

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

In re:

ARCH COAL, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 16-40120-705

(Jointly Administered)

**VERIFIED STATEMENT OF KAYE SCHOLER LLP, PAUL, WEISS, RIFKIND,  
WHARTON & GARRISON LLP AND THOMPSON COBURN LLP  
PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE 2019**

Kaye Scholer LLP ("Kaye Scholer"), Paul, Weiss, Rifkind, Wharton & Garrison LLP ("Paul Weiss") and Thompson Coburn LLP ("Thompson Coburn", and together with Kaye Scholer and Paul Weiss, "Counsel") hereby submit this verified statement (this "Statement") pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure, and respectfully state as follows:

1. As of the date of this Statement, Counsel advises and otherwise represents clients listed on Exhibit A hereto (collectively, the "Client Group"). Separately, Thompson Coburn represents Wilmington Trust, National Association, in its capacities as (i) successor term loan administrative agent and successor collateral agent under that certain Amended and Restated Credit Agreement, dated as of June 14, 2011 (as heretofore amended, restated, supplemented or otherwise modified), among Arch Coal, Inc., as borrower, the lenders from time to time party thereto, and PNC Bank National Association, as bailee or sub-agent to the successor collateral agent, and (ii) Agent under that certain Superpriority Secured Debtor-in-Possession Credit

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<sup>1</sup> The Debtors are listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

Agreement, dated as of January 21, 2016, among Arch Coal, Inc., as borrower, the subsidiaries of Arch Coal, Inc. party thereto, as guarantors, and the lenders from time to time party thereto.

2. In accordance with Bankruptcy Rule 2019(c), Exhibit A also lists the addresses and the “nature and amount of all disclosable economic interests” (as certified to Counsel by each member of the Client Group) held, advised, or managed by such member of the Client Group as of January 27, 2016, or for which such member has investment or voting discretion or control as of such date.<sup>2</sup>

3. Each member of the Client Group separately requested that Counsel represent it in connection with these chapter 11 cases in its capacity as a lender under the Debtors’ prepetition secured term loan and/or the Debtors’ postpetition financing.

4. Counsel represents only the interests of the Client Group listed on Exhibit A hereto and does not represent or purport to represent any other entities or interests in connection with these chapter 11 cases. In addition, each member of the Client Group does not purport to act, represent or speak on behalf of any entity in connection with the Debtors’ chapter 11 cases other than itself.

5. None of Kaye Scholer, Paul Weiss or Thompson Coburn holds claims against or interests in the above-captioned Debtors or their estates.

6. Nothing in this statement shall be construed as (i) a limitation upon, or waiver of, each member of the Client Group’s right to assert, file, or amend its or their claims in accordance

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<sup>2</sup> The amounts set forth on Exhibit A for each member of the Client Group represent amounts held based on claim trades that closed as of January 27, 2016. This Statement will be updated periodically to reflect changes in the members of the Client Group or claims or interests held by members of the Client Group based upon, *inter alia*, the closing of trades pending after such date. In addition, individuals associated with members of the Client Group may own debt or securities of the Debtors in their individual capacities, but Counsel does not represent such individuals in such capacities.

with applicable law and any orders entered in these cases, or (ii) an admission with respect to any fact or legal theory.

7. Counsel reserves the right to supplement or amend this Statement at any time for any reason.

8. Each of the undersigned hereby verifies under oath that this Statement is true and accurate, to the best of the undersigned's knowledge and belief.

*[Remainder of page intentionally left blank.]*

Dated: January 29, 2016  
St. Louis, Missouri

Respectfully submitted,

THOMPSON COBURN LLP

By: /s/ Mark V. Bossi

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and

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*Co-Counsel to the Ad Hoc Group of First Lien Lenders*

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on this 29th day of January, 2016, a true copy of the foregoing was filed electronically using the Court's CM/ECF system, and was served electronically on all parties on the Court's Electronic Mail Notice List, and via regular U.S. Mail on all parties on the Court's Manual Notice List (where addresses were available).

/s/ Mark V. Bossi

**SCHEDULE 1**  
**Debtor Entities**

|     |                                      |     |                                    |
|-----|--------------------------------------|-----|------------------------------------|
| 1.  | ACI Terminal, LLC                    | 37. | ICG Eastern, LLC                   |
| 2.  | Allegheny Land Company               | 38. | ICG Eastern Land, LLC              |
| 3.  | Apogee Holdco, Inc.                  | 39. | ICG Illinois, LLC                  |
| 4.  | Arch Coal, Inc.                      | 40. | ICG Knott County, LLC              |
| 5.  | Arch Coal Sales Company, Inc.        | 41. | ICG Natural Resources, LLC         |
| 6.  | Arch Coal West, LLC                  | 42. | ICG Tygart Valley, LLC             |
| 7.  | Arch Development, LLC                | 43. | International Coal Group, Inc.     |
| 8.  | Arch Energy Resources, LLC           | 44. | Jacobs Ranch Coal LLC              |
| 9.  | Arch Reclamation Services, Inc.      | 45. | Jacobs Ranch Holdings I LLC        |
| 10. | Arch Western Acquisition Corporation | 46. | Jacobs Ranch Holdings II LLC       |
| 11. | Arch Western Acquisition, LLC        | 47. | Juliana Mining Company, Inc.       |
| 12. | Arch Western Bituminous Group, LLC   | 48. | King Knob Coal Co., Inc.           |
| 13. | Arch Western Finance LLC             | 49. | Lone Mountain Processing, Inc.     |
| 14. | Arch Western Resources, LLC          | 50. | Marine Coal Sales Company          |
| 15. | Arch of Wyoming, LLC                 | 51. | Melrose Coal Company, Inc.         |
| 16. | Ark Land Company                     | 52. | Mingo Logan Coal Company           |
| 17. | Ark Land KH, Inc.                    | 53. | Mountain Coal Company, L.L.C.      |
| 18. | Ark Land LT, Inc.                    | 54. | Mountain Gem Land, Inc.            |
| 19. | Ark Land WR, Inc.                    | 55. | Mountain Mining, Inc.              |
| 20. | Ashland Terminal, Inc.               | 56. | Mountaineer Land Company           |
| 21. | Bronco Mining Company, Inc.          | 57. | Otter Creek Coal, LLC              |
| 22. | Catenary Coal Holdings, Inc.         | 58. | Patriot Mining Company, Inc.       |
| 23. | Catenary HoldCo, Inc.                | 59. | P.C. Holding, Inc.                 |
| 24. | Coal-Mac, Inc.                       | 60. | Powell Mountain Energy, LLC        |
| 25. | CoalQuest Development LLC            | 61. | Prairie Coal Company, LLC          |
| 26. | Cumberland River Coal Company        | 62. | Prairie Holdings, Inc.             |
| 27. | Energy Development Co.               | 63. | Saddleback Hills Coal Company      |
| 28. | Hawthorne Coal Company, Inc.         | 64. | Shelby Run Mining Company, LLC     |
| 29. | Hobet Holdco, Inc.                   | 65. | Simba Group, Inc.                  |
| 30. | Hunter Ridge, Inc.                   | 66. | Thunder Basin Coal Company, L.L.C. |
| 31. | Hunter Ridge Coal Company            | 67. | Triton Coal Company, L.L.C.        |
| 32. | Hunter Ridge Holdings, Inc.          | 68. | Upshur Property, Inc.              |
| 33. | ICG, Inc.                            | 69. | Vindex Energy Corporation          |
| 34. | ICG, LLC                             | 70. | Western Energy Resources, Inc.     |
| 35. | ICG Beckley, LLC                     | 71. | White Wolf Energy, Inc.            |
| 36. | ICG East Kentucky, LLC               | 72. | Wolf Run Mining Company            |

**Exhibit A to 2019 Statement**  
**Client Group Holdings**

| <b><u>Investment Manager</u></b>   | <b><u>Principal Amount of Loans</u></b> | <b><u>8.000% Senior Secured Second Lien Notes due 2019</u></b> | <b><u>9.875% Senior Notes due 2019</u></b> | <b><u>7.25% Senior Notes due 2020</u></b> | <b><u>7.00% Senior Notes Due 2019</u></b> | <b><u>7.25% Senior Notes due 2021</u></b> | <b><u>Total Debt Holdings</u></b> |
|--|---|--|--|---|---|---|-----------------------------------|
| <b><u>Archview Investment Group</u></b><br>750 Washington Blvd.<br>10 <sup>th</sup> Floor<br>Stamford, CT 06901          | \$51,564,472.83                         | -  | -  | \$5,000,000.00                            | \$6,400,000.00                            | \$39,000,000.00                           | \$101,964,472.83                  |
| <b><u>Monarch Master Funding Ltd.</u></b><br>535 Madison Avenue<br>26 <sup>th</sup> Floor<br>New York, NY 10022          | \$129,622,827.39                        | -  | -  | -   | -   | -   | \$129,622,827.39                  |
| <b><u>Whitebox Advisors LLC</u></b><br>3033 Excelsior Boulevard<br>Suite 300<br>Minneapolis, MN 55416                    | \$19,795,342.72                         | -  | -  | -   | -   | \$11,500,000.00                           | \$31,295,342.72                   |
| <b><u>Marathon Asset Management, LLC</u></b><br>One Bryant Park, 38 <sup>th</sup> Floor<br>New York, NY 10036            | \$74,774,991.00                         | \$3,002,000.00   | \$7,254,000.00                             | \$60,000.00                               | \$13,363,000.00                           | \$56,914,000.00                           | \$155,367,991.00                  |
| <b><u>Oaktree Capital Management LP</u></b><br>333 South Grand Avenue<br>28 <sup>th</sup> Floor<br>Los Angeles, CA 90071 | \$97,107,087.87                         | -  | -  | -   | -   | -   | \$97,107,087.87                   |

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|---|---|--|--|---|---|---|-----------------------------------|
| Wellington Management Company LLP<br>280 Congress Street<br>Boston, MA 02210  | \$187,454,759.07                        | -  | -  | -   | -   | -   | \$187,454,759.07                  |
| Highland Capital Management, LP<br>300 Crescent Court, Suite 700<br>Dallas, TX 75201  | \$54,220,933.96                         | -  | -  | -   | \$8,938,000.00                            | -   | \$63,158,933.96                   |
| Babson Capital Management LLC<br>505 S. Tryon Street<br>Charlotte, NC 28202   | \$92,565,357.35                         | -  | -  | -   | -   | -   | \$92,565,357.35                   |
| Oppenheimer Senior Floating Rate Fund;<br>Oppenheimer Senior Floating Rate Plus Fund;<br>Oppenheimer Master Loan Fund, LLC; Catlin Re Switzerland Ltd.;<br>Catlin Underwriting Agencies Limited<br>6803 S. Tucson Way<br>Centennial, CO 80112 | \$82,973,400.22                         | -  | -  | -   | -   | -   | \$82,973,400.22                   |

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|--|---|--|--|---|---|---|-----------------------------------|
| <b><u>Eaton Vance Management Inc.</u></b><br>Two International Place<br>Boston, MA 02110                                 | \$143,752,586.24                        | -  | -  | -   | -   | -   | \$143,752,586.24                  |
| <b><u>Guggenheim Investment Management LLC</u></b><br>330 Madison Avenue<br>10 <sup>th</sup> Floor<br>New York, NY 10017 | \$31,690,856.88                         | -  | -  | -   | -   | -   | \$31,690,856.88                   |
| <b><u>Delaware Life Insurance Company</u></b><br>1601 Trapelo Road<br>Waltham, MA 02451                                  | \$9,974,219.76                          | -  | -  | -   | -   | -   | \$9,974,219.76                    |
| <b><u>Allstate Investments LLC</u></b><br>3075 Sanders Road, Suite G5<br>Northbrook, IL 60062                            | \$19,835,413.97                         | -  | -  | -   | -   | -   | \$19,835,413.97                   |
| <b><u>Allstate Investment Management Company</u></b><br>3075 Sanders Road, Suite G5<br>Northbrook, IL 60062              | \$4,199,842.10                          | -  | -  | -   | -   | -   | \$4,199,842.10                    |



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|---|---|--|--|---|---|---|-----------------------------------|
| <b><u>Golden Tree Asset Management LP</u></b><br>300 Park Avenue, 21 <sup>st</sup> Floor<br>New York, NY 10022            | \$43,970,734.48                         | -  | -  | -   | -   | -   | \$43,970,734.48                   |
| <b><u>Trilogy Portfolio Company, LLC</u></b><br>800 Westchester Avenue<br>Suite N-517<br>Rye Brook, NY 10573              | \$11,155,240.69                         | -  | -  | -   | -   | -   | \$11,155,240.69                   |
| <b><u>Columbia Management Investment Advisers, LLC</u></b><br>100 N. Sepulveda Blvd.<br>Suite 650<br>El Segundo, CA 90245 | \$41,140,479.35                         | -  | -  | -   | -   | -   | \$41,140,479.35                   |
| <b><u>Tennenbaum Capital Partners, LLC</u></b><br>2951 28 <sup>th</sup> Street, Suite 1000<br>Santa Monica, CA 90405      | \$37,131,603.26                         | -  | -  | -   | -   | -   | \$37,131,603.26                   |
| <b><u>Invesco Senior Secured Management, Inc.</u></b><br>1166 Avenue of the Americas<br>New York, NY 10036                | \$114,716,138.34                        | -  | -  | -   | -   | -   | \$114,716,138.34                  |

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|--|---|--|--|---|---|---|-----------------------------------|
| Credit Suisse Securities<br>Eleven Madison Avenue<br>New York, NY 10010-3629   | \$8,721,625.37                          | -  | -  | -   | \$1,000,000.00                            | \$4,000,000.00                            | \$13,721,625.37                   |
| Teachers Insurance and Annuity Association of America<br>730 Third Avenue, 4 <sup>th</sup> Floor<br>New York, NY 10017 | \$26,650,730.93                         | -  | -  | -   | -   | -   | \$26,650,730.93                   |
| <b><u>TOTAL CLIENT GROUP HOLDINGS</u></b>  | <b>\$1,283,018,643.78</b>               | <b>\$3,002,000.00</b>  | <b>\$7,254,000.00</b>                      | <b>\$5,060,000.00</b>                     | <b>\$29,701,000.00</b>                    | <b>\$111,414,000.00</b>                   | <b>\$1,439,449,643.78</b>         |