

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

In re:

WESTMORELAND COAL COMPANY, *et al.*,¹

Debtors.

Chapter 11

Case No. 18-35672 (DRJ)

(Jointly Administered)

**MCKINSEY RECOVERY & TRANSFORMATION SERVICES U.S., LLC'S
SIXTH STATUS REPORT IN ACCORDANCE WITH ORDER ON JOINT MOTION IN
FURTHERANCE OF MEDIATION AGREEMENT [DKT. 1427]**

¹ Due to the large number of debtors in these chapter 11 cases, which are consolidated for procedural purposes only, 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 proposed 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.

SIXTH STATUS REPORT

1. McKinsey Recovery & Transformation Services U.S., LLC (“RTS”) submits this sixth status report in accordance with the procedures set forth in the joint motion filed on February 20, 2019 by RTS and Westmoreland Coal Company and certain of its debtor affiliates, Dkt. 1422 (“Motion”), and so-ordered by this Court on February 21, 2019, Dkt. 1427, at ¶¶ 1, 3.

2. RTS agreed to “report back to the Court within two weeks of the entry of the order contemplated by this motion” and to “file a status report every two weeks thereafter.” *See* Mot. at ¶¶ 5(a) & 6.

3. On March 6, 2019, RTS filed its initial status report, naming D.J. (Jan) Baker as the expert that RTS planned to retain to work with it to develop a new disclosure protocol. *See* Dkt. 1586. Two weeks later, on March 20, 2019, RTS filed a second status report attaching Mr. Baker’s consulting agreement. Dkt. 1626, Ex. A. On April 3, 2019, RTS filed a third status report informing the Court that it had retained Mr. Paul Singerman to serve as a “fresh eyes” expert to review the draft protocol. Dkt. 1686. RTS attached Mr. Singerman’s consulting agreement to the Third Status Report. *Id.* at Ex. B. On April 17, 2019, RTS filed a fourth status report (“Fourth Status Report”) reporting that RTS anticipates filing a proposed final version of the disclosure protocol by the end of May and updated disclosures in accordance with that protocol by July 3, 2019. *See* Dkt. 1759, at ¶ 6. On May 1, 2019, RTS filed a fifth status report (“Fifth Status Report”) confirming these deadlines and describing the additional protocol drafting progress made by Mr. Baker and Mr. Singerman to date. *See* Dkt. 1803, at ¶¶ 4-5. RTS continues to move forward in accordance with the timeline set forth in the Fourth and Fifth Status Reports.

4. As anticipated in the Fifth Status Report, Mr. Baker and Mr. Singerman circulated a revised draft of the protocol to RTS’s and Debtors’ counsel on May 3. Mr. Baker, Mr. Singer-

man, and counsel for RTS telephonically discussed the revised draft on May 6, and on May 8, Mr. Baker and Mr. Singerman circulated a subsequent revision to RTS's and Debtors' counsel. Counsel for RTS spoke with Mr. Baker and Mr. Singerman about the second revised draft on May 10. Throughout the week of May 6, in addition to telephonic conferences with RTS's counsel, Mr. Baker and Mr. Singerman continued to engage in regular internal discussions about the protocol as they revised it. On May 9, Mr. Baker circulated a proposed "Exhibit A" to the draft disclosure protocol. The proposed exhibit provides a template for an interested parties list and sets forth practical guidelines and recommendations that debtors may choose to follow as they prepare the interested parties list.

5. On the evening of May 10, Mr. Baker circulated an updated draft, along with the above-referenced "Exhibit A," to those industry professionals who were previously interviewed in connection with the protocol and who expressed an interest in commenting on the draft before it is filed. *See id.* at ¶ 5. Mr. Baker requested that comments from these industry professionals be received on or before May 17, 2019. Mr. Baker and Mr. Singerman will consider any feedback received from these industry experts and may use that feedback to inform further revisions to the protocol before it is filed with the Court at the end of May.

6. RTS will continue to update the Court regarding progress in its next status report.

Dated: May 15, 2019
Houston, TX

Respectfully submitted,

By: /s/ Faith E. Gay

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CERTIFICATE OF SERVICE

I hereby certify that on May 15, 2019, I caused the foregoing pleading to be filed with the Court and thereby served by the Court's CM/ECF noticing to all parties registered to receive electronic notice in this case.

/s/ Zack A. Clement