

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

In re: WALTER ENERGY, INC., Debtor.	Chapter 11 Case No. 15-____(____) Joint Administration Requested
In re: ATLANTIC DEVELOPMENT & CAPITAL, LLC, Debtor.	Chapter 11 Case No. 15-____(____) Joint Administration Requested
In re: ATLANTIC LEASECO, LLC, Debtor.	Chapter 11 Case No. 15-____(____) Joint Administration Requested
In re: BLUE CREEK COAL SALES, INC., Debtor.	Chapter 11 Case No. 15-____(____) Joint Administration Requested
In re: BLUE CREEK ENERGY, INC., Debtor.	Chapter 11 Case No. 15-____(____) Joint Administration Requested



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In re:

J.W. WALTER, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

JEFFERSON WARRIOR RAILROAD
COMPANY, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

JIM WALTER HOMES, LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

JIM WALTER RESOURCES, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

MAPLE COAL CO., LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

SLOSS-SHEFFIELD STEEL & IRON
COMPANY,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

SP MACHINE, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

TAFT COAL SALES & ASSOCIATES, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

TUSCALOOSA RESOURCES, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

V MANUFACTURING COMPANY,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER BLACK WARRIOR BASIN LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER COKE, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER ENERGY HOLDINGS, LLC,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER EXPLORATION &
PRODUCTION LLC,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER HOME IMPROVEMENT, INC.,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER LAND COMPANY,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER MINERALS, INC.,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

In re:

WALTER NATURAL GAS, LLC,
Debtor.

Chapter 11

Case No. 15-____(____)

Joint Administration Requested

**THE DEBTORS' MOTION FOR AN ORDER DIRECTING JOINT
ADMINISTRATION 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")¹ hereby move (the "Motion"), pursuant to section 105(a) of title 11 of the U.S. Code (the "Bankruptcy Code") and rule 1015 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"), directing joint administration of the Debtors' related chapter 11 cases, and granting them 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 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 section 105(a) of the Bankruptcy Code and Bankruptcy Rule 1015.

¹ 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 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.

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 section 105(a) of the Bankruptcy Code and Bankruptcy Rule 1015(b), directing the joint administration and consolidation of their Chapter 11 Cases for procedural purposes only. The Debtors are not requesting substantive consolidation of their respective estates.

7. Many of the motions, applications, hearings and orders that will arise in these Chapter 11 Cases will jointly affect each Debtor. For this reason, the interests of the Debtors, their creditors and other parties in interest would be best served by the joint administration of the Chapter 11 Cases. To optimally and economically administer the Chapter 11 Cases, such cases should be jointly administered, for procedural purposes only, under the case number assigned to Walter Energy, Inc. ("Walter Energy"), the direct or indirect parent corporation for each of the other Debtors.

8. The Debtors also request that the Clerk of the Court maintain one file and one docket for the Chapter 11 Cases, which file and docket shall be the file and docket for Walter Energy.

9. The Debtors further request that the caption of the Chapter 11 Cases be modified as follows to reflect their joint administration:

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

In re: WALTER ENERGY, INC., <i>et al.</i> , Debtors. ¹	Chapter 11 Case No. 15-____(____) Jointly Administered
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FN 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.

10. In addition, the Debtors seek the Court's direction that a separate docket entry be made on the docket of each of the other Debtors' Chapter 11 Cases, substantially as follows:

An order has been entered in this case directing the consolidation and joint administration for procedural purposes only of the Chapter 11 Cases of Walter Energy, Inc.; Atlantic Development and Capital, LLC; Atlantic Leaseco, LLC; Blue Creek Coal Sales, Inc.; Blue Creek Energy, Inc.; J.W. Walter, Inc.; Jefferson Warrior Railroad Company, Inc.; Jim Walter Homes, LLC; Jim Walter Resources, Inc.; Maple Coal Co., LLC; Sloss-Sheffield Steel & Iron Company; SP Machine, Inc.; Taft Coal Sales & Associates, Inc.; Tuscaloosa Resources, Inc.; V Manufacturing Company; Walter Black Warrior Basin LLC; Walter Coke, Inc.;

Walter Energy Holdings, LLC; Walter Exploration & Production LLC; Walter Home Improvement, Inc.; Walter Land Company; Walter Minerals, Inc.; Walter Natural Gas, LLC; and all subsequently filed chapter 11 cases of such debtors' affiliates. The docket in the chapter 11 case of Walter Energy, Inc., Case No. 15-____(____) should be consulted for all matters affecting this case and the affiliated Case Nos. 15-____(____) through 15-____(____).

11. Finally, the Debtors seek authority to prepare and file their monthly operating reports on a consolidated basis. The Debtors' proposed consolidated monthly operating reports will identify disbursements on a Debtor-by-Debtor basis.

BASIS FOR RELIEF REQUESTED

12. Pursuant to Bankruptcy Rule 1015(b), if two or more petitions are pending in the same court by or against a debtor and an affiliate, "the Court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). In this case, all of the Debtors are wholly owned direct or indirect subsidiaries of Walter Energy and, thus, "affiliates" of Walter Energy, as that term is defined in section 101(2) of the Bankruptcy Code. Accordingly, this Court has the authority to grant the relief requested herein.

13. Joint administration of the Debtors' respective estates will ease the administrative burden on the Court and all parties in interest in the Chapter 11 Cases, particularly in light of the unified manner in which the Debtors operate their businesses.

14. Joint administration of the Chapter 11 Cases will also permit the Clerk of the Court and the Debtors' proposed claims and noticing agent to utilize a single docket for all the Chapter 11 Cases and to combine notices to creditors and other parties in interest in the Debtors' respective cases. In addition, there may be numerous motions, applications, and other pleadings filed in the Chapter 11 Cases that will affect most or all of the Debtors. Joint administration will permit counsel for all parties in interest to include the Chapter 11 Cases in a single caption for

the numerous documents that are likely to be filed and served in these cases. Failure to jointly administer the Chapter 11 Cases would result in duplicative pleadings filed on multiple dockets, thereby increasing the burden on parties in interest to stay apprised of all the various matters before the Court.

15. Joint administration of the Chapter 11 Cases will not prejudice or adversely affect the rights of the Debtors' creditors because the relief sought herein is purely procedural and is not intended to affect substantive rights. Joint administration of multiple related cases such as these is common in this District. See, e.g., In re Bill Heard Ents., Inc., No. 08-83029-JAC11 (Bankr. N.D. Ala. Sept. 30, 2008); In re Carraway Methodist Health Sys., No. 06-03501-TOM11 (Bankr. N.D. Ala. Sept. 19, 2006).

16. For these reasons, the relief requested herein is in the best interests of the Debtors, their estates, and their creditors, and therefore should be granted.

NOTICE

17. 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.

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
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re: WALTER ENERGY, INC., Debtor.	Chapter 11 Case No. 15-____(____)
In re: ATLANTIC DEVELOPMENT & CAPITAL, LLC, Debtor.	Chapter 11 Case No. 15-____(____)
In re: ATLANTIC LEASECO LLC, Debtor.	Chapter 11 Case No. 15-____(____)
In re: BLUE CREEK COAL SALES, INC., Debtor.	Chapter 11 Case No. 15-____(____)
In re: BLUE CREEK ENERGY, INC., Debtor.	Chapter 11 Case No. 15-____(____)

In re:

J.W. WALTER, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

JEFFERSON WARRIOR RAILROAD
COMPANY, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

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JIM WALTER HOMES, LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

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Case No. 15-____(____)

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MAPLE COAL CO., LLC,

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Chapter 11

Case No. 15-____(____)

In re:

SLOSS-SHEFFIELD STEEL & IRON
COMPANY,

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Chapter 11

Case No. 15-____(____)

In re:

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Chapter 11

Case No. 15-____(____)

In re:

TAFT COAL SALES & ASSOCIATES, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

TUSCALOOSA RESOURCES, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

V MANUFACTURING COMPANY,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER BLACK WARRIOR BASIN LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER COKE, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

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Chapter 11

Case No. 15-____(____)

In re:

WALTER EXPLORATION &
PRODUCTION LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER HOME IMPROVEMENT, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER LAND COMPANY,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER MINERALS, INC.,

Debtor.

Chapter 11

Case No. 15-____(____)

In re:

WALTER NATURAL GAS, LLC,

Debtor.

Chapter 11

Case No. 15-____(____)

**ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 11 CASES**

Upon consideration of the motion (the "Motion")¹ 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 section 105(a) of title 11 of the U.S. Code (the "Bankruptcy Code") and rule 1015 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the joint administration of the Debtors' cases under chapter 11 of the Bankruptcy Code; 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 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 will not otherwise prejudice the Debtors' creditors; 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 above-captioned cases are consolidated for procedural purposes only and shall not be a substantive consolidation of the Debtors' respective estates. The cases shall be

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

administered jointly under Case No. 15-____(____) in accordance with the provisions of Bankruptcy Rule 1015 and the joint caption of the cases shall read as follows:

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

In re: WALTER ENERGY, INC., <i>et al.</i> , Debtors. ¹	Chapter 11 Case No. 15-____(____) Jointly Administered
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FN 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.

3. All original pleadings shall be captioned as indicated in the preceding paragraph and all original docket entries shall be made in the case of Walter Energy, Inc., Case No. 15-____, and a docket entry shall be made in the other Debtors' chapter 11 cases substantially as follows:

An order has been entered in this case directing the consolidation and joint administration for procedural purposes only of the chapter 11 cases of Walter Energy, Inc.; Atlantic Development and Capital, LLC; Atlantic Leaseco, LLC; Blue Creek Coal Sales, Inc.; Blue Creek Energy, Inc.; J.W. Walter, Inc.; Jefferson Warrior Railroad Company, Inc.; Jim Walter Homes, LLC; Jim Walter Resources, Inc.; Maple Coal Co., LLC; Sloss-Sheffield Steel & Iron Company; SP Machine, Inc.; Taft Coal Sales & Associates, Inc.; Tuscaloosa Resources, Inc.; V Manufacturing Company; Walter Black Warrior Basin LLC; Walter Coke, Inc.; Walter Energy Holdings, LLC; Walter Exploration & Production LLC; Walter Home Improvement, Inc.; Walter Land Company; Walter Minerals, Inc.; Walter

Natural Gas, LLC; and all subsequently filed chapter 11 cases of such debtors' affiliates. The docket in the chapter 11 case of Walter Energy, Inc., Case No. 15-_____ should be consulted for all matters affecting this case and the affiliated Case Nos. 15-_____ through 15-_____.

4. The Debtors are authorized to prepare and file their monthly operating reports on a consolidated basis.

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