

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

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

**NOTICE OF SECOND 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 FEBRUARY 1, 2019
THROUGH FEBRUARY 28, 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], this Second Monthly Fee Statement seeking payment of interim compensation for services rendered and

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.

reimbursement of expenses incurred during the period commencing February 1, 2019 through February 28, 2019 (the “Second Monthly Fee Statement”).

DBR seeks payment of interim compensation in the total amount of \$654.12 (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.²

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 this Second 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);

² On March 2, 2019, the Court confirmed the Amended Joint Chapter 11 Plan of Reorganization of Debtor Westmoreland Coal Company and Certain of Its Debtor Affiliates (the “WLB Debtors Plan”). See ECF No. 1561. The effective date of the WLB Debtors Plan occurred on March 15, 2019. On April 15, 2019, pursuant to the confirmed WLB Debtors Plan, DBR filed the First and Final Fee Application (WLB Debtors) 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 March 2, 2019 [ECF No. 1733] (the “Fee Application” and the period January 7, 2019 through March 2, 2019, the “Application Period”), requesting final allowance of (i) all fees and expenses directly attributable to the WLB Debtors and (ii) all shared fees and expenses allocable to the WLB Debtors pursuant to the Fee Procedures Order and the Intercompany Settlement Order for the Application Period (collectively, the “WLB Fees and Expenses”). Given the fact that (i) the WLB Debtors are now reorganized entities and (ii) DBR has requested final allowance of the WLB Fees and Expenses pursuant to the Fee Application, this Second Monthly Fee Statement does not include a request for payment of any WLB Fees and Expenses incurred during February 2019.

- 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: 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 770022 (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 24th day of April 2019.

DRINKER BIDDLE & REATH LLP

By: /s/ Vincent P. Slusher
Vincent P. Slusher (State Bar No. 00785480)
Drinker Biddle & Reath LLP
1717 Main Street, Suite 5400
Dallas, Texas 75201-4629
Telephone: (469) 357-2500
Facsimile: (469) 327-0860
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: 15244695
 Invoice Date: 04/12/2019
 Client Number: 220209
 Matter Number: 585686

Re: Special Labor and Benefits Counsel

For professional services rendered through February 28, 2019

Fees

02/01/19	Review and analysis of Coal Act Fund and Coal Act committee opposition motions (1.6); conference with M. Slade regarding same (1.0).	GJ Ossi	2.60	1,872.00
02/03/19	Review in business cases under Coal Act and strategy regarding application to wind down of debtors.	GJ Ossi	2.80	2,016.00
02/03/19	Revise proposed Retention Order per United States Trustee comments (.2); email messages from/to S. Golden (Kirkland & Ellis), and to V. Slusher regarding same (.1).	SA Lutkus	0.30	177.00
02/04/19	Review Coal Act production (2.3) and strategy call with Kirkland & Ellis (1.1).	GJ Ossi	3.40	2,448.00
02/04/19	Review and revise San Juan Agreement to eliminate retiree medical.	GJ Ossi	0.40	288.00
02/04/19	Review email correspondence regarding revisions requested by the Office of the U.S. Trustee to the proposed Order authorizing Debtors' retention and employment of 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 .	D Northrop	0.10	38.50
02/05/19	Conference with Company officials regarding timing of benefit termination and enrollment issues.	GJ Ossi	0.30	216.00
02/05/19	Review and strategy regarding Sanson deposition (1.3); strategy call with Kirkland & Ellis (.7); review Coal Act Committee revised proposal; (.9) call with Coal Act Funds counsel (.6).	GJ Ossi	3.50	2,520.00
02/06/19	Multiple conferences with Kirkland & Ellis regarding new stalking horse bidder for Kemmerer (.9); strategy regarding 1113 filing (.6); conference with UMWA official regarding Kemmerer bidder (.4); call regarding Coal Act bonds (.6); group call regarding stalking horse bid (.5).	GJ Ossi	3.00	2,160.00
02/06/19	Revise proposed Retention Order in accordance with comments received from counsel to ad hoc group of creditors to MLP debtors (.5); email messages from/to S. Golden (K&E) in connection with same (.1).	SA Lutkus	0.60	354.00

220209
585686
April 12, 2019

Westmoreland Coal Company
Special Labor and Benefits Counsel

Invoice No. 15244695
Page 2

02/06/19	Research to obtain order granting complex chapter 11 bankruptcy case treatment entered October 15, 2018 in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas (.2); review same (.2); telephone call with Judge Jones's case manager to obtain a hearing date for application of debtors to retain and employ Drinker Biddle & Reath LLP as special labor and employee benefits counsel (.1); follow-up email correspondence with S. Lutkus regarding same (.2); attention to revising/assembling components of application of debtors to retain and employ Drinker Biddle as special labor and employee benefits counsel (.8); and review as-filed copies of Drinker Biddle retention application and motion of debtors to substitute special labor and employee benefits counsel (.2).	D Northrop	1.70	654.50
02/07/19	Review of Coal Act beneficiary information from Ameriben (.4); discussions with counsel for Coal Act Funds regarding total beneficiaries (.4); review and revise Coal Act Funds stipulations (.3); strategy regarding union issues with Company official (.3); prepare for and attend deposition of B. Sanson (3.4)	GJ Ossi	4.80	3,456.00
02/08/19	Strategy and review of UMWA emergency motion (.8); multiple correspondence regarding 1113 issues (1.7); strategy and conference regarding Coal Act issues (.7).	GJ Ossi	3.20	2,304.00
02/08/19	Emails with G. Ossi regarding transaction structure and subsequent employment of union employees by buyer.	CM Obsitnik	0.20	131.00
02/08/19	Research to obtain and review order establishing procedures for interim compensation and reimbursement of expenses of professionals in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas (.4); research to obtain sample monthly fee statements filed by professionals in the Westmoreland Coal Company case (.3) and research to obtain sample interim and final fee applications by special labor and employee benefits counsel (.5).	D Northrop	1.20	462.00
02/09/19	Review and correspondence regarding Coal Act Funds issues.	GJ Ossi	0.20	144.00
02/10/19	Review 204(h) issue as impacts union pensions (.3); review and revise Coal Act stipulations (1.1); review and strategy regarding union threat of strike at US and Canadian mines (.8).	GJ Ossi	2.20	1,584.00
02/11/19	Review and revise Declarations and Reply Brief (2.8); review and revise opposition to UMWA Emergency motion (1.4); review depositions in preparation for review of 1113/1114 brief and trial (4.2).	GJ Ossi	8.40	6,048.00
02/12/19	Prepare for 1113/1114 trial.	GJ Ossi	10.30	7,416.00
02/13/19	Prepare for 1113/1114 hearing.	GJ Ossi	3.80	2,736.00
02/13/19	Attend 1113/1114 hearing.	GJ Ossi	4.20	3,024.00
02/13/19	Prepare for Thursday's 1113/1114 hearing.	GJ Ossi	2.70	1,944.00

220209	Westmoreland Coal Company	Invoice No. 15244695
585686	Special Labor and Benefits Counsel	Page 3
April 12, 2019		
02/14/19	Continue preparation for 1113/1114 hearing.	GJ Ossi 3.60 2,592.00
02/14/19	Attend and testify at 1113/1114 hearing.	GJ Ossi 4.40 3,168.00
02/14/19	Review plan documents (.7); email exchanges with G. Ossi regarding same (.3); research on eligibility for distribution in asset sale when third party buyers assumes plan or transferred assets (.5).	CM Obsitnik 1.50 982.50
02/15/19	Attend hearing via telephone.	GJ Ossi 3.70 2,664.00
02/15/19	Email exchanges with G. Ossi on treatment of pension plans after sale of assets.	CM Obsitnik 0.20 131.00
02/16/19	Review and answer questions on right to strike.	GJ Ossi 0.30 216.00
02/17/19	Conference regarding CBA strategy (.4); strategy and correspondence regarding pension issues and work at UMWA mines(.9).	GJ Ossi 1.30 936.00
02/18/19	Prepare for and conference regarding stop loss and medical benefit issues (.8); conference with lender groups regarding retiree medical issues (.8); review and strategy regarding proposed 1113/1114 order (.6); strategy regarding potential UMWA strike (.9).	GJ Ossi 3.10 2,232.00
02/19/19	Prepare and finalize strike preparation materials (2.7); correspondence and calls with lender groups regarding strike risks and action plans (.8).	GJ Ossi 3.50 2,520.00
02/20/19	Draft response to questions on vesting and eligibility for distribution in asset sale when third party buyers assumes plan or transferred assets.	CM Obsitnik 0.40 262.00
02/20/19	Review Order entered February 20, 2019, authorizing the retention and employment of Drinker Biddle & Reath LLP as special labor and employee benefits counsel to the Debtors and Debtors in Possession in In re Westmoreland Coal Company, et al., Case No. 18-35672 (U.S. Bankruptcy Court for the Southern District of Texas) (.1) and circulate same to Messrs. Slusher and Ossi and S. Lutkus (.1).	D Northrop 0.20 77.00
02/21/19	Deal with stop loss issues (3.2); review and answer union questions(.4); calls with KL(.9); review and analysis of Coal Act filings (.8).	GJ Ossi 5.30 3,816.00
02/21/19	Review Order establishing procedures for interim compensation and reimbursement of expenses of professionals in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas (.5) and draft first monthly fee statement by Drinker Biddle & Reath LLP as special labor and employee benefits counsel for the Debtors and the Debtors in Possession (1.7).	D Northrop 2.20 847.00
02/22/19	Coordinate continued review of stop-loss issues (.6); conference call to discuss stop-loss issues (.5); review union pension questions and send coordinated answers to union regarding UMWA pensions (.6).	GJ Ossi 1.70 1,224.00
02/22/19	Draft first monthly fee statement by Drinker Biddle &	D Northrop 0.30 115.50

220209 Westmoreland Coal Company
 585686 Special Labor and Benefits Counsel
 April 12, 2019

Invoice No. 15244695
 Page 4

	Reath LLP as special labor and employee benefits counsel for the Debtors and the Debtors in Possession in the Westmoreland Coal Company, et al. chapter 11 case pending in the U.S. Bankruptcy Court for the Southern District of Texas.			
02/25/19	Strategy and conference regarding Beulah and Kemmerer negotiations (.8); prepare for and conference with UMWA regarding negotiations (.8); follow-up regarding same (.4); review and revise declaration (.4); review and revise draft Confirmation Order (.8).	GJ Ossi	3.20	2,304.00
02/25/19	Bargaining conference call with United Mine Workers regarding Beulah Mine Labor Agreement.	CR Williams	0.70	315.00
02/26/19	Multiple conferences with UMWA officials regarding retiree medical and contract issues (1.2); multiple conferences with lender groups to coordinate next steps (.8); conference with Shulte attorneys regarding union negotiations (.5); review Coal Act case law in preparation for testimony at hearing (3.2).	GJ Ossi	5.70	4,104.00
02/27/19	Prepare for hearing (1.8); strategy regarding union negotiations over retiree health care (1.6); multiple conferences and strategy regarding retiree health care amounts (2.7); case strategy and discussion with Kirkland & Ellis and Company officials(1.4).	GJ Ossi	7.50	5,400.00
02/27/19	Advise on eligibility for commencing pension benefits in connection with asset sale (.3); review relevant plan terms (.4).	CM Obsitnik	0.70	458.50
02/28/19	Prepare for confirmation hearing (2.3); attend confirmation hearing (3.4); multiple negotiations and conferences with lenders, company officials and UMWA officials regarding retiree medical and working conditions (4.4); draft and revise language regarding Kemmerer and Beulah terms and conditions of employment (.5); call with Company officials regarding strike preparations and other related issues (.5).	GJ Ossi	11.10	7,992.00
	Current Hours / Fees		120.50	\$84,349.50

Time and Fee Summary

Timekeeper	Title	Rate	Hours	Fees
GJ Ossi	Partner	\$720.00	110.20	\$79,344.00
CM Obsitnik	Partner	\$655.00	3.00	\$1,965.00
SA Lutkus	Counsel	\$590.00	0.90	\$531.00
CR Williams	Associate	\$450.00	0.70	\$315.00
D Northrop	Paralegal	\$385.00	5.70	\$2,194.50
Totals			120.50	\$84,349.50

EXHIBIT B**SECOND MONTHLY FEE STATEMENT
FEBRUARY 1, 2019 THROUGH FEBRUARY 28, 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	-	-	-	-	-	-
Fee/Employment Applications	-	-	-	-	2.00	\$817.65
TOTAL	-	-	-	-	2.00	\$817.65
20% Fee Holdback						\$163.53
80% of Fees						\$654.12

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 has allocated 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): \$654.12

Share of Collective Expenses: \$0.00

Fee/Expense Request for WMLP Debtors: \$654.12

WLB Debtors

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

Direct Expenses: \$0.00

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

Share of Collective Expenses: \$0.00

Fee/Expense Request for WLB Debtors: \$0.00

CERTIFICATE OF SERVICE

I certify that on April 24, 2019, I caused a copy of the foregoing *Notice of Second 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 February 1, 2019 through February 28, 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

Westmoreland Coal Company
9540 South Maroon Circle
Suite 300
Englewood, Colorado 80112
Attn: Jennifer Grafton
E-mail: jgrafton@westmoreland.com

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attn: Gregory F. Pesce and Timothy R. Bow
E-mail: gregory.pesce@kirkland.com;
timothy.bow@kirkland.com

Counsel to the Debtors

Jackson Walker L.L.P.
1401 McKinney Street
Suite 1900
Houston, Texas 77010
Attn: Matthew D. Cavanaugh and Jennifer F.
Wertz
E-mail: mcavanaugh@jw.com;
jwertz@jw.com

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attn: Thomas Moers Mayer and Stephen Zide
E-mail: tmayer@kramerlevin.com;
szide@kramerlevin.com

*Counsel to the Ad Hoc Group of Secured
Creditors of Westmoreland Coal Company*

Co-counsel to the Debtors

Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
Attn: David M. Hillman and Kristine G.
Manoukian
E-mail: david.hillman@srz.com;
kristine.manoukian@srz.com

Jones Day
77 W. Wacker Drive
Chicago, Illinois 60601
Attn: Timothy Hoffmann
E-mail: thoffmann@jonesday.com

*Counsel to the Ad Hoc Group of Secured
Creditors of Westmoreland Resource Partners,
LP*

*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
901 Lakeside Avenue
Cleveland, Ohio 44114
Attn: Heather Lennox
E-mail: hlennox@jonesday.com

Office of the United States Trustee
515 Rusk Street
Houston, Texas 770022
E-mail: hector.duran.jr@usdoj.gov;
stephen.statham@usdoj.gov

*Counsel to the Conflicts Committee of the
Board of Directors of Westmoreland Resource
Partners GP, LLC, and conflicts counsel for
the WMLP Debtors*

Cole Schotz P.C.
301 Commerce Street
Suite 1700
Fort Worth, Texas 76102
Attn: Michael D. Warner and Benjamin F.
Wallen
E-mail: mwarner@coleschotz.com;
bwallen@coleschotz.com

*Counsel to the Official Committee of
Unsecured Creditors*