

**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) AUTHORIZING THE DEBTORS TO
FILE A CONSOLIDATED LIST OF 50 LARGEST UNSECURED CREDITORS,
(B) WAIVING THE REQUIREMENT TO FILE A LIST OF CREDITORS, AND
(C) ESTABLISHING PROCEDURES FOR NOTIFYING CREDITORS OF THE
COMMENCEMENT OF THE DEBTORS' CHAPTER 11 CASES**

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), 342(a) and 521(a)(1)(A) of title 11 of the U.S. Code (the "Bankruptcy Code") and rules 1007(a), 1007(d), 2002(a)(1), 2002(f) and 2002(l) 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) authorizing the Debtors to file a consolidated list of 50 largest unsecured creditors, (ii) waiving the requirement to file a list of creditors; (iii) establishing procedures for notifying creditors of the commencement of the Debtors' chapter 11 cases and (iv) granting the Debtors such other and further relief as the Court deems just and proper. In support of this Motion, the Debtors rely on the *Declaration of William*

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.



150274115071500000000016

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, 342 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), 342(a) and 521(a)(1)(A) of the Bankruptcy Code and Bankruptcy Rules 1007(a), 1007(d), 2002(a)(1), 2002(f) and 2002(l), authorizing, but not directing, the Debtors, in their sole discretion, to: (a) file a consolidated list of 50 largest

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.

unsecured creditors; (b) waive the requirement to file a list of creditors; and (c) establish procedures for notifying creditors of the commencement of the Chapter 11 Cases and of the meeting of creditors required by section 341 of the Bankruptcy Code.

BASIS FOR RELIEF REQUESTED

A. The Debtors Should be Authorized to File a Consolidated List of the Fifty Largest Unsecured Creditors

7. Bankruptcy Rule 1007(d) requires a voluntary chapter 11 debtor to file with the petition a list of the creditors that hold the twenty (20) largest unsecured claims against the debtor, excluding insiders. Fed. R. Bankr. P. 1007(d). The purpose of the list prescribed by Bankruptcy Rule 1007(d) is to inform the Bankruptcy Administrator to appoint a properly representative committee under section 1102 of the Bankruptcy Code. See 9 COLLIER ON BANKRUPTCY, ¶ 1007.04 (Alan N. Resnick & Henry J. Sommer eds., 16th ed.).

8. On the Petition Date, the Debtors filed a consolidated list of the creditors holding the fifty (50) largest unsecured claims against all the Debtors on a cumulative basis (the “Consolidated Fifty Largest List”). Under the circumstances, in lieu of filing a separate list of the creditors holding the twenty (20) largest unsecured claims in each of the Chapter 11 Cases, the Debtors should be granted authority to file the Consolidated Fifty Largest List.

9. The Debtors are affiliates with integrated operations and have many of the same creditors. The Debtors have a consolidated and centralized cash management system. To facilitate efficient management of cash, the Debtors’ receivables are transferred to Walter Energy’s bank accounts and the transactions are recorded on Walter Energy’s and the other Debtors’ books and records through intercompany accounting entries. The Debtors’ accounts payable are frequently paid from Walter Energy’s bank accounts and the transactions are likewise recorded through intercompany accounting entries.

10. Because the Debtors' employees and professionals would have had to divert significant resources and effort to reconcile which claims are properly asserted against each of the Debtors, the Debtors instead prepared the Consolidated Fifty Largest List on a combined basis. The Consolidated Fifty Largest List accurately reflects the debt structures of the Debtors as a whole.

11. Contemporaneously herewith, the Debtors have filed a motion requesting joint administration of the Chapter 11 Cases. Allowing the Debtors to file the Consolidated Fifty Largest List will facilitate the Bankruptcy Administrator's formation of a committee that adequately represents unsecured creditors' interests in the Debtors' cases.

12. In light of the foregoing, authority to file the Consolidated Fifty Largest List is in the best interest of the Debtors' estates and will facilitate the efficient and orderly administration of the Chapter 11 Cases.

B. The Court Should Waive the Requirement to File a List of Creditors and Approve the Notice of Commencement Procedures

13. Pursuant to Bankruptcy Rule 1007(a), a chapter 11 petition must ordinarily be accompanied by a list containing the name and address of each entity included or to be included on the Debtors' schedules. See Fed. R. Bankr. P. 1007(a). On a consolidated basis, the Debtors have approximately 50,000 creditors.

14. Section 342(a) of the Bankruptcy Code and Bankruptcy Rule 2002(f) require appropriate notice of an order for relief under title 11 of the U.S. Code. See 11 U.S.C. § 342(a); Fed. R. Bankr. P. 2002(f). Bankruptcy Rule 2002(a) also requires twenty-one (21) days' notice of the hearing under section 341 of the Bankruptcy Code. See Fed. R. Bankr. P. 2002(a)(1).

15. Contemporaneously with this Motion, the Debtors have filed an application for an order appointing Kurtzman Carson Consultants LLC as claims and noticing agent and

administrative advisor (“Claims and Noticing Agent”) for the Chapter 11 Cases. Under 28 U.S.C. § 156(c), the Court and the Debtors may use outside facilities or services, such as the Claims and Noticing Agent, for the provision of notices and other administrative information to parties in interest. See 28 U.S.C. § 156(c).

16. The Debtors propose that, rather than filing a list of creditors, the Claims and Noticing Agent shall retain and maintain a consolidated list of creditors for the Chapter 11 Cases (the “Consolidated List of Creditors”). The Claims and Noticing Agent will also make the Consolidated List of Creditors available to the Court, the Clerk and any parties in interest upon request.

17. The Debtors also propose that the Claims and Noticing Agent, rather than the Clerk of the Bankruptcy Court, assume responsibility for providing notice of the commencement of the Chapter 11 Cases and the meeting of creditors under section 341 of the Bankruptcy Code. In particular, the Debtors propose the following procedures to provide the notices required under section 342(a) of the Bankruptcy Code and Bankruptcy Rule 2002(a)(1) (the “Notice of Commencement Procedures”):

- (a) Within seven (7) days of entry of an order approving this Motion, the Claims and Noticing Agent shall serve on the Consolidated List of Creditors a notice of commencement substantially in the form annexed hereto as Exhibit B (the “Notice of Commencement”). The Claims and Noticing Agent shall file a proof of service of the Notice of Commencement on the Consolidated List of Creditors within seven (7) days of such service.
- (b) At least twenty-one days (21) days prior to the scheduled meeting of creditors under section 341 of the Bankruptcy Code, the Debtors or the Claims and Noticing Agent shall publish the Notice of Commencement in the following local and nationwide publications: Birmingham News, Alabama Messenger, Tuscaloosa News, Mobile-Press Register, Charleston Gazette & Daily Mail, Nicholas Chronicle, Tumbler Ridge News, Chetwynd Echo, Wall Street Journal National Edition and USA Today National Edition and certain foreign publications (collectively, the “Publications”). The Debtors or the Claims and Noticing Agent shall file

proofs of publication within a reasonable time after such proofs of publication are made available by the Publications.

- (c) The Claims and Noticing Agent shall publish the Notice of Commencement on the website to be established by the Claims and Noticing Agent at <http://www.kccllc.net/walterenergy> within seven (7) days of entry of an Order approving this Motion.
- (d) The Claims and Noticing Agent shall serve the Notice of Commencement on known creditors who do not have addresses in the United States, to the extent such addresses are known.

18. 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(l) allows the Court to order notice by publication if it finds that it is desirable to supplement any notice by mail. See Fed. R. Bankr. P. 2002(l).

19. Given the number of creditors in the Chapter 11 Cases, granting the relief requested herein is appropriate and will ease the administrative burden on the Clerk of the Bankruptcy Court. Without limitation, the Consolidated List of Creditors will be maintained by the Claims and Noticing Agent and made available to the Court, the Clerk and any parties in interest that may request a copy of the Consolidated List of Creditors. The Notice of Commencement Procedures will also ensure that the notices required under section 342(a) of the Bankruptcy Code and Bankruptcy Rule 2002 will be provided to all parties on the Consolidated List of Creditors. In addition, service of the Notice of Commencement on creditors that do not have addresses in the United States, and otherwise relying on publication notice as provided herein, satisfies sections 1514(a) and (b) and provides such creditors with due and adequate notice. Thus, the applicable requirements of the Bankruptcy Code and Bankruptcy Rules will be satisfied without the necessity of the Clerk arranging for service or notice.

20. For the reasons set forth above, the Debtors request that the Court exercise its equitable powers and grant the relief requested herein.

NOTICE

21. 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.

[Remainder of Page Intentionally Left Blank]

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

BRADLEY ARANT BOULT CUMMINGS LLP

By: Patrick Darby
Patrick Darby
Jay Bender
Cathleen Moore
James Bailey
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203
Telephone: (205) 521-8000
Email: pdarby@babc.com, jbender@babc.com
ccmoore@babc.com, jbailey@babc.com

- and -

PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP
Stephen J. Shimshak (*pro hac vice pending*)
Kelley A. Cornish (*pro hac vice pending*)
Claudia R. Tobler (*pro hac vice pending*)
Ann K. Young (*pro hac vice pending*)
Michael S. Rudnick (*pro hac vice pending*)
1285 Avenue of the Americas
New York, New York 10019
Telephone: (212) 373-3000
Email: sshimshak@paulweiss.com, kcornish@paulweiss.com,
ctobler@paulweiss.com, ayoun@paulweiss.com,
mrudnick@paulweiss.com

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

EXHIBIT A
PROPOSED ORDER

**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

ORDER (A) AUTHORIZING THE DEBTORS TO FILE A CONSOLIDATED LIST OF 50 LARGEST UNSECURED CREDITORS, (B) WAIVING THE REQUIREMENT TO FILE A LIST OF CREDITORS, AND (C) ESTABLISHING PROCEDURES FOR NOTIFYING CREDITORS OF THE COMMENCEMENT OF THE DEBTORS' CHAPTER 11 CASES

Upon consideration of the motion (the "Motion")² of Walter Energy, Inc. and its affiliated debtors and debtors-in-possession in the above captioned cases (each a "Debtor" and collectively, the "Debtors") for entry of an order, pursuant to sections 105(a), 342(a) and 521(a)(1)(A) of title 11 of the U.S. Code (the "Bankruptcy Code") and rules 1007(a), 1007(d), 2002(a)(1), 2002(f) and 2002(l) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order: (i) authorizing the Debtors to file a consolidated list of 50 largest unsecured creditors, (ii) waiving the requirement to file a list of creditors; (iii) establishing procedures for notifying creditors of the commencement of the Debtors' chapter 11 cases and the meeting of creditors required by section 341 of the Bankruptcy Code; and it appearing that this

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

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 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 authorized, *nunc pro tunc* to the Petition Date, to file a consolidated list of the fifty (50) largest creditors in the Chapter 11 Cases in the form of the Consolidated Fifty Largest List.
3. The requirement that the Debtors file with the Court a list of creditors under Bankruptcy Rule 1007(a) is waived *nunc pro tunc* to the Petition Date and the Claims and Noticing Agent shall retain and maintain the Consolidated List of Creditors.
4. The Claims and Noticing Agent shall make the Consolidated List of Creditors available to the Court, the Clerk and any parties in interest upon request.
5. The form of the Notice of Commencement, in substantially the form annexed to the Motion as Exhibit B, is approved.

6. The proposed Notice of Commencement Procedures are approved as follows:
- (a) Within seven (7) days of entry of this Order, the Claims and Noticing Agent shall serve the Notice of Commencement on the Consolidated List of Creditors. The Claims and Noticing Agent shall file with this Court proof of service of the Notice of Commencement on the Consolidated List of Creditors within seven (7) days of such service.
 - (b) At least twenty-one (21) days prior to the scheduled meeting of creditors under section 341 of the Bankruptcy Code, the Debtors or the Claims and Noticing Agent shall publish the Notice of Commencement in the following local and nationwide publications: Birmingham News, Alabama Messenger, Tuscaloosa News, Mobile-Press Register, Charleston Gazette & Daily Mail, Nicholas Chronicle, Tumbler Ridge News, Chetwynd Echo, Wall Street Journal National Edition and USA Today National Edition (collectively, the “Publications”). The Debtors or the Claims and Noticing Agent shall file proofs of publication within a reasonable time after such proofs of publication are made available by the Publications.
 - (c) The Claims and Noticing Agent shall publish the Notice of Commencement on the website to be established by the Claims and Noticing Agent at <http://www.kccllc.net/walterenergy> within seven (7) days of entry of this Order approving this Motion.

7. The Debtors’ compliance with this Order shall satisfy the requirements of sections 342(a), 521(a)(1)(A) and 1514 of the Bankruptcy Code and Bankruptcy Rules 1007(a), 1007(d), 2002(a)(1) and 2002(l) and shall provide adequate notice of the commencement of the Chapter 11 Cases under the circumstances.

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

Dated: _____, 2015

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

NOTICE OF COMMENCEMENT

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

In re: WALTER ENERGY, INC., <i>et al.</i> , <p style="text-align: center;">Debtors.</p>	Chapter 11 Case No. 15-_____(____) Jointly Administered
---	---

**NOTICE OF COMMENCEMENT OF CHAPTER 11 BANKRUPTCY CASES,
MEETING OF CREDITORS AND FIXING OF CERTAIN DATES**

On July __, 2015, Walter Energy, Inc. and its affiliated debtors and debtors-in-possession (each a “Debtor” and, collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the U.S. Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”). The Debtors and their respective chapter 11 case numbers (collectively, the “Chapter 11 Cases”) and the last four digits of their respective federal tax identification numbers, are set forth immediately below. The location of the Debtors’ corporate headquarters and the Debtors’ service address is: 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.

Entity Name	Case Number	Tax Identification #
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 Energy, Inc.		9953
Walter Exploration & Production LLC		5786
Walter Home Improvement, Inc.		1633
Walter Land Company		7709
Walter Minerals, Inc.		9714

Walter Natural Gas, LLC	1198
-------------------------	------

COMMENCEMENT OF CASES. Petitions under chapter 11 of the Bankruptcy Code have been filed in the United States Bankruptcy Court for the Northern District of Alabama (the “Court”) by the Debtors. *You will not receive notice of all documents filed in the Chapter 11 Cases.* All documents filed with the Court in the Chapter 11 Cases, including schedules of the Debtors’ assets and liabilities, are available for inspection at the Office of the Clerk of the Court (the “Clerk’s Office”). In addition, such documents may be available at www.alnb.uscourts.gov. A PACER password is needed to access these documents and can be obtained from the PACER Service Center at www.pacer.psc.uscourts.gov. In addition, such documents are or will be available through the website of Kurtzman Carson Consultants LLC (“KCC”), the Debtors’ claims and noticing agent in the Chapter 11 Cases, at <http://www.kccllc.net/walterenergy>, or by contacting KCC at (866) 967-0679 or, if calling from outside the U.S. or Canada, at (310) 751-2679.

DATE, TIME AND LOCATION OF MEETING OF CREDITORS. [DATE, TIME], U.S. Bankruptcy Court Robert S. Vance Federal Building, 1800 Fifth Avenue North Birmingham, Alabama 35203-2111, [Room ____].

MEETING OF CREDITORS. The Debtors’ representative, as specified in rule 9001(5) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. The meeting may be continued or adjourned from time-to-time by notice at the meeting, without further written notice to the creditors.

DEADLINE TO FILE A PROOF OF CLAIM. Notice of this deadline will be sent or published by and through a separate notice.

DEADLINE TO FILE A COMPLAINT TO DETERMINE DISCHARGEABILITY OF CERTAIN DEBTS: On the date that is sixty (60) days after the first scheduled meeting of creditors pursuant to section 341 of the Bankruptcy Code.

NAME, ADDRESS AND TELEPHONE NUMBER OF CHAPTER 11 TRUSTEE. None appointed to date.

PROPOSED COUNSEL FOR THE DEBTORS.

PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP
Ann K. Young (*pro hac vice pending*)
Michael S. Rudnick (*pro hac vice pending*)
1285 Avenue of the Americas
New York, New York 10019
Telephone: (212) 373-3000

BRADLEY ARANT BOULT
CUMMINGS LLP
Patrick Darby
Jay Bender
Cathleen Moore
James Bailey
One Federal Place
1819 Fifth Avenue North

Birmingham, Alabama 35203
Telephone: (205) 521-8000

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the Bankruptcy Code enables debtors to reorganize or liquidate pursuant to a plan. A plan is not effective unless approved by the Court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event any of the Chapter 11 Cases are dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their property and will continue to operate their business unless a chapter 11 trustee is appointed.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom the Debtors owe money or property. Under the Bankruptcy Code, the Debtors are granted certain protections against creditors. Common examples of prohibited actions by creditors are contacting the Debtors to demand repayment, taking action against the Debtors to collect money owed to creditors or to take property of the Debtors and starting or continuing foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against the Debtors, the Court may penalize that creditor. A creditor which is considering taking action against the Debtors or their property should review section 362 of the Bankruptcy Code and may wish to seek legal advice. *The staff of the Clerk's Office and the Debtors' proposed counsel are not permitted to give you legal advice.*

CLAIMS. Schedules of creditors will be filed by the Debtors in the Chapter 11 Cases pursuant to Bankruptcy Rule 1007. Any creditor holding a scheduled claim, which is not listed as disputed, contingent, or unliquidated as to amount, may, but is not required to, file a proof of claim in these Chapter 11 Cases. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and which desire to participate in these Chapter 11 Cases or share in any distribution in the Chapter 11 Cases must file a proof of claim. A creditor which desires to rely on the Debtors' schedules of claims and liabilities has the sole responsibility for determining that its claim is accurately listed therein. *Separate notice of the deadlines to file proofs of claim in the Chapter 11 Cases and proof of claim forms will be provided to the Debtors' known creditors.* Proof of claim forms also are available in the Clerk's Office of any United States Bankruptcy Court, from the Court's website at www.alnb.uscourts.gov, or from the website of KCC at <http://www.kccllc.net/walterenergy>.

DISCHARGE OF DEBTS. Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. *See* 11 U.S.C. § 1141(d). A discharge means that you may never try to collect the debt from the Debtors, except as provided in the plan. If you believe that a debt owed to you is not dischargeable under section 1141(d)(6) of the Bankruptcy Code, you must start a lawsuit by filing a complaint in the Clerk's Office by the "Deadline to File a Complaint to Determine Dischargeability of Certain Debtors" listed above. The Clerk's Office must receive the complaint and any required filing fee by that deadline.

Dated: _____

For the Court: _____

Clerk of the United States
Bankruptcy Court for the
Northern District of Alabama