

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

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|---|---------------------------------|---|
| In re: WESTMORELAND COAL COMPANY, <i>et al.</i> ¹ Debtors. | § § § § § § § | Chapter 11 Case No. 18-36572 (DRJ) (Jointly Administered) |
|---|---------------------------------|---|

**ORDER SUSTAINING DEBTORS’ EIGHTH OMNIBUS
OBJECTION TO CERTAIN PROOFS OF CLAIM (NO LIABILITY CLAIMS)**

(Relates to ECF No. ____)

Upon the objection (the “Objection”)² of the above-captioned Reorganized WLB Debtors³ and the WMLP Debtors⁴ (collectively, with the Reorganized WLB Debtors, the “Debtors”) for entry of an order (this “Order”) sustaining the Debtors’ Eighth Omnibus Objection to certain No Liability Claims, all as more fully set forth in the Objection; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and this Objection in this district is permissible pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Objection is in the best

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 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.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Objection.

³ “WLB Debtors” and “Reorganized WLB Debtors” after the effective date, means all Debtors except for Westmoreland Resources GP, LLC, Westmoreland Resource Partners, LP (“WMLP”), and WMLP’s subsidiaries (collectively with WMLP, the “WMLP Debtors”).

⁴ Specifically, the WMLP Debtors are: (a) WMLP; (b) Westmoreland Kemmerer, LLC; (c) Oxford Mining Company, LLC; (d) Harrison Resources, LLC; (e) Oxford Mining Company-Kentucky, LLC; (f) Daron Coal Company, LLC; (g) Oxford Conesville, LLC; and (h) Westmoreland Kemmerer Fee Coal Holdings, LLC.

interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Objection and opportunity for a hearing on the Objection were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Objection and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Objection and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Objection is sustained as set forth herein.
2. Each No Liability Claim identified on Exhibit A attached to this Order is disallowed and expunged to the extent set forth on Exhibit A.
3. The Clerk of the Court is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in the Order.
4. To the extent a response is filed regarding any No Liability Claim, each such No Liability Claim, and the Objection as it pertains to such No Liability Claim, will constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order will be deemed a separate order with respect to each No Liability Claim.
5. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Objection or any order granting the relief requested by this Objection; (e) a request or authorization to assume

any prepetition agreement, contract, or lease pursuant to § 365 of the Bankruptcy Code; or (f) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable law.

6. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Objection.

8. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2019
Houston, Texas

DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

No Liability Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit A - No Liability

Basis for objection: See paragraph 15 of the Foregoing Objection

| | NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|---|--|------------|-------------------------------|-----------------|---------------|---|
| 1 | MICHAEL J. COSGRIFF 1276 DONEGAL DRIVE VIERA, FL 32940 | 12/10/2018 | Westmoreland Coal Company | 658 / 273.1 | \$ 24,679.99 | Pursuant to the Amended Plan of Reorganization, claims for interests in WLB are canceled, released and extinguished as of the Effective Date of Plan. |
| 2 | MIKE L HAMMANS P.O. BOX 60266 FAIRBANKS, AK 99706 | 12/11/2018 | Westmoreland Kemmerer, LLC | 1062 / 60.1 | Undetermined* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 3 | MILTON JAMES SMITH PO BOX 1081 AZTEC, NM 87410-1081 | 12/10/2018 | Westmoreland Coal Company | 671 / 286.1 | \$ 161,719.20 | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 4 | MILTON JAMES SMITH PO BOX 1081 AZTEC, NM 87410 | 12/10/2018 | Westmoreland Coal Company | 709 / 42.1 | \$ 161,719.20 | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 5 | MILTON JAMES SMITH PO BOX 1081 AZTEC, NM 87410 | 12/10/2018 | Westmoreland Coal Company | 735 / 4.1 | \$ 161,719.20 | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 6 | MILTON JAMES SMITH PO BOX 1081 AZTEC, NM 87410-1081 | 12/10/2018 | Westmoreland Coal Company | 737 / 5.1 | \$ 161,719.20 | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 7 | MURRAY ALLEN STOCKINGER 2 GLENN ALAN CT. GROESBECK, TX 76642 | 12/10/2018 | Westmoreland Coal Company | 598 / 253.1 | \$ 836,497.00 | Pursuant to the Amended Plan of Reorganization, claims for interests in WLB are canceled, released and extinguished as of the Effective Date of Plan. |
| 8 | MYRA SUSAN BARNETTE 123 COLD SPRING DRIVE APPALACHIA, VA 24216 | 12/12/2018 | Westmoreland Coal Company | 1042 / 424.1 | \$ 1,011.66* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |

* - Indicates claim contains unliquidated and/or undetermined amounts

Westmoreland Coal Company 18-35672 (DRJ)
 Exhibit A - No Liability
 Basis for objection: See paragraph 15 of the Foregoing Objection

| NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|---|------------|---|-----------------|---------------|---|
| 9 NELDA J. DAVIS PO BOX 428 JEWETT, TX 75846 | 12/10/2018 | Westmoreland Texas Jewett Coal Company | 655 / 5.1 | Undetermined* | No liability exists on the company's books and records. Claimant is asserting a claim to exercise an option within a reversionary agreement with NRG Texas Power to purchase land back related to lease agreement number 44. Since NRG Texas Power is the counterparty to the reversionary agreement and current owner of the property, not the Debtor, no liability against the Debtor exists. |
| 10 NILA R. JONES 4104 POTATO FARM RD. CROSSVILLE, TN 38571 | 12/11/2018 | Westmoreland Coal Company | 687 / 302.1 | \$ 929.91* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 11 NORTHWEST SCIENTIFIC, INC 725 LOHWEST LN BILLINGS, MT 59106 | 12/11/2018 | Westmoreland Resources, Inc. | 1066 / 55.1 | \$ 1,024.02 | Claim for post-petition invoice number 5113858 was paid on EFT number 1009820 dated 3/8/2019. |
| 12 NORTHWEST SCIENTIFIC, INC 725 LOHWEST LN BILLINGS, MT 59106 | 11/21/2018 | Westmoreland Resources, Inc. | 175 / 9.1 | \$ 1,024.02 | Claim for post-petition invoice number 5113858 was paid on EFT number 1009820 dated 3/8/2019. |
| 13 OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT A/K/A OSMRE P O BOX 25065 DENVER, CO 80225 | 10/30/2018 | Westmoreland Coal Company | 13 / 19.1 | Undetermined* | No liability exists on the Debtors' books and records on account of abandoned mine fees. |
| 14 PATRICIA LYCANS 186 RIVER ROAD HARTS, WV 25524 | 12/11/2018 | Westmoreland Coal Company | 582 / 237.1 | \$ 861.69* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 15 PAUL B STRINGHAM 228 FISHBURN DR BRIGHAM CITY, UT 84302 | 12/3/2018 | Westmoreland Coal Company | 294 / 132.1 | \$ 1,440.13* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 16 PEMBERTON HUTCHINSON 4203 SILO RUN LAFAYETTE HILL, PA 19444 | 12/12/2018 | Western Energy Company | 1061 / 64.1 | \$ 44,501.04* | No liability exists on the Debtor's books and records. The Supplemental Executive Retirement Plan ("Plan") liability rests at the Debtor Westmoreland Coal Company. In addition, the Pan was terminated effective December 5, 2018 by unanimous consent of the Board of Directors of Westmoreland Coal Company. |

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit A - No Liability

Basis for objection: See paragraph 15 of the Foregoing Objection

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|---|------------|---|------------------|---------------|---|
| 17 PRIME LUBE INC 800 ROOSEVELT AVE CARTERET, NJ 7008 | 11/26/2018 | Westmoreland Kemmerer Fee Coal Holdings, LLC | 166 / 1.1 | \$ 9,995.65 | No liability exists on the Debtors' books and records. The claimant asserts a claim against an entity that is not related to the Westmoreland Debtors'. |
| 18 RANDALL R MARTIN 2585 SUNFLOWER LN BEAUMONT, TX 77713 | 12/12/2018 | Westmoreland Texas Jewett Coal Company | 930 / 7.1 | Undetermined* | No liability exists on the company's books and records. Claimant is asserting a claim to exercise an option to purchase land back related to lease agreement number 718 with NRG Texas Power. Since NRG Texas Power is the current owner of the property, not the Debtor, no liability against the Debtor exists. |
| 19 REMY AND FLAVIA ALMEIDA 55-19 39TH AVENUE WOODSIDE, NY 11377 | 12/21/2018 | Westmoreland Coal Company | 1179 / 481.1 | \$ 691.90 | Pursuant to the Amended Plan of Reorganization, claims for interests in WLB are canceled, released and extinguished as of the Effective Date of Plan. |
| 20 ROBERT C MASON 256 S LOWELL RD JASPER, AL 35503 | 12/14/2018 | Westmoreland Coal Company | 1161^ / 463.1 | Undetermined* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| ^ Claim also appears on Exhibit A to the Sixth Omnibus Claims Objection (Late Filed Claims) | | | | | |
| 21 ROBERT FERNANDEZ 22777 HWY 12 TRINIDAD, CO 81082 | 12/7/2018 | Basin Resources, Inc. | 500 / 2.1 | Undetermined* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 22 ROBERT P. HENLEY, JR. 132 LANCASTER DRIVE #417 IRVINGTON, VA 22480 | 12/12/2018 | Western Energy Company | 1031 / 413.1 | \$ 19,823.40* | No liability exists on the Debtor's books and records. The Supplemental Executive Retirement Plan ("Plan") liability rests at the Debtor Westmoreland Coal Company. In addition, the Pan was terminated effective December 5, 2018 by unanimous consent of the Board of Directors of Westmoreland Coal Company. |
| 23 ROBERT T JOHNSON 1306 12 RD LOMA, CO 81524-9601 | 12/12/2018 | Westmoreland Coal Company | 1015 / 397.1 | \$ 26.11* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 24 RYAN ROY GILBERTSON PO BOX 115 STANTON, ND 58571 | 12/10/2018 | Westmoreland Coal Company | 594 / 249.1 | \$ 210,600.62 | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |

* - Indicates claim contains unliquidated and/or undetermined amounts

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| 25 SANDRA BYRNE 640 WILLOW VALLEY SQUARE, BLDG. 1-108 LANCASTER, PA 17602-4870 | 12/4/2018 | Westmoreland Coal Company | 374 / 183.1 | \$ 8,523.00* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |
| 26 STATE OF NJ DIVISION OF TAXATION PO BOX 245 TRENTON, NJ 8695 | 4/8/2019 | Westmoreland Resource Partners, LP | 1362 / 28.1 | \$ 14,000.00 | No liability exists on the Debtor's books and records. The Debtor has records of filing its partnership taxes in the State of New Jersey. |
| 27 STATE OF WYOMING DEPARTMENT OF REVENUE MINERAL TAX DIVISION 122 WEST 25TH ST CHEYENNE, WY 82002-0110 | 11/8/2018 | Westmoreland Coal Company | 88^ / 59.1 | \$ 1,747,771.61 | No liability exists on the Debtor's books and records. The Debtor has paid all of the asserted pre-petition taxes and continues to pay post-petition taxes as they come due. |
| ^ Claim also appears on Exhibit A to the Fourth Omnibus Claims Objection (Incorrect Debtor Claims) | | | | | |
| 28 TRACTOR & EQUIPMENT CO. PERKINS COIE LLP ALAN D. SMITH 1201 THIRD AVE., STE. 4900 SEATTLE, WA 98101 | 12/11/2018 | Westmoreland Kemmerer, LLC | 917 / 48.1 | Undetermined* | No liability exists on the Debtor's books and records. |
| 29 VIRGINIA BATES KOLLE FAMILY TRUST SUSAN K. MAREK, TRUSTEE 1614 CRESTMONT WHARTON, TX 77488 | 12/4/2018 | Texas Westmoreland Coal Company | 283 / 125.1 | \$ 5,000,000.00* | No liability exists on the Debtor's books and records. The Debtors continue to reclaim the property per regulatory requirements with the Railroad Commission of Texas. |
| 30 W.W. GRAINGER, INC. 401 SOUTH WRIGHT ROAD W4EC37 JANESVILLE, WI 60714 | 12/3/2018 | Texas Westmoreland Coal Company | 391 / 7.1 | \$ 154,426.29 | All invoices asserted against Texas Westmoreland Coal Company have been paid by EFT #1002317 on 12/20/18. |
| 31 W.W. GRAINGER, INC. 401 SOUTH WRIGHT ROAD W4EC37 JANESVILLE, WI 60714 | 12/3/2018 | Western Energy Company | 397 / 22.1 | \$ 154,426.29 | All asserted invoices for Western Energy Company have been paid except for invoice #9857719554, 9904683720, and 9921495256 for \$2,154.93. The remaining 3 invoices are not found in the Company books and records. |
| 32 WALLACE J. RAFFERTY 3111 N. SUNSET AVENUE FARMINGTON, NM 87401-4145 | 12/4/2018 | San Juan Coal Company | 388 / 26.1 | \$ 261.24* | No liability exists on the Debtors' books and records. Pursuant to Article IV.C.1.(c) of the Plan, the Debtors assumed the pension plans in accordance with the 1113/1114 Order and terms of the Intercompany Settlement Term Sheet. Per Article XI of the Order Confirming the POR, the pension plans have been assumed and assigned to the WLB purchaser. |

Westmoreland Coal Company 18-35672 (DRJ)

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|---|------------|------------------------------|-----------------|------------------|--|
| 33 WILLIAMS PATENT CRUSHER AND PULVERIZER CO INC JEANETTE TURNBULL 813 MONTGOMERY ST ST LOUIS, MO 63102 | 11/15/2018 | Westmoreland Coal Company | 114 / 77.1 | \$ 102,000.80 | The claimant asserts invoices for goods allegedly provided to the non-debtor entity Prairie Mines & Royalty ULC. |
| TOTAL | | | | \$ 8,981,393.17* | |

* - Indicates claim contains unliquidated and/or undetermined amounts