

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

<p>In re:</p> <p>WALTER ENERGY, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 15-02741-TOM11</p> <p>Jointly Administered</p>
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**NOTICE OF DEBTORS’ MOTION FOR AN ORDER AUTHORIZING THE
DEBTORS TO RETAIN, EMPLOY AND COMPENSATE CERTAIN
PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF BUSINESS,
NUNC PRO TUNC TO THE PETITION DATE**

PLEASE TAKE NOTICE that on July 28, 2015, Walter Energy, Inc. and its affiliated debtors and debtors-in-possession (each a “Debtor” and, collectively, the “Debtors”), by and through their undersigned counsel, filed the *Debtors’ Motion for an Order Authorizing the Debtors to Retain, Employ and Compensate Certain Professionals Utilized in the Ordinary Course of Business, Nunc Pro Tunc to the Petition Date* (the “Motion”).

PLEASE TAKE FURTHER NOTICE that objections or responses to the Motion, if any, must be filed with the United States Bankruptcy Court for the Northern District of Alabama,

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.



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Southern Division, and served so as to be received by the undersigned counsel on or before **August 13, 2015** (the “Objection Deadline”).²

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion will be held on **August 18, 2015 at 10:00 a.m. (prevailing Central Time)** before the Honorable Tamara O. Mitchell, at the United States Bankruptcy Court for the Northern District of Alabama, Southern Division, Courtroom #3, Robert S. Vance Federal Building, 1800 Fifth Avenue North, Birmingham, Alabama 35203-2111 (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR RESPONSES ARE RECEIVED IN ACCORDANCE WITH THE TERMS OF THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

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² All deadlines and hearing dates set forth in this notice are based upon 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].

**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

Jointly Administered

**DEBTORS' MOTION FOR AN ORDER AUTHORIZING THE
DEBTORS TO RETAIN, EMPLOY AND COMPENSATE CERTAIN
PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF BUSINESS,
NUNC PRO TUNC TO THE PETITION DATE**

Walter Energy, Inc. and its affiliated debtors and debtors-in-possession (each a “Debtor” and, collectively, the “Debtors”) hereby move this Court for entry of an order substantially in the form attached hereto as Exhibit A (the “Proposed Order”), pursuant to sections 105(a), 327, 330, and 331 of title 11 of the United States Code (the “Bankruptcy Code”), authorizing, but not directing, the Debtors to retain, employ and compensate certain professionals utilized in the ordinary course of business and respectfully state as follows:²

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 used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

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 matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory and legal predicates for the relief requested herein are sections 105(a), 327, 330, and 331 of the Bankruptcy Code.

BACKGROUND

3. On July 15, 2015 (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 Declaration of William G. Harvey in Support of Chapter 11 Petitions and First Day Relief [Docket No. 3].³

THE ORDINARY COURSE PROFESSIONALS

A. Overview of Ordinary Course Professionals

6. The Debtors customarily retain the services of various attorneys, consultants, and other professionals in the ordinary course of their business operations (each, an "Ordinary Course Professional" or collectively, the "Ordinary Course Professionals"). A list of the Ordinary Course Professionals (as may be amended from time to time, the "OCP List") is

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

attached to the Proposed Order as Exhibit 1.⁴ The Ordinary Course Professionals provide services to the Debtors in a variety of discrete matters unrelated to these Chapter 11 Cases, including, but not limited to, legal, labor, employment, general corporate, environmental, audit, tax, litigation and compliance advisory services, each of which are critical to the successful operations of the Debtors' business during the Chapter 11 Cases. Thus, the Debtors believe that the work of the Ordinary Course Professionals relates directly to the preservation of value of the Debtors' estates and that the value of such services substantially outweighs the amount of fees and expenses incurred by the Ordinary Course Professionals.

7. The Debtors seek authorization (a) to retain the Ordinary Course Professionals under Bankruptcy Code sections 105(a) and 327 without the necessity of a separate, formal retention application approved by the Court for each Ordinary Course Professional; and (b) to pay the Ordinary Course Professionals under sections 330 and 331 of the Bankruptcy Code for postpetition services rendered and expenses incurred, subject to the limits set forth below, without the necessity of additional Court approval.

8. Although the Debtors believe that certain of the Ordinary Course Professionals are not "professional persons" as contemplated by section 327 of the Bankruptcy Code, and thus, that no retention or payment authorization is necessary, the Debtors seek an order authorizing the retention and payment of Ordinary Course Professionals out of an abundance of caution.⁵

9. Given the number and diversity of the Ordinary Course Professionals and the importance of their services to the Debtors' daily operations, the administration of the Debtors'

⁴ The Debtors reserve the right to amend or supplement the OCP List at any time in accordance with the procedures proposed herein.

⁵ The Debtors will file or have filed individual retention applications for professionals that the Debtors have engaged in connection with the conduct of the Chapter 11 Cases or in connection with special matters not appropriate for ordinary course treatment (the "Chapter 11 Professionals").

estates would be burdened if the Debtors had to (a) submit to the Court an application, affidavit and proposed retention order for each Ordinary Course Professional; (b) wait until such order is approved before such Ordinary Course Professional continues to render services; and (c) withhold payment of normal fees and expenses of the Ordinary Course Professionals until they comply with the compensation and reimbursement procedures applicable to the Chapter 11 Professionals. Moreover, requiring the Ordinary Course Professionals to file retention pleadings and participate in the payment approval process along with the Chapter 11 Professionals would unnecessarily burden the Court and the Bankruptcy Administrator, while adding significantly to the administrative costs of these Chapter 11 Cases without any corresponding benefit to the Debtors' estates.

10. The Debtors request that they be permitted to employ and retain the Ordinary Course Professionals, effective as of the Petition Date, on terms substantially similar to those in effect prior to the Petition Date, but subject to the limitations described below. The Debtors represent that: (a) the Ordinary Course Professionals are necessary to enable the Debtors to conduct their ordinary business affairs without disruption; (b) the expenses of the Ordinary Course Professionals will be kept to a minimum; and (c) the Ordinary Course Professionals will not perform substantial services relating to bankruptcy matters without permission of this Court.

11. Although some of the Ordinary Course Professionals may have unsecured claims against the Debtors in respect of prepetition services rendered, the Debtors do not believe that any of the Ordinary Course Professionals have interests materially adverse to the Debtors, their creditors, or other parties in interest. By this Motion, the Debtors are not requesting authority to pay prepetition amounts owed to Ordinary Course Professionals.

B. Retention and Compensation Procedures

12. The Debtors propose the following procedures for the retention and compensation of the Ordinary Course Professionals (the “OCP Procedures”):⁶

- (a) The Debtors shall be authorized to pay, without formal application to this Court by any Ordinary Course Professional, 100% of the fees and expenses incurred by each of the Ordinary Course Professionals retained by the Debtors after submission to the Debtors of an OCP Declaration (as defined herein), and upon the submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered after the Petition Date, *provided, however*, that the Debtors shall not pay any individual Ordinary Course Professional in excess of \$50,000 per month (the “Monthly Cap”), for postpetition compensation and reimbursement of postpetition expenses.
- (b) Any payments made in excess of the Monthly Cap shall be subject to prior approval of this Court in accordance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), the Local Rules of the United States Bankruptcy Court for the Northern District of Alabama (the “Local Rules”), and any applicable orders of the Court.
- (c) Within 30 days of the close of every other month (each a “Bi-Monthly Period”), the Debtors shall file with this Court and serve on (i) the Bankruptcy Administrator, (ii) counsel to the Steering Committee and (iii) counsel to any official committee appointed in the Chapter 11 Cases, a statement identifying the aggregate amounts paid to each Ordinary Course Professional in the reported Bi-Monthly Period. Such statement shall include the following information for each Ordinary Course Professional: (i) the name of the Ordinary Course Professional; (ii) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by such Ordinary Course Professional during the reported Bi-Monthly Period; and (iii) a general description of the services rendered by each Ordinary Course Professional.
- (d) Each Ordinary Course Professional that is a law firm or sole practitioner attorney shall complete and file (or request Debtors’ counsel to file) an attorney declaration (the “Attorney Declaration”) in substantially the form attached to the Proposed Order as Exhibit 2, and each other Ordinary Course Professional shall complete and file (or request Debtors’ counsel to file) a professional declaration (the “Professional Declaration,” and together with the Attorney Declaration, an “OCP Declaration”) in

⁶ The OCP Procedures will not apply to attorneys or other professionals retained or to be retained by the Debtors pursuant to separate orders of this Court.

substantially the form attached to the Proposed Order as Exhibit 3. Any such OCP Declaration shall be filed at least 14 calendar days prior to submitting an initial invoice for postpetition work to the Debtors and shall be served on: (i) Walter Energy, Inc. (Attn: Earl H. Doppelt, 3000 Riverchase Galleria, Suite 1700, Birmingham, AL 35244, earl.doppelt@walterenergy.com); (ii) counsel for the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064 (Attn: Ann Young, ayoung@paulweiss.com, and Michael Rudnick, mrudnick@paulweiss.com) and Bradley Arant Boult Cummings LLP (Attn: Cathleen Moore, ccmooore@babc.com and James Bailey, jbailey@babc.com), 1819 Fifth Avenue North, Birmingham, AL 35203; (iii) the Bankruptcy Administrator, 1800 5th Avenue North, Suite 132, Birmingham, AL 35203, (Attn: Tom Corbett, thomas_corbett@alnb.uscourts.gov); (iv) counsel to the administrative agent for the Debtors' prepetition secured credit facility, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: Scott Greissman, sgreissman@whitecase.com); (v) counsel to the indenture trustee under the first lien indenture, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036-8704 (Attn: Mark R. Somerstein, mark.somerstein@ropesgrey.com); (vi) counsel to the Steering Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036 (Attn: Ira Dizengoff, idizengoff@akingump.com and Kristine Manoukian, kmanoukian@akingump.com), 1333 New Hampshire Ave., N.W., Washington, DC 20036 (Attn: James Savin, jsavin@akingump.com) and Burr & Forman, LLP, 420 North 20th Street, Suite 3400, Birmingham, AL 35203 (Attn: Michael L. Hall, mhall@burr.com and D. Christopher Carson (ccarson@burr.com); (vii) counsel to any official committee(s) appointed in these Chapter 11 Cases; and (viii) any other party that specifically requests to be served with the OCP Declarations filed with the Court (each a "Notice Party" and collectively, the "Notice Parties").

- (e) The Notice Parties shall have 10 calendar days after service of each Ordinary Course Professional's OCP Declaration (the "Objection Deadline") to object to the retention of such Ordinary Course Professional. The objecting party shall file such objection with this Court and serve any such objections upon the Notice Parties and the respective Ordinary Course Professional on or before the Objection Deadline. If any such objection cannot be resolved within 10 calendar days of its receipt, the matter shall be scheduled for hearing before this Court at the next regularly scheduled omnibus hearing date or other date agreeable to the parties thereto. If no objection is received from any of the Notice Parties by the Objection Deadline with respect to any particular Ordinary Course Professional, the Debtors shall be authorized on a final basis to retain and pay such Ordinary Course Professional.
- (f) The Debtors reserve the right to supplement the list of Ordinary Course

Professionals, in their discretion, from time to time as necessary to add or remove Ordinary Course Professionals without the need for any further hearing and without the need to file individual retention applications for each. In such event, the Debtors propose to file a supplemental list with this Court and serve it on the Notice Parties, at which point the Notice Parties shall have 10 days from the date of service to object to the proposed amendment of the Ordinary Course Professional List.

BASIS FOR RELIEF REQUESTED

13. The Debtors' continued employment of the Ordinary Course Professionals is in the best interests of the Debtors' estates, their creditors, and other parties in interest. The Debtors rely on the assistance of Ordinary Course Professionals for essential business functions that are critical to the Debtors' ongoing operations, but not central to the administration of the Chapter 11 Cases. The Debtors' estates and their creditors are best served by avoiding any disruption in the professional services required in the day-to-day operation of their businesses.

14. The Debtors do not believe that the Ordinary Course Professionals are "professional persons" within the meaning of section 327 of the Bankruptcy Code because their engagement relates only indirectly to the Debtors' status as debtor-in-possession. See In re Am. Tissue, Inc., 331 B.R. 169, 173 (Bankr. D. Del. 2005) (discussing the factors to consider when determining whether an entity or person is a "professional"); see also In re Dairy Dozen-Milnor, LLP, 441 B.R. 918, 922 (Bankr. D.N.D. 2010) (adopting reasoning of cases that define "professional person" as individual who takes a central role in administration of bankruptcy estate); Matter of D'Lites of Am., Inc., 108 B.R. 352, 355 (Bankr. N.D. Ga. 1989) (defining a "professional person" as one who takes a central role in the administration of the bankruptcy estate, as opposed to one who provides services to the debtor that are necessary regardless of bankruptcy).

15. The Ordinary Course Professionals will not be involved in the administration of these Chapter 11 Cases. Instead, the Ordinary Course Professionals will continue to provide the same types of services they provided to the Debtors prior to the Chapter 11 Cases in connection with the Debtors' ongoing business operations. Nevertheless, out of an abundance of caution, the Debtors seek the relief requested in this Motion to avoid any subsequent controversy as to the Debtors' employment and payment of the Ordinary Course Professionals during these Chapter 11 Cases. The Debtors will seek specific Court authority under section 327 of the Bankruptcy Code to retain any professionals involved in the actual administration of these Chapter 11 Cases.

16. This Court has authorized retention of professionals utilized by debtors in the ordinary course under similar circumstances. See, e.g., In re Bruno's Supermarkets, LLC, Case No. 09-00634 (Bankr. N.D. Ala. Feb. 13, 2009); In re Bill Heard Enterprises, Inc., Case No. 08-83029 (Bankr. N.D. Ala. Apr. 15, 2009); In re Citation Corp., Case No. 04-08130 (Bankr. N.D. Ala. Sept. 20, 2004). Bankruptcy courts in other districts have also granted similar relief in large chapter 11 cases. See, e.g., In re Patriot Coal, Case No. 12-12900 (Bankr. S.D.N.Y. Aug. 2, 2012); In re Pinnacle Airlines Corp., Case No. 12-11343 (Bankr. S.D.N.Y. Jan. 17, 2012); In re Eastman Kodak Co., Case No. 12-10202 (Bankr. S.D.N.Y. Feb. 15, 2012); In re Molycorp., Inc., Case No. 15-11357 (Bankr. D. Del. July 17, 2015); In re AbitibiBowater, Case No. 09-11296 (Bankr. D. Del. May 13, 2009); In re Flying J Inc., Case No. 08-13384 (Bankr. D. Del. Feb. 19, 2009). The Debtors submit that similar authorization is appropriate in these Chapter 11 Cases.

NOTICE

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; (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.

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WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Order granting the requested relief and such other and further relief as it deems just and proper.

Dated: July 28, 2015

BRADLEY ARANT BOULT CUMMINGS LLP

/s/ Patrick Darby

Patrick Darby
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- and -

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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. *et al.*,¹

Debtors.

Chapter 11

Case No. 15-02741-TOM11

Jointly Administered

**ORDER AUTHORIZING THE DEBTORS TO RETAIN, EMPLOY
AND COMPENSATE CERTAIN PROFESSIONALS UTILIZED
IN THE ORDINARY COURSE OF BUSINESS,
NUNC PRO TUNC TO THE PETITION DATE**

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”), requesting entry of an order authorizing the Debtors to employ and compensate certain professionals utilized in the ordinary course of business; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the General Order of Reference from the United States District Court for the Northern District of Alabama dated as of July 16, 1984; 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

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² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

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.
2. The Debtors are authorized, but not directed, to employ and pay the fees and expenses of the Ordinary Course Professionals listed on Exhibit 1 hereto (the “Ordinary Course Professional List”) to assist and advise the Debtors in the operation of their businesses and to represent the Debtors in the matters arising in the ordinary course of the Debtors’ business as described in the Motion.
3. The following procedures for the retention and compensation of the Ordinary Course Professionals are hereby approved (the “OCP Procedures”):
 - (a) The Debtors shall be authorized to pay, without formal application to this Court by any Ordinary Course Professional, 100% of the fees and expenses incurred by each of the Ordinary Course Professionals retained by the Debtors after submission to the Debtors of an OCP Declaration (as defined herein), and upon the submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered after the Petition Date, *provided, however*, that the Debtors shall not pay any individual Ordinary Course Professional in excess of \$50,000 per month (the “Monthly Cap”), for postpetition compensation and reimbursement of postpetition expenses.
 - (b) Any payments made in excess of the Monthly Cap shall be subject to prior approval of this Court in accordance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), the Local Rules of the United States Bankruptcy Court for the Northern District of Alabama (the “Local Rules”), and any applicable orders of the Court.

- (c) Within 30 days after the close of every other month (each a “Bi-Monthly Period”), the Debtors shall file with this Court and serve on (i) the Bankruptcy Administrator, (ii) counsel to the Steering Committee, and (iii) counsel to any official committee appointed in the Chapter 11 Cases, a statement identifying the aggregate amounts paid to each Ordinary Course Professional in the reported Bi-Monthly Period. Such statement shall include the following information for each Ordinary Course Professional: (i) the name of the Ordinary Course Professional; (ii) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by such Ordinary Course Professional during the reported Bi-Monthly Period; and (iii) a general description of the services rendered by each Ordinary Course Professional.
- (d) Each Ordinary Course Professional that is a law firm or sole practitioner attorney shall complete and file (or request Debtors’ counsel to file) an attorney declaration (the “Attorney Declaration”) in substantially the form attached hereto as Exhibit 2, and each other Ordinary Course Professional shall complete and file (or request Debtors’ counsel to file) a professional declaration (the “Professional Declaration,” together with the Attorney Declaration, an “OCP Declaration”) in substantially the form attached hereto as Exhibit 3. Any such OCP Declaration shall be filed at least 14 calendar days prior to submitting an initial invoice for postpetition work to the Debtors and shall be served on: (i) Walter Energy, Inc. (Attn: Earl H. Doppelt, 3000 Riverchase Galleria, Suite 1700, Birmingham, AL 35244, earl.doppelt@walterenergy.com); (ii) counsel for the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064 (Attn: Ann Young, ayoung@paulweiss.com, and Michael Rudnick, mrudnick@paulweiss.com) and Bradley Arant Boult Cummings LLP (Attn: Cathleen Moore, ccmoores@babco.com and James Bailey, jbailey@babco.com), 1819 Fifth Avenue North, Birmingham, AL 35203; (iii) the Bankruptcy Administrator, 1800 5th Avenue North, Suite 132, Birmingham, AL 35203 (Attn: Tom Corbett thomas_corbett@alnb.uscourts.gov); (iv) counsel to the administrative agent for the Debtors’ prepetition secured credit facility, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036 (Attn: Scott Greissman, sgreissman@whitecase.com); (v) counsel to the indenture trustee under the first lien indenture, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036-8704 (Attn: Mark R. Somerstein, mark.somerstein@ropesgray.com); (vi) counsel to the Steering Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036 (Attn: Ira Dizengoff, idizengoff@akingump.com and Kristine Manoukian, kmanoukian@akingump.com), 1333 New Hampshire Ave., N.W., Washington, DC 20036 (Attn: James Savin, jsavin@akingump.com) and Burr & Forman, LLP, 420 North 20th Street, Suite 3400, Birmingham, AL 35203 (Attn: Michael L. Hall, mhall@burr.com and D. Christopher Carson (ccarson@burr.com); (vii) counsel to any official committee(s) appointed in these Chapter 11 Cases;

and (viii) any other party that specifically requests to be served with the OCP Declarations filed with the Court (each a “Notice Party” and collectively, the “Notice Parties”).

- (e) The Notice Parties shall have 10 calendar days after service of each Ordinary Course Professional’s OCP Declaration (the “Objection Deadline”) to object to the retention of such Ordinary Course Professional. The objecting party shall file such objection with this Court and serve any such objections upon the Notice Parties and the respective Ordinary Course Professional on or before the Objection Deadline. If any such objection cannot be resolved within 10 calendar days of its receipt, the matter shall be scheduled for hearing before this Court at the next regularly scheduled omnibus hearing date or other date agreeable to the parties thereto. If no objection is received from any of the Notice Parties by the Objection Deadline with respect to any particular Ordinary Course Professional, the Debtors shall be authorized on a final basis to retain and pay such Ordinary Course Professional.
- (f) The Debtors reserve the right to supplement the list of Ordinary Course Professionals, in their discretion, from time to time as necessary to add or remove Ordinary Course Professionals without the need for any further hearing and without the need to file individual retention applications for each. In such event, the Debtors propose to file a supplemental list with this Court and serve it on the Notice Parties, at which point the Notice Parties shall have 10 days from the date of service to object to the proposed amendment of the Ordinary Course Professional List.

4. The Ordinary Course Professional Procedures will not apply to attorneys or other professionals retained or to be retained by the Debtors pursuant to separate orders of this Court.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

6. 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 Order (A) Authorizing Postpetition Use of Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, (C) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001(b) and (D) Granting Related Relief* [Docket No. 50] and related final order.

7. The Debtors shall serve a copy of this Order and the Ordinary Course Professional List on the Ordinary Course Professionals within five (5) business days after entry of this Order.

8. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

9. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2015

THE HONORABLE TAMARA O. MITCHELL
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

Ordinary Course Professionals List

<u>LAW FIRM</u>	<u>TYPES OF MATTERS TYPICALLY HANDLED FOR DEBTORS</u>
Babst Calland	Environmental Matters/Litigation
Bainbridge, Mims, Rogers & Smith LLP	Environmental Matters
Bennett Jacobs & Adams, P.A.	Intellectual Property Matters
Bowles Rice LLP	Black Lung Matters
Bressler, Amery & Ross, P.C.	Labor Matters
Cooley Godward Kronish LLP	Tax Matters
Crowell & Moring, LLP	MHSA Litigation
Donald, Randall & Donald	Employment Litigation (AL)
Friday, Eldredge & Clark LLP	Litigation related to Jim Walter Homes, LLC (AR)
George & Lorensen PLLC	Litigation in West Virginia
Hughes & Goldner PLLC	Employment Litigation (WV)
Jackson, Fikes, Hood & Brakefield	General Litigation
Jackson Kelly PLLC	MHSA Litigation
Jones Walker LLP	Litigation related to Jim Walter Homes, LLC (MS)
Jordan Hyden Womble Culbreth & Holzer	Litigation related to Jim Walter Homes, LLC (TX)
Kazmarek Mowery Cloud Laseter LLP	Environmental Matters
Kinchen Walker Bienvu Bargas Reed & Helm LLC	Litigation related to Jim Walter Homes, LLC (LA)
Law Office of John Foster Tyra, PC	Real Estate Matters
Lloyd, Gray, Whitehead & Monroe P.C.	Employment Litigation
Marvin F. Poer & Company	Property Tax Matters
Mercer Human Resources Consulting	Actuarial Services
Montgomery, McCracken	Maritime Matters
Robinson, McFadden & Moore, P.C.	Litigation related to Jim Walter Homes, LLC (SC)
Robison & Holmes, PLLC	Litigation related to Jim Walter Homes, LLC (MS)
Seale, Smith, Suber & Barnette	Defense Matters
Simpson, Thacher & Bartlett	Corporate Matters
Spilman, Thomas & Battle PLLC	Litigation related to Jim Walter Homes, LLC (WV)
Stitcher, Riedel, Blain & Prosser	Tax Matters (DOJ Matter)
Venable LLP	Labor Matters

EXHIBIT 2
Form of Attorney Declaration

**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

Jointly Administered

FORM OF ATTORNEY DECLARATION

I, [**Declarant**], do hereby declare under penalty of perjury:

1. I am a [**position**] of [**Firm**], located at [**Street, City, State Zip Code**] (the "Firm").
2. The above-captioned debtors and debtors-in-possession (collectively, the "Debtors") have requested that the Firm provide legal services to the Debtors, and the Firm has agreed to provide such services.
3. The Firm may have performed legal services in the past, may currently perform legal services, and may perform legal services in the future, in matters unrelated to the above-captioned cases (the "Chapter 11 Cases"), for persons that are parties in interest in the Chapter 11 Cases. The Firm does not perform legal services for any such person in connection with these Chapter 11 Cases, or have any relationship with any such person, their attorneys or accountants that would be adverse to the Debtors or their estates.

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.

4. The Firm [**has/has not**] provided services to the Debtors prior to the commencement of these Chapter 11 Cases.

5. As part of its customary practice, the Firm is retained in cases, proceedings and transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants and parties in interest in these Chapter 11 Cases.

6. Neither I nor any principal, partner, director or officer of, or professional employed by, the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Firm.

7. Neither I nor any principal, partner, director or officer of, or professional employed by, the Firm, insofar as I have been able to ascertain, holds, or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which this Firm is to be employed.

8. The Debtors owe the Firm [\$] for prepetition services, the payment of which is subject to limitations contained in title 11 of the United States Code, 11 U.S.C. §§ 101 et seq.

9. As of the date the Chapter 11 Cases were commenced, the Firm [**was/was not**] party to an agreement for indemnification with certain of the Debtors. [**If there is such an agreement, a copy of such agreement is attached as Exhibit A to this Declaration**].

10. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on [date], 2015

By: _____

EXHIBIT 3
Form of Professional Declaration

**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

Jointly Administered

FORM OF PROFESSIONAL DECLARATION

I, **[Declarant]**, do hereby declare under penalty of perjury:

1. I am a **[position]** of **[Firm]**, located at **[Street, City, State Zip Code]** (the "Firm").

2. The above-captioned debtors and debtors-in-possession (collectively, the "Debtors") have requested that the Firm provide **[list and describe]** services to the Debtors, and the Firm has agreed to provide such services.

3. The Firm may have performed services in the past, may currently perform services, and may perform services in the future, in matters unrelated to the above-captioned cases (the "Chapter 11 Cases"), for persons that are parties in interest in the Chapter 11 Cases. The Firm does not perform services for any such person in connection with these Chapter 11 Cases, or have any relationship with any such person, their attorneys or accountants that would be adverse to the Debtors or their estates.

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.

4. The Firm [has/has not] provided services to the Debtors prior to the commencement of these Chapter 11 Cases.

5. As part of its customary practice, the Firm is retained in cases, proceedings and transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants and parties in interest in these Chapter 11 Cases.

6. Neither I nor any principal, partner, director or officer of, or professional employed by, the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Firm.

7. Neither I nor any principal, partner, director or officer of, or professional employed by, the Firm, insofar as I have been able to ascertain, holds, or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which this Firm is to be employed.

8. The Firm is either not owed any amounts for prepetition services or the Firm has agreed to waive any amounts owed on account of services rendered and expenses incurred prior to the commencement of the Chapter 11 Cases in connection with the Firm's employment by the Debtors.

9. As of the date the Chapter 11 Cases were commenced (the "Petition Date"), the Firm [was/was not] party to an agreement for indemnification with certain of the Debtors. **[If there is such an agreement, a copy of such agreement is attached as Exhibit A to this Declaration].**

10. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its

employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on [date] 2015

By: _____