (2.9); call with IUOE regarding open issues (1.0); review and revise company declarations (1.2).	GJ Ossi	8.00	5,800.00
01/10/19	Research docket in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas to obtain debtors' application to retain and employ Venable LLP as special labor and employee benefits counsel and orders entered in the case relating to said application, per the request of V. Slusher.	D Northrop	0.30	115.50
01/11/19	Attend to matters related to DBR substitution for Venable.	VP Slusher	1.50	1,380.00
01/11/19	Review and revise 1113/1114 motion.	GJ Ossi	4.40	3,190.00
01/11/19	Research to obtain sample applications to retain and employ and/or substitute special counsel for the debtors in chapter 11 cases in the Southern District of Texas.	D Northrop	0.20	77.00
01/14/19	Multiple conferences (.9) and review and revise 1113/1114 motions (2.9).	GJ Ossi	3.80	2,755.00

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01/14/19	Conference with company consultants regarding amount and issuers of Coal Act Bonds (.3); review and analysis of Coal Act bonds language and application (.6).	GJ Ossi 0.90 652.50
01/14/19	Strategy and conferences regarding IUOE agreements (.8); review and revise motion regarding IUOE agreement (.6).	GJ Ossi 1.40 1,015.00
01/14/19	Research and gather information requested by the Coal Act Committee regarding Westmoreland medical benefit plans, tax returns, information returns and summary plan descriptions.	GJ Ossi 2.40 1,740.00
01/14/19	Draft, review and revise my declaration regarding the negotiations with the Coal Act Committee.	GJ Ossi 1.10 797.50
01/15/19	Participated in conference call to discuss the 1113/1114 meeting the UMWA.	GJ Ossi 1.00 725.00
01/15/19	Continued work on 1113/1114 brief and accompanying exhibits.	GJ Ossi 4.20 3,045.00
01/15/19	Prepare for and meet with the UMWA regarding 1113/1114 bargaining.	GJ Ossi 1.80 1,305.00
01/16/19	Prepare for and meeting with the Coal Act Committee (1.1); research case law and Coal Act white paper and transmit same to Committee (2.4).	GJ Ossi 3.50 2,537.50
01/16/19	Continued work on 1113/1114 brief and accompanying exhibits.	GJ Ossi 2.40 1,740.00
01/16/19	Review employee letter with threatening actions and strategize response with company officials.	GJ Ossi 0.40 290.00
01/17/19	Attend to matters related to conflicts check for retention application (.8); review rough drafts of retention (.7); draft, and review correspondence(.5).	VP Slusher 2.00 1,840.00
01/17/19	Draft/prepare application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop 3.30 1,270.50
01/18/19	Review, strategy and call regarding San Juan surface agreement and negotiations.	GJ Ossi 1.30 942.50
01/18/19	Draft/prepare application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop 4.10 1,578.50
01/19/19	Research required client information and draft three separate 204(h) notices to be sent to the appropriate beneficiaries of the Kemmerer pension, Beulah pension and San Juan underground portion for Westmoreland pension.	GJ Ossi 1.80 1,305.00
01/19/19	Draft/prepare application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee	D Northrop 0.90 346.50

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	benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.			
01/21/19	Prepare for and strategy conference with Kirkland & Ellis attorneys regarding 1113/1114 trial.	GJ Ossi	0.60	435.00
01/21/19	Draft/prepare application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop	0.50	192.50
01/22/19	Prepare for and conference with Alvarez and Marsal regarding Coal Act Committee questions and review of claims.	GJ Ossi	0.80	580.00
01/22/19	Review and revise D. Williams' affidavit.	GJ Ossi	0.40	290.00
01/22/19	Draft/prepare application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas, and email correspondence with V. Slusher regarding same.	D Northrop	0.50	192.50
01/23/19	Review draft of substitution and retention motions.	VP Slusher	0.60	552.00
01/23/19	Review and revise UMWA 30(b)(6) motion (.8); strategy regarding Coal Act funds opposition to motion to expedite (.4).	GJ Ossi	1.20	870.00
01/23/19	Email correspondence regarding Coal Act funds and participation in previous bankruptcies.	GJ Ossi	0.40	290.00
01/23/19	Review and revise draft retention application (2.7); email messages to/from G. Ossi regarding hourly rate, motion for leave to substitute counsel (.2); prepare draft motion to substitute counsel and withdraw appearance (2.5); review Venable retention papers on connection with same (.8).	SA Lutkus	6.20	3,658.00
01/23/19	Review revisions to application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, including Slusher and Grafton declarations in support thereof, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas (.1), review Drinker Biddle & Reath engagement letter with Westmoreland Coal Company (to be filed with the retention application) (.1), review draft motion for leave to substitute counsel (.1) and withdraw appearance and teleconference with S. Lutkus regarding same (.1).	D Northrop	0.40	154.00
01/24/19	Correspondence to Debtor's counsel regarding substitution (.4); correspondence to Venable (.4).	VP Slusher	0.80	736.00
01/24/19	Review and respond to inquiry from counsel for first lien creditor group (.4); review of Kemmerer shutdown case (.3).	GJ Ossi	0.70	507.50

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01/25/19	Draft 204(h) notice for San Juan surface mine pension freeze.	GJ Ossi 0.30 217.50
01/25/19	Strategy and research regarding Coal Act proposal and calculation of premiums.	GJ Ossi 0.70 507.50
01/25/19	Initial review of conflicts report related to retention as special labor and employee benefit counsel (.2); telephone conference with D. Northrop regarding same (.1).	SA Lutkus 0.30 177.00
01/25/19	Prepare Schedule 2 to Slusher declaration in support of application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas (1.9), and teleconference and email correspondence with S. Lutkus regarding same (.3).	D Northrop 2.20 847.00
01/26/19	Prepare Schedule 2 to Slusher declaration in support of application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, disclosing relationships with parties in interest, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop 1.30 500.50
01/27/19	Strategy and analysis of Coal Act stipulation (.5) review and revise Coal Act stipulation (.6); analysis and email regarding estimate of Coal Act premiums (.2).	GJ Ossi 1.30 942.50
01/28/19	Follow up with client intake in connection with receipt of conflicts report.	SA Lutkus 0.30 177.00
01/28/19	Prepare Schedule 2 to Slusher declaration in support of application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, disclosing relationships with parties in interest, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop 2.50 962.50
01/29/19	Review deposition outlines and prepare for depositions .	GJ Ossi 1.70 1,232.50
01/29/19	Prepare Schedule 2 to Slusher declaration in support of application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel, disclosing relationships with parties in interest, in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.	D Northrop 3.20 1,232.00
01/30/19	Meetings and prepare Joe M., Elizabeth M. and Doug G. for deposition and witness testimony.	GJ Ossi 6.30 4,567.50
01/30/19	Final review of/revisions to retention application (including changes resulting from incorporation of conflicts report) (6.9); email messages to S. Golden (Kirkland & Ellis) and V. Slusher regarding same (.2).	SA Lutkus 7.10 4,189.00
01/30/19	Teleconference with S. Lutkus regarding revisions to application of debtors to retain and employ Drinker Biddle	D Northrop 0.10 38.50

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& Reath LLP as special labor and employee benefits counsel in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.

01/31/19	Attend depositions of Joe M., Elizabeth M. and Doug G.	GJ Ossi	5.00	3,625.00
01/31/19	Final witness preparation for depositions.	GJ Ossi	0.50	362.50
01/31/19	Revise retention application per S. Golden (Kirkland & Ellis) comments (.2); email message to V. Slusher regarding Venable comments to motion to substitute counsel (.1).	SA Lutkus	0.30	177.00
	Current Hours / Fees		110.60	\$72,788.50

Time and Fee Summary

Timekeeper	Title	Rate	Hours	Fees
VP Slusher	Partner	\$920.00	5.90	\$5,428.00
GJ Ossi	Partner	\$725.00	71.00	\$51,475.00
SA Lutkus	Counsel	\$590.00	14.20	\$8,378.00
D Northrop	Paralegal	\$385.00	19.50	\$7,507.50
Totals			110.60	\$72,788.50

Total this Invoice

\$72,788.50

Payment for legal services is due within 30 days of invoice date.

EXHIBIT B**FIRST MONTHLY FEE STATEMENT
JANUARY 7, 2019 THROUGH JANUARY 31, 2019
COMPENSATION BY PROJECT CATEGORY**

Project Category/Description	Directly Attributable to WMLP Debtors		Directly Attributable to WLB Debtors		Joint Matters	
	Hours	Fees	Hours	Fees	Hours	Fees
Employee Benefits and Pensions ¹	-	-	71.00	\$51,475.00	-	-
Fee/Employment Applications	-	-	-	-	39.60	\$21,313.50
TOTAL	-	-	71.00	\$51,475.00	39.60	\$21,313.50
20% Fee Holdback				\$10,295.00		\$4,262.70
80% of Fees				\$41,180.00		\$17,050.80

¹ It is DBR's understanding that the WMLP Debtors have satisfied the amount of professional fees and expenses allocated to them under the intercompany settlement in connection with seeking modifications to the collective bargaining agreements with the UMWA, including through bargaining with the UMWA and the section 1113 proceeding. As such, DBR is allocating professional fees incurred for such tasks to the WLB Debtors.

EXHIBIT C

SUMMARY OF FEE/EXPENSE ALLOCATION

WMLP Debtors

Direct Fees (Net of 20% Holdback): \$0.00

Direct Expenses: \$0.00

Share of Collective Fees (Net of 20% Holdback): \$5,115.24

Share of Collective Expenses: \$0.00

Fee/Expense Request for WMLP Debtors: \$5,115.24

WLB Debtors

Direct Fees (Net of 20% Holdback): \$41,180.00

Direct Expenses: \$0.00

Share of Collective Fees (Net of 20% Holdback): \$11,935.56

Share of Collective Expenses: \$0.00

Fee/Expense Request for WLB Debtors: \$53,115.56

CERTIFICATE OF SERVICE

I certify that on March 27, 2019, I caused a copy of the foregoing *Notice of First Monthly Fee Statement of Drinker Biddle & Reath LLP as Special Labor and Employee Benefits Counsel to the Debtors and Debtors in Possession for the Period January 7, 2019 through January 31, 2019* (the “Monthly Fee Statement”) to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. I also caused a copy of the Monthly Fee Statement to be served via e-mail on the parties listed below.

/s/ Vincent P. Slusher

Vincent P. Slusher

APPLICATION RECIPIENTS

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Englewood, Colorado 80112
Attn: Jennifer Grafton
E-mail: jgrifton@westmoreland.com

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Counsel to the Debtors

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Cavanaugh and Jennifer F. Wertz
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Kramer Levin Naftalis & Frankel LLP
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*Counsel to the Ad Hoc Group of Secured
Creditors of Westmoreland Coal Company*

Co-counsel to the Debtors

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Creditors of Westmoreland Resource Partners,
LP*

*Counsel to the Conflicts Committee of the
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*Counsel to the Official Committee of
Unsecured Creditors*