

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

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

ORDER SUSTAINING DEBTORS’ TWENTY-FIRST OMNIBUS OBJECTION TO CERTAIN PROOFS OF CLAIM (EXACT DUPLICATE CLAIMS, NO LIABILITY CLAIMS, LATE-FILED CLAIMS, RECLASSIFIED CLAIMS, MODIFIED CLAIMS, AND NO LIABILITY CONTRACT CLAIMS)

(Relates to ECF No. ~~___~~[1984](#))

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’ Twenty-First Omnibus Objection to certain Objected 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

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.

the Objection is in the best 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.
1. Each Duplicate Claim identified on **Exhibit A** attached to this Order is disallowed in its entirety and replaced by the applicable Remaining Duplicate Claim identified on **Exhibit A** attached to this Order; *provided that* this Order will not affect the portion of the Remaining Duplicate Claim identified on **Exhibit A**; *provided further* that the Debtors reserve the right to object to Remaining Duplicate Claim on **Exhibit A** on any applicable grounds.
2. Each No Liability Claim identified on **Exhibit B** attached to this Order is disallowed and expunged to the extent set forth on **Exhibit B**.
3. Each Late-Filed Claim identified on **Exhibit C** attached to this Order is disallowed and expunged to the extent set forth on **Exhibit C**.
4. Each Reclassified Claim identified on **Exhibit D** attached to this Order is modified and reclassified; *provided that* the Debtors reserve the right to object to the Corrected Claims on any applicable grounds.

5. Each Modified Claim identified on **Exhibit E** attached to this Order is modified and reduced to the extent set forth in the “Modified” column on **Exhibit E**.

6. Each No Liability Contract Claim identified on **Exhibit F** attached to this Order is disallowed and expunged to the extent set forth on **Exhibit F**.

7. 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.

8. To the extent a response is filed regarding any Objected Claim, each such Objected Claim, and the Objection as it pertains to such Objected 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 Objected Claim.

9. 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.

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

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

12. 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

Duplicate Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit A - Exact Duplicate

Basis for objection: See paragraph 16 of the Foregoing Objection

CLAIMS TO BE DISALLOWED

REMAINING CLAIMS

| | NAME | DATE FILED | CASE NUMBER / DEBTOR | CLAIM #/ ECF # | CLAIM AMOUNT | NAME | DATE FILED | CASE NUMBER / DEBTOR | CLAIM #/ ECF # | CLAIM AMOUNT | |
|---|---|------------|--|----------------|---------------|---|----------------------|--|----------------|---------------|--|
| 1 | OHIO DEPT OF TAXATION BANKRUPTCY DIV PO BOX 530 COLUMBUS, OH 43216 | 05/16/19 | Buckingham Coal Company, LLC 18-35675 (DRJ) | 1373/ 66.1 | \$ 154,952.06 | OHIO DEPT OF TAXATION BANKRUPTCY DIV PO BOX 530 COLUMBUS, OH 43216 | 04/08/19 | Buckingham Coal Company, LLC 18-35675 (DRJ) | 1357/ 63.1 | \$ 154,952.06 | |
| | Total | | | | | | Total | | | | |
| | \$ 154,952.06 | | | | | | \$ 154,952.06 | | | | |

Exhibit B

No Liability Claims

Basis for objection: See paragraph 17 of the Foregoing Objection

| NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|--|------------|-----------------------------------|-----------------|-------------------------------|--|
| 1 BUFFALO INDEPENDENT SCHOOL DISTRICT TARA LEDAY P.O. BOX 1269 ROUND ROCK, TX 78680-1269 | 3/4/2019 | Westmoreland Coal Company | 1331 / 535.1 | \$ 19.04* | The claimant asserts a claim for property taxes which will not be due until November of 2019 and May of 2020. |
| 12 LEON INDEPENDENT SCHOOL DISTRICT MCCREARY, VESELKA, BRAGG & ALLEN, P.C. TARA LEDAY PO BOX 1269 ROUND ROCK, TX 78680-1269 | 1/3/2019 | Westmoreland Coal Company | 1220 / 491.1 | \$ 12,305.12* | The claimant asserts a claim for property taxes which will not be due until November of 2019 and May of 2020. |
| 23 NORTH CAROLINA DEPARTMENT OF REVENUE PO BOX 1168 RALEIGH, NC 27602 | 2/8/2019 | Westmoreland - Roanoke Valley, LP | 1307 / 7.1 | \$ 385.55 | No Liability exists on the Debtor's books and records for the taxes claimed. When the Debtor filed the tax returns for this tax period on 12/19/17, the forms included a uniform sales & use tax exemption/resale certificate stating that the amounts claimed are exempt from sales tax as the buyer is not the end user of the coal. |
| 34 THE COUNTY OF FREESTONE, TEXAS MCCREARY, VESELKA, BRAGG & ALLEN, P.C. TARA LEDAY PO BOX 1269 ROUND ROCK, TX 78680-1269 | 1/3/2019 | Westmoreland Coal Company | 1218 / 489.1 | \$ 1,599.73* | The claimant asserts a claim for property taxes which will not be due until November of 2019 and May of 2020. |
| 5 THE COUNTY OF LEON, TEXAS MCCREARY, VESELKA, BRAGG & ALLEN, P.C. TARA LEDAY PO BOX 1269 ROUND ROCK, TX 78680-1269 | 1/3/2019 | Westmoreland Coal Company | 1219 / 490.1 | \$ 5,302.87* | The claimant asserts a claim for property taxes which will not be due until November of 2019 and May of 2020. |
| TOTAL | | | | \$ 19,612.31* \$14,290.40* | |

* - Indicates claim contains unliquidated and/or undetermined amounts

Exhibit C

Late-Filed Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit C - Late Filed

Basis for objection: See paragraph 18 of the Foregoing Objection

| NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|---|------------|------------------------------|-----------------|--------------|---|
| 1 AMERICAN PRINTING CO 249 NORTH MAIN ST MADISONVILLE, KY 42431 | 5/15/2019 | Westmoreland Coal Company | 1372 / 555.1 | \$ 2,148.96* | Claim filed after the General Bar Date of the case. |
| TOTAL | | | | \$ 2,148.96* | |

* - Indicates claim contains unliquidated and/or undetermined amounts

Exhibit D

Reclassified Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit D - Reclassified Claims

Basis for objection: See paragraph 21 of the Foregoing Objection

| NAME | CLAIM# / ECF# | ASSERTED | | | RECLASSIFIED | | |
|---|------------------|------------------------------|--------------------|----------------------|------------------------------|--------------------|----------------------|
| | | DEBTOR | PRIORITY STATUS | AMOUNT | DEBTOR | PRIORITY STATUS | AMOUNT |
| 1 INTERSTATE POWER SYSTEMS INC C/O WINTHROP AND WEINSTINE P.A. IAN M. RUBENSTRUNK 225 SOUTH SIXTH ST., STE 3500 MINNEAPOLIS, MN 55402 | 471^ / 34.1 | Westmoreland Resources, Inc. | Administrative | \$12,516.93 | Westmoreland Resources, Inc. | Administrative | \$11,647.84 |
| | | Westmoreland Resources, Inc. | Unsecured | \$106,355.06 | Westmoreland Resources, Inc. | Unsecured | \$107,224.15 |
| | | | Subtotal | \$118,871.99 | | Subtotal | \$118,871.99 |
| Reason: Invoice 1733361 RI for goods delivered on 7/24/2018 does not qualify for administrative status. | | | | | | | |
| ^ Claim also appears on Exhibit E to the Twenty-First Omnibus Claims Objection (Modified Claims) | | | | | | | |
| 2 WOLFE RADIATOR WORKS 1710 MAYSVILLE AVE ZANESVILLE, OH 43701 | 882 / 60.1 | Oxford Mining Company, LLC | 503(b)(9) | \$11,701.00 | Oxford Mining Company, LLC | 503(b)(9) | \$11,246.00 |
| | | Oxford Mining Company, LLC | Unsecured | \$485.00 | Oxford Mining Company, LLC | Unsecured | \$940.00 |
| | | | Subtotal | \$12,186.00 | | Subtotal | \$12,186.00 |
| Reason: Invoice 30096 includes \$455 of charges for services performed. Services do not qualify as 503(b)(9) goods under the Bankruptcy Code. | | | | | | | |
| TOTAL | | | | \$ 131,057.99 | TOTAL | | \$ 131,057.99 |

Exhibit E

Modified Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit E - Modified Claims

Basis for objection: See paragraph 22 of the Foregoing Objection

| NAME | CLAIM# / ECF# | ASSERTED | | | MODIFIED | | | | |
|---|---------------|------------------------------|-----------------|----------------------|------------------------------|-----------------|-------------|--|----------------------|
| | | DEBTOR | PRIORITY STATUS | AMOUNT | DEBTOR | PRIORITY STATUS | AMOUNT | | |
| 1 FASTENAL COMPANY 2001 THEURER BLVD WINONA, MN 55987 | 169 / 6.1 | Westmoreland Kemmerer, LLC | 503(b)(9) | \$2,842.66 | Westmoreland Kemmerer, LLC | 503(b)(9) | \$0.00 | | |
| | | Westmoreland Kemmerer, LLC | Unsecured | \$3,846.14 | Westmoreland Kemmerer, LLC | Unsecured | \$3,846.14 | | |
| | | Subtotal | | | \$6,688.80 | Subtotal | | | \$3,846.14 |
| Reason: Invoices WYROC165571 and WYROC165572 are post-petition invoices paid on 3/8/2019 by EFT number 1009840. | | | | | | | | | |
| 2 INTERSTATE POWER SYSTEMS INC C/O WINTHROP AND WEINSTINE P.A. IAN M. RUBENSTRUNK 225 SOUTH SIXTH ST., STE 3500 MINNEAPOLIS, MN 55402 | 471^ / 34.1 | Westmoreland Resources, Inc. | Administrative | \$11,647.84 | Westmoreland Resources, Inc. | Administrative | \$582.40 | | |
| | | Westmoreland Resources, Inc. | Unsecured | \$107,224.15 | Westmoreland Resources, Inc. | Unsecured | \$73,867.34 | | |
| | | Subtotal | | | \$118,871.99 | Subtotal | | | \$74,449.74 |
| Reason: Invoice number 1739977 was paid by EFT number 1013093 on 4/12/19 in the amount of \$1,213.44. | | | | | | | | | |
| Invoice number 1740318 RI was paid by EFT number 1013095 on 4/12/19 in the amount of \$9,852. | | | | | | | | | |
| Invoice number R00908401401 was paid by EFT number 998580 on 11/16/18 in the amount of \$33,356.81. | | | | | | | | | |
| ^ Claim also appears on Exhibit D to the Twenty-First Omnibus Claims Objection (Reclassified Claims) | | | | | | | | | |
| 3 JOY GLOBAL SURFACE MINING, INC. 40 PENNWOOD PL., SUITE 100 WARRENDALE, PA15086 | 776 / 56.1 | Oxford Mining Company, LLC | 503(b)(9) | \$28,371.05 | Oxford Mining Company, LLC | 503(b)(9) | \$26,158.38 | | |
| | | Oxford Mining Company, LLC | Unsecured | \$455.29 | Oxford Mining Company, LLC | Unsecured | \$367.13 | | |
| | | Subtotal | | | \$28,826.34 | Subtotal | | | \$26,525.51 |
| Reason: Invoice number 9406824675 has been paid on 3/1/19 by EFT number 1009486 in the amount of \$2,300.83. | | | | | | | | | |
| 4 JOY GLOBAL SURFACE MINING, INC. 40 PENNWOOD PL., SUITE 100 WARRENDALE, PA15086 | 809 / 43.1 | Westmoreland Kemmerer, LLC | 503(b)(9) | \$13,138.66 | Westmoreland Kemmerer, LLC | 503(b)(9) | \$13,125.15 | | |
| | | Westmoreland Kemmerer, LLC | Unsecured | \$158,384.57 | Westmoreland Kemmerer, LLC | Unsecured | \$97,691.57 | | |
| | | Subtotal | | | \$171,523.23 | Subtotal | | | \$110,816.72 |
| Reason: Invoice number 9406462413 has been paid by EFT number 1004284 on 1/11/19. | | | | | | | | | |
| Invoice numbers 9406808842 and 9406818304 have been paid by EFT number 1001501 on 12/13/18. | | | | | | | | | |
| TOTAL | | | | \$ 325,910.36 | TOTAL | | | | \$ 215,638.11 |

Exhibit F

No Liability Contract Claims

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit F - No Liability

Basis for objection: See paragraph 23 of the Foregoing Objection

| NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|--|------------|------------------------------------|-----------------|---------------|---|
| 1 CATERPILLAR FINANCIAL SERVICES CORPORATION 2120 WEST END AVENUE NASHVILLE, TN 37203 | 12/3/2018 | Texas Westmoreland Coal Company | 241 / 5.1 | \$ 185,132.56 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| 2 CATERPILLAR FINANCIAL SERVICES CORPORATION 2120 WEST END AVENUE NASHVILLE, TN 37203 | 12/3/2018 | Westmoreland Resources, Inc. | 276 / 20.1 | \$ 293,854.10 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| 3 CATERPILLAR FINANCIAL SERVICES CORPORATION 2120 WEST END AVENUE NASHVILLE, TN 37203 | 12/3/2018 | Westmoreland Savage Corporation | 280 / 6.1 | \$ 141,937.22 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| 4 KINETIC LEASING INC. P O BOX 9785 FARGO, ND 58106 | 1/3/2019 | Texas Westmoreland Coal Company | 1231 / 27.1 | \$ 44,346.12 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| 5 KINETIC LEASING INC. P O BOX 9785 FARGO, ND 58106 | 12/12/2018 | Texas Westmoreland Coal Company | 906 / 18.1 | \$ 44,346.12 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| 6 KOMATSU FINANCIAL LIMITED PARTNERSHIP VEDDER PRICE PC MITCHELL D. COHEN 1633 BROADWAY31ST FLOOR NEW YORK, NY 10019 | 12/11/2018 | Westmoreland Resource Partners, LP | 728 / 23.1 | \$ 781,106.17 | No liability exists on the Debtors books and records. This claim is related to a contract which was assumed and assigned to CCU Coal and Construction LLC, the buyer of Oxford and Buckingham assets. |

Westmoreland Coal Company 18-35672 (DRJ)

Exhibit F - No Liability

Basis for objection: See paragraph 23 of the Foregoing Objection

| NAME | DATE FILED | DEBTOR | CLAIM # / ECF # | CLAIM AMOUNT | REASON FOR DISALLOWANCE |
|--|------------|------------------------------------|-----------------|-----------------|---|
| 7 KOMATSU FINANCIAL LIMITED PARTNERSHIP VEDDER PRICE PC MITCHELL D. COHEN 1633 BROADWAY31ST FLOOR NEW YORK, NY 10019 | 12/11/2018 | Westmoreland Resources GP, LLC | 729 / 5.1 | \$ 781,106.17 | No liability exists on the Debtors books and records. This claim is related to a contract which was assumed and assigned to CCU Coal and Construction LLC, the buyer of Oxford and Buckingham assets. |
| 8 PACCAR FINANCIAL CORP LINDA MARKLE BK SPECIALIST PO BOX 1518 BELLEVUE, WA98009-1518 | 11/12/2018 | Texas Westmoreland Coal Company | 98 / 2.1 | \$ 68,020.98 | This claim is related to a contract which has been assumed by the debtor, satisfying the claim. Per Article V Section C of the WLB Plan, "All liabilities reflected in the Schedules and any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court." |
| TOTAL | | | | \$ 2,339,849.44 | |