

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

<b>IN RE:</b>	§	<b>Chapter 11</b>
	§	
<b>WALTER ENERGY, INC., et al.<sup>1</sup></b>	§	<b>Case No. 15-02741-TOM11</b>
	§	
	§	<b>Jointly Administered</b>

**DOMINION RESOURCES BLACK WARRIOR TRUST'S  
STATEMENT OF ISSUES ON APPEAL**

Dominion Resources Black Warrior Trust (“Dominion”) by and through its Trustee, Southwest Bank, hereby submits, in accordance with Federal Rule of Bankruptcy Procedure 8009, this Statement of Issues on Appeal with respect to Dominion’s appeal of the Bankruptcy Court’s *Memorandum Opinion and Order on Walter Black Warrior Basin, LLC’s Motion for an Order Nunc Pro Tunc (A) Authorizing Walter Black Warrior Basin, LLC to Reject Certain Agreements with Dominion and (B) Granting Related Relief* entered on December 28, 2015 (Dkt. No. 1491) entered by the United States Bankruptcy Court for the Northern District of Alabama (the “Bankruptcy Court”) on December 28, 2015 (the “Memorandum Opinion and Order”).

**A. STATEMENT OF ISSUES PRESENTED ON APPEAL**

Dominion’s appeal of the Memorandum Opinion and Order (Dkt. 1491) presents the following issues:

<sup>1</sup> 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 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.

A. Did the Bankruptcy Court err in granting the Motion for an Order Nunc Pro Tunc (A) Authorizing Walter Black Warrior Basin, LLC to Reject Certain Agreements with Dominion Resources Black Warrior Trust, and (B) Granting Related Relief by rejecting the Dominion Agreements? This issue includes the following sub-issues:

1. Whether the Bankruptcy Court erred in determining that the Overriding Royalty Conveyance (the “Royalty Agreement”) was an executory contract subject to rejection by the Debtor?

2. Whether the Bankruptcy Court erred in determining that the Trust Agreement of Dominion Resources Black Warrior Trust (the “Trust Agreement”) was an executory contract subject to rejection by the Debtor?

3. Whether the Bankruptcy Court erred in determining that the Administrative Services Agreement (the “Services Agreement” and, collectively with the Royalty Agreement and the Trust Agreement, the “Dominion Agreements”) was an agreement by and between the Debtor as successor in interest to Dominion Resources, Inc. and Dominion, and not between two non-debtor third parties?

4. Whether the Bankruptcy Court erred in determining that the Services Agreement was an executory contract subject to rejection by the Debtor?

5. Whether the Bankruptcy Court erred in determining that the Royalty Agreement is a contractual right to payment that is subject to impairment in bankruptcy?

6. Whether the Bankruptcy Court erred in determining that the conveyance to Dominion was not a severance of the oil and gas interest for economic consideration under Alabama law?

7. Whether the Bankruptcy Court erred in determining that Dominion was only entitled to a payment under the Royalty Agreement and not an ownership interest in the 65% interest in the Subject Gas?

8. Whether the rejection of the conveyance without notice to the unit holders violates their Fifth Amendment Due Process rights under the United States Constitution?

Dated: January 22, 2016.

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**Certificate of Service**

I hereby certify that on the 22nd day of January, 2016, I electronically filed Dominion Resources Black Warrior Trust's Statement of Issues on Appeal with the Clerk of the Court using the CM-ECF system, and served a copy of the above and foregoing, the parties listed on the Master Service List in accordance with the Court's *Order Pursuant to 11 U.S.C. §§102 and 105(A) and Bankruptcy Rules 2002(M) and 9007 Implementing Certain Notice and Case Management Procedures* [Docket No. 56].

/s/ Thomas B. Humphries  
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