

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

WALTER ENERGY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

**THE DEBTORS' MOTION FOR AN ORDER (A) GRANTING THE DEBTORS
AN EXTENSION OF TIME WITHIN WHICH TO FILE SCHEDULES
AND RELATED DOCUMENTS AND (B) WAIVING THE
REQUIREMENTS TO FILE LISTS OF EQUITY SECURITY HOLDERS
AND PROVIDE NOTICE TO EQUITY SECURITY HOLDERS**

Walter Energy, Inc. ("Walter Energy") and its affiliated debtors and debtors-in-possession (each a "Debtor" and, collectively, the "Debtors") hereby move (the "Motion"), pursuant to sections 105(a) and 521 of title 11 of the U.S. Code (the "Bankruptcy Code") and rules 1007(a), 1007(c) and 2002(d) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order, substantially in the form annexed hereto as Exhibit A (the "Proposed Order"): (i) extending the time within which the Debtors must file the schedules and statements described in Bankruptcy Rule 1007, including the schedules of assets and liabilities, schedules of executory contracts and unexpired leases and statements of financial affairs (the "Schedules and Statements"); (ii) waiving the requirements to file lists of equity security holders and provide notice to equity security holders; and (iii) granting them such other

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco, LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co., LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors' corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.



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and further relief as the Court deems just and proper. In support of this Motion, the Debtors rely on the *Declaration of William G. Harvey in Support of Chapter 11 Petitions and First Day Relief* (the “First Day Declaration”)² and respectfully state as follows:

JURISDICTION

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

2. The statutory and legal predicates for the relief sought herein are sections 105(a) and 521 of the Bankruptcy Code and Bankruptcy Rules 1007 and 2002.

BACKGROUND

3. On the date hereof (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, thereby commencing the instant cases (the “Chapter 11 Cases”). The Debtors continue to manage and operate their businesses as debtors-in-possession under sections 1107 and 1108 of the Bankruptcy Code.

4. No trustee, examiner, or official committee has been appointed in the Chapter 11 Cases.

5. Information regarding the Debtors’ businesses, their capital and debt structure and the events leading to the filing of the Chapter 11 Cases is contained in the First Day Declaration.

RELIEF REQUESTED

6. By this Motion, the Debtors seek the entry of an order, substantially in the form of the Proposed Order, pursuant to sections 105(a) and 521 of the Bankruptcy Code and Bankruptcy

² The First Day Declaration has been filed contemporaneously with this Motion and is incorporated by reference herein. Capitalized terms used herein that are not defined shall have the meaning set forth in the First Day Declaration.

Rules 1007 and 2002: (a) extending the time within which the Debtors must file their Schedules and Statements through and including August 28, 2015, without prejudice to the Debtors' ability to request additional extensions or waivers for cause shown; and (b) waiving the requirements to file lists of equity security holders and provide notice to equity security holders.

BASIS FOR RELIEF REQUESTED

A. Extension of Time to File Schedules and Statements

7. Pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, the Debtors are required to file the Schedules and Statements within fourteen (14) days of the Petition Date. 11 U.S.C. § 521; Fed. R. Bankr. P. 1007(b)(1), (c).

8. Bankruptcy Rule 1007(c) provides that an extension of the time to file the Schedules and Statements may be granted "on motion for cause shown." Fed. R. Bankr. P. 1007(c). Accordingly, the Court has the authority to grant the relief requested herein.

9. Under the circumstances of the Chapter 11 Cases, cause exists to extend the deadline to file the Schedules and Statements. The Debtors collectively form a large and complex business. Preparing the Schedules and Statements requires considerable time and effort by the Debtors' employees and professionals to collect, review and assemble significant amounts of information. The size and scope of the Debtors' businesses, complexity of their financial affairs and the numerous business matters incident to the commencement of the Chapter 11 Cases rendered it impracticable for the Debtors to complete the Schedules and Statements prior to the Petition Date. Before the Petition Date, the Debtors focused primarily on preparing the necessary pleadings to commence the Chapter 11 Cases and engaging in negotiations with the Debtors' lenders and other parties in interest. Given the demand upon the Debtors' employees and professionals to address critical operational matters, the Debtors will not be in a position to

properly and accurately complete the Schedules and Statements within the required fourteen (14) day period after the Petition Date.

10. The Debtors intend to complete the Schedules and Statements as quickly as possible under the circumstances. The Debtors request that the Court extend the deadline for the Debtors to file the Schedules and Statements through and including August 28, 2015. Courts in this district have granted similar relief in other large chapter 11 cases. See, e.g., In re Bruno's Supermarkets, LLC, No. 09-00634-BGC (Bankr. N.D. Ala. Feb. 26, 2009) (additional forty-five (45) day extension to file schedules); In re Bill Heard Ents., Inc., No. 08-830-29-JAC-11 (Bankr. N.D. Ala. Sept. 30, 2008) (same); see also In re IMRIS, Inc., Case No. 15-11133 (CSS), ECF No. 41 (Bankr. D. Del. May 27, 2015) (extending deadline to file schedules and statements to forty-nine (49) days after petition date). Accordingly, the request for an extension of the deadline to file their Schedules and Statements is consistent with prior practice in this Court and is appropriate and warranted under the circumstances.

11. The Debtors reserve the right to seek further extensions of the deadline to file the Schedules and Statements and request that any relief granted with respect to this Motion be without prejudice to the Debtors' ability to seek further extensions or modifications of the requirements of section 521 of the Bankruptcy Code and Bankruptcy Rule 1007.

B. Waiver of Requirements to File Lists of Equity Security Holders and Provide Notice to Equity Security Holders

12. Under Bankruptcy Rule 1007(a)(3), the Debtors are required to file lists of equity security holders for each Debtor within fourteen (14) days after the Petition Date. See Fed. R. Bankr. P. 1007(a)(3). Unless otherwise ordered by the Court, Bankruptcy Rule 2002(d) requires that the Debtors give notice of the order for relief to all equity security holders. See Fed. R. Bankr. P. 2002(d).

13. Walter Energy is a public company. As of March 3, 2015, Walter Energy had issued approximately 72 million shares of common stock held by over 36,000 beneficial holders. Walter Energy owns, directly or indirectly, 100% of the equity interests in all other Debtors. The Debtors already have disclosed their equity security holders to the extent required by Bankruptcy Rules 1007(a)(1) and 7007.1(a). In particular, no corporation owns more than 10% or more of Walter Energy's equity interests.

14. Contemporaneous with this Motion, the Debtors have requested authority to publish notice of the commencement of the Chapter 11 Cases in the following local and national publications: *Birmingham News*, *Alabama Messenger*, *Tuscaloosa News*, *Mobile Press-Register*, *Charlestown Gazette & Daily Mail*, *Nicholas Chronicle*, *Tumbler Ridge News*, *Chetwynd Echo*, *Wall Street Journal* (national edition) and *USA Today* (national edition).

15. Section 105(a) of the Bankruptcy Code empowers the court to issue any order that is necessary or appropriate to carry out the provisions of the Bankruptcy Code. See 11 U.S.C. § 105(a). Similarly, Bankruptcy Rule 2002(d) allows the Court to waive notice of the commencement of the Chapter 11 Cases. See Fed. R. Bankr. P. 2002(d). Courts in other jurisdictions have granted the relief requested herein. See, e.g., In re BPZ Resources, Inc., Case No. 15-60016, ECF No. 29 (Bankr. S.D. Tex. March 10, 2015) (order waiving requirement to

file equity security lists); In re Patriot Coal Corp, Case No. 12-12900 (SCC), ECF No. 53 (Bankr. S.D.N.Y. July 12, 2012) (order waiving requirement to file equity security lists and provide notice to equity security holders); In re Dolan Co., Case No. 14-10614 (BLS), ECF No. 69 (Bankr. D. Del. March 25, 2014) (order waiving requirement to file equity security list).

16. Given the number of equity security holders in Walter Energy, preparing a list of the Debtors' equity security holders with their last known addresses and sending notice to all such parties would be extremely expensive and time consuming. Publication of the notice of commencement of the Chapter 11 Cases, as discussed above, will reach the majority of the equity security holders. Furthermore, the Chapter 11 Cases are likely to receive national attention from the news media. If it is determined that equity security holders are entitled to distributions from the Debtors' estates, the Debtors will provide appropriate notice of the bar date, the plan of reorganization and the confirmation hearing. The Debtors' equity security holders will have adequate opportunity to assert their interests in the Chapter 11 Cases.

17. For the reasons set forth above, the Debtors request that the Court exercise its equitable powers and waive the requirement that the Debtors file lists of equity security holders and provide notice of commencement of the Chapter 11 Cases to equity security holders.

NOTICE

18. Notice of this Motion will be provided to: (i) the Office of the Bankruptcy Administrator for the Northern District of Alabama; (ii) counsel to the administrative agent for the Debtors' prepetition secured credit facility; (iii) the indenture trustee for each of the Debtors' outstanding bond issuances; (iv) counsel to the steering committee of first lien debt holders; (v) the Internal Revenue Service; (vi) the Securities and Exchange Commission; (vii) the U.S. Environmental Protection Agency; (viii) the U.S. Attorney for the Northern District of Alabama; (ix) counsel to the UMWA; (x) the USW; (xi) the holders of the fifty (50) largest unsecured

claims against the Debtors, on a consolidated basis; and (xii) all persons and entities that have filed a request for service of filings in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, no other or further notice is necessary.

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CONCLUSION

WHEREFORE, the Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as is just and proper.

Dated: July 15, 2015
Birmingham, Alabama

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*Proposed Counsel to the Debtors and
Debtors-in-Possession*

EXHIBIT A
PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
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AND PROVIDE NOTICE TO EQUITY SECURITY HOLDERS**

Upon consideration of the motion (the “Motion”)² of the Debtors for entry of an order, pursuant to sections 105(a) and 521 of the Bankruptcy Code and Bankruptcy Rules 1007(a), 1007(c) and 2002(d): (i) extending the time within which the Debtors must file the schedules and statements described in Bankruptcy Rule 1007, including the schedules of assets and liabilities, schedules of executory contracts and unexpired leases and statements of financial affairs (the “Schedules and Statements”); (ii) waiving the requirements to file lists of equity security holders and provide notice to equity security holders; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing

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² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

that adequate and proper notice of the Motion has been given and that no other or further notice need be given; and a hearing having been held to consider the relief requested in the Motion; and upon the record of the hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors and all other parties in interest; and the legal and factual bases set forth in the Motion having established just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor; it is hereby ORDERED that:

1. The Motion is GRANTED to the extent provided herein.
2. The Debtors are granted an extension of the deadline to file their Schedules and Statements through and including August 28, 2015, without prejudice to the Debtors' rights to seek further extensions or waivers.
3. The requirement under Bankruptcy Rule 1007(a)(3) that the Debtors file lists of equity security holders is hereby waived.
4. The requirement under Bankruptcy Rule 2002(d) that the Debtors provide notice to all equity security holders of the Chapter 11 Cases is hereby waived.
5. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: July [], 2015

UNITED STATES BANKRUPTCY JUDGE