



Via electronic and first-class mail

May 14, 2018

Glenda Owens
Acting Director, Office of Surface Mining Reclamation and Enforcement
1849 C. St. NW
Washington, DC 20240

RE: Concerns regarding Westmoreland Coal Company's compliance with financial assurance regulations and pending bankruptcy

Dear Ms. Owens,

On behalf of our members, the Western Organization of Resource Councils, Powder River Basin Resource Council, and Northern Plains Resource Council (collectively "Resource Councils") ask you to investigate Westmoreland Coal Company's (collectively with its subsidiaries, "Westmoreland") compliance with financial assurance regulations and to enforce compliance with reclamation bond requirements through the company's likely impending bankruptcy proceeding. As explained below, based on publicly available information, we believe Westmoreland may be significantly underbonded, at least at some of its mining operations.

Westmoreland operates nine coal mines in six states, including – of particular interest to our organizations – Montana and Wyoming.¹

The Surface Mining Control and Reclamation Act ("SMCRA") and its corresponding state regulatory programs have strong standards for reclamation bonds. Bond amounts must "reflect the probable difficulty of reclamation giving consideration to such factors as topography, geology of the site, hydrology, and revegetation potential . . . [and] shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by the regulatory authority in the event of forfeiture." 30 U.S.C. § 1259(a).

Several pieces of evidence suggest Westmoreland may be operating without sufficient reclamation bonds. In its most recent annual report filed with the U.S. Securities and Exchange

¹ Permits in Wyoming and Montana include Absaloka (C1985005), Rosebud (multiple permit numbers), Savage (C1984002), Haystack (PT0786), and Kemmerer (PT0379). The company also operates mines in New Mexico, Ohio, Texas, North Dakota, and Canada.

Commission (“SEC”) on April 2, 2018,² the company published projections of final reclamation costs for the mines in the company’s “Coal - U.S.” segment. Those costs total \$500.8 million, but a database of active coal mine bonds recently compiled from state regulatory authorities only lists bonds totaling \$390.7 million for the same mines.³

<i>Westmoreland Segment</i>	<i>Active Mines</i>	<i>Projected Final Reclamation Costs</i>	<i>Total active bonds according to third-party database</i>	<i>Difference</i>
Coal - U.S. <i>(MT, WY, NM, ND, TX, OH)</i>	Absaloka, Rosebud, Savage, Haystack, San Juan, Jewett, Beulah, Buckingham	\$500,824,000	\$390,724,002	(\$110,099,998)
Coal - WMLP <i>(WY, OH, KY)</i>	Kemmerer, Muhlenburg, New Lexington, Plainfield, Tuscarawas, Tusky, Cadiz, Belmont, Noble	\$77,082,000	\$107,594,410.50	\$30,512,410.50
Total		\$577,906,000	\$498,318,412.50	(\$79,587,587.50)

Although it appears that other Westmoreland mines may have sufficient bonding (i.e., those in the segment “Coal - WMLP”), additional information disclosed by Westmoreland gives cause for concern. In its recent annual report, the company discloses that it has reclamation bonds of \$672.7 million for its mining operations,⁴ but estimates that the full undiscounted cost of final reclamation at its mines totals \$772 million,⁵ leaving an unbonded reclamation amount of \$99.3 million. This reinforces the notion that the company’s current bond amounts may be insufficient to cover projected final reclamation costs at least some of its mines. The following table is copied from Westmoreland’s annual report:⁶

² The report is available at <https://www.sec.gov/Archives/edgar/data/106455/000010645518000028/wlb201710-k.htm>

³ “Reclaiming coal: US mines’ clean-up cash – all our data.” Compiled by Mark Olalde. Available online at <http://www.climatechangenews.com/2018/03/15/us-coal-mines-clean-up-bonds-database/>

⁴ According to the company’s report on page 71, Westmoreland holds \$617.8 million in surety bonds and \$54.9 million in letters of credit.

⁵ Subtracting \$3.9 million for Westmoreland’s “Power” segment from the total \$775.9 million of final reclamation costs across all segments, as represented in the chart excerpted from Westmoreland’s annual report on page 68. “WMLP” refers to mines in Ohio and Wyoming owned and operated by Westmoreland Resource Partners, L.P., in which Westmoreland Coal Company owns a 93.94% stake (report at 8).

⁶ Annual report at 68.

	Projected Final Reclamation Costs	Reclamation Deposits	Restricted Investments and Bond Collateral	Customer Obligations for Final Reclamation
	(In thousands)			
Coal - U.S.	\$ 500,824	\$ 77,021	\$ 16,509	\$ 333,093
Coal - Canada	194,143	—	52,928	—
Coal - WMLP	77,082	—	37,239	—
Power	3,888	—	—	—
Total	\$ 775,937	\$ 77,021	\$ 106,676	\$ 333,093

The company does not break out how much bonding supports U.S. mines versus mines in Canada, so it is not possible to determine from this information whether a violation of SMCRA is occurring. However, the gap between projected final reclamation costs and the amount of outstanding bonds is significant enough that OSMRE should work with the state regulatory authorities to investigate which specific mines are left without sufficient financial assurance and assure there are no ongoing violations of SMCRA to protect taxpayers and ensure reclamation success is achieved in rural areas and communities where Westmoreland's mines are located. Please confirm or correct our information regarding the amount of Westmoreland's active reclamation bonds, and please provide an explanation as to why a discrepancy exists between that bond amount and Westmoreland's projected final reclamation costs.

We note that any underbonding as estimated from Westmoreland's investor disclosures may actually understate the financial risk facing state regulatory authorities. Westmoreland's projected final reclamation costs likely do not include indirect costs and contingencies related to reclamation that regulatory authorities may face following bond forfeiture.

The need for and expeditious timing of this investigation is particularly warranted given Westmoreland's impending bankruptcy filing. In a March 7, 2018 filing to the SEC, Westmoreland disclosed that it has retained Centerview Partners as financial advisors and Alvarez & Marsal North America, LLC as restructuring advisors, to explore strategic alternatives to strengthen the company's balance sheet and maximize the value of the company, which may include, but not limited to, seeking reorganization under Chapter 11 of the U.S. Bankruptcy Code. The company's annual report unambiguously warned of a looming bankruptcy filing.⁷

Of note, the company has a debt payment due on May 15, 2018 and it may file for bankruptcy on or before that date.⁸ Other debt repayment obligations come due at the end of the year and the company has disclosed that it "does not currently have liquidity or access to additional capital sufficient to pay of this debt by its maturity date." Report at 64.

⁷ Report at 28.

⁸ See <http://wyomingpublicmedia.org/post/brink-what-could-come-westmoreland-bankruptcy>, attached.

If OSMRE, in partnership with the state regulatory agencies, is unable to complete its investigation and enforcement action prior to a bankruptcy filing, we ask you to compel compliance during and through the bankruptcy proceeding. Most courts have concluded that the Bankruptcy Code allows enforcement of environmental laws as long as no attempt is made to actually collect a monetary judgment based upon past violations. See, e.g., *Penn Terra, Ltd. v. Dept of Env'tl. Res.*, 733 F.2d 267, 278 (3d Cir. 1984). An injunction requiring the debtor to incur costs prospectively to clean up environmental sites is not the same as enforcing a "money judgment" if the plaintiff is not entitled to payment. *United States v. Apex Oil Co.*, 579 F.3d 734, 737 (7th Cir. 2009) (debtor's obligation under injunction requiring remediation of a contaminated site was not dischargeable in bankruptcy because it was not a "right to payment"). Additionally, if the primary purpose of the law being enforced is public safety and welfare and it is not pecuniary in nature, then the governmental action should not be stayed. *In re Phillips*, 368 B.R. 733, 739 (Bankr. N.D. Ind. 2007) (citing *Safety-Kleen*, 274 F.3d at 865). In the case that any of Westmoreland's mines are sold or disposed of during bankruptcy, we urge OSMRE to ensure that all mine transfers are conditioned upon the presence and execution of adequate reclamation bonds.

Many of our members' livelihoods as ranchers and farmers depend entirely on clean air and water, native soils and vegetation, and lands that remain intact. The strip mining of coal affects them directly. Thorough reclamation is crucial to mined lands' ability to support the return to agriculture as well as preserving and supporting wildlife and public recreation. We look forward to your response and to working with you to ensure SMCRA's bonding requirements are being fulfilled at Westmoreland's coal mines.

Sincerely,



Beth Kaeding
Chair, Western Organization of Resources Councils

For Northern Plains Resource Council, Powder River Basin Resource Council, and the Western Organization of Resource Councils

Enclosure

cc:

Alan Tenenbaum & Marcello Mollo (U.S. Department of Justice)
Joe Balash (DOI ASLM)
David Berry & Jeff Fleischman (OSMRE Western Region)

Attachment 1

Westmoreland Coal Company's warning to investors of
impending bankruptcy

ITEM 1A — RISK FACTORS.

This report, including Management's Discussion and Analysis of Financial Condition and Results of Operation, contains forward-looking statements that may be materially affected by numerous risk factors, including, but not limited to, those summarized below.

Risks Relating to our Capital Structure

We may seek protection from our creditors under Chapter 11 of the United States Bankruptcy Code ("Chapter 11") or an involuntary petition for bankruptcy may be filed against us, either of which could have a material adverse impact on our business, financial condition, results of operations, and cash flows and could place our shareholders at significant risk of losing all of their investment in our shares.

We have engaged financial and legal advisors to assist us in, among other things, analyzing various strategic alternatives to address our liquidity and capital structure, including strategic and refinancing alternatives to restructure our indebtedness in private transactions. However, if our attempts are unsuccessful or we are unable to complete such a restructuring on satisfactory terms, we may choose to pursue a filing under Chapter 11.

Seeking bankruptcy court protection could have a material adverse effect on our business, financial condition, results of operations and liquidity. For as long as a Chapter 11 proceeding continued, our senior management would be required to spend a significant amount of time and effort dealing with the reorganization as well as focusing on our business operations. Bankruptcy court protection also could make it more difficult to retain management and other key personnel necessary to the success of our business. In addition, during the period of time we are involved in a bankruptcy proceeding, our customers and suppliers might lose confidence in our ability to reorganize our business successfully and could seek to establish alternative commercial relationships, which may cause, among other things:

- third parties to lose confidence in our ability to deliver coal on time and at specification, resulting in a significant decline in our revenues, profitability and cash flow;
- difficulty retaining, attracting or replacing key employees;
- employees to be distracted from performance of their duties or more easily attracted to other career opportunities; and
- our suppliers, vendors, hedge counterparties and service providers to renegotiate the terms of our agreements, terminate their relationship with us or require financial assurances from us.

Additionally, all of our indebtedness is senior to the existing common stock in our capital structure. As a result, we believe that seeking bankruptcy court protection under a Chapter 11 proceeding could cause the shares of our existing common stock to be canceled, resulting in a limited recovery, if any, for shareholders of our common stock, and would place shareholders of our common stock at significant risk of losing all of their investment in our shares.

The audit report we received with respect to our year-end 2017 consolidated financial statements contains an explanatory paragraph referencing our conclusion (in Note 1 - Summary of Significant Accounting Policies to the consolidated financial statements) that substantial doubt exists as to our ability to continue as a "going concern." The Revolver requires us to deliver audited, consolidated and consolidating financial statements with an unqualified opinion of our independent registered public accounting firm, as well as other financial covenant compliance reporting. We entered into the Thirteenth Amendment (as defined below) to the Revolver agreement waiving any such potential defaults. However, our failure in the future to obtain similar relief, if necessary, from reporting and financial covenant compliance requirements under the Revolver could result in an acceleration of all of our outstanding debt obligations.

Under the Revolver, we are required to deliver audited, consolidated and consolidating financial statements with an unqualified opinion of our independent registered public accounting firm, as well as other financial covenant compliance reporting. The audit report prepared by our independent registered public accounting firm, with respect to the financial statements in this Annual Report on Form 10-K, includes an explanatory paragraph referencing our conclusion that substantial doubt exists as to our ability to continue as a "going concern." On March 30, 2018, we entered into the Consent, Joinder and Thirteenth Amendment to the Revolver ("Thirteenth Amendment"), with our Revolver lenders that waived any such default arising out of the delivery of the audit report prepared by our independent registered public accounting firm, with respect to the financial statements in this Annual Report on Form 10-K, containing such a going concern explanatory paragraph, together with certain other potential reporting and financial covenant defaults. For additional information regarding the Thirteenth Amendment, please see further detail in *Item 9B - Other Information*.

[Table of Contents](#)

If an event of default occurs under the Revolver, the lenders could declare the outstanding principal of our debt under the Revolver, together with accrued interest, to be immediately due and payable. In addition, if the lenders under the Revolver accelerate the loans outstanding under the Revolver, there will also be cross-defaults under the indenture related to our 8.75% Notes, which would in turn cross-default the Term Loan credit agreement. If these cross-defaults occurred, our outstanding indebtedness under these senior debt agreements would automatically accelerate.

If all of our outstanding senior indebtedness accelerates, we do not currently have sufficient liquidity to repay such indebtedness and would need additional sources of capital to do so. We could attempt to obtain additional sources of capital from asset sales, public or private issuances of debt, equity or equity-linked securities, debt for equity swaps, or any combination thereof. However, we cannot provide any assurances that we will be successful in obtaining capital from such transactions on acceptable terms, or at all, and if we fail to obtain sufficient additional capital to repay the outstanding indebtedness and provide sufficient liquidity to meet our operating needs, it may be necessary for us to seek protection from creditors under Chapter 11.

We own a controlling interest in WMLP, which qualifies it as a significant subsidiary under our 8.75% Notes indenture, and if indebtedness of greater than \$25.0 million is accelerated at WMLP it would cause cross default under the 8.75% Notes indenture, the Term Loan credit agreement, the Revolver agreement and the San Juan Loan agreement.

Because we own approximately 93.94% of the outstanding equity in WMLP (as of December 31, 2017) it is considered a significant subsidiary under the 8.75% Notes indenture. If WMLP defaults on the WMLP Term Loan, and the lenders under that agreement accelerate the indebtedness thereunder in an amount greater than \$25.0 million, it would be considered an event of default for our 8.75% Notes. The event of default under our 8.75% Notes would in turn cross-default our Term Loan and Revolver. WMLP recently entered into an agreement with its lenders under the WMLP Term Loan to waive any actual or potential default related to a failure to have certain cash management accounts subject to cash management agreements, or a failure to deliver an unqualified audit opinion (and without an explanatory paragraph referencing WMLP's conclusion that substantial doubt exists as to its ability to continue as a "going concern") in connection with delivery of its fiscal year 2017 financial statements, through May 15th, 2018. WMLP's failure to obtain permanent relief from its requirement to deliver an unqualified audit opinion in connection with delivery of its fiscal year 2017 financial statement could result in an acceleration of all of our outstanding debt obligations.

We have a substantial amount of indebtedness, which may adversely affect our cash flow and our ability to operate our business.

We have a substantial amount of indebtedness. At December 31, 2017, we had a total outstanding indebtedness of approximately \$1,076 million as detailed in *Note 8 - Debt And Lines Of Credit* to the consolidated financial statements. Our substantial amount of indebtedness could have important consequences. For example, it could:

- increase our vulnerability to adverse economic, industry or competitive developments;
- result in an event of default if we fail to satisfy our obligations with respect to the 8.75% Notes, the Term Loan, the San Juan Loan, the Revolver or other debt or fail to comply with the financial and other restrictive covenants contained in the 8.75% Notes, the Term Loan, the San Juan Loan, the Revolver agreement or agreements governing our other indebtedness, which event of default could result in all of our debt becoming immediately due and payable and could permit our lenders to foreclose on our assets securing such debt or otherwise recover that debt from us;
- require a substantial portion of cash flow from operations to be dedicated to the payment of principal, premium, if any, and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;
- make it more difficult for us to satisfy our obligations with respect to the 8.75% Notes, the Term Loan, the San Juan Loan and the Revolver;
- increase our cost of borrowing;
- restrict us from making strategic acquisitions or causing us to make non-strategic divestitures;
- limit our ability to service our indebtedness, including the 8.75% Notes, the Term Loan, San Juan Loan and the Revolver;
- limit our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business or the industry in which we operate, placing us at a competitive disadvantage compared to our competitors who are less highly leveraged and who therefore may be able to take advantage of opportunities that our leverage prevents us from exploiting; and
- prevent us from raising the funds necessary to repurchase all 8.75% Notes tendered to us upon the occurrence of certain changes of control, which failure to repurchase would constitute a default under the 8.75% Notes.

[Table of Contents](#)

The occurrence of any one of these events could have a material adverse effect on our business, financial condition, results of operations, prospects and our ability to satisfy our obligations under the 8.75% Notes, the Term Loan, the San Juan Loan and the Revolver. In conjunction with our acquisition of the Westmoreland Resources GP, LLC, the general partner of WMLP, WMLP entered into the WMLP Term Loan to refinance its indebtedness. Although the WMLP Term Loan is consolidated in our financial statements due to our ownership of the GP and controlling interest in WMLP, neither Westmoreland nor any of its restricted subsidiaries are obligors under the WMLP Term Loan and the loan will be non-recourse to Westmoreland and its wholly owned subsidiaries' assets. However, an acceleration of indebtedness greater than \$25.0 million at WMLP would cause cross default of the 8.75% Notes, the Term Loan and the Revolver. If we further increase our indebtedness, the related risks that we now face, including those described above, could intensify.

If we fail to comply with certain covenants in our various debt arrangements it could cross-default other senior debt agreements within our capital structure, as well as negatively affect our liquidity and ability to finance our operations.

Our lending arrangements contain, among other terms, events of default and various affirmative and negative covenants, financial covenants and cross-default provisions. Should we be unable to comply with any future debt-related covenant, we will be required to seek a waiver of such covenant to avoid an event of default. Covenant waivers and modifications may be expensive to obtain, or, potentially, unavailable. If we are in breach of any covenant and are unable to obtain covenant waivers and our lenders accelerate our debt, we could attempt to refinance the debt or repay the debt by selling assets and applying the proceeds from such sales to the debt. Sales of assets undertaken in response to such immediate needs may be prohibited under our lending arrangements without the consent of our lenders, may be made at potentially unfavorable prices, or asset sales may not be sufficient to refinance or repay the debt, and we may be unable to complete such transactions in a timely manner, on favorable terms, or at all.

Access to our Revolver is dependent upon our compliance with certain financial ratio covenants. This includes a minimum fixed charge coverage ratio of 0.90 in certain quarters for both the US and Canada components of the Restricted Group and 1.10 for the Restricted Group on a consolidated basis. The fixed charge coverage ratio is generally calculated based on Adjusted EBITDA (as defined in the debt agreement) divided by scheduled principal and interest payments for the most recently completed four quarters. Additionally, the San Juan Loan requires a minimum debt service coverage ratio of 1.05. The debt service coverage ratio is generally calculated as cash generated by the borrower and its subsidiaries divided by required debt service payments, including scheduled principal and interest payments. Breaches of the Revolver financial covenants would cause a cross-default of the 8.75% Notes and the Term Loan. After the effects of the Thirteenth Amendment, we are in compliance with the financial covenants for the year ended December 31, 2017, however, we cannot assure future compliance with the financial covenants contained in our senior debt agreements detailed herein.

Attachment 2

Westmoreland Coal Company's disclosure of final,
undiscounted reclamation costs

Asset Retirement Obligations and Related Assets Available to Fund Obligations

Our asset retirement obligations, by segment, are presented in the table below. Asset retirement obligations are discounted based on our credit-adjusted risk-free interest rates.

	Asset Retirement Obligations
	(In thousands)
Coal - U.S.	\$ 298,973
Coal - Canada	126,847
Coal - WMLP	45,795
Power	2,852
Total	<u>\$ 474,467</u>

Our projected undiscounted, uninflated raw costs of final reclamation and related restricted investments, reclamation deposits, reclamation bond collateral and customer obligations for final reclamation as of December 31, 2017 are as follows:

[Table of Contents](#)

	Projected Final Reclamation Costs	Reclamation Deposits	Restricted Investments and Bond Collateral	Customer Obligations for Final Reclamation
	(In thousands)			
Coal - U.S.	\$ 500,824	\$ 77,021	\$ 16,509	\$ 333,093
Coal - Canada	194,143	—	52,928	—
Coal - WMLP	77,082	—	37,239	—
Power	3,888	—	—	—
Total	\$ 775,937	\$ 77,021	\$ 106,676	\$ 333,093

Our projected final reclamation costs presented above represent our estimate of the undiscounted cash flows that will be required to complete our reclamation obligations. These undiscounted cash flows are the basis for the asset retirement obligations that are recorded on the Consolidated Balance Sheets at a discounted value. Reclamation deposits represent cash payments collected from customers and reserved for reclamation activities and are recorded on our Consolidated Balance Sheets under the caption *Restricted investments, reclamation deposits and bond collateral*. Restricted investments and bond collateral are available-for-sale securities and other short-term highly liquid investments that are restricted for use in reclamation activities and are not available for the Company's general cash use and are also recorded on the Consolidated Balance Sheets under the caption *Restricted investments, reclamation deposits and bond collateral*. Certain long-term coal supply agreements require that the customer pay us for costs incurred in the performance of reclamation activities. The undiscounted projected final reclamation costs that are subject to reimbursement under these agreements are reflected above but are not recorded on our Consolidated Balance Sheets.

Attachment 3

Westmoreland Coal Company's disclosure of amounts of
active reclamation bond instruments

Off-Balance Sheet Arrangements

In the normal course of business, we are a party to certain off-balance sheet arrangements. These arrangements include financial instruments with off-balance sheet risk such as bank letters of credit and performance or surety bonds. We utilize surety bonds and letters of credit issued by financial institutions to third parties to assure the performance of our obligations relating to reclamation, workers' compensation, postretirement medical benefits, and other obligations. These arrangements are not reflected in the Consolidated Balance Sheets, and we do not expect any material adverse effects on our financial condition, results of operations or cash flows to result from these off-balance sheet arrangements. A summary of the items specified above as of December 31, 2017 is as follows:

	Reclamation Obligations	Workers' Compensation Obligations	Post Retirement Medical Benefit Obligations	Other	Total
	(In millions)				
Surety bonds	\$ 617.8	\$ 9.1	\$ 9.1	\$ 3.2	\$ 639.2
Letters of credit	54.9	—	—	2.4	57.3
	<u>\$ 672.7</u>	<u>\$ 9.1</u>	<u>\$ 9.1</u>	<u>\$ 5.6</u>	<u>\$ 696.5</u>

Attachment 4

Wyoming Public Media story on Westmoreland's
impending bankruptcy

On The Brink: What Could Come Of A Westmoreland Bankruptcy

By COOPER MCKIM · MAY 4, 2018

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Kemmerer Mine

WESTMOREALND COAL COMPANY



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One of the largest producers of coal in the country may soon face Chapter 11 bankruptcy. Westmoreland Coal Company's stock has been in free fall over the last year and several of its primary customers are moving away from coal.

Market Summary > Westmoreland Coal Company NASDAQ: WLB

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0.20 USD **-0.085 (29.82%)** ↓

Closed: Apr 23, 5:01 PM EDT · Disclaimer
After hours 0.21 +0.0100 (5.00%)

1 day

5 days

1 month

1 year

5 years

Max



Market Summary of Nasdaq

CREDIT NASDAQ STOCK EXCHANGE

Over the last year, the value of a single share in the company went down 97 percent. On [April 25](#), Nasdaq, the second largest stock exchange, delisted Westmoreland for its inability keep shares above \$1 for 30 consecutive business days. While the company has 180 days to regain compliance, it's a pretty big hit to Westmoreland's reputation. But the delisting is just the beginning of the story.

Westmoreland Coal Company operates mines in five states, including Wyoming, and in Canada. Over the past five years, Westmoreland's debt has increased 225 percent. The company has produced 7 percent less coal, saw a [CEO step down](#), and recently hired restructuring, or 'bankruptcy,' advisors.

	Years Ended December 31,				
	2017	2016 ⁽⁵⁾	2015	2014 ⁽⁵⁾	2013
	(In thousands, except per share amounts)				
Consolidated Statements of Operations Information					
Revenues	\$ 1,384,568	\$ 1,477,960	\$ 1,419,518	\$ 1,131,000	\$ 686,055
Operating income (loss) ⁽¹⁾	39,212	38,130	(145,696)	(48,664)	20,319
Net loss applicable to common shareholders ⁽²⁾	(71,340)	(27,101)	(213,645)	(176,684)	(9,204)
Per common share (basic and diluted):					
Net loss applicable to Westmoreland Coal Company	\$ (3.91)	\$ (1.56)	\$ (12.24)	\$ (11.09)	\$ (0.78)
Net loss applicable to common shareholders	(3.82)	(1.47)	(11.93)	(11.08)	(0.64)
Consolidated Balance Sheets Information (end of period)					
Net property, plant and equipment	\$ 741,835	\$ 835,521	\$ 746,842	\$ 986,603	\$ 538,946
Total assets ⁽³⁾	1,389,099	1,584,909	1,415,979	1,740,389	881,427
Total debt ⁽³⁾	1,048,407	1,109,066	1,020,179	959,312	322,459
Total deficit	(743,448)	(690,117)	(662,901)	(400,876)	(236,119)
Other Consolidated Data					
Net cash provided by (used in):					
Operating activities	\$ 114,163	\$ 151,934	\$ 45,562	\$ 50,353	\$ 80,717
Investing activities	10,661	(155,694)	(70,801)	(432,772)	(21,897)
Financing activities	(82,802)	40,122	36,723	338,706	(29,320)
Capital expenditures	35,016	46,132	77,921	50,326	28,591
Adjusted EBITDA ⁽⁴⁾	269,332	271,855	222,832	187,669	127,634
Tons sold	49,734	54,685	53,334	44,849	24,927

Five-year financial look back within Westmoreland's 10K SEC Filing

CREDIT WESTMORELAND COAL COMPANY

Andy Blumenfeld, an analyst with Doyle Trading Consultants who studies energy markets, said "It's kind of a sad situation."

To him, it's clear all signs point to bankruptcy.

"It seems like a very high probability," Blumenfeld said.

Westmoreland is struggling financially for many reasons: bad luck with big investments, competition from natural gas, and a market strategy with almost no flexibility. That strategy, called mine-mouth, is when a mine directly feeds a power plant. It also means reliance on a few, or one, big customers with long-term contracts.

"The idea is to remove some of the market volatility and have a secure customer. What has turned out to be a good and sound strategy has turned into somewhat of a problem for them," Blumenfeld said.

It's a problem now because more and more utilities are moving away from coal to cheaper alternatives like natural gas. And if your one big customer suddenly doesn't need your product, that hurts. In 2016, Westmoreland bought a [mine in New Mexico](#) for \$121 million tied to the San Juan Generating Station, the mine's primary customer. Half of the coal-fired generating units retired soon after the purchase, with the remaining units expected to be shut down by the end of 2022.

In Wyoming, the Westmoreland Kemmerer Mine's main customer will transition its largest generator either to natural gas or completely offline within the year. The same thing is happening in Montana and Canada.

"We're seeing a large stroke of bad luck in terms of the customers that they decided to hitch their wagon to, as it were," Blumenfeld said.

Ian Lange, Assistant Professor and Director of the Mineral and Energy Economics Graduate Program at the Colorado School of Mines said mine-mouth operations also aren't the easiest to sell.

"Mine-mouth plants, in general, don't have rail access. They're there for the plants, and so if the plant's not there, then there's no point in the mine being there. You either have to build the rail line out there, try to chuck the coal somewhere, or find some other way to get the coal out," he said.

Understandably, all of this is having an impact: much less cash on hand and over a billion dollars in of debt. Bankruptcy could arrive as soon as a big enough debt payment comes the company just can't afford.

"If they don't have the cash on hand to make the payment, they would default," said Andy Blumenfeld with Doyle Trading Consultants.

One big debt payment is coming on May 15 with several more due at the beginning of next year. The company expresses doubt in an [SEC filing](#) if it will be able to meet those obligations when they're due.

If bankruptcy does occur, its impacts could be far reaching — both for the company and the communities it serves. Connie Wilbert, director

of the Wyoming Sierra Club Chapter, said the state *could* be affected by reclamation costs. She said the company does has surety bonds, over 80 million, but she wonders if it's enough.

1112	CORDERO KOID	active	PT0237	CORDERO MINING LLC	\$417,822.00	letter of credit	Wells Fargo
1113	CORDERO KOID	active	PT0237	CORDERO MINING LLC	\$40,051,400.00	surety	Zurich American Insurance Company
1114	RAWHIDE	active	PT0240	PEARBODY CABALLO MINING LLC	\$200.00	cash/check	BUCKSIN MINING CO
1115	RAWHIDE	active	PT0240	PEARBODY CABALLO MINING LLC	\$45,480,000.00	surety	Fidelity & Deposit Co. Of Maryland
1116	STANBURY	active	PT0264	ROCKY MOUNTAIN COAL CO LLC	\$8,400.00	cash/check	WESTERN STATES MINING CONSULTANT
1117	STANBURY	active	PT0264	ROCKY MOUNTAIN COAL CO LLC	\$2,446,000.00	letter of credit	JPMorgan Chase Bank
1118	MEDICINE BOW	active	PT0381	ARCH OF WY LLC	\$5,100,000.00	surety	Argonaut Insurance Company
1119	JIM BRIDGER	active	PT0388	BRIDGER COAL CO	\$56,694,333.33	self bond	POWER CO
1120	JIM BRIDGER	active	PT0388	BRIDGER COAL CO	\$13,388,666.67	self bond	PACIFICORP
1121	WINDING L	active	PT0377	ARCH OF WY LLC	\$4,688,000.00	surety	Argonaut Insurance Company
1122	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$75,782,000.00	surety	Zurich American Insurance Company
1123	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$8,050,000.00	surety	Evergreen National Indemnity Company
1124	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$1,150,000.00	surety	Evergreen National Indemnity Company
1125	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$2,288,000.00	surety	Ohio Indemnity Co.
1126	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$800,000.00	surety	CONVENTIONAL HERITAGE INS. CO.
1127	YOUNGS CREEK	active	PT0407	YOUNGS CREEK MINING CO LLC	\$633,000.00	surety	Argonaut Insurance Company
1128	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$11,190,000.00	surety	U.S. Specialty Insurance Company
1129	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$12,500,000.00	surety	K. Specialty Insurance Co.
1130	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$40,000,000.00	surety	Argonaut Insurance Company
1131	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$26,200,000.00	surety	Aspen American Insurance Co
1132	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$15,000,000.00	surety	NORTH AMERICAN SPECIALTY INS CO
1133	EAGLE BUTTE	active	PT0428	Confara Coal Well, LLC	\$30,000,000.00	surety	Atlantic Specialty Insurance Company
1134	CABALLO	active	PT0433	PEARBODY CABALLO MINING LLC	\$140,284,083.00	surety	Fidelity & Deposit Co. Of Maryland

Reclamation Data for the Kemmerer Mine

CREDIT CLIMATE HOME NEWS

“Because if their surety bonds are inadequate, taxpayers will be stuck with whatever’s left,” Wilbert said.

Westmoreland has around 3000 employees in the U.S. and Canada. Lincoln County in southwest Wyoming relies heavily on the Kemmerer Mine — it’s the largest generator of tax revenue in the area by far. Around 280 people also rely on the mine for a job.

Mike Dalpiaz, International Vice President of District 22 for the United Mine Workers of America, represents mine workers in the west including at the Kemmerer Mine.

“These people are worried clear sick about it,” Dalpiaz said.

He said workers aren't just nervous about losing their jobs, but pensions and healthcare.

“The risk depends on the type of filing,” he said.

Dalpiaz said layoffs are a real possibility for another reason — the transitioning of Pacificorp’s Naughton Power Plant biggest generating unit to either natural gas or offline by the end of January 2019. Dalpiaz and others have said that will significantly reduce demand and production at the mine.

Tom Crank, state representative for Lincoln, Sweetwater, and Uinta counties, said if workers do lose their jobs, the local community would struggle to help out, because everyone is reliant on the mineral industry.

“It’s got everyone here fairly nervous when you have a small community that are dependent on that stuff when the big industries that provides most of the income to the community are facing issues.

Nobody starts investing in the town, and so you have a hard time just keeping the other things going,” Crank said.

Lincoln County commissioners are currently in talks with Westmoreland about moving forward.

The Kemmerer Mine is also facing a potential expansion with support from the Wyoming legislature. During this year’s budget session, legislators appropriated \$30 million for a project in [HB0194](#) (pg. 47) that would move a highway to accommodate a promised mine expansion. Construction could start by 2022. Dan Dockstader, a state representative for Lincoln, Sublette, and Teton counties, pushed for the capital construction funds. He said the project will help retain 300 jobs over 19.5 years with the over 60 million additional tons of coal. Sierra Club’s Connie Wilbert called the expansion ludicrous and “a waste of taxpayer money” given Westmoreland could soon file for Chapter 11 bankruptcy.

Wyoming Public Radio reached out to the company multiple times to no response. As of April 2, the search for a new CEO was suspended as the company considers filing for bankruptcy.

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Attachment 5

Publicly available database of Westmoreland's
active reclamation bonds

state	Parent	mine/facility name	permit status	permit number	mine owner or operator	amount of bond	type of bond	third party guarantor
NM	Westmoreland Coal Company	San Juan Coal Mine	active	2014-01	Westmoreland Coal Co.	\$38,500,000.00	surety	Argonaut Insurance Company
NM	Westmoreland Coal Company	San Juan Coal Mine	active	2014-01	Westmoreland Coal Co.	\$63,504,000.00	surety	Travelers Casualty and Surety Co of America
NM	Westmoreland Coal Company	La Plata Mine	permanent cessation	2016-01	Westmoreland Coal Co.	\$16,681,640.00	surety	Argonaut Insurance Company
MT	Westmoreland Coal Company	Absaloka Coal Mine	active	C1985005	Westmoreland Resources, Inc.	\$2,000,000.00	surety	Lexon Insurance Company
MT	Westmoreland Coal Company	Absaloka Coal Mine	active	C1985005	Westmoreland Resources, Inc.	\$1,702,762.00	letter of credit	First Interstate Bank
MT	Westmoreland Coal Company	Absaloka Coal Mine	active	C1985005	Westmoreland Resources, Inc.	\$10,035,971.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Absaloka Coal Mine	active	C1985005	Westmoreland Resources, Inc.	\$8,521,445.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Absaloka Coal Mine	active	C1985005	Westmoreland Resources, Inc.	\$3,290,415.00	surety	Fidelity & Deposit Co. Of Maryland
MT	Westmoreland Coal Company	Savage Coal Mine	active	C1984002	Westmoreland Savage Corp	\$7,936,457.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area A	active	C1986003A	Western Energy Company	\$18,202,793.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area A	active	C1986003A	Western Energy Company	\$917,947.00	surety	Lexon Insurance Company
MT	Westmoreland Coal Company	Rosebud Coal Mine Area B	active	C1984003B	Western Energy Company	\$59,472,033.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area B	active	C1984003B	Western Energy Company	\$14,177,967.00	surety	Zurich American Insurance Company
MT	Westmoreland Coal Company	Rosebud Coal Mine Area C	active	C1985003C	Western Energy Company	\$5,544,464.00	surety	Travelers Casualty and Surety Co of America

MT	Westmoreland Coal Company	Rosebud Coal Mine Area C	active	C1985003C	Western Energy Company	\$2,408,831.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area C	active	C1985003C	Western Energy Company	\$1,695,547.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area C	active	C1985003C	Western Energy Company	\$41,755,536.00	surety	Zurich American Insurance Company
MT	Westmoreland Coal Company	Rosebud Coal Mine Area D	inactive	C1986003D	Western Energy Company	\$3,660,323.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area D	inactive	C1986003D	Western Energy Company	\$9,739,677.00	surety	Travelers Casualty and Surety Co of America
MT	Westmoreland Coal Company	Rosebud Coal Mine Area E	inactive	C1981003E	Western Energy Company	\$1,190,812.00	surety	Travelers Casualty and Surety Co of America
ND	Westmoreland Coal Company	Beulah	active	KRSB-8603	Dakota Westmoreland Corporation	\$19,868,257.00	surety	Travelers Casualty and Surety Co of America
ND	Westmoreland Coal Company	Beulah	active	KRSB-8802	Dakota Westmoreland Corporation	*	surety	Travelers Casualty and Surety Co of America
OH	Westmoreland Coal Company		active	1163	Buckingham Coal Company LLC	\$170,875.00	surety	First Surety Corp
OH	Westmoreland Coal Company		active	2223	Buckingham Coal Company LLC	\$197,250.00	surety	First Surety Corp
TX	Westmoreland Coal Company	Jewett		32G	Texas Westmoreland Coal Company- Westmoreland Coal Company	\$22,219,000.00	surety	Aspen Insurance Company
TX	Westmoreland Coal Company	Jewett Area E/F		47A	Texas Westmoreland Coal Company- Westmoreland Coal Company	\$15,500,000.00	surety	Aspen Insurance Company

TX	Westmoreland Coal Company	Jewett Area E/F		47A	Texas Westmoreland Coal Company- Westmoreland Coal Company	\$18,000,000.00	surety	Aspen Insurance Company
WY	Westmoreland Coal Company	HAYSTACK	active	PT0786	HAYSTACK COAL CO	\$3,830,000.00	surety	Travelers Casualty and Surety Co of America
Westmoreland Coal Company -- Total Bonds						\$390,724,002.00		
OH	Westmoreland Resource Partners		active	287	Oxford Mining Company LLC	\$100,000.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	661	Oxford Mining Company LLC	\$54,250.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	796	Oxford Mining Company LLC	\$78,125.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	838	Oxford Mining Company LLC	\$32,500.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	981	Oxford Mining Company LLC	\$317,237.50	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	981	Oxford Mining Company LLC	\$50,750.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	1086	Oxford Mining Company LLC	\$324,750.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	1131	Oxford Mining Company LLC	\$522,000.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		inactive	2097	Oxford Mining Company LLC	\$19,500.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2198	Oxford Mining Company LLC	\$44,300.00	surety	Argonaut Insurance Company

OH	Westmoreland Resource Partners		active	2226	Oxford Mining Company LLC	\$749,750.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		inactive	2238	Oxford Mining Company LLC	\$115,650.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2245	Oxford Mining Company LLC	\$42,075.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		active	2254	Oxford Mining Company LLC	\$650,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2254	Oxford Mining Company LLC	\$334,125.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2254	Oxford Mining Company LLC	\$132,625.00	surety	Westchester Fire Insurance Co.
OH	Westmoreland Resource Partners		active	2277	Oxford Mining Company LLC	\$1,100,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2277	Oxford Mining Company LLC	\$125,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2277	Oxford Mining Company LLC	\$89,850.00	surety	Westchester Fire Insurance Co.
OH	Westmoreland Resource Partners		inactive	2290	Oxford Mining Company LLC	\$96,112.50	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2292	Oxford Mining Company LLC	\$977,125.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2295	Oxford Mining Company LLC	\$10,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		temporary inactive	2315	Oxford Mining Company LLC	\$317,050.00	surety	Argonaut Insurance Company

OH	Westmoreland Resource Partners		temporary inactive	2315	Oxford Mining Company LLC	\$183,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2318	Oxford Mining Company LLC	\$339,125.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		inactive	2319	Oxford Mining Company LLC	\$91,050.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		inactive	2324	Oxford Mining Company LLC	\$25,575.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2325	Oxford Mining Company LLC	\$285,775.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2325	Oxford Mining Company LLC	\$398,837.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2334	Oxford Mining Company LLC	\$171,250.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2334	Oxford Mining Company LLC	\$75,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2340	Oxford Mining Company LLC	\$28,425.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2361	Oxford Mining Company LLC	\$50,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2361	Oxford Mining Company LLC	\$60,250.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2364	Oxford Mining Company LLC	\$125,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2364	Oxford Mining Company LLC	\$250,000.00	surety	Lexon Insurance Company

OH	Westmoreland Resource Partners		active	2364	Oxford Mining Company LLC	\$217,500.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2369	Oxford Mining Company LLC	\$9,250.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2369	Oxford Mining Company LLC	\$383,675.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		temporary inactive	2373	Oxford Mining Company LLC	\$291,375.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2376	Oxford Mining Company LLC	\$177,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2376	Oxford Mining Company LLC	\$284,500.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2377	Oxford Mining Company LLC	\$11,250.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2379	Oxford Mining Company LLC	\$11,250.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2386	Oxford Mining Company LLC	\$101,250.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2387	Oxford Mining Company LLC	\$100,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2387	Oxford Mining Company LLC	\$388,875.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2393	Oxford Mining Company LLC	\$72,875.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		inactive	2398	Oxford Mining Company LLC	\$43,200.00	surety	First Surety Corp

OH	Westmoreland Resource Partners		active	2403	Oxford Mining Company LLC	\$275,750.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2404	Oxford Mining Company LLC	\$107,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2408	Oxford Mining Company LLC	\$136,250.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2415	Oxford Mining Company LLC	\$61,375.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2416	Oxford Mining Company LLC	\$100,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2416	Oxford Mining Company LLC	\$250,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2418	Oxford Mining Company LLC	\$10,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2419	Oxford Mining Company LLC	\$375,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2419	Oxford Mining Company LLC	\$100,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2420	Oxford Mining Company LLC	\$25,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2421	Oxford Mining Company LLC	\$350,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	2421	Oxford Mining Company LLC	\$377,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2423	Oxford Mining Company LLC	\$54,375.00	surety	Argonaut Insurance Company

OH	Westmoreland Resource Partners		active	2423	Oxford Mining Company LLC	\$825,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2433	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2444	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2445	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2449	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2450	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2451	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2463	Oxford Mining Company LLC	\$10,000.00	surety	Argonaut Insurance Company
PA	Westmoreland Resource Partners	BUNDY MINE	phase II, approved	63080104	Oxford Mining Company LLC	\$82,257.00	surety	Lexon Insurance Company
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$100,096.00	surety	First Surety Corp
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$93,568.00	surety	First Surety Corp
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$82,688.00	surety	First Surety Corp
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$23,936.00	surety	First Surety Corp

WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$43,520.00	surety	First Surety Corp
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$45,696.00	surety	First Surety Corp
WV	Westmoreland Resource Partners	CROSS CREEK SURFACE MINE	phase I	S200304	Oxford Mining Company LLC	\$10,000.00	surety	First Surety Corp
KY	Westmoreland Resource Partners	GEIBEL MINE	not started	8890130	OXFORD MINING COMPANY-KENTUCKY LLC	\$94,900.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners	ROSE FRANCE MINE	reclamation	8890153	OXFORD MINING COMPANY-KENTUCKY LLC	\$1,604,100.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners	KO Mine	reclamation	8890154	OXFORD MINING COMPANY-KENTUCKY LLC	\$864,600.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners	Briar Hill Mine	active, producing	8890155	OXFORD MINING COMPANY-KENTUCKY LLC	\$5,539,500.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners		reclamation	8890156	OXFORD MINING COMPANY-KENTUCKY LLC	\$415,100.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners	Jessup Mine (c/o NRMS)	phase I	8890157	OXFORD MINING COMPANY-KENTUCKY LLC	\$232,400.00	surety	Lexon Insurance Company
KY	Westmoreland Resource Partners	Star Surface Mine	not started	8890159	OXFORD MINING COMPANY-KENTUCKY LLC	\$128,100.00	surety	Lexon Insurance Company
WY	Westmoreland Resource Partners	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$75,782,000.00	surety	Zurich American Insurance Company
WY	Westmoreland Resource Partners	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$3,050,000.00	surety	Evergreen National Indemnity Company
WY	Westmoreland Resource Partners	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$1,150,000.00	surety	Evergreen National Indemnity Company

WY	Westmoreland Resource Partners	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$2,288,000.00	surety	Ohio Indemnity Co.
WY	Westmoreland Resource Partners	KEMMERER	active	PT0379	WESTMORELAND KEMMERER LLC	\$650,000.00	surety	CONTINENTAL HERITAGE INS. CO.
OH	Westmoreland Resource Partners		active	2289	Harrison Resources LLC	\$1,273,637.50	surety	First Surety Corp
OH	Westmoreland Resource Partners		active	2289	Harrison Resources LLC	\$125,000.00	surety	Argonaut Insurance Company
OH	Westmoreland Resource Partners		active	1181	Daron Coal Company LLC	\$78,500.00	surety	Lexon Insurance Company
OH	Westmoreland Resource Partners		temporary inactive	2414	Oxford Conesville LLC	\$262,000.00	surety	First Surety via Oxford
Westmoreland Resource Partners (WMLP) -- Total Bonds						\$107,594,410.50		