

C/007/038 Incoming
CC: Steve Alder



JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
David G. Heiman (admitted *pro hac vice*)
Carl E. Black (admitted *pro hac vice*)
Thomas A. Wilson (admitted *pro hac vice*)

HUNTON & WILLIAMS LLP
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Telephone: (804) 788-8200
Facsimile: (804) 788-8218
Tyler P. Brown (VSB No. 28072)
J.R. Smith (VSB No. 41913)
Henry P. (Toby) Long, III (VSB No. 75134)
Justin F. Paget (VSB No. 77979)

Attorneys for Debtors and Debtors in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

Alpha Natural Resources, Inc., et al.,

Debtors.

Chapter 11

Case No. 15-33896 (KRH)

(Jointly Administered)

**NOTICE OF (I) DESIGNATION OF STALKING HORSE
FOR SALE OF NATURAL GAS ASSETS AND
(II) DEADLINE TO OBJECT TO STALKING HORSE SALE TRANSACTION**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. The Second Bidding Procedures Order. On March 11, 2016 the Bankruptcy Court entered the *Second Order Establishing Bidding and Sale Procedures for the Potential Sale of Certain Mining Properties and Related Assets* (Docket No. 1754) (the "Second Bidding Procedures Order") approving, among other things, procedures for interested parties to submit bids (the "Bidding Procedures")¹ to purchase certain of the Debtors' mining properties, assets and related infrastructure, as described in more detail on Annex A to the Bidding Procedures (collectively, as amended, modified or supplemented from time to time, the "Assets").

2. The Debtors' PLR Assets. The Assets include the Debtors' interest in Debtor Pennsylvania Land Resources Holding Company, LLC's natural gas business in

¹ Capitalized terms not otherwise defined herein will have the meanings given to them in the Bidding Procedures.

Southwestern Pennsylvania, including all oil and gas assets (collectively the "PLR Assets")² owned by its subsidiary Pennsylvania Land Resources, LLC.

3. Designation of Stalking Horse for PLR Assets. On April 26, 2016, the Bankruptcy Court entered the *Order (A) Approving Designation of Stalking Horse for Sale of Natural Gas Assets; (B) Approving Bid Protections in Connection with Such Sale; and (C) Granting Related Relief* (Docket No. 2237) (the "PLR Order") approving, among other things, (a) the designation of Rice Drilling B, LLC, as the stalking horse bidder (the "PLR Stalking Horse") for the purchase of the PLR Assets, substantially on the terms set forth in an Asset Purchase Agreement and other transaction documents (collectively, as amended supplemented, or modified from time to time, the "PLR Transaction Documents")³ and (b) certain bid protections in favor of the PLR Stalking Horse.

4. Auction of the PLR Assets. The PLR Stalking Horse is designated as the stalking horse bidder for the PLR Assets, subject to higher or better bids under the terms of the Bidding Procedures. Any Qualified Bid for the PLR Assets under the Bidding Procedures must be in cash, include marked copies of the PLR Transaction Documents (including the proposed form of Sale Order) showing the proposed changes as compared to the PLR Stalking Horse Bid, and include a Purchase Price at least equal to \$200,000,000 plus an initial bid increment of \$4,500,000 in cash. Bidding on the PLR Assets at any Auction will proceed in increments of not less than \$1,000,000. Pursuant to the Bidding Procedures Order, if more than one Qualified Bid is received for the PLR Assets, or if the Debtors otherwise determine that it would promote the sale process, the Debtors will conduct an Auction for the PLR Assets. The initial Auction currently is scheduled to take place at offices of the Debtors' counsel, Jones Day, at 222 East 41st Street, New York, New York 10017, at 10:00 a.m. (prevailing Eastern Time) on May 16, 2016, and may be rescheduled, or the location may be changed, as set forth in the Bidding Procedures. Only parties that have submitted a Qualified Bid, as set forth in the Bidding Procedures Order, by no later than May 9, 2016 at 5:00 p.m. (prevailing Eastern Time), or that otherwise are Potential Bidders under the Bidding Procedures and are invited by the Debtors, may bid at the Auction.

5. Objections to Sale to the PLR Stalking Horse and PLR Transaction Documents. Objections to the sale of the PLR Assets to the PLR Stalking Horse and the PLR Transaction Documents (including the proposed form of Sale Order) must: (a) be in writing (each, an "Objection"); (b) state with specificity the nature of the objection, (c) comply with the Bankruptcy Rules and Local Rules; and (d) be filed with the clerk of the Bankruptcy Court, 701 East Broad Street, Richmond, Virginia 23219, on or before **May 10, 2016** (the "Objection Deadline"); and be served upon the following parties (collectively, the "Notice Parties"): (i) the Debtors, Alpha Natural Resources, Inc., One Alpha Place, P.O. Box 16429, Bristol, Virginia 24209 (Attn: General Counsel); (ii) the Debtors' counsel, Jones Day, North Point, 901

² The PLR Assets are described in more detail in the PLR Transaction Documents (as defined below).

³ The PLR Transaction Documents are (a) attached as Exhibit A to the *Notice of Filing of Modifications to PLR Transaction Documents* (Docket No. 2220) and (b) with respect to the propose Sale Order, attached as Exhibit A to the *Notice of Filing of Form of Proposed Sale Order for Sale of Natural Gas Assets* (Docket No. 2206).



Lakeside Avenue, Cleveland, Ohio 44114 (Attn: Carl E. Black, Esq.) and Jones Day, 1420 Peachtree St. NE, Suite 800, Atlanta, Georgia 30309 (Attn: Jeffrey B. Ellman, Esq.); (iii) the Debtors' co-counsel, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (Attn: Tyler P. Brown, Esq.); (iv) co-counsel to the Official Committee of Unsecured Creditors, (A) Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, New York 10005 (Attn: Evan R. Fleck, Esq. and Eric K. Stodola, Esq.) and (B) Sands Anderson PC, 1111 East Main Street (23219), P.O. Box 1998, Richmond, Virginia 23218 (Attn: William A. Gray, Esq.); (v) co-counsel to Citibank, N.A. and Citibank North America, Inc., as administrative and collateral agents under the Debtors' postpetition credit facilities and prepetition first lien credit facility, (A) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq. and Damon P. Meyer, Esq.) and (B) McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219 (Attn: Dion W. Hayes, Esq., Sarah B. Boehm, Esq. and K. Elizabeth Sieg, Esq.); (vi) co-counsel to the *ad hoc* group of second lien noteholders, (A) Kirland & Ellis LLP, 601 Lexington Ave., New York, New York, 10022 (Attn: Paul M. Basta, Esq. and Stephen E. Hessler, Esq.) and (B) Kutak Rock LLP, 1111 East Main Street, Suite 800, Richmond, Virginia 23219 (Attn: Michael A. Condyles); and (vii) any other parties entitled to notice under the case management procedures approved by the *Order Establishing Certain Notice, Case Management and Administrative Procedures* (Docket No. 111). Objections to the sale of the Debtors' Assets, other than Objections to the sale of the PLR Assets to the PLR Stalking Horse and the PLR Transaction Documents, must be filed in accordance with the Bidding Procedures Order.

6. Failure to File an Objection. UNLESS AN OBJECTION IS TIMELY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT, AND THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED WITHOUT FURTHER HEARING AND NOTICE.

7. Bidding Procedures and PLR Orders Control. This Notice is subject to the terms and conditions of the Bidding Procedures Order (including the Bidding Procedures attached thereto) and the PLR Order, with such orders controlling in the event of any conflict. As such, the Debtors encourage parties-in-interest to review such documents carefully and in their entirety.

8. Other Inquiries. Parties with other inquiries about the sale of the PLR Assets, any of the related documents or other matters regarding the Bankruptcy Court approval process, including the Bidding Procedures or the objection procedures, may make a written request to: (a) counsel to the Debtors, Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 (Attn: Carl E. Black, Esq.) email: ceblack@jonesday.com, and Jones Day, 1420 Peachtree St. NE, Suite 800, Atlanta, Georgia 30309 (Attn: Jeffrey B. Ellman, Esq.), email: jbellman@jonesday.com and (b) co-counsel to the Debtors, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (Attn: Tyler P. Brown, Esq.); email: tpbrown@hunton.com. In addition, copies of the Bidding Procedures Order, the Bidding Procedures, the PLR Transaction Documents, the PLR Order and this Notice are on file with the Bankruptcy Court, and may accessed free of charge on the Debtors' restructuring website maintained in connection with these cases at <http://www.kccllc.net/alpharestructuring>.

Dated: April 28, 2016
Richmond, Virginia

Respectfully submitted,

/s/ Henry P. (Toby) Long, III
Tyler P. Brown (VSB No. 28072)
J.R. Smith (VSB No. 41913)
Henry P. (Toby) Long, III (VSB No. 75134)
Justin F. Paget (VSB No. 77979)
HUNTON & WILLIAMS LLP
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Telephone: (804) 788-8200
Facsimile: (804) 788-8218

David G. Heiman (admitted *pro hac vice*)
Carl E. Black (admitted *pro hac vice*)
Thomas A. Wilson (admitted *pro hac vice*)
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212

ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION