

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

In re:

Westmoreland Coal Company, et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 18-35672 (DRJ)

(Jointly Administered)

**SUPPLEMENT OF ADDITIONAL EXPENSES TO THE THIRD  
INTERIM AND FINAL APPLICATION OF JONES DAY, AS COUNSEL  
FOR THE CONFLICTS COMMITTEE OF THE BOARD OF DIRECTORS OF  
WESTMORELAND RESOURCES GP, LLC AND CONFLICTS COUNSEL FOR  
WESTMORELAND RESOURCE PARTNERS, LP AND ITS SUBSIDIARIES,  
FOR ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES  
RENDERED AND FOR REIMBURSEMENT OF ACTUAL AND NECESSARY  
EXPENSES FOR THE PERIOD OCTOBER 9, 2018 THROUGH JUNE 21, 2019**

Jones Day, as counsel to the Conflicts Committee (the "Conflicts Committee") of the Board of Directors of Westmoreland Resources GP, LLC and conflicts counsel to Westmoreland Resource Partners, LP ("WMLP") and its Debtor-subidiaries (collectively with WMLP, the "WMLP Debtors")<sup>2</sup> in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), hereby submits this supplement of Additional Expenses<sup>3</sup> (the "Supplement") in connection with the *Third Interim and Final Application of Jones Day, as Counsel for the Conflicts Committee of the Board of Directors of Westmoreland Resources GP, LLC and Conflicts Counsel for Westmoreland Resource Partners, LP and Its Subsidiaries, for Allowance of Compensation for*

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<sup>1</sup> 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](http://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.

<sup>2</sup> The debtors and former debtors in these chapter 11 cases other than the WMLP Debtors are referred to herein, collectively, as the "WLB Debtors" (together with the WMLP Debtors, the "Debtors").

<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Application (as defined below).

*Professional Services Rendered and for Reimbursement of Actual and Necessary Expenses for the Period October 9, 2018 Through June 21, 2019* (Docket No. 2158) (the "Application"), for reimbursement of additional actual and necessary expenses incurred in the amount of \$49.07 for the Third Compensation Period. In support of this Supplement, Jones Day respectfully represents as follows:

**Background**

1. On June 5, 2019, the Court entered an order (Docket No. 1967) confirming the *Amended Joint Plan of Liquidation for the WMLP Debtors, As Modified* (the "WMLP Plan") and approving the related disclosure statement on a final basis. Pursuant to Section II.A.1.c of the WMLP Plan, on the effective date thereof, the WMLP Debtors established and funded a professional fee escrow account (the "Professional Fee Escrow Account") for the payment of certain professional fees and expenses of professionals who provided services to the WMLP Debtors in the Chapter 11 Cases.

2. On July 21, 2019, in connection with the compensation period from October 9, 2018 through June 21, 2019, Jones Day filed the Application requesting that the Court: (a) grant the Application; (b) allow compensation of \$1,794,916.25 for services rendered in connection with these Chapter 11 Cases during the Third Compensation Period; (c) allow reimbursement of expenses billed during the Third Compensation Period of \$44,774.49; (d) allow on a final basis compensation in the amount of \$7,305,696.25 for services rendered in connection with these Chapter 11 Cases during the Total Compensation period; (e) allow on a final basis reimbursement of expenses in the amount of \$138,374.61 incurred by Jones Day during the Total Compensation Period; and (f) authorize the payment to Jones Day of fees and

expenses approved for the Third Compensation Period and Total Compensation Period from the Professional Fee Escrow Account, to the extent that such amounts have not previously been paid.

3. In the Application, Jones Day also further requested allowance of the reimbursement of expenses, if any, Jones Day incurred during the Third Compensation Period but that had not yet been fully processed in Jones Day's internal accounting system as of the date of the Application—*i.e.*, July 21, 2019. See Application, at ¶ 51. Since the filing of the Application, Jones Day has finally processed certain Additional Expenses in the amount of \$49.07. Accordingly, Jones Day now files this Supplement to the Application to include the amount of Additional Expenses as part of the relief requested in the Application.

#### **Jurisdiction and Venue**

4. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **Relief Requested**

5. Jones Day hereby seeks allowance of reimbursement of the Additional Expenses incurred in connection with professional services rendered to the WMLP Debtors and the Conflicts Committee during the Third Compensation Period but that were not fully processed in Jones Day's internal accounting system as of July 21, 2019, in the amount of \$49.07. Attached hereto as Exhibit A is an itemization of the Additional Expenses incurred by Jones Day during the Third Compensation that were not included in the Application.

6. Pursuant to the Interim Compensation Order, each professional submitting an interim compensation application must specify "the aggregate amount of Direct Fees and the percentage of Direct Fees of the total fees incurred in such period allocated to each particular Debtor or Debtor group [and] the aggregate amount of Collective Fees and percentage of

Collective Fees of the total fees incurred for such period allocated to each particular Debtor or Debtor group." Interim Comp. Order, at ¶ 2(f). Jones Day's services during the Third Compensation Period related solely to Jones Day's representation of the Conflicts Committee and the WMLP Debtors. Accordingly, 100% of Jones Day's expenses are allocated to the WMLP Debtors pursuant to paragraph 2(f) of the Interim Compensation Order.

**Notice**

7. In accordance with the Interim Compensation Order, this Supplement has been served upon the following parties (collectively, as further defined in the Interim Compensation Order, the "Supplement Recipients"): (a) counsel to the Debtors, Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn: Gregory F. Pesce (gregory.pesce@kirkland.com) and Chris Koenig (chris.koenig@kirkland.com); (b) co-counsel for the Debtors, Jackson Walker LLP, 1401 McKinney Street, Suite 1900, Houston, Texas 77010, Attn: Matthew D. Cavanaugh (mcavanaugh@jw.com) and Jennifer F. Wertz (jwertz@jw.com); (c) counsel to the WLB Purchaser, 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); (d) counsel to the WMLP Secured Lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn: Kristine G. Manoukian (kristine.manoukian@srz.com); (e) counsel to the Creditors' Committee, Morrison & Foerster LLP, 250 West 55th Street; New York, New York 10019, Attn: Lorenzo Marinuzzi (lmarinuzzi@mofo.com), Todd M. Goren (tgoren@mofo.com) and Jennifer L. Marines (jmarines@mofo.com); and (f) the Office of the United States Trustee, 515 Rusk Street, Houston, Texas 77002, Attn: Hector Duran (hector.duran.jr@usdoj.gov) and Stephen D. Statham (stephen.statham@usdoj.gov).

8. For the avoidance of doubt, nothing included in this Supplement shall prejudice the right of Jones Day to file any additional supplement the Application and request the reimbursement of further Additional Expenses, if any, as they are processed by Jones Day's internal accounting system.

9. In light of the nature of the relief requested, Jones Day submits that no further notice is necessary.

WHEREFORE, Jones Day respectfully requests that the Court enter an order, substantially in the form annexed to the Application as Exhibit A: (a) granting the Application; (b) awarding on a final basis compensation for professional services rendered during to the Total Compensation Period (which includes the Third Compensation Period) in the amount of \$7,305,696.25 and reimbursement for actual and necessary expenses incurred by Jones Day during the Total Compensation Period (which includes the Third Compensation Period) in the amount of \$138,423.68 (\$138,374.61 plus \$49.07 in Additional Expenses) and (c) authorizing payment from the Professional Fee Escrow Account to Jones Day of all fees and expenses approved by the Court, less the Retainer (which shall be applied to the fees and expenses approved by the Court), to the extent that such amounts have not previously been paid.

Dated: August 9, 2019  
Houston, Texas

Respectfully submitted,

/s/ Oliver S. Zeltner

Heather Lennox (admitted *pro hac vice*)

Oliver S. Zeltner (Tex. Bar No. 24104000)

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*Conflicts Counsel to the WMLP Debtors and  
Counsel to the Conflicts Committee of Debtor  
Westmoreland Resources GP, LLC*

**CERTIFICATE OF SERVICE**

I certify that on August 9, 2019, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

*/s/ Oliver S. Zeltner* \_\_\_\_\_  
Oliver. S. Zeltner

**Exhibit A**



## Case Administration

**DISBURSEMENT DETAIL - July 31, 2019**

| <i>Date</i>   | <i>Timekeeper Name</i>  | <i>Location</i> | <i>Amount</i>   |
|---|---|-----------------|-----------------|
| <b>CONFERENCE CHARGES</b>   |   |                 |                 |
| 07/31/19  | T HOFFMANN  | CHI             | 8.02            |
|   | Conference charges 6/3/19   |                 |                 |
| 07/31/19  | T HOFFMANN  | CHI             | 9.03            |
|   | Conference charges 6/3/19   |                 |                 |
|   | <b>Conference Charges Subtotal</b>  |                 | <b>17.05</b>    |
| <b>FOOD AND BEVERAGE EXPENSES</b>   |   |                 |                 |
| 06/13/19  | R W HAMILTON  | COL             | 24.02           |
|   | Food and beverage expenses other Travel to Houston, TX from Philadelphia, PA --Bar Symon, Philadelphia International Airport 6/4/19 Robert Hamilton, Heather Lennox |                 |                 |
|   | <b>Food and beverage expenses Subtotal</b>  |                 | <b>24.02</b>    |
| <b>PARKING EXPENSES</b>   |   |                 |                 |
| 06/13/19  | R W HAMILTON  | COL             | 8.00            |
|   | Parking expenses at Columbus International Airport 6/5/19   |                 |                 |
|   | <b>Parking expenses Subtotal</b>  |                 | <b>8.00</b>     |
|   | <b>Total</b>  | <b>USD</b>      | <b>49.07 **</b> |
| ** = Food, beverage and entertainment expense in accordance with I.R.C. Sect. 274(e)3, included in this amount is USD 24.02 |   |                 |                 |
|   | <b>Grand Total</b>  | <b>USD</b>      | <b>49.07 **</b> |
| ** = Food, beverage and entertainment expense in accordance with I.R.C. Sect. 274(e)3, included in this amount is USD 24.02 |   |                 |                 |