IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:	**Case No.: 25-70001-JAD**
WILSON CREEK ENERGY, LLC, *et al.*,[1]	**Chapter 11**
Debtors.	**Jointly Administered**
	Doc. No.:
WILSON CREEK ENERGY, LLC, *et al.*, **Movant,**	**Related to Document No.**
v.	**Hearing Date:**
LCT ENERGY, LP, **Respondent.**	**Hearing Time:**
	Response Deadline:

EMERGENCY MOTION FOR ENTRY OF AN ORDER: (I) COMPELLING COMPLIANCE WITH BIDDING PROCEDURES AND CONFIDENTALITY AGREEMENT; (II) COMPELLING DESTRUCTION OF ALL CONFIDENTIAL INFORMATION OBTAINED BY LCT ENERGY, LP, PURSUANT TO CONFIDENTIALITY AGREEMENT; AND (III) GRANTING RELATED RELIEF

The debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), by and through their undersigned counsel, file their emergency motion (the "Motion") seeking the entry of an order, substantially in the form attached hereto as **Exhibit A**, (i) compelling compliance with the Bidding Procedures and Confidentiality Agreement (each as defined herein); (ii) compelling destruction of all Confidential Information (as defined herein) obtained by LCT Energy, LP ("LCT") pursuant to the duly executed Confidentiality Agreement (as defined herein); and (iii) granting related relief. In support of this

1 The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

Motion, the Debtors rely upon: (i) the *Declaration of Kevin Harrigan in Support of the Debtors' Emergency Motion for Entry of an Order: (I) Compelling Compliance with Bidding Procedures and Confidentiality Agreement; (II) Compelling Destruction of All Confidential Materials Obtained by LCT Energy, LP, Pursuant to Confidentiality Agreement; and (III) Granting Related Relief* (the "Harrigan Declaration") attached hereto as **Exhibit B**. In support of the Motion, the Debtors further aver as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Western District of Pennsylvania (the "Court") has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The Debtors consent to entry of a final order under Article III of the United States Constitution.

2. Venue of these Chapter 11 Cases in this District is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested in this Motion are sections 105(a) and 363 of title 11, United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended, the "Bankruptcy Code"), and Rules 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

Procedural History

4. On January 6, 2025 (the "Petition Date"), each of the Debtors commenced the above-captioned jointly administered cases (collectively, the "Chapter 11 Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code in this Court. The Debtors continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On January 17, 2025, the Office of the United

States Trustee for Region Three (the "U.S. Trustee") appointed the Official Committee of Unsecured Creditors (the "Committee").

5. A detailed description of the Debtors, their businesses, and the facts and circumstances surrounding the Debtors' filing of these Chapter 11 Cases are set forth in greater detail in the *Amended Declaration of Kevin Harrigan, President and Chief Executive Officer of Wilson Creek Energy, LLC and its Affiliated Debtors in Support of Chapter 11 Petitions and First Day Motions* [Doc. No. 51-1] (the "First Day Declaration").

Background Relevant to this Motion

6. The Debtors commenced these Chapter 11 Cases on the Petition Date to maximize the value of their operations and, in turn, the recoveries to key stakeholders and creditors in these Chapter 11 Cases. In furtherance of this overall goal, the Debtors filed their *Motion for Entry of Orders (A) Approving Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bidding Procedures for the Sale of All or Substantially All of the Debtors' Assets, (C) Authorizing the Debtors to Designate Stalking Horse Bidder and Approving Proposed Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Doc. No. 116] (the "Sale Motion"), which sets forth the terms and conditions upon which the Debtors are advancing the sale of substantially all of their assets with the goal of maximizing the value of their estates.

7. By Order dated January 28, 2025 [Doc. No. 193] (the "Bid Procedures Order"), this Court approved the proposed process through which the Debtors intend to solicit bids for all or

substantially all of their assets for sale, including the Debtors' proposed Bidding Procedures.[2] In accordance with the Bidding Procedures and with the assistance of their professionals, the Debtors identified certain strategic industry players that may have an interest in purchasing some or all of the Debtors' assets. Without solicitation, the Debtors were contacted by LCT (through its counsel) expressing an interest in purchasing the Debtors' assets.

8. In accordance with the Bidding Procedures, the Debtors and LCT entered into a *Confidentiality Agreement* (the "Confidentiality Agreement") in order to permit and govern the exchange of information in connection with LCT conducting due diligence. A true and correct copy of the Confidentiality Agreement is attached as Exhibit A to the Cease and Desist (as defined herein).

9. As set forth in the Confidentiality Agreement:

> For the sole purpose of [LCT]'s consideration of a possible acquisition of certain assets of [the Debtors] (the "**Purpose**"), [the Debtors] may disclose to [LCT], or [LCT] may otherwise receive access to, Confidential Information (as defined [in the Confidentiality Agreement]). [LCT] **shall use the Confidential Information solely for the Purpose** and, subject to Section 3, shall not disclose or permit access to Confidential Information other than to its employees, officers, directors, attorneys, accountants and financial advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this [Confidentiality] Agreement; and (c) are bound by the confidentiality obligations no less protective of the Confidential Information than the terms and conditions contained herein.

See Confidentiality Agreement, ¶ 1 (emphasis added).

10. The Confidentiality Agreement further provides,

> **"Confidential Information"** means all non-public, proprietary, or other confidential information of [the Debtors], in oral, visual, written, electronic, or other tangible or intangible form, whether or not marked or designated as "confidential[]", including without limitation: (a) all information concerning the [Debtors'] and their customers', suppliers', and other third

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2 Capitalized terms not otherwise defined herein shall have the same definitions as ascribed to them in the Sale Motion or the Bidding Procedures Order, as applicable.

> parties' past, present, and future business affairs including, without limitation, finances, customer information, supplier information, products, services, organizational structure and internal practices, forecasts, sales and other financial results, records and budgets and business, marketing, development, sales and other commercial strategies…

See Confidentiality Agreement, ¶ 2.

11. The Confidentiality Agreement also provides,

> On the expiration of this Agreement or otherwise as the [Debtors'] request, [LCT] shall promptly, at [the Debtors'] option, either return to [the Debtors] or destroy all Confidential Information in [LCT's] and [LCT's] Representatives' possession other than Notes, and destroy all Notes, and certify in writing to [the Debtors] the destruction of such Confidential Information.

See Confidentiality Agreement, ¶ 4.

12. Further, the Confidentiality Agreement provides,

> The rights and obligations of the parties under this [Confidentiality] Agreement expire three (3) years after the Effective Date; *provided* that with respect to Confidential Information that is a trade secret under the laws of any jurisdiction, such rights and obligations will survive such expiration until, if ever, such Confidential Information loses its trade secret protection other than due to an act or omission of [LCT] or [LCT's] Representatives.

See Confidentiality Agreement, ¶ 7.

13. Finally, the Confidentiality Agreement provides,

> **[LCT] acknowledges and agrees that any breach of this [Confidentiality] Agreement will cause injury to [the Debtors] for which money damages would be an inadequate remedy and that, in addition to remedies at law, [the Debtors are] entitled to equitable relief as a remedy for any such breach and [LCT] further agrees to waive any requirement for the security or posting of any bond in connection with such remedy.**

See Confidentiality Agreement, ¶ 8 (emphasis added).

14. In reliance upon LCT's execution of the Confidentiality Agreement and the Bid Protections Order, the Debtors granted LCT access to the Debtors' virtual data room (the "VDR")

that the Debtors populated with a plethora of Confidential Information including, but not limited to, information relating to the Debtors' businesses, financials, projections, mining plans, customer and vendor relationships, pricing and cost information, and other proprietary and commercially sensitive information, all of which is Confidential Information under the Confidentiality Agreement.

15. Shortly after the Debtors provided LCT with the Confidential Information, and to the Debtors' genuine surprise, the Debtors were informed by certain of their largest customers and significant business partners that LCT representatives were conveying that the Debtors' business was spiraling, and a shutdown of their operations was imminent. Equally surprising was the fact that LCT also advised certain of the Debtors' trucking vendors that, if they wanted to continue hauling coal in the area, they had to devote more resources to hauling LCT's coal.

16. On January 30, 2025 at 11:17 am, counsel for the Debtors spoke with counsel for LCT about the LCT communications and respectfully requested that counsel for LCT advise his client that such action cease. Despite such effort, LCT's harmful communications in violation of the Confidentiality Agreement continued.

17. Thereafter, on February 5, 2025, the Debtors issued a cease and desist letter (the "Cease and Desist") to LCT and revoked LCT's access to the VDR. A true and correct copy of the Cease and Desist is attached hereto, made part hereof, and marked **Exhibit C**.

18. Upon receipt of the Cease and Desist, LCT provided a written response on February 7, 2025, wherein LCT disputed the position of the Debtors in the Cease and Desist, but otherwise agreed to cease any communications with the Debtors' customers and vendors relating to these Chapter 11 Cases. Relying in good faith upon LCT's acknowledgment and agreement to discontinue any communications with the Debtors' customers and business counterparties about

their sale process and confidential information, on Saturday, February 8, 2025, the Debtors reinstated LCT's access to the VDR, as LCT led the Debtors to believe that LCT had a genuine interest in submitting a bid and would act in good faith in that regard.

19. On February 10, 2025, the first business day *after* regaining access to the VDR, LCT requested additional information be added to the VDR as part of its "due diligence." This request from LCT notably included, *inter alia*, trucking servicer lists and rates/costs for transportation from some of the Debtors' mines to the loading docks. The Debtors uploaded the additional Confidential Information requested by LCT on February 10, 2025.

20. Following LCT regaining access to the VDR, the Debtors were advised by one of their two largest customers that LCT's derogatory comments relating to the Debtors' operations continued. Additionally, the Debtors understand that LCT raised the rates it was willing to pay to trucking companies that haul coal for the Debtors above the rates being paid by the Debtors, including trucking companies whose identities and rate structures were disclosed in response to LCT's February 10, 2025 due diligence request.

21. LCT's actions concerned the Debtors because while LCT was a purported bidder, it also is a competitor in the marketplace. Harmful communications with one of the Debtors' two largest customers and disruption in the means of transportation can impair and impact cash flow and by extension compliance with covenants associated with the Debtors' DIP financing. Additionally, impairment to operational cash flow can negatively impact the going concern sale value of the Debtors, creditor recoveries and the Debtors' restructuring efforts as a whole. In light of the circumstances, and following discussion with the Consultation Parties, the Debtors in an exercise of their business judgment sent LCT and counsel a *Notice of Disqualification and Preservation Notice* dated February 14, 2025 (the "Disqualification Notice") at 7:28 pm that same

day, a true and correct copy of which is attached hereto, made part hereof, and marked as **Exhibit D**. Notably, as of that date, the Debtors had received no written offer or indication of interest (or even a verbal offer) from LCT to purchase the Debtors' assets notwithstanding the deadline to submit stalking horse bids had passed. The Debtors received no objection to issuing the Disqualification Notice from the Consultation Parties.

22. The Debtors are investigating the financial impact of the aforementioned actions and reserve all rights with respect thereto. The Debtors have learned that multiple trucking companies have diverted transportation services from the Debtors to LCT, which negatively impacts the Debtors operations.[3] At this stage, the Debtors are seeking to mitigate further damage, which is the primary reason they have filed this Motion.

Relief Requested

23. The Debtors respectfully request that this Court enter the Proposed Order: (i) compelling compliance with the Bidding Procedures and Confidentiality Agreement; (ii) compelling LCT to destroy any information obtained from the VDR, and verifying such destruction within three (3) business days of the entry of an order granting the relief requested herein; and (iii) granting such other relief as is deemed just and proper.

Legal Basis for Relief Requested

A. Compelling Compliance with Bidding Procedures

24. It is fundamental that a court has the inherent authority to interpret and enforce its own orders. *See In re TWA Inc. Post Confirmation Estate*, 2007 Bankr. LEXIS 3182, *8-10 (Bankr. Del. 2007); *see also, Heartland Hospital v. Thompson*, 328 F. Supp. 2d 8, 11-12 (D.D.C. 2004), *aff'd*, 415 F.3d 24 (2005) ("Within a court's power to administer its decrees is the power to construe

[3] The Debtors reserve all rights with respect to recourse relating to such trucking companies.

and interpret the language of the judgment"); *Chandler v. State of Oklahoma ex rel. Oklahoma Tax Commission (In re Chandler)*, 251 B.R. 872, 877 fn. 5 (B.A.P. 10th Cir. 2000) ("[I]t is well-settled that bankruptcy courts have the power to interpret and enforce their orders."); *Travelers Indem. Co. v. Bailey*, 577 U.S. 137 (2009) (holding that "the Bankruptcy Court plainly had jurisdiction to interpret and enforce its own prior orders"); *In re Trans World Airlines, Inc.*, 278 B.R. 42, 49 n. 16 (Bankr. D. Del. 2002) ("Core proceedings under § 157(b)(2)(N) are those which arise from, concern, or have impact on 'orders approving the sale of property'").

25. We need not belabor the fact that a bankruptcy court is, after all, a court of equity. *See In re Beck Indus.*, 605 F.2d 624, 634 (2d Cir.1979). It is a longstanding principal that, "[i]n the exercise of its equitable jurisdiction ... [the Court] has the power to sift the circumstances surrounding any claim to see that injustice or unfairness is not done in administration of the bankrupt estate." *Pepper v. Litton*, 308 U.S. 295, 307–08, 60 S.Ct. 238, 245–46, 84 L.Ed. 281 (1939). As a result, a bankruptcy court has broad remedial powers with which to fashion relief for parties. *See In re Beck Indus.*, 605 F.2d at 637.

26. The Bidding Procedures, which this Court approved through the entry of the Bid Procedures Order, provide:

> Each Potential Bidder agrees to use, and to instruct its advisors and representatives to use, any of the Debtors' confidential information only in connection with the formulation of a bid(s) during the bidding process or in accordance with the terms of any applicable confidentiality agreement.

See Bidding Procedures, p. 2 (Bid Procedures Order, CM/ECF p. 21 of 95).

27. Furthermore, the Confidentiality Agreement was entered into pursuant to the Bid Procedures Order and its terms are consistent with the confidentiality provisions contained in said order (as noted in the preceding paragraph).

28. The Court also explicitly retained jurisdiction with respect to all matters arising

from or related to the implementation or interpretation of the Bid Procedures Order, including, but not limited to, any matter, claim or dispute arising from or relating to the Bidding Procedures and the implementation of the Bid Procedures Order. *See* Bid Procedures Order ¶ 20; *see also, In re Nortel Networks Corp.*, 445 B.R. 370, 375 (Bankr. D. Del. 2011) (order with similar language "compels the Court to act in its supervisory and enforcement roles ...")

29. Here, the Debtors submit that, in violation of the Confidentiality Agreement and the Bidding Procedures, LCT has used Confidential Information not for the Purpose (as defined in the Confidentiality Agreement), but in furtherance of its own interests to the significant detriment of the Debtors' estates.

30. While the Debtors are still investigating the true extent of the damage caused by LCT's conduct, the Debtors have already identified what may be millions of dollars in damages to their estates based on LCT's actions.

31. While the Debtors reserve all rights with respect to filing an adversary proceeding against LCT to recover damages that the Debtors will establish at trial, the Debtors seek an order from this Court compelling LCT to comply with the Bidding Procedures and Confidentiality Agreement, and to discontinue any use or disclosure of Confidential Information for any reason whatsoever, as there is no longer a Purpose based on the Debtors' disqualification of LCT as a Potential Bidder.

B. Compelling Destruction of Confidential Information

32. As discussed above, this Court has broad powers to enforce and interpret its own orders, including the Bid Procedures Order.

33. In connection with the Bid Procedures Order, LCT and the Debtors entered into the Confidentiality Agreement, which provides, *inter alia*:

> On the expiration of this Agreement or otherwise as the [Debtors'] request, [LCT] shall promptly, at [the Debtors'] option, either return to [the Debtors] or destroy all Confidential Information in [LCT's] and [LCT's] Representatives' possession other than Notes, and destroy all Notes, and certify in writing to [the Debtors] the destruction of such Confidential Information.

See Confidentiality Agreement, ¶ 4.

34. As of the date hereof, LCT has not provided a written certification that the Confidential Information has been destroyed. Given LCT's actions to date, the Debtors believe it is prudent and necessary to obtain a court order directing compliance to mitigate further damage to the Debtors' sale process and the bankruptcy estate.

35. Accordingly, the Debtors also seek an order from this Court compelling LCT to destroy all Confidential Information acquired from the VDR and directing LCT to provide a written verification of the same to the Debtors within three (3) business days of the entry of an Order granting the relief requested in this motion.

Request for Emergency Hearing Pursuant to Local Rule 9013-2

36. The Debtors respectfully request that this Court enter an order, substantially in the form attached hereto as **Exhibit E**, scheduling a hearing to consider the relief requested herein on an emergency basis.

37. The Debtors submit that an emergency hearing is necessary because, given the current status of these Chapter 11 Cases and the fact that LCT's conduct is actively disrupting the Debtors' operations and ongoing sale efforts, allowing this conduct to continue without redress will cause irreparable harm to the Debtors' estates and materially impair the Debtors' ability to maximize the value of their estates.

38. As described above, the Debtors submit that LCT's conduct has already caused material harm to the Debtors' operations and likely the sale process. Absent an emergency hearing

to curtail this conduct, the Debtors could face additional impairment to operations and its ability to both advance its restructuring efforts (by sale process or otherwise) and comply with the covenants associated with its DIP financing facility.

39. The Debtors submit that any harm that befalls any party in interest, including LCT, by scheduling an emergency hearing on this Motion pales in comparison to the ongoing damages incurred by the Debtors on a daily basis as a result of LCT's conduct.

40. The need for an emergency hearing has not been caused by the Debtors or their counsel but has been brought about solely by circumstances beyond their control.

Reservation of Rights

41. The Debtors expressly reserve any and all rights, claims, causes of action, and remedies they have or may have against LCT, under the Bankruptcy Code or applicable non-bankruptcy law, including but not limited to arising from or relating to its breach of the Confidentiality Agreement, its violation of the Bidding Procedures, and its actions performed within the Debtors' sale process. Nothing herein is or shall be construed as a waiver or release of any of the foregoing, as the Debtors expressly reserve all rights, claims, and causes of action they have or may have against LCT at law, in equity, or otherwise.

Notice

42. In accordance with the *Revised Order Establishing Certain Notice, Case Management and Administrative Procedures as Well as Granting Related Relief* [Docket No. 39] (the "Case Management Order"), notice of this Motion has been given to (a) counsel for LCT, (b) all parties on the Master Service List (as defined in the Case Management Order), and (c) any party that has requested notice pursuant to Bankruptcy Rule 2002 as of the time of service. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

No Prior Request

43. No prior request for the relief sought in this Motion has been made to this or any other Court in connection with these Chapter 11 Cases.

WHEREFORE, the Debtors respectfully request that the Court: (i) enter the Order, substantially in the form attached hereto as **Exhibit A**, (x) compelling LCT to comply with the Bidding Procedures and Confidentiality Agreement, (y) compelling LCT to destroy all Confidential Information and provide verification of such destruction within three (3) business days of the entry of an order granting the relief requested in this Motion, and (z) granting such other relief as this Court deems just and proper, and (ii) scheduling a hearing on the Motion on an emergency basis.

Respectfully submitted,

Dated: February 25, 2025

RAINES FELDMAN LITTRELL, LLP

By:*/s/ Michael J. Roeschenthaler*
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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order of Court

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:	**Case No.: 25-70001-JAD**
WILSON CREEK ENERGY, LLC, *et al.*,[1]	**Chapter 11**
Debtors.	**Jointly Administered**
	Doc. No.:
WILSON CREEK ENERGY, LLC, *et al.*, **Movant,**	**Related to Document No.**
v.	**Hearing Date:**
LCT Energy, LP, **Respondent.**	**Hearing Time:**
	Response Deadline:

ORDER OF COURT

Upon consideration of the motion (the "Motion")[2] of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), for the entry of an order (this "Order"), pursuant to Bankruptcy Code sections 105(a) and 363 and Bankruptcy Rule 9014: (i) compelling compliance with the Bidding Procedures and the Confidentiality Agreement; (ii) compelling destruction of all Confidential Information obtained by LCT Energy, LP ("LCT"); and (iii) granting related relief; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and this Court having found that venue of this proceeding and the Motion in this district

1 The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

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

is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.

2. From and after the entry of this Order, LCT shall comply with the Bidding Procedures and the Confidentiality Agreement and shall not use any Confidential Information obtained from the Debtors for any purpose whatsoever.

3. LCT shall forthwith destroy all Confidential Information obtained from the Debtors and shall certify to the Debtors, in writing and within three (3) business days of the date hereof, the destruction of all Confidential Information.

4. Nothing herein is or shall be construed as a waiver or release of any rights, claims, causes of action, and remedies the Debtors have or may have against LCT under the Bankruptcy Code or applicable non-bankruptcy law, including but not limited to related to the Bidding Procedures and/or the Confidentiality Agreement, all of which are expressly reserved and preserved.

5. This Order shall be binding upon any successors and assigns of the Debtors, including any trustee appointed in these Chapter 11 Cases or in any superseding proceeding under

chapter 7 of the Bankruptcy Code.

6. This Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation, or enforcement of this Order.

Date: ____________________

____
The Honorable Jeffery A. Deller
United States Bankruptcy Court

<u>Exhibit B</u>

Harrigan Declaration

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:	**Case No.: 25-70001-JAD**
WILSON CREEK ENERGY, LLC, *et al.*,[1]	**Chapter 11**
Debtors.	**Jointly Administered**
	Doc. No.:
WILSON CREEK ENERGY, LLC, *et al.*, **Movant,**	**Related to Document No.**
v.	**Hearing Date:**
LCT ENERGY, LP, **Respondent.**	**Hearing Time:**
	Response Deadline:

DECLARATION OF KEVIN HARRIGAN IN SUPPORT OF THE EMERGENCY MOTION FOR ENTRY OF AN ORDER: (I) COMPELLING COMPLIANCE WITH BIDDING PROCEDURES AND CONFIDENTIALITY AGREEMENT; (II) COMPELLING DESTRUCTION OF ALL CONFIDENTIAL INFORMATION OBTAINED BY LCT ENERGY, LP, PURSUANT TO CONFIDENTIALITY AGREEMENT; AND (III) GRANTING RELATED RELIEF

I, Kevin Harrigan, hereby submit this Declaration (the "Declaration") in support of the *Emergency Motion for Entry of an Order: (I) Compelling Compliance with Bidding Procedures and Confidentiality Agreement; (II) Compelling Destruction of All Confidential Information Obtained by LCT Energy, LP, Pursuant to Confidentiality Agreement; and (III) Granting Related Relief* (the "Motion"), [2] and declare as follows:

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[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

[2] Capitalized terms not otherwise defined herein shall have the same definitions as ascribed to them in the Motion.

1. I am the President and Chief Executive Officer of Wilson Creek Energy, LLC and its affiliated debtors and debtors in possession, including its ultimate parent company, Corsa Coal Corp. (collectively "Debtors").

2. I have served in this position since May 4, 2023, after having previously served as the Interim President and Chief Executive Officer since February 21, 2022. Before that, I served as Chief Financial Officer and Corporate Secretary since June of 2015. I have more than 20 years of experience in management, operations, finance, accounting, and acquisitions in the United States coal industry. I received my Bachelor of Science degree and a Master of Science in Accountancy from Duquesne University and Certified Public Accountant certification from the Pennsylvania State Board of Accountancy.

3. Additional information relating to the Debtors and these Chapter 11 Cases is set forth in my *Amended Declaration of Kevin Harrigan, President and Chief Executive Officer of Wilson Creek Energy, LLC and its Affiliated Debtors in Support of Chapter 11 Petitions and First Day Motions* [Doc. No. 51-1] (the "First Day Declaration"), which is incorporated herein by reference. I am authorized by the Debtors to submit this Declaration in support of the Motion. Except as otherwise noted, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from the Debtors' employees in the ordinary course of my responsibilities. I am over the age of 18 and authorized to submit this declaration on behalf of the Debtors. References to the Bankruptcy Code, the chapter 11 process, and related legal matters are based on my understanding of such in reliance on the explanations provided by, and the advice of, the proposed professionals for the Debtors. If called upon to testify, I could and would testify competently as to the facts set forth herein

4. The Debtors commenced these Chapter 11 Cases on the Petition Date to maximize the value of their operations and, in turn, the recoveries to key stakeholders in these Chapter 11 Cases. In furtherance of this overall goal, the Debtors filed their *Motion for Entry of Orders (A) Approving Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bidding Procedures for the Sale of All or Substantially All of the Debtors' Assets, (C) Authorizing the Debtors to Designate Stalking Horse Bidder and Approving Proposed Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve Sale of the Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Doc. No. 116] (the "Sale Motion"), which sets forth the terms and conditions upon which the Debtors will market all or substantially all of their assets for sale with the goal of maximizing the value of their estates.

5. By Order dated January 28, 2025 [Doc. No. 193] (the "Bid Procedures Order"), this Court approved the proposed process through which the Debtors intend to solicit all or substantially all of their assets for sale, including the Debtors' proposed Bidding Procedures.

6. In accordance with the Bidding Procedures and with the assistance of their professionals, the Debtors identified certain strategic industry partners that may have an interest in purchasing some or all of the Debtors' assets. Without solicitation, the Debtors were contacted by LCT Energy, LP ("LCT") expressing an interest in purchasing the Debtors' assets. LCT is a competitor of the Debtors with a significant presence in the geographical region of the Debtors' operations.

7. In accordance with the Bidding Procedures, the Debtors and LCT entered into a *Confidentiality Agreement* (the "Confidentiality Agreement" in order to permit and govern the exchange of information in connection with LCT conducting due diligence. A true and correct copy of the Confidentiality Agreement is attached as Exhibit A to the Cease and Desist (defined below), which is attached to the Motion.

8. The execution of a mutually acceptable confidentiality agreement, such as the one executed by and among the Debtors and LCT, is a condition precedent to any potential bidder receiving access to the VDR established by the Debtors.

9. The Confidentiality Agreement governs the access and use of Confidential Information provided to potential bidders in connection with the Debtors' sale process. It is designed to simultaneously provide potential bidders with free and open access to the Debtors' Confidential Information for purposes of determining whether or not such potential bidder will submit a bid while protecting the Debtors from the improper use of the Confidential Information by a potential bidder.

10. Based upon the Confidentiality Agreement, the Debtors granted LCT access to the Debtors' virtual data room (the "VDR") that the Debtors populated with a plethora of Confidential Information including, but not limited to, information relating to the Debtors' businesses, financials, projections, mining plans, customer and vendor relationships, pricing and cost information, and other proprietary and commercially sensitive information, much of which is Confidential Information under the Confidentiality Agreement.

11. Shortly after the Debtors provided LCT with the Confidential Information, and to the Debtors' genuine surprise, the Debtors were informed by certain of their largest customers and significant business partners that LCT representatives were conveying that the Debtors' business

was spiraling, and a shutdown of their operations was imminent. Equally surprising was the fact that LCT also advised certain of the Debtors' trucking vendors that, if they wanted to continue hauling coal in the area, they had to devote more resources to hauling LCT's coal.

12. Thereafter, on February 5, 2025, the Debtors issued a cease and desist letter (the "Cease and Desist") to LCT and the Debtors revoked LCT's access to the VDR.

13. Upon receipt of the Cease and Desist, LCT provided a written response on February 7, 2025, wherein LCT disputed the position of the Debtors in the Cease and Desist, but otherwise agreed to adhere to the Confidentiality Agreement. Relying in good faith upon LCT's acknowledgment and agreement to discontinue any communications with the Debtors' customers and business counterparties about the Debtors' sale process and confidential information, on Saturday, February 8, 2025, the Debtors reinstated LCT's access to the VDR, as LCT led the Debtors to believe that LCT had a genuine interest in submitting a bid and would act in good faith in that regard.

14. On February 10, 2025, the first business day *after* regaining access to the VDR, LCT requested additional information be added to the VDR as part of its "due diligence." This request from LCT notably included, *inter alia*, trucking servicer lists and rates/costs for transportation from some of the Debtors' mines to the loading docks. The Debtors uploaded the additional Confidential Information requested by LCT on February 10, 2025.

15. Following LCT regaining access to the VDR, the Debtors were advised by one of their two largest customers that LCT's derogatory comments relating to the Debtors' operations continued. Additionally, the Debtors understand that LCT raised the rates it was willing to pay to trucking companies that haul coal for the Debtors above the rates being paid by the Debtors,

including trucking companies whose identities and rate structures were disclosed in response to LCT's February 10, 2025 due diligence request.

16. LCT's actions concerned the Debtors because while LCT was a purported bidder, it also is a competitor in the marketplace. Harmful communications with one of the Debtors' two largest customers and disruption in the means of transportation can impair and impact cash flow and by extension compliance with covenants associated with the Debtors' DIP financing. I believe such impairment has already occurred. Additionally, impairment to operational cash flow can negatively impact the going concern sale value of the Debtors, creditor recoveries and the Debtors' restructuring efforts as a whole. In light of the circumstances, the Debtors in an exercise of their business judgment sent LCT and counsel a *Notice of Disqualification and Preservation Notice* dated February 14, 2025 (the "Disqualification Notice") at 7:28 pm that same day, a true and correct copy of which is attached hereto, made part hereof, and marked as **Exhibit D**. As of that date, the Debtors had received no written offer or indication of interest (or even a verbal offer) from LCT to purchase the Debtors' assets notwithstanding the deadline to submit stalking horse bids had passed. The Debtors received no objection to issuing the Disqualification Notice from the Consultation Parties.

17. The Debtors have learned that multiple trucking companies have diverted transportation services from the Debtors to LCT, which negatively impacts the Debtors operations. At this stage, the Debtors are seeking to mitigate further damage, which is the primary reason I have authorized the filing of this Motion.

18. I believe it is critical to the Debtors' sale process and overall restructuring efforts to compel LCT, even though the Debtors, upon consultation with the Consultation Parties, have disqualified LCT as a potential bidder, to adhere to the Bidding Procedures that remain applicable

to them. In particular, LCT should not be permitted to use sensitive Debtor Confidential Information to impair its contractual relationships with customers, servicers, and employees. Otherwise, LCT may continue using the Debtors' Confidential Information to the detriment of the Debtors' sale process and restructuring efforts.

19. I also believe it is critical to compel LCT to destroy all Confidential Information obtained from the Debtors, as the Confidential Information includes commercially sensitive financial information that may not only impair the Debtors' restructuring efforts, but may also provide competitors, such as LCT, with an unfair advantage by acquiring such information under the guise of conducting diligence.

20. On behalf of the Debtors, I submit that an emergency hearing is necessary because, given the current status of these Chapter 11 Cases and the fact that LCT's conduct is actively disrupting the Debtors' operations and ongoing sale efforts, allowing this conduct to continue without redress will cause irreparable harm to the Debtors' estates and materially impair the Debtors' ability to maximize the value of their estates.

21. LCT's conduct has already caused material harm to the Debtors' operations and likely the sale process. Absent an emergency hearing to curtail this conduct, the Debtors could face additional impairment to operations and its ability to both advance its restructuring efforts (by sale process or otherwise) and comply with the covenants associated with its DIP financing facility.

22. Under the circumstances, I submit that any harm that befalls any party in interest, including LCT, by scheduling an emergency hearing on this Motion pales in comparison to the ongoing damages incurred by the Debtors on a daily basis as a result of LCT's conduct.

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

This 25th day of February, 2025

<u>/s/ Kevin Harrigan</u>
Kevin Harrigan
Chief Executive Officer

Exhibit C

Cease and Desist

RAINES
RAINES FELDMAN LITTRELL LLP

11 Stanwix Street, Suite 1100
Pittsburgh, Pennsylvania 15222
Main: 412.899.6460

dschimizzi@raineslaw.com
www.raineslaw.com

February 5, 2025

VIA ELECTRONIC MAIL

LCT Energy, LP
c/o Bernstein-Burkley, P.C.
Attn: Kirk B. Burkley
601 Grant Street, 9th Floor
Pittsburgh, PA 15219
Email: kburkley@bernsteinlaw.com

Re: **Cease-and-Desist and Material Breach of Confidentiality Agreement**

Kirk:

As you know, this firm represents Wilson Creek Energy, LLC, and its debtor and debtor-in-possession affiliates (collectively, the "Debtors"),[1] in the chapter 11 bankruptcy proceedings jointly administered at Case No. 24-70001-JAD (collectively, the "Chapter 11 Cases") pending before the United States Bankruptcy Court for the Western District of Pennsylvania (the "Bankruptcy Court").

As you also know, the Debtors are actively pursuing one or more sales for all or substantially all of the Debtors' assets in accordance with the *Order (A) Approving Bidding Procedures for Sale of All or Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Designate Stalking Horse Bidder and Approving Proposed Stalking Horse Bid Protections, (C) Scheduling Auction For and Hearing to Approve the Sale of the Debtors' Assets, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, (F) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (G) Granting Related Relief* [Doc. No. 193] (the "Bidding Procedures Order"). To that end, upon learning that LCT Energy LP ("LCT") expressed an interest in acquiring some or all of the Debtors' assets, the Debtors and LCT executed that certain *Confidentiality Agreement* (the "Confidentiality Agreement") to govern the exchange of

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

information by and between the Debtors and LCT. A true and correct copy of the Confidentiality Agreement is enclosed herewith for reference.

As set forth in the Confidentiality Agreement, "for the sole purpose of [LCT's] consideration of a possible acquisition of certain assets of [the Debtors] (the "**Purpose**"), [the Debtors] may disclose to [LCT], or [LCT] may otherwise receive access to, Confidential Information (as defined [in the Confidentiality Agreement]). [LCT] shall use the Confidential Information solely for the Purpose. . ."

It has come to the Debtors' attention that LCT, by or through its agents and/or representatives, has used information acquired pursuant to the Confidentiality Agreement, and in direct violation thereof, to engage in efforts to interfere with the Debtors' contractual relations with certain of its business partners. More specifically, the Debtors have been advised that: (i) Mike Cocho of LCT has contacted the Debtors' trucking companies (including Melissa Trucking in Maryland) and intentionally misrepresented to said companies the status of the Debtors' operations and encouraged action that would otherwise disrupt operations of the Debtors and, by extension, the success of their Chapter 11 Cases; and (ii) Jim Cramer has improperly and incorrectly mischaracterized the condition of the Debtors in an effort to interfere in their contractual relationship with U.S. Steel for the benefit of LCT. LCT is clearly using this process and its access to information to disrupt the Debtors' restructuring efforts and harm the Debtors and their estates. LTC's actions unquestionably impair value.

In light of this information, be advised that the Debtors have determined that LCT: (i) has materially breached the Confidentiality Agreement; (ii) has not acted in good faith in connection with the sale of the Debtors' assets, and (iii) shall not be deemed a Qualified Bidder (as defined in the Bidding Procedures Order) if and to the extent LCT submits a Bid (as defined in the Bidding Procedures Order).

Accordingly, pursuant to Paragraph 4 of the Confidentiality Agreement, demand is hereby made upon LCT to return any information of the Debtors in its possession or destroy all Confidentiality Information in its and its Representatives' (as defined in the Confidentiality Agreement) possession and certify, in writing and to the Debtors, the complete return or destruction of such Confidentiality Information within three (3) business days of the date hereof. The Debtors reserve the right to seek proof that such action was in fact performed, including, without limitation, by electronic forensic analysis. Please be advised further that LCT's obligations set forth in Paragraph 7 of the Confidentiality Agreement remain in full force effect.

Further, demand is hereby made for LCT to cease and desist from any ongoing efforts to solicit, communicate with, or otherwise interfere with, directly or indirectly, the Debtors' contractual relationships, the Debtors' workforce, and the Debtors' business partners. In addition to damages and relief to which Debtors may already be entitled and while preserving all such claims, rights and remedies, failure to abide by this demand will result in the Debtors seeking any and all remedies and damages against LCT available under the Bankruptcy Code or applicable non-bankruptcy law. Nothing herein is or shall be construed as a waiver or release or any rights, claims, or causes of action that the Debtors have or may have against LCT at law, in equity, or otherwise, all of which the Debtors expressly preserve. Formal action before the Bankruptcy Court may be forthcoming.

Sincerely,

Daniel R. Schimizzi
of Raines Feldman Littrell LLP

Enclosure

cc: Wilson Creek Energy, LLC

Confidentiality Agreement

This Confidentiality Agreement (this "**Agreement**"), dated as of January [___], 2025 (the "**Effective Date**"), is between Corsa Coal Corp. and its subsidiaries, including but not limited to, Wilson Creek Energy, LLC, having its principal place of business 1576 Stoystown Road, Friedens, PA 15541 ("**Disclosing Party**"), and **LCT Energy LP**, having its principal place of business at **1501 Ligonier Street, Latrobe PA 15650** ("**Recipient**").

1. For the sole purpose of Recipient's consideration of a possible acquisition of certain assets of Disclosing Party (the "**Purpose**"), Disclosing Party may disclose to Recipient, or Recipient may otherwise receive access to, Confidential Information (as defined below). Recipient shall use the Confidential Information solely for the Purpose and, subject to Section 3, shall not disclose or permit access to Confidential Information other than to its employees, officers, directors, attorneys, accountants and financial advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Agreement; and (c) are bound by confidentiality obligations no less protective of the Confidential Information than the terms contained herein. Recipient shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Recipient shall promptly notify Disclosing Party of any unauthorized use or disclosure of Confidential Information by Recipient or its Representatives and, at is sole cost and expense, take all reasonable steps to prevent further use or disclosure. Recipient will be responsible for any breach of this Agreement caused by its Representatives.

2. "**Confidential Information**" means all non-public, proprietary, or confidential information of Disclosing Party, in oral, visual, written, electronic, or other tangible or intangible form, whether or not marked or designated as "confidential,", including without limitation: (a) all information concerning the Disclosing Party's and its affiliates', and their customers', suppliers', and other third parties' past, present, and future business affairs including, without limitation, finances, customer information, supplier information, products, services, organizational structure and internal practices, forecasts, sales and other financial results, records and budgets, and business, marketing, development, sales and other commercial strategies; (b) the Disclosing Party's unpatented inventions, ideas, methods and discoveries, trade secrets, know-how, unpublished patent applications, and other confidential intellectual property; (c) all designs, specifications, documentation, components, source code, object code, images, icons, audiovisual components and objects, schematics, drawings, protocols, processes, and other visual depictions, in whole or in part, of any of the foregoing; (d) any third-party confidential information included with, or incorporated in, any information provided by the Disclosing Party to the Recipient or its Representatives; and (e) all notes, analyses, summaries, and other materials prepared by Recipient or any of its Representatives that contain, are based on, or otherwise reflect, to any degree, any of the foregoing ("**Notes**"); *provided, however*, that Confidential Information does not include any information that: (i) is or becomes generally available to the public other than as a result of Recipient's or its Representatives' act or omission; (ii) is obtained by Recipient or its Representatives on a non-confidential basis from a third party that was not legally or contractually restricted from disclosing such information; (iii) was in Recipient's or its Representatives' possession, as established by documentary evidence, before Disclosing Party's disclosure hereunder; or (iv) was or is independently developed by Recipient or its

Representatives, as established by documentary evidence, without using any Confidential Information. Confidential Information also includes: (x) the facts that the parties are in discussions regarding the Purpose and that Confidential Information has been disclosed; and (y) any terms, conditions or arrangements discussed.

3. If Recipient or any of its Representatives is required by a valid legal order to disclose any Confidential Information, Recipient shall, before such disclosure, promptly notify Disclosing Party of such requirements so that Disclosing Party may seek a protective order or other remedy, and Recipient shall reasonably assist Disclosing Party therewith. If Recipient remains legally compelled to make such disclosure, it shall: (a) only disclose that portion of the Confidential Information that, in the written opinion of its legal counsel, Recipient is required to disclose; and (b) use reasonable efforts to ensure that such Confidential Information is afforded confidential treatment.

4. On the expiration of this Agreement or otherwise at Disclosing Party's request, Recipient shall promptly, at Disclosing Party's option, either return to Disclosing Party or destroy all Confidential Information in its and its Representatives' possession other than Notes, and destroy all Notes, and certify in writing to Disclosing Party the destruction of such Confidential Information.

5. Disclosing Party has no obligation under this Agreement to (a) disclose any Confidential Information or (b) negotiate for, enter into, or otherwise pursue the Purpose. Disclosing Party provides all Confidential Information without any representation or warranty, expressed or implied, as to the accuracy or completeness thereof, and Disclosing Party will have no liability to Recipient or any other person relating to Recipient's use of any of the Confidential Information or any errors therein or omissions therefrom.

6. Disclosing Party retains its entire right, title, and interest in and to all Confidential Information, and no disclosure of Confidential Information hereunder will be construed as a license, assignment, or other transfer of any such right, title, and interest to Recipient or any other person.

7. The rights and obligations of the parties under this Agreement expire three (3) years after the Effective Date; *provided* that with respect to Confidential Information that is a trade secret under the laws of any jurisdiction, such rights and obligations will survive such expiration until, if ever, such Confidential Information loses its trade secret protection other than due to an act or omission of Recipient or its Representatives.

8. Recipient acknowledges and agrees that any breach of this Agreement will cause injury to Disclosing Party for which money damages would be an inadequate remedy and that, in addition to remedies at law, Disclosing Party is entitled to equitable relief as a remedy for any such breach and Recipient further agrees to waive any requirement for the security or posting of any bond in connection with such remedy.

9. Recipient agrees not to solicit for employment any of the current employees of Disclosing Party to whom you had been directly or indirectly introduced or otherwise had contact with as a result of your consideration of the Purpose for so long as they are employed by

Disclosing Party during the period in which there are discussions conducted pursuant hereto and for a period of two years thereafter without the prior written consent of Disclosing Party, provided that the foregoing shall not prevent Recipient from making any bona fide general solicitation (including through a recruiting firm or public advertisement for employment placed by Recipient) not specifically targeted at Disclosing Party's employees and not as a result of learning the identity of such employees through a disclosure related to this Agreement.

10. This Agreement and all matters relating hereto are governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, without regard to the conflict of laws provisions of the Commonwealth of Pennsylvania. Any legal suit, action, or proceeding relating to this Agreement must be instituted in the United States Bankruptcy Court for the Western District of Pennsylvania. Each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

11. All notices must be in writing and personally delivered or sent prepaid by nationally recognized courier or certified or registered mail, return receipt requested, and are effective on actual receipt. All notices must be addressed to the relevant party at the following address:

(a) For Disclosing Party:

Corsa Coal Corp.
1576 Stoystown Rd.
Friedens, PA 15541

With a copy to:

Michael J. Roeschenthaler, Esq.
Raines Feldman Littrell LLP
11 Stanwix St., 11th Floor
Pittsburgh, PA 15222

(b) For Recipient:

LCT Energy LP
ATTN: Jud Kroh
1501 Ligonier Street
Latrobe, PA 15650

With a copy to:

12. This Agreement is the entire agreement of the parties regarding its subject matter, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, whether written or oral, regarding such subject matter. This Agreement may only be amended, modified, waived, or supplemented by an agreement in writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CORSA COAL CORP.

By: Kevin Harrigan
Title: President and CEO

LCT ENERGY LP

By: Judson L. Kroh
Title: Vice-President

Exhibit D

Disqualification Notice

RAINES
RAINES FELDMAN LITTRELL LLP

11 Stanwix Street, Suite 1100
Pittsburgh, Pennsylvania 15222
Main: 412.899.6460

dschimizzi@raineslaw.com
www.raineslaw.com

February 14, 2025

VIA ELECTRONIC MAIL

LCT Energy, LP
c/o Bernstein-Burkley, P.C.
Attn: Kirk B. Burkley
601 Grant Street, 9th Floor
Pittsburgh, PA 15219
Email: kburkley@bernsteinlaw.com

Re: **Wilson Creek Energy, LLC, *et al.***
Notice of Disqualification and Preservation Notice

Dear Kirk:

As you know, this firm represents Wilson Creek Energy, LLC, and its debtor and debtor-in-possession affiliates (collectively, the "Debtors"),[1] in the chapter 11 bankruptcy proceedings jointly administered at Case No. 24-70001-JAD (collectively, the "Chapter 11 Cases") pending before the United States Bankruptcy Court for the Western District of Pennsylvania (the "Bankruptcy Court").

Just over one (1) week ago, the Debtors sent LCT Energy, LP ("LCT") a letter (the "Cease-and-Desist") advising LCT that the Debtors have determined that LCT: (i) is in material breach of the Confidentiality Agreement;[2] (ii) has not acted in good faith in connection with the sale of the Debtors' assets; and (iii) shall not be deemed a Qualified Bidder if and to the extent LCT submits a Bid. The conduct that prompted this determination is set forth in the Cease-and-Desist, a copy of which is enclosed herewith for reference.

Exactly one (1) week ago, by letter dated February 7, 2025 (the "LCT Response"), LCT responded to the Cease-and-Desist and, while LCT denied the allegations set forth in the Cease-and-Desist, LCT readily agreed to "cease any discussion with any of the Debtors' vendors or

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

[2] Capitalized terms not otherwise defined herein shall have the same definitions as ascribed to them in the Cease-and-Desist.

customers related to the Chapter 11 Cases and the likely liquidated restructuring of the Debtors' assets." A copy of the LCT Response is also enclosed herewith for reference. Upon the representation that LCT would cease any discussion with any of the Debtors' vendors and customers related to the Chapter 11 Cases and the liquidated restructuring of the Debtors' assets, the Debtors reinstated LCT's access to the virtual data room (the "VDR") and rescinded the Cease and Desist, effective February 7, 2025.

It has recently come to the Debtors' attention that, notwithstanding the representations set forth in the LCT Response, LCT, through its representatives, has continued to disparage the Debtors to its customers. More specifically, on or about February 12, 2025, the Debtors received information from U.S. Steel, one of its largest customers, that LCT has suggested to U.S. Steel that the Debtors were going to be unable to sell coal to U.S. Steel, and that U.S. Steel should buy its coal from LCT. These allegations are materially false, as the Debtors have operated, and continue to operate, their businesses within the confines of Chapter 11 Cases.

In light of this information and upon consultation with the Consultation Parties and the Board of Directors of the Debtors, the Debtors have, once again, determined that LCT: (i) has not acted in good faith in connection with the sale of the Debtors' assets; and (ii) shall not be deemed a Qualified Bidder if and to the extent LCT submits a Bid. The Debtors have further revoked LCT's access to the VDR, effective as of the date hereof. Anticipating that LCT will suggest that the Debtors are disqualifying LCT to avoid disclosing information that may be harmful to the Debtors' sale efforts, the Debtors would note that: (i) as of the date of this correspondence, the Debtors have responded to every diligence request made by LCT to date; and (ii) neither LCT, nor its counsel, has identified any additional information LCT believes is necessary evaluate the propriety of submitting a bid that the Debtors have not provided.

As discussed more fully below, the Debtors reserve all such claims, rights, remedies, and damages against LCT available under the Bankruptcy Code or applicable non-bankruptcy law. Nothing herein is or shall be construed as a waiver or release or any rights, claims, or causes of action that the Debtors have or may have against LCT at law, in equity, or otherwise, all of which the Debtors expressly preserve.

Preservation Notice

Thorough this correspondence, the Debtors have placed LCT on notice of one or more claims and potential claims that may exist against LCT relating to: (i) its conduct in the sale process authorized and underway in the Chapter 11 Cases; (ii) its conduct in communicating false, misleading, or otherwise disparaging information to the Debtors' customers, vendors, and potential bidders during the pendency of the Chapter 11 Cases (collectively, the "Claims"). Accordingly, it is incumbent upon LCT to immediately take steps to preserve evidence, including preservation of electronic data and media, that may tend to prove or disprove any of the Claims or any of the fact or circumstances related to the Claims.

Demand is hereby made of LCT to maintain and preserve all originals and copies of correspondence, text messages, email, telephone logs or any other evidence or record of communications made by LCT, its agents, employees, representatives, contractors, or others acting by or through LCT, or purporting to act on LCT's behalf in connection with the Claims. Specifically, any record or evidence of contact or communications with the Debtors' customers, vendors, suppliers, and any potential bidder for the purchase and sale of all or substantially all of the Debtors' assets, should be preserved, whether or not such communications amount to or can be taken to imply that the communication constitutes a solicitation.

Sources of electronic information may include, but are not limited to, computer systems, removable electronic media, systematic or other back-ups, handheld or personal mobile devices such as smart phones, laptops and electronic notebooks and notepads. All auto-delete or periodic deletions of information, whether or not as part of routine computer system maintenance or otherwise, should be immediately suspended until such time as forensic preservation of the aforementioned materials is guaranteed. Information should be maintained in its native form together with all associated metadata.

Sources of electronic information that may also be subject to this demand include images, graphics, deleted data that can be restored, spreadsheets, system usage logs, system maintenance logs, internet and intranet history and cache files as well as contact lists, calendars, to-do lists, daily planners and other software systems such as or similar to One Note, One Drive, PowerPoint, scheduling software, and adobe or other templates. Electronic data also includes electronic data that is stored "in the cloud," meaning that electronic data that is accessible to you or stored for your benefit or your reference is included in this demand even if stored on a third-party's servers or computer system.

Failure to preserve evidence subject to this letter may constitute spoliation and subject you to severe penalties in any court proceeding up to and including a finding of liability and damages against you.

Sincerely,

Daniel R. Schimizzi
of Raines Feldman Littrell LLP

Enclosures

cc: Wilson Creek Energy, LLC

Exhibit E

Proposed Order Scheduling Emergency Hearing

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:	**Case No.: 25-70001-JAD**
WILSON CREEK ENERGY, LLC, *et al.*,[1]	**Chapter 11**
Debtors.	**Jointly Administered**
	Doc. No.:
WILSON CREEK ENERGY, LLC, *et al.*,	**Related to Document No.**
Movant,	**Hearing Date:**
v.	**Hearing Time:**
LCT Energy, LP,	**Response Deadline:**
Respondent.	

NOTICE AND ORDER SETTING HEARING ON AN EMERGENCY BASIS

AND NOW, this ____ day of __________________, 2025, **NOTICE IS HEREBY GIVEN THAT** the *Emergency Motion for Entry of an Order: (I) Compelling Compliance with Bidding Procedures; (II) Compelling Destruction of All Confidential Materials Obtained by LCT Energy, LP, Pursuant to Confidentiality Agreement; and (III) Granting Related Relief* ("Motion") has been filed in the above-referenced case by the Debtors.

On or before _____________.m. on __________________, 2025, Responses to the *Motion* shall be filed with the Clerk of the Bankruptcy Court and served on the parties in interest.

An emergency hearing on the Motion has been scheduled for _________________, 2025, at _________________.m. before Judge Jeffery A. Deller in Courtroom D, 54th Floor, U.S. Steel Tower, 600 Grant Street, Pittsburgh, PA 15219. Unless otherwise ordered, parties may also appear for non-evidentiary matters remotely by utilizing the Zoom video conference platform ("Zoom"). To participate in the hearing via Zoom, use the following link no later than ten (10) minutes prior to your scheduled hearing time: https://www.zoomgov.com/j/16009283473, or alternatively, you may use the following Meeting ID: 160 0928 3473. All participants appearing remotely via Zoom or otherwise must comply with the Notice of Temporary Modification of Procedures Before the

1 The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Wilson Creek Energy, LLC (6202); Wilson Creek Holdings, Inc. (7733); Maryland Energy Resources, LLC (5299); Mincorp Acquisition Corp. (4858); Mincorp Inc. (5688); PBS Coals, Inc. (2413); Roxcoal, Inc. (3768); Quecreek Mining, Inc. (1745), Croner, Inc. (0529); Elk Lick Energy, Inc. (8551); and Corsa Coal Corp. (0027). The Debtors' address is 1576 Stoystown Road, Friedens, Pennsylvania 15541.

Honorable Jeffery A. Deller For Matters Scheduled On or After November 1, 2023 ("Judge Deller's Zoom Procedures"), which can be found on the Court's website at https://www.pawb.uscourts.gov/content/judge-jeffery-deller. Persons without video conferencing capabilities must immediately contact Chambers staff at (412) 644-4710 to make alternate arrangements if they desire to participate remotely. Absent emergency circumstances, such arrangements must be made no later than three (3) business days prior to the hearing. All persons are also reminded that pursuant to the Court's Notice and Order, and as set forth in Judge Deller's Zoom Procedures, the public's recording or duplication of any audio or video of the hearing is strictly prohibited.

The Debtors shall serve a copy of this completed Scheduling Order and the Motion by (1) overnight mail **or** (2) facsimile **or** (3) email (separate from CM/ECF) in accordance with the Case Management Order [Doc. No. 39]. The Debtors shall immediately file a certificate of service indicating such service.

BY THE COURT:

Date: ____________________

____
The Honorable Jeffery A. Deller
United States Bankruptcy Court