

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

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In re:	:	Chapter 11
	:	
WESTMORELAND COAL COMPANY, <i>et al.</i> , ¹	:	Case No. 18-35672 (DRJ)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF
WESTMORELAND MINING HOLDINGS, LLC
TO THE JOINT PLAN OF LIQUIDATION FOR THE WMLP DEBTORS**

Westmoreland Mining Holdings, LLC and its affiliates (the “**WLB Purchaser**”)² hereby file this limited objection and reservation of rights (the “**Objection**”) to the *Joint Plan of Liquidation for the WMLP Debtors* [Docket No. 1612] (the “**WMLP Plan**”), as may be amended, modified or supplemented. The WLB Purchaser respectfully states as follows:

1. Confirmation of the WMLP Plan on file is premature. It does not reflect the current realities of the WMLP Debtors’³ cases because the pending sale motion that allows the WMLP Secured Lenders to credit bid for the Kemmerer Mine faces unresolved objections. While the WLB Purchaser is supportive of the ultimate wind-down of the WMLP Debtors’ estates, it files

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.

² The WLB Debtors and WLB secured lenders consummated the sale of substantially all of Westmoreland Coal Company and its affiliates’ (other than WMLP and its affiliates) (“**WLB**”) assets on March 15, 2019.

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

this Objection to ensure prior to confirmation that the WMLP Plan complies with the Intercompany Settlement Order, the Intercompany Settlement Term Sheet, the WLB Plan and the WLB Confirmation Order. Importantly, the Intercompany Settlement requires the WMLP Plan to be reasonably acceptable to the WLB Purchaser with respect to provisions that it believes materially, adversely affect the WLB Purchaser. See Intercompany Settlement Term Sheet at 14.

2. The WLB Purchaser has provided the WMLP Debtors with comments to the WMLP Plan that is filed on the docket and is continuing to engage with the WMLP Debtors in an effort to resolve its concerns with that version of the WMLP Plan. To the extent these comments to the WMLP Plan are not satisfactorily addressed by the WMLP Debtors, the WLB Purchaser objects to the WMLP Plan and reserves the right to prosecute such objection at the confirmation hearing.

3. In addition, the relevant surety providers have objected to the WMLP Plan on the grounds that it creates inconsistencies, and conflicts, with the WLB Plan. The WLB Purchaser agrees with the surety providers. The WLB Plan and the prior order approving the sale of the Kemmerer Mine [Docket No. 1560] included heavily negotiated language agreed to by all parties, including the WMLP Secured Lenders and the WMLP Debtors, which required any purchaser of the Kemmerer Mine to obtain commitments for reclamation bonding. The same required bonding provisions should be incorporated into the WMLP Debtors' confirmation order and the new order approving the sale of the Kemmerer Mine. The required bonding provisions assure WLB, the WLB Purchaser and the sureties that adequate bonding commitments will be obtained and interim indemnity agreements will be entered into prior to closing. [Docket Nos. 1560 & 1561].

4. The feasibility of the WMLP Plan is also questionable. The WLB Purchaser has certain administrative claims that are preserved by the Intercompany Settlement. The WMLP Plan

should be amended to demonstrate that such claims if they become allowed can be satisfied or otherwise the WMLP Debtors' should comply with Bankruptcy Rule 3020(a) and deposit funds to protect administrative expense creditors or otherwise provide for a reserve to ensure such administrative expense claims can be satisfied.

5. To date, the WMLP Debtors have not provided the WLB Purchaser with a proposed confirmation order nor have they filed a revised Plan with the Court. Therefore, the WLB Purchaser expressly reserves its rights to provide comments to the forthcoming proposed confirmation order and any amended versions of the WMLP Plan. If negotiations to reach consensus fail, the WLB Purchaser will raise its objections at the hearing.

RESERVATION OF RIGHTS

6. The WLB Purchaser reserves its rights to further object or respond on any grounds whatsoever, including the right to raise additional arguments at or before any further hearings on the confirmation of the WMLP Plan.

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WHEREFORE, the WLB Purchaser objects to confirmation of the WMLP Plan to the extent that its concerns are not consensually resolved with respect to the WMLP Plan and the proposed confirmation order.

Dated: May 30, 2019

/s/ John F. Higgins

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Counsel to the WLB Purchaser

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing motion was served (i) through the Court's CM/ECF notification system to all parties who have appeared in this case through counsel or who have submitted a request for service by CM/ECF and (ii) by U.S. Mail to all parties who appear on the Master Service List maintained by the above-captioned debtors.

/s/ John F. Higgins

John F. Higgins