

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:

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

Debtors.¹

Chapter 11
Case No. 16-40120-705

(Jointly Administered)

Related to Docket No. 690

ORDER (i) DISMISSING THE CHAPTER 11 CASE OF DEBTOR ICG KNOTT COUNTY, LLC AND (ii) GRANTING RELATED RELIEF

On April 13, 2016, Arch Coal, Inc. and its subsidiaries that are debtors and debtors in possession in these cases (collectively, the “**Debtors**”) filed a motion (the “**Motion**”)² for an order, pursuant to sections 105(a) and 1112 of the Bankruptcy Code and Bankruptcy Rules 1017 and 2002, seeking entry of an order approving the dismissal of the chapter 11 case of Debtor ICG Knott County, LLC (“**ICG Knott County**”). This Court having jurisdiction to consider the matters raised in the Motion pursuant to 28 U.S.C. § 1334; and it having authority to hear the matters raised in the Motion pursuant to 28 U.S.C. § 157; and it having venue pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having represented that they provided proper and sufficient notice; and the Court having reviewed the Motion; and the relief requested in the Motion being in the best interests of the Debtors, their estates and their creditors; and the Court having determined that there exists the required basis for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation; the Court ORDERS that:

¹ The Debtors are listed on Schedule 1 attached to the Motion. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

² Each capitalized term used herein but not otherwise defined herein shall have the meaning ascribed to it in the Motion.

1. The relief requested in the Motion is hereby **GRANTED** as set forth herein.
2. The Debtors have demonstrated cause, as provided in section 1112(b) of the Bankruptcy Code, to dismiss the chapter 11 case of ICG Knott County (Case No. 16-40171-705) based on the totality of the circumstances surrounding the Debtors' chapter 11 cases.
3. No circumstances have been presented to the Court or identified by the Court that establish that dismissal of ICG Knott County's chapter 11 case is not in the best interests of the ICG Knott County's creditors and estate.
4. Pursuant to section 1112(b) of the Bankruptcy Code, the chapter 11 case of ICG Knott County is dismissed.
5. In accordance with sections 105 and 349 of the Bankruptcy Code, (i) the Superpriority Claims,³ liens and security interests granted to the Administrator and the Securitization Purchasers pursuant to the Final Securitization Order shall continue in full force and effect and shall maintain their priorities as provided in the Final Securitization Order until all Facility Obligations and all other obligations under the Financing Agreements shall have been indefeasibly paid in full in cash (other than contingent indemnification obligations as to which no claim has been asserted); and (ii) such Superpriority Claims, liens and security interests, shall, notwithstanding such dismissal, remain binding on all parties in interest, *provided* that this paragraph shall be subject to the terms of the Securitization Amendment, as approved by this Court in the Knott County Sale Order.

³ Solely for the purposes of this paragraph, each capitalized term used but not otherwise defined herein or in the Motion shall have the meaning ascribed to it in the *Final Order Pursuant to 11 U.S.C. §§ 105, 362(d), 363(b)(1), 363(f), 363(m), 364(c)(1), 364(c)(2), 364(d), 364(e) and 365 (I) Authorizing Certain Debtors to Continue Selling and Contributing Receivables and Related Rights Pursuant to a Securitization Facility, (II) Modifying the Automatic Stay and (III) Granting Related Relief*, entered on February 25, 2016 [ECF No. 412] (the "**Final Securitization Order**").

6. In accordance with sections 105 and 349 of the Bankruptcy Code, (i) the Superpriority Claims,⁴ the 507(b) Claims, the DIP Liens and the Adequate Protection Liens shall continue in full force and effect and shall maintain their priorities as provided in the Final DIP Order until all DIP Obligations (other than contingent indemnification obligations as to which no claim has been asserted) and Prepetition Lender Adequate Protection Obligations shall have been indefeasibly paid in full in cash (and that such Superpriority Claims, 507(b) Claims, DIP Liens and Adequate Protection Liens shall, notwithstanding the relief granted by this Order, remain binding on all parties in interest); (ii) the other rights granted by the Final DIP Order shall not be affected; and (iii) this Court shall retain jurisdiction, notwithstanding this Order, for the purposes of enforcing the claims, liens and security interests referred to in this paragraph and otherwise in the Final DIP Order, *provided* that, in each case, any releases or other modifications to the obligations of the Sold Debtor under the Final DIP Order shall be given effect notwithstanding anything to the contrary in this paragraph.

7. The entry of this Order is not in contravention of any of the requirements of the Final DIP Order.

8. ICG Knott County shall file statements of disbursements by quarter through the date of dismissal and pay the United States Trustee for the Eastern District of Missouri quarterly fees prior to the date of dismissal.

9. The Debtors are authorized to execute and deliver all instruments and documents and take all such other actions as may be necessary or appropriate to implement and effectuate the dismissal contemplated by this Order.

⁴ Solely for the purposes of this paragraph, each capitalized term used but not otherwise defined herein or in the Motion shall have the meaning ascribed to it in Final DIP Order.


10. The Debtors are authorized to take all such actions as are necessary to implement the terms of this Order.

11. The provisions of this Order are non-severable and mutually dependent.

12. The Debtors have represented that proper, timely, adequate and sufficient notice of the Motion has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of the Bankruptcy Court for the Eastern District of Missouri.

13. No later than 24 hours after the date of this Order, the Debtors shall serve a copy of this Order on the Notice Parties and, no later than 24 hours after such service, the Debtors shall file a certificate of service with the Court.

DATED: May 12, 2016
St. Louis, Missouri 63102
mtc


CHARLES E. RENDLEN, III
U.S. Bankruptcy Judge

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