

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

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In re:	:	Chapter 11
	:	
WALTER ENERGY, INC., <u>et al.</u> ,	:	Case No. 15-02741-TOM11
	:	
Debtors. <sup>1</sup>	:	Jointly Administered
	:	
	X	

**NOTICE OF BIDDING PROCEDURES, AUCTION DATE, AND SALE HEARING**

**PLEASE TAKE NOTICE THAT:**

1. On November 5, 2015 Walter Energy, Inc. (the “**Company**”) and its affiliated debtors and debtors in possession in the above-captioned bankruptcy cases (collectively with the Company, the “**Debtors**” or “**Sellers**”) filed their Motion (the “**Motion**”) for (A) an Order (I) Establishing Bidding Procedures for the Sale(s) of All, or Substantially All, of the Debtors’ Assets; (II) Approving Bid Protections; (III) Establishing Procedures Relating to the Assumption and Assignment of Executory Contracts and Unexpired Leases; (IV) Approving Form and Manner of the Sale, Cure and Other Notices; and (V) Scheduling an Auction and a Hearing to Consider the Approval of the Sale(s); (B) Order(s) (I) Approving the Sale(s) of the Debtors’ Assets Free and Clear of Claims, Liens and Encumbrances; and (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (C) Certain Related Relief.<sup>2</sup> By the Motion, the Debtors seek, *inter alia*, to sell (the “**Sale(s)**”) all or substantially all of their assets (the “**Subject Assets**”) and to assume and assign certain executory contracts and unexpired leases (the “**Available Contracts**”) to Coal Acquisition LLC (the “**Stalking Horse Purchaser**”) pursuant to a stalking horse asset purchase agreement by and among the Sellers and the Stalking Horse Purchaser (the “**Stalking Horse Agreement**”), subject to higher or otherwise better offers, and/or one or more Successful Bidder(s) at the Auction, as applicable.

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<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 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.

<sup>2</sup> Capitalized terms used herein but not otherwise defined in this notice (the “**Notice**”) shall have the meanings ascribed to them in the Motion.



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2. On November 25, 2015, pursuant to the Motion, the Court entered an Order (the “**Bidding Procedures Order**”) approving auction and bidding procedures (the “**Bidding Procedures**”) in connection with the proposed Sale(s). A copy of the Motion, the Bidding Procedures Order and the Bidding Procedures can be obtained free of charge on <http://www.kccllc.net/walterenergy>.

3. The Auction shall take place on **January 5, 2016 at 10:00 a.m. (prevailing Central Time)** at the offices of Bradley Arant Boult Cummings LLP, One Federal Place, 1819 Fifth Avenue North, Birmingham, Alabama 35203, or such other place and time as the Debtors shall notify all Qualified Bidders, the Consultation Parties and each of their respective counsel and advisors.

4. A hearing to approve the Sale(s) (the “**Sale Hearing**”), including the assumption and assignment of certain Available Contracts, will be held on **January 6, 2016 at 9:00 a.m. (prevailing Central Time)**, at the United States Bankruptcy Court for the Northern District of Alabama, Southern Division, 1800 Fifth Avenue North Birmingham, Alabama 35203, before the Honorable Tamara O. Mitchell. The Sale Hearing may be adjourned or, if there is more than one Successful Bidder, bifurcated by the Debtors, in consultation with the Consultation Parties, from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment or bifurcation in open court on the date scheduled for the Sale Hearing, or by filing a notice on the docket of the Debtors’ Chapter 11 Cases.

5. Pursuant to the Bidding Procedures Order, any objections to the Sale(s) (“**Sale Objections**”) must be set forth in writing and must state with particularity the grounds for such objections or other statements of position. Sale Objections must be filed with the Clerk and served on (a) counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison, LLP, 1285 Avenue of the Americas, New York, New York, 10019, Attention: Kelley A. Cornish ([kcornish@paulweiss.com](mailto:kcornish@paulweiss.com)) and Stephen J. Shimshak ([sshimshak@paulweiss.com](mailto:sshimshak@paulweiss.com)), and Bradley Arant Boult Cummings LLP, One Federal Place, 1819 Fifth Avenue North, Birmingham, Alabama 35203, Attention: Patrick J. Darby ([pdarby@babco.com](mailto:pdarby@babco.com)); (b) counsel to the Steering Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Ira Dizengoff ([idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Akin Gump Strauss Hauer & Feld LLP, 1333 New Hampshire Avenue, NW, Washington, DC 20036, Attention: James Savin ([jsavin@akingump.com](mailto:jsavin@akingump.com)); (c) counsel to the UCC, Morrison & Foerster LLP, 250 West 55th Street, New York, New York 10019, Attention: Brett H. Miller ([brettmiller@mofo.com](mailto:brettmiller@mofo.com)), Lorenzo Marinuzzi ([lmartinuzzi@mofo.com](mailto:lmartinuzzi@mofo.com)), and Jennifer L. Marines ([jmarines@mofo.com](mailto:jmarines@mofo.com)); (d) counsel to the Section 1114 Committee, Jenner & Block LLP, 353 North Clark Street, Chicago, IL 60654, Attention: Catherine Steege ([csteege@jenner.com](mailto:csteege@jenner.com)) and Melissa Root ([mroot@jenner.com](mailto:mroot@jenner.com)); and (e) the Bankruptcy Administrator, 1800 5th Avenue North, Birmingham, Alabama 35203, Attention: Tom Corbett ([Thomas.Corbett@almba.uscourts.gov](mailto:Thomas.Corbett@almba.uscourts.gov)) (collectively, the “**Notice Parties**”) by **4:00 p.m. (prevailing Central Time) on December 17, 2015**; provided that objections to the conduct of the Auction or selection of the Successful Bid(s) or Back-Up Bid(s) shall be in writing, filed with the Clerk, together with proof of service, and served so as to be received by the Notice Parties on or before **thirty (30) minutes prior to the commencement of the Sale Hearing**. UNLESS AN OBJECTION IS TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY

THE COURT AND THE COURT MAY GRANT THE RELIEF REQUESTED WITHOUT FURTHER HEARING AND NOTICE.

6. This Notice is subject to the fuller terms and conditions of the Motion and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtors encourage parties-in-interest to review such documents in their entirety.

Dated: November 25, 2015  
Birmingham, Alabama

BRADLEY ARANT BOULT CUMMINGS LLP

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