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UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA

In Re:

BLACKJEWEL, L.L.C. et al.

Debtors.

Case No. 19-30289 Chapter 11 (Jointly Administered)

LIMITED OBJECTION OF JEFFERY A. HOOPS AND CERTAIN OTHER INDIVIDUALS AND ENTITIES THAT ARE THE SUBJECT OR THE DEBTORS' AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS' EX PARTE MOTION FOR ENTRY OF AN ORDER PURSUANT TO BANKRUPTCY RULE 2004 AUTHORIZING THE EXAMINATIONS AND WRITTEN DISCOVERY DIRECTED TO JEFFERY A. HOOPS AND VARIOUS HOOPS RELATED ENTITIES AND INDIVIDUALS

Jeffery A. Hoops (Mr. Hoops), Genesis Trucking, LLC, Lexington Coal Royalty Company, LLC, Grand Patrician Resort, LLC, Triple H Real Estate, LLC, Black Diamond Insurance Group, LLC, Clearwater Investment Holdings, LLC, Hoops Dynasty Trust, Clearwater Trust, JBLCO, LLC¹, Active Medical, LLC, Forrest Machine, LLC, Blackjewel Trust, Revelation Energy Trust, Walls & Associates, PLLC, Triple H Aviation, LLC (the "Entities"), Patricia A. Hoops, Jeffery A. Hoops, II, Jeremy A. Hoops, Joshua A. Hoops, Jessica Hoops, Lesley Hoops, Amanda Hoops, and Brent T. Walls (the "Individuals"),² claimants/creditors and parties in interest in the above-captioned chapter 11 cases of Blackjewel, L.L.C. ("Blackjewel") and its affiliated debtors (collectively, the "Debtors"),³ hereby submit this limited objection to the *Joint Ex Parte Motion of*

¹ JBLCO, LLC is now known as Republic Service Products, LLC.

² For the sake of clarity, these individuals and entities are identified by the Debtors and the Official Committee of Unsecured Creditors in their Motion, as "Hoops-related Entities", "Hoops-Related Individuals" and "Hoops-Related Parties" as part of their contention that all entities and individuals should be treated as one-in-the same for purposes of their request. Those designations are not used in this objection, however, because this Court must analyze the Debtors' and Creditors' requests separately as to each entity in determining the appropriateness or, in this case, the inappropriateness of the request.

³ The Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: Blackjewel, L.L.C. (0823); Blackjewel Holdings L.L.C. (4745); Revelation Energy Holdings, LLC (8795); Revelation Management Corporation (8908); Revelation Energy, LLC (4605); Dominion Coal Corporation (2957);

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the Debtors and the Official Committee of Unsecured Creditors for Entry of an Order Pursuant to Bankruptcy Rule 2004 Authorizing the Examinations and Written Discovery Directed to Jeff A. Hoops, Sr. and Various Hoops-Related Entities and Individuals [Doc. No. 1611] (the "Motion"). In support of this Limited Objection, Mr. Hoops and the Entities and Individuals state as follows:

- 1. The Debtors and the Official Committee of Unsecured Creditors (the "Committee," collectively with the Debtors, the "Movants") seek an order authorizing extraordinarily broad, and in the case of financial information nearly limitless discovery from Mr. Hoops, the Entities and the Individuals pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure ("Rule 2004").
- 2. The Motion refers to the "Hoops-Related Entities" as: (1) Genesis Trucking; (2) Construction & Reclamation Services; (3) Lexington Coal Company, LLC; (4) Lexington Coal Royalty Company, LLC; (5) Aquatic Resources Management LLC; (6) Grand Patrician Resort, LLC; (7) Triple H Real Estate, LLC; (8) Black Diamond Insurance Group, LLC; (9) Clearwater Investment Holdings, LLC; (10) Hoops Dynasty Trust(s); (11) Clearwater Trust(s); (12) JBLCO, LLC; (13) Active Medical; (14) Forrest Machine, LLC; (15) Prep Plant Solutions LLC; (16) Blackjewel Trust; (17) Revelation Energy Trust; (18) Lexington Trust; (19) Walls & Associates, PLLC; and (20) Triple H Aviation, LLC.
- 3. The Motion further identifies the "Hoops-Related Individuals" as (1) Patricia A. Hoops; (2) Jeffery Hoops, II; (3) Jeremy Hoops; (4) Josh Hoops; (5) Jessica Hoops; (6) Lesley Hoops; (7) Amanda Hoops; (8) Keith Runyon; (9) Steven Poe; and (10) Brent Walls.
- 4. Mr. Hoops, along with the Entities and Individuals previously identified herein are represented by undersigned counsel for purposes of the Movants' request for discovery under Rule

Harold Keene Coal Co. LLC (6749); Vansant Coal Corporation (2785); Lone Mountain Processing, LLC (0457); Powell Mountain Energy, LLC (1024); and Cumberland River Coal LLC (2213).

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2004, while Construction & Reclamation Services, Lexington Coal Company, LLC, Aquatic Resources Management, LLC, Prep Plant Solutions LLC, Lexington Coal Trust, Keith Runyon, and Steven Poe are represented by separate counsel or are unrepresented at this time.

- 5. The Movants seek discovery from the twenty (20) entities and ten (10) individuals identified above in the form of sixty-two (62) requests for production of documents and oral examinations on thirty-five (35) topics. The scope and breadth of the discovery sought, however, goes far beyond the bounds of any legitimate inquiry into the operations and business of the Debtors, and the Entities' and Individuals' involvement in or knowledge of the Debtors' operations and business. The Debtors and Creditors Committee do not identify any specific transactions that they seek to investigate or otherwise identify as questionable and base their requests on unsupported general reactions and hyperbole. Therefore, Mr. Hoops, the Entities and the Individuals are preparing an in depth response to the Motion that they will file with this Court by Tuesday, January 21, 2020.
- 6. This Limited Objection is without prejudice to Mr. Hoops, the Entities and/or the Individuals right or ability to raise further objections to the Motion, and specifically reserve all rights to do so, including, but not limited to: (a) objecting to the form of any document request; (b) raising any additional objections at any hearing on the Motion; (c) objecting to any request to conduct Rule 2004 examinations; (d) objecting the time frame in which documents, if any, are produced; (e) objecting to the conditions pursuant to which documents, if any, will be conducted (i.e. time limit for deposition, attendance at the deposition, confidentiality of the testimony/exhibits, the identity of parties who may engage in questioning, location for the

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deposition, etc.); and (g) objecting to the time frame in which depositions, if any, may be conducted.

7. Nothing in this Limited Objection is intended to be, or should be construed as, a waiver by Mr. Hoops, the Entities or the Individuals of any rights under the Bankruptcy Code, or under any other applicable law.

WHEREFORE, Genesis Trucking, LLC, Lexington Coal Royalty Company, LLC, Grand Patrician Resort, LLC, Triple H Real Estate, LLC, Black Diamond Insurance Group, LLC, Clearwater Investment Holdings, LLC, Hoops Dynasty Trust, Clearwater Trust, JBLCO, LLC, Active Medical, LLC, Forrest Machine, LLC, Blackjewel Trust, Revelation Energy Trust, Walls & Associates, PLLC, Triple H Aviation, LLC, Jeffery A. Hoops, Patricia A. Hoops, Jeffery A. Hoops, II, Jeremy A. Hoops, Joshua A. Hoops, Jessica Hoops, Lesley Hoops, Amanda Hoops, and Brent T. Walls respectfully request the Court sustain this Limited Objection and deny, the relief requested in the Motion.

JEFFERY A. HOOPS, GENESIS TRUCKING, LLC, **LEXINGTON COAL** ROYALTY COMPANY, LLC, **GRAND PATRICIAN** RESORT, LLC, TRIPLE H REAL ESTATE, LLC, **BLACK DIAMOND INSURANCE** GROUP, LLC, CLEARWATER INVESTMENT HOLDINGS, LLC, HOOPS DYNASTY TRUST, **CLEARWATER** TRUST, JBLCO, LLC ACTIVE MEDICAL, **FORREST** MACHINE, LLC, BLACKJEWEL TRUST, REVELATION ENERGY TRUST, WALLS & ASSOCIATES, PLLC, TRIPLE H AVIATION, LLC, PATRICIA A. HOOPS, JEFFERY A. HOOPS, II, JEREMY A. HOOPS, JOSHUA A. HOOPS, JESSICA HOOPS, LESLEY HOOPS, AMANDA HOOPS, AND BRENT T. WALLS

By Counsel:

/s/ Janet Smith Holbrook

J.H. Mahaney, Esquire (WVSB #6993)
Janet Smith Holbrook, Esquire (WVSB #5853)
DINSMORE & SHOHL LLP
Post Office Box 2185
Huntington, WV 25722-2185

Telephone: (304) 529-6181 Facsimile: (304) 522-4312 john.mahaney@dinsmore.com janet.holbrook@dinsmore.com

Counsel for Jeffery A. Hoops, Genesis Trucking, LLC, Lexington Coal Royalty Company, LLC, Grand Patrician Resort, LLC, Triple H Real Estate, LLC, Black Diamond Insurance Group, LLC, Clearwater Investment Holdings, LLC, Hoops Dynasty Trust, Clearwater Trust, JBLCO, LLC, Active Medical, LLC Forrest Machine, LLC, Blackjewel Trust, Revelation Energy Trust, Walls & Associates, PLLC, Triple H Aviation, LLC, Patricia A. Hoops, Jeffery A. Hoops, II, Jeremy A. Hoops, Joshua A. Hoops, Jessica Hoops, Lesley Hoops, Amanda Hoops, and Brent T. Walls

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CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that the foregoing "Limited Objection of Jeffery A. Hoops and Certain Other Individuals and Entities that are the Subject or the Debtors' and the Official Committee of Unsecured Creditors' Ex Parte Motion for Entry of an Order Pursuant to Bankruptcy Rule 2004 Authorizing the Examinations and Written Discovery Directed to Jeffery A. Hoops and Various Hoops Related Entities and Individuals" was filed and served via the Court's CM/ECF system on January 15, 2020.

/S/ Janet Smith Holbrook Janet Smith Holbrook, WV Bar No. 5853