

**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. 15-02741-TOM11

Joint Administration Requested

**INTERIM ORDER (A) AUTHORIZING (I) THE DEBTORS TO PAY
PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS AND FOREIGN
VENDORS AND (II) FINANCIAL INSTITUTIONS TO HONOR AND PROCESS
RELATED CHECKS AND TRANSFERS AND (B) GRANTING RELATED RELIEF**

Upon the Motion² of Walter Energy, Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (each a “Debtor” and, collectively, the “Debtors”), requesting entry of interim and final orders pursuant to sections 105, 363, 503(b)(9), 506(b) and 507(a)(2) of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004, authorizing, but not directing, the Debtors, in their discretion, to pay the prepetition claims of certain Critical Vendors and Foreign Vendors, honor and process related checks and transfers, and granting related relief; and it appearing that venue 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 that the relief requested is in the best interests of the Debtors, their estates, their creditors and all other parties in interest; and it appearing that such relief is necessary to avoid immediate and

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.

² All capitalized terms used and not defined herein shall have the meanings ascribed to them in the Motion.



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irreparable harm, meaning that the requirements of Bankruptcy Rule 6003 have been satisfied; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and after due deliberation and sufficient cause appearing therefor; it is hereby ORDERED that:

1. The Motion is GRANTED on an INTERIM BASIS to the extent provided herein.

1. The Debtors are authorized, but not directed, in their sole discretion and in the reasonable exercise of their business judgment, to pay certain prepetition Critical Claims and Foreign Claims, subject to the conditions set forth in this Interim Order.

2. The Interim Claims Cap applicable to payment of the Critical Claims and Foreign Claims upon entry of this Interim Order shall not exceed \$5.7 million in the aggregate unless otherwise ordered by the Court.

3. The Debtors are authorized to pay the Critical Claims and Foreign Claims in the ordinary course of business, when due and not on an accelerated basis.

4. Any Critical Vendor or Foreign Vendor that accepts payment pursuant to the authority granted in this Interim Order shall be deemed to (a) agree to the terms and provisions of this Interim Order and (b) have waived, to the extent paid, any and all prepetition claims against the Debtors, their assets and their properties.

5. The Debtors shall undertake all appropriate efforts in the exercise of their sound business judgment to cause any applicable Critical Vendor or Foreign Vendor to enter into a trade agreement with the Debtors to provide post-petition credit on the terms which the Debtors and the applicable Vendor did business historically or such other favorable terms that the Debtors determine are in the best interest of their estates.

6. The execution of a trade agreement by the Debtors shall not be declared a waiver of any other cause of action, including any avoidance action, which may be held by the Debtors.

7. The Debtors' Disbursement Banks shall be and hereby are, authorized, when requested by the Debtors in their sole discretion, to process, honor and pay any and all checks or electronic fund transfers drawn on the Debtors' bank accounts to pay the Critical Claims and Foreign Claims, provided that sufficient funds are available in the applicable accounts to make the payments.

8. Nothing in the Motion or this Interim Order, or the Debtors' payment of any claims pursuant to this Interim Order, shall be deemed or construed: (a) as an admission as to the validity of any claim or lien against the Debtors or their estates; (b) as a waiver of the Debtors' right to dispute any claim or lien; (c) as approval or assumption of any agreement, contract or lease pursuant to section 365 of the Bankruptcy Code; (d) as an admission of the priority status of any claim, whether under section 503(b)(9) of the Bankruptcy Code or otherwise; or (e) to prejudice any of the Debtors' rights to seek relief under any section of the Bankruptcy Code on account of any amounts owed or paid to any vendor or service provider.

9. Any payment made or to be made under this Order, and any authorization contained in this Order, shall be subject to the terms of the Interim Cash Collateral Order and related final order.

10. The Debtors shall maintain a matrix summarizing the name of each Critical Vendor and Foreign Service Provider paid on account of its respective claim, the amount paid to each such party on account of its respective claim, and a brief description of the goods or services provided by such Critical Vendor or Foreign Service Provider, as applicable, and shall provide such matrix every thirty (30) days after the first Friday after entry of this Interim Order

to advisors to the Steering Committee; provided that, the Steering Committee's advisors shall keep the matrix confidential and shall not disclose any of the information in the matrix to any party, including any member of the Steering Committee, without obtaining prior written consent of the Debtors, such consent not to be unreasonably withheld or delayed.

11. Any objection to the entry of the Final Order must be filed with the Court and served on the following parties: (i) counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison, LLP, 1285 Avenue of the Americas, New York, New York, 10019, Attention: Kelley Cornish (email: kcornish@paulweiss.com) and Claudia Tobler (email: ctobler@paulweiss.com) and Bradley Arant Boult Cummings LLP, One Federal Place, 1819 Fifth Avenue North, Birmingham, Alabama 35203, Attention: Jay Bender (email: jbender@bab.com) and James Bailey (email: jbailey@bab.com); (ii) the Office of the Bankruptcy Administrator for the Northern District of Alabama, 1800 Fifth Avenue North, Birmingham, Alabama 35203, Attention: Tom Corbett (email: Thomas_corbett@alnb.uscourts.gov) and Jon Dudeck (email: jon_dudeck@alnb.uscourts.gov); (iii) counsel to the Steering Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attention: Ira Dizengoff (email: idizengoff@akingump.com), Akin Gump Strauss Hauer & Feld LLP, 1333 New Hampshire Ave, N.W., Washington, DC 20036, Attention: James Savin (email: jsavin@akingump.com) and Burr Forman, 420 North 20th Street, Suite 3400, Birmingham, Alabama 35203, Attention: Michael L. Hall (email: mhall@burr.com) and D. Christopher Carson (email: ccarson@burr.com); (iv) counsel to the administrative agent for the Debtors' prepetition secured credit facility; (v) counsel to any statutory committee appointed in these cases; and (vi) any party that has requested notice pursuant to Bankruptcy Rule 2002, in each

case to allow actual receipt by no later than 4:00 p.m. (CDT) on August 11, 2015 (the “Objection Deadline”).

12. The Debtors may file an omnibus reply to any objection with the Court and serve such reply via email on or before 12:00 p.m. (Central Daylight Time) on the day that is at least two business days before the date of the final hearing on the Motion.

13. If timely objections are received by the Objection Deadline there shall be a hearing on August 18, 2015, at 10:00 a.m. (Central Daylight Time) to consider such timely objections to the Motion and the Debtors’ omnibus reply.

14. Notwithstanding Bankruptcy Rule 6003, this Order shall be effective and enforceable upon entry hereof.

15. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

16. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Interim Order.

Dated: July 16, 2015

/s/ Tamara O. Mitchell
Tamara O. Mitchell
United States Bankruptcy Judge

Notice Recipients

District/Off: 1126-2
Case: 15-02741-TOM11

User: Itumlin
Form ID: pdf000

Date Created: 7/16/2015
Total: 30

Recipients of Notice of Electronic Filing:

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aty	William (Will) Lee Thuston, Jr.	wlt@csattorneys.com

TOTAL: 13

Recipients submitted to the BNC (Bankruptcy Noticing Center):

db	Walter Energy, Inc.	3000 Riverchase Galleria	Suite 1700	Birmingham, AL 35244-2359
cr	WHH Real Estate, LLC	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham, AL 35203
cr	Cowin & Company, Inc.	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham, AL 35203
cr	Nelson Brothers, LLC	c/o Daniel D. Sparks	505 20th Street North	Suite 1800 Birmingham, AL 35203
ba	J. Thomas Corbett	Bankruptcy Administrator	1800 5th Avenue North	Birmingham, AL 35203
cr	United Mine Workers of America	c/o Sharon L. Levine	Lowenstein Sandler, LLP	65 Livingston Avenue & 6 Becker Farm Rd Roseland, NJ 07068
crmc	Steering Committee	c/o Akin Gump Strauss Hauer & Feld LLP	One Bryant Park	Bank of America Tower New York, NY 10036-6745
intp	Wilmington Trust, National Association	Corporate Capital Markets	50 South Sixth Street Ste 1290	Minneapolis, MN 55402
intp	Scott Greissman	White & Case LLP	1155 Avenue of the Americas	New York, NY 10036
cr	Alabama State Port Authority	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite 1200 Birmingham, AL 35203
cr	Thompson Tractor Co., Inc.	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite 1200 Birmingham, AL 35203 UNITED STATES
cr	Parker Towing Company, Inc.	c/o Benjamin S. Goldman, Esquire	2001 Park Place North	Suite 1200 Birmingham, AL 35203 UNITED STATES
cr	RGGS Land & Minerals, LTD., L.P.	c/o Robert A. morgan	ROSN HARWOOD, kPA	2200 Jack Warner Parkway, Suite 200 P. O. Box 2727 Tuscaloosa, AL 35403-2727
aty	Ira Dizengoff	Akin Gump Strauss Hauer & Feld LLP	One Bryant Park	New York, NY 10036
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TOTAL: 17