

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:) Chapter 11
)
Blackjewel, L.L.C., *et al.*,) Case No. 19-30289
)
Debtors.¹) (Jointly Administered)

**JOINT EX PARTE MOTION OF THE DEBTORS AND THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS FOR ENTRY OF AN ORDER PURSUANT TO
BANKRUPTCY RULE 2004 AUTHORIZING EXAMINATIONS AND WRITTEN
DISCOVERY DIRECTED TO JEFF A. HOOPS, SR. AND VARIOUS
HOOPS-RELATED ENTITIES AND INDIVIDUALS**

Blackjewel, L.L.C., and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee,” collectively with the Debtors, the “Movants”) in the above-captioned chapter 11 cases, hereby jointly move the Court for entry of an order, pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), authorizing Bankruptcy Rule 2004 discovery from Jeff A. Hoops, Sr. (“Mr. Hoops”) and various Hoops-Related Entities and Hoops-Related Individuals² (Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals, collectively, the “Hoops Parties”) in

¹ 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); 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). The headquarters for each of the Debtors is located at 1051 Main Street, Milton, West Virginia 25541-1215.

² The “Hoops-Related Entities” include, but are not limited to, the following entities: (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. The “Hoops-Related Individuals” include, but are not limited to, the following individuals: (1) Patricia A. Hoops; (2) Jeffery Hoops, Jr.; (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.

the form of (a) requests for production of documents and electronically stored information as requested in **Exhibit 1** to the Proposed Order and (b) oral examinations of Mr. Hoops, Patricia A. Hoops, Jeffery Hoops, Jr., Jeremy Hoops, Josh Hoops, Keith Runyon, Steven Poe, and Brent Walls and representatives of Clearwater Investment Holdings, LLC, Grand Patrician Resort, LLC, Genesis Trucking, Black Diamond, Lexington Coal Company, LLC, Lexington Coal Royalty Company, LLC, Construction & Reclamation Services, Aquatic Resources Management LLC, Triple H Real Estate, LLC, Hoops Dynasty Trusts, Clearwater Trusts, JBLCO, LLC, Active Medical, Prep Plant Solutions LLC, Blackjewel Trust, Revelation Energy Trust, Lexington Trust, Walls & Associates, PLLC, and Triple H Aviation, LLC as requested in, and on the topics specified in, **Exhibit 2** to the Proposed Order. In support of this motion, the Movants state as follows:

PRELIMINARY STATEMENT

1. By the time of their chapter 11 bankruptcy filings in July 2019, the Debtors were woefully insolvent. This level of insolvency and the inevitable bankruptcy filings were the result of a years-long effort by Mr. Hoops to transfer tens of millions of dollars of the Debtors' assets for his benefit and the benefit of his family and other Hoops-Related Entities. This motion seeks to initiate the process to make the Debtors whole for these transfers of assets, apparent self-dealing by Hoops and the Hoops Parties, and numerous other breaches of fiduciary duty.

2. Throughout Hoops' involvement with the Debtors and despite the various fiduciary obligations he owed, it appears that Hoops acted with one guiding principle: to use the Debtors and their assets to improve his personal, and the Hoops Parties', bottom line—despite the harm it caused the Debtors and their creditors. Altogether, Hoops caused tens of millions of dollars of cash and other assets to be transferred to the Hoops Parties, in an attempt to move them beyond the immediate reach of the Debtors' creditors. As the Hoops Parties stripped the Debtors of tens

of millions of dollars-worth of assets and encumbered remaining assets with new obligations and liens, the Debtors suffered millions of dollars of losses annually and had not generated positive cash flow from operations for years. In the years prior to the Petition Date, the Debtors had no realistic plan to return to profitability and solvency, yet all the while the Hoops Parties continued to be unjustly enriched to the detriment of the Debtors and their creditors, as described herein.

3. The discovery requested in this motion seeks necessary information from the Hoops Parties that have long-standing personal and financial relationship with the Debtors and Mr. Hoops—the former President and Chief Executive Officer of Blackjewel, L.L.C. The Movants believe that the Hoops Parties have taken improper actions to harm the Debtors for their own financial gain, with little regard for the impact on the Debtors, their creditors, and the community at large.

4. Mr. Hoops' relationships with the Hoops-Related Entities and Hoops-Related Individuals, and the prepetition dealings between and among them and the Debtors, are numerous, complicated and intertwined. As part of their ongoing efforts to untangle this web, the Movants have dedicated a substantial amount of time and resources to uncovering and analyzing significant transactions involving the Hoops Parties that must be investigated and, where appropriate, addressed through actions to avoid the transfers or other relief. The discovery requested herein will facilitate the Movants' investigations and may lead to a substantial recovery to the Debtors' estates.

5. Among other things, the Movants are investigating the nature and propriety of various prepetition transfers of cash and property that various Hoops Parties received from the Debtors. Some of these transfers relate, among other things, to potentially below-market transfers of assets to Hoops Parties, above-market invoicing for mining-related services, such as trucking,

construction, reclamation, insurance, and water management, and preferential treatment of Hoops Parties relative to other creditors and stakeholders.

6. For example, just in the 90 days prior to the Petition Date (not even counting the longer preference period applicable to insiders), certain of the Hoops-Related Entities received payments of approximately \$7 million in cash and/or property from the Debtors. Additionally, transfers to Lexington Coal Royalty Company, LLC, Lexington Coal Company, LLC, and Triple H Real Estate LLC (including the granting of, and payment on, overriding royalties) raise concerns about the multitude of transfers from the Debtors to the Hoops Parties. These concerns include, but are not limited to, whether there was appropriate consideration, whether agreements among the parties were properly authorized, whether payment were preferential in nature, and whether such agreements are effective and enforceable. Applicable state law provides for a period of up to five years to challenge certain constructive fraudulent transfers and, upon the Debtors' current information and belief, there may have been hundreds of questionable transfers within this timeframe.

7. The Movants are also investigating various Hoops-Related Entities that may have received goods and services paid for by the Debtors. The Debtors' assets may have been depleted by paying bills and expenses on behalf of Hoops-Related Entities. For example, upon information and belief, the Debtors paid invoices and expenses of Hoops-Related Entities relating to mobile equipment leases, information technology services, water treatment services, document storage services, and employee healthcare claims, among other expenses.

8. Another area of investigation relates to the Movants' analysis of pre- and postpetition activity on the Debtors' properties by Mr. Hoops and various Hoops-Related Entities or Hoops-Related Individuals. Such activity (a) may not have been legitimate or properly

authorized, (b) may have resulted in the improper removal of valuable resources from the Debtors' estates, and (c) may have generated additional tax and production liabilities for the Debtors. As a result, the Debtors may be entitled to compensation and/or damages.

9. The Movants are also examining the propriety of various prepetition distributions from the Debtors to Mr. Hoops and Clearwater Investment Holdings, LLC ("Clearwater"). Specifically, just in 2019 alone, Hoops and Clearwater received **more than \$41 million** in prepetition distributions from the Debtors related to purported and undocumented loans or advances. Upon information and belief, neither Mr. Hoops nor any Hoops-Related Entities or Hoops-Related Individuals executed any loan agreements or other writings or specific terms establishing these distributions as loan repayments and these 'arrangements' were never presented to, reviewed by, or approved by the Debtors' prepetition board of directors nor were they subject to any other independent, third party review. The nature and volume of these substantial payments in the period preceding the Debtors' chapter 11 filings raise significant questions about whether they were appropriate or enforceable. The discovery requested in this motion will provided needed transparency into these material prepetition transfers.

10. Documentation and examinations related to the financial transactions and dealings between the Debtors on the one hand and the Hoops Parties on the other hand must be timely afforded to the Movants. This discovery is necessary to determine the extent to which the Hoops Parties enriched themselves to the financial detriment of the Debtors and their estates. The Movants anticipate that this discovery may give rise to a number of estate claims, including without limitation, possible claims for avoidance of preferential transfers and fraudulent conveyances, recharacterization, equitable subordination, substantive consolidation, breach of fiduciary duty, conversion, and unjust enrichment.

11. The Movants intend to use the requested discovery to investigate and substantiate these claims for the benefit of the Debtors' estates. They require Bankruptcy Rule 2004 discovery as part of these proceedings to appropriately investigate, quantify, and discover support for potential claims that could provide significant value to the Debtors' estates.

JURISDICTION AND VENUE

12. This Court has jurisdiction to consider this motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b), and the Movants consent to entry of a final order by the Court in connection with this motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

13. Venue is proper before this District pursuant to 28 U.S.C. §§ 1408 and 1409.

14. The bases for the relief requested herein are Bankruptcy Rule 2004 and Rule 2004-1 of the Local Rules of the United States Bankruptcy Court for the Southern District of West Virginia (the "Local Rules").

BACKGROUND

15. Each of the Debtors filed a voluntary petition for relief with the Court under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") on July 1, 2019 and July 24, 2019 (the "Petition Date"). The Debtors are continuing to operate and maintain their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

16. As of the date hereof, no party has requested the appointment of a trustee or an examiner in these chapter 11 cases. On July 3, 2019, the Office of the United States Trustee for Region 4, the District of West Virginia (the "U.S. Trustee") appointed the Committee [Docket No.

46]. On August 13, 2019, the Court granted Whiteford, Taylor & Preston LLP's retention application to represent the Committee [Docket No. 705].

17. A description of the Debtors' business and the reasons for filing these chapter 11 cases is set forth in the *Declaration of Jeff A. Hoops, Sr. in Support of Chapter 11 Filings and First Day Motions* [Docket No. 14].³

RELIEF REQUESTED

18. By this motion, the Movants respectfully request entry of the Proposed Order authorizing Bankruptcy Rule 2004 discovery from the Hoops Parties in the form of (a) requests for production of documents and electronically stored information as requested in **Exhibit 1** to the Proposed Order, and (b) oral examinations of Mr. Hoops, Patricia A. Hoops, Jeffery Hoops, Jr., Jeremy Hoops, Josh Hoops, Keith Runyon, Steven Poe, and Brent Walls and examination of representatives of Clearwater Investment Holdings, LLC, Grand Patrician Resort, LLC, Genesis Trucking, Black Diamond, Lexington Coal Company, LLC, Lexington Coal Royalty Company, LLC, Construction & Reclamation Services, Aquatic Resources Management LLC, Triple H Real Estate, LLC, Hoops Dynasty Trust(s), Clearwater Trust(s), JBLCO, LLC, Active Medical, Prep Plant Solutions LLC, Blackjewel Trust, Revelation Energy Trust, Lexington Trust, Walls & Associates, PLLC, and Triple H Aviation, LLC as requested in, and on the topics specified in, **Exhibit 2** to the Proposed Order.

BASIS FOR RELIEF REQUESTED

A. The Movants Are Obligated and Empowered to Investigate Potential Estate Causes of Action.

³ Mr. Hoops resigned his positions as an officer and director of each of the Debtors on July 3, 2019 and is no longer involved in the management of the Debtors or their businesses.

19. The Debtors have a duty to investigate the conduct of persons or entities that may have contributed to the need for relief under chapter 11 of the Bankruptcy Code or that may have engaged in conduct that injured the Debtors or their estates. This includes investigating potential causes of action against such parties. In these cases, as set forth above, the Debtors need to investigate the conduct of the Hoops Parties in their financial transactions and dealings with the Debtors. Based on the ongoing investigations being conducted by the Movants, it appears that the Hoops Parties enriched themselves to the financial detriment of the Debtors. The Movants anticipate that this discovery may give rise to a number of estate claims, including without limitation, claims for avoidance of preferential transfers and fraudulent conveyances, recharacterization, equitable subordination, substantive consolidation, breach of fiduciary duty, conversion, and unjust enrichment.

20. Likewise, as the official representative of unsecured creditors appointed in these cases, the Committee bears a statutory duty to “investigate the acts, conduct, assets, liabilities, and financial condition of the debtor . . . and any other matter relevant to the case or to the formulation of a plan.” 11 U.S.C. § 1103(c)(2); *see Advisory Comm. of Major Funding Corp. v. Sommers (In re Advisory Comm. of Major Funding Corp.)*, 109 F.3d 219, 224-25 (5th Cir. 1997) (recognizing the duty of a creditors’ committee to investigate); *see also Loop Corp. v. United States Trustee*, 379 F.3d 511, 519 (8th Cir. 2004) (recognizing the duty of a creditors’ committee to advance creditors’ interests).

21. Given these duties and the factual background described above, the Movants are obligated to investigate and consider potential claims relating to the prepetition financial transactions and dealings that the Hoops Parties had with the Debtors. Both the Debtors and Committee are obligated to use their best efforts to maximize the value of the Debtors’ estates.

The investigation that the Movants are undertaking, and this motion, are intended to enable these parties to satisfy their duties.

22. Bankruptcy Rule 2004(a) provides that “on motion of any party in interest, the court may order the examination of any entity.” Examinations authorized under Bankruptcy Rule 2004 are broad and may relate to any “acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor’s estate, or to the debtor’s right to a discharge.” *See* Fed. R. Bankr. R. 2004(b). This includes the production of documents and information. *See* Fed. R. Bankr. R. 2004(c).

23. Furthermore, it is well-settled that a debtor “may use Rule 2004 to determine the nature and extent of a bankruptcy estate and to ascertain whether wrongdoing has occurred.” *In re Hilsen*, 2008 WL 2945996, at *4 (Bankr. S.D.N.Y. July 25, 2008) (citations omitted). The scope of Bankruptcy Rule 2004 is broader than the scope of permissible discovery under Rule 26 of the Federal Rules of Civil Procedure. *See In re Hentz*, 2012 WL 2263121, at *2 (Bankr. D.N.D. June 18, 2012) (“The scope of a Rule 2004 examination is broader than the scope of discovery under Rule 26 of the Federal Rules of Civil Procedure. . . . The request for discovery concerning debtor’s assets and financial affairs may include examination of the debtor and/or third parties.”) (internal citations omitted); *In re Recoton Corp.*, 307 B.R. 751, 755 (Bankr. S.D.N.Y. 2004) (“The purpose of a Rule 2004 examination is to assist a party in interest in determining the nature and extent of the bankruptcy estate, revealing assets, examining transactions and assessing whether wrongdoing has occurred.”).

24. This is because the purpose of a Bankruptcy Rule 2004 examination is to determine whether “grounds exist to commence an action.” *In re Ramadan*, 2012 Bankr. LEXIS 1602, at *5 (Bankr. E.D.N.C. Apr. 12, 2012) (“The scope of a Rule 2004 examination is broad and is often

referred to as a sanctioned ‘fishing expedition’; it is in many ways a ‘pre-litigation device for assessing whether grounds exist to commence an action’[.]”) (quoting *In re Szadkowski*, 198 B.R. 140, 141 (Bankr. D. Md. 1996)).

25. This Court has broad discretion in determining whether to grant a motion for discovery under Bankruptcy Rule 2004. See *In re Hentz*, 2012 WL 2263121 at *1 (holding that Rule 2004 affords the court “complete discretion in making a determination regarding Rule 2004 examinations”) (internal citations and quotations omitted); *In re Enron Corp.*, 281 B.R. 836, 840 (Bankr. S.D.N.Y. 2002) (“the Court has the discretion to grant a request for a 2004 examination”) (citations omitted); *In re Okla. Automatic Door, Co.*, 599 B.R. 167, 170 (Bankr. W.D. Okla. 2019) (recognizing that Rule 2004 by “its plain meaning grants the bankruptcy court[] complete discretion in determining whether a Rule 2004 examination is appropriate.”).

B. The Discovery Sought Falls Within the Broad Scope of Bankruptcy Rule 2004.

26. The discovery that the Movants seek falls clearly within the contours of Bankruptcy Rule 2004. The Movants are seeking to investigate “acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor’s estate, or to the debtor’s right to a discharge.” Fed. Bankr. R. 2004(b), (c). Further, the requested discovery is intended to assist the Movants “in determining the nature and extent of the bankruptcy estate, revealing assets, examining transactions and assessing whether wrongdoing has occurred.” *In re Almatiss*, No. 10-12308, 2010 WL 4877868, at *3 (Bankr. S.D.N.Y. Nov. 24, 2010); see also *In re Countrywide Home Loans, Inc.*, 384 B.R. 373, 400 (Bankr. W.D. Pa. 2008)

(noting that investigation of matters affecting a debtor's estate "comfortably falls within the allowed limits under Rule 2004").

27. Bankruptcy Rule 2004 permits the Debtors and Committee to obtain discovery and investigate potential claims before initiating them. Bankruptcy Rule 2004 is appropriately used as a "pre-litigation discovery device." *In re Wilson*, No. 07-11862, 2009 WL 304672, at *5 (Bankr. E.D. La. Feb. 6, 2009); *In re Almatiss*, 2010 WL 4877868, at *3 ("No contested matter or adversary proceeding need be instituted as a prerequisite to conducting an examination under [Rule 2004]"); *In re Symington*, 209 B.R. 678, 683 (Bankr. D. Md. 1997) (observing that Rule 2004 allows "examination of any party without the requirement of a pending adversary proceeding or contested matter"). The Court also has the authority to require compliance with Bankruptcy Rule 2004 subpoenas on an expedited basis. *See, e.g., In re Mirant Corp.*, 326 B.R. 354, 356 (Bankr. N.D. Tex. 2005) (granting request for expeditious production because "there is clearly a need for expedition.")

28. The requested discovery from the Hoops Parties is appropriate and fits in the broad scope of examination permitted by Bankruptcy Rule 2004. *E.g., In re Yahweh Center, Inc.*, 2017 WL 327473 at *1 (Bankr. E.D.N.C. 2017) (observing that "the scope of inquiry permitted under Rule 2004 is very broad, practically unrestricted by the usual concepts of materiality and relevance[.]"); *In re Correa*, 589 B.R. 76 (Bankr. N.D. Tex. 2018) (recognizing that the scope of Rule 2004 examinations is recognized as broad, unfettered, and in the nature of a "fishing expedition."). The requested discovery concerning the financial transactions and dealings that the Hoops Parties had with the Debtors, including evidence that the numerous transactions with the Hoops Parties injured the Debtors or their estates in order to enrich themselves falls well within the ambit of the Court's discretion. *See, e.g., McLaughlin v. McPhail*, 707 F.2d. 800, 804

(4th Cir. 1983); *In re Hammond*, 140 B.R. 197, 200 (Bankr. S.D. Ohio 1992); *In re Wash. Mut., Inc.*, 408 B.R. 45, 50 (Bankr. D. Del. 2009) (“Legitimate goals of Rule 2004 examinations including discovering assets, examining transactions, and determining whether wrongdoing has occurred.”).

29. Pursuant to Local Rule 2004-1, the Movants attempted to schedule a time, place, and date for a Bankruptcy Rule 2004 production and examination by agreement with the Hoops Parties but no agreement was reached. Movants initiated various communications to counsel for Hoops and provided copies of the requested discovery in mid-December 2019. After several attempts to meet and confer, Movants requested that counsel for Hoops respond by January 8, 2020 as to whether the Hoops Parties would agree to all or some of the requested discovery. As of the date of this Motion, the Hoops Parties have not provided any substantive response. As warranted by Bankruptcy Rule 2004 and Local Rule 2004-1, the Movants request that this motion be granted *ex parte*.⁴

NOTICE

30. The Debtors, with the assistance of their claims and noticing agent, will provide notice of this motion by email and/or first class mail to: (i) the Office of the United States Trustee for the Southern District of West Virginia, (ii) the Debtors’ prepetition secured lenders, (iii) the creditors appearing on the Debtors’ consolidated list of top 30 unsecured creditors, (iv) the Office of the United States Attorney for the District of West Virginia, (v) the Internal Revenue Service, (vi) counsel to United Bank, Inc., Steptoe & Johnson PLLC, (vii) counsel to the Creditors’

⁴ Bankruptcy Rule 2004 provides for an *ex parte* procedure whereby the Court can enter an order of the examination without allowing an opportunity an opportunity to object. *See, e.g., In re Russell*, 392 B.R. 315, 360 (Bankr. E.D. Tenn. 2008) (“Rule 2004 provides for an *ex parte* procedure . . . and the court can enter an order for the examination without allowing . . . an opportunity to object”); *In re Symington*, 209 B.R. 678, 689-90 (Bankr. D. Md. 1997) (explaining that “Rule 2004 motions are generally granted *ex parte*” when there is good cause for the examination request).

Committee, Whiteford Taylor & Preston, LLP, (viii) the Hoops Parties; and (ix) all parties requesting notices pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

Wherefore, the Movants respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other relief that is just and proper.

DATED: January 9, 2020

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Debtors-in-Possession*

EXHIBIT A

PROPOSED ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:) Chapter 11
)
Blackjewel, L.L.C., *et al.*,) Case No. 19-30289
)
Debtors.¹) (Jointly Administered)

**ORDER APPROVING THE JOINT EX PARTE MOTION OF THE DEBTORS AND THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ENTRY OF AN ORDER
PURSUANT TO BANKRUPTCY RULE 2004 AUTHORIZING
EXAMINATIONS AND WRITTEN DISCOVERY DIRECTED TO JEFF A. HOOPS, SR.
AND VARIOUS HOOPS-RELATED ENTITIES AND INDIVIDUALS**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee,” collectively with the Debtors, the “Movants”) in the above-captioned chapter 11 cases for entry of an order authorizing Bankruptcy Rule 2004 discovery from Jeff A. Hoops, Sr. (“Mr. Hoops”), the Hoops-Related Entities, and the Hoops-Related Individuals (Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals, collectively, the “Hoops Parties”) in

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² Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Motion.

the form of (a) requests for production of documents and electronically stored information as requested in **Exhibit 1** hereto and (b) oral examinations of Mr. Hoops, Patricia A. Hoops, Jeffery Hoops, Jr., Jeremy Hoops, Josh Hoops, Keith Runyon, Steven Poe, and Brent Walls and examination of representatives of Clearwater Investment Holdings, LLC, Grand Patrician Resort, LLC, Genesis Trucking, Black Diamond, Lexington Coal Company, LLC, Lexington Coal Royalty Company, LLC, Construction & Reclamation Services, Aquatic Resources Management LLC, Triple H Real Estate, LLC, Hoops Dynasty Trusts, Clearwater Trusts, JBLCO, LLC, Active Medical, Prep Plant Solutions LLC, Blackjewel Trust, Revelation Energy Trust, Lexington Trust, Walls & Associates, PLLC, and Triple H Aviation, LLC as requested in, and on the subjects specified in, **Exhibit 2** hereto, all as more fully set forth in the Motion; and upon the record of the hearing on this Motion; 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 is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given under the circumstances; and this Court having found that good and sufficient cause exists for the relief granted by this order, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED.
2. The Movants hereby are authorized to issue document requests, notices, and subpoenas compelling the production of documents and electronically stored information, and the provision of testimony concerning the pre- and postpetition transactions between the Debtors and Mr. Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals listed in **Exhibit 1** and **Exhibit 2**.

3. Service of the document requests, notices, or subpoenas by email is authorized upon counsel for Mr. Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals that have appeared in these cases.

4. Mr. Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals will comply with the document request listed in Exhibit 1 by no later than 14 calendar days after entry of this Order.

5. The witnesses listed in Exhibit 2 will have 14 calendar days from the service of a subpoena to either (a) produce to the Movants all responsive non-privileged documents requested in the Movants' subpoena, or (b) file with the Court an objection or response to the subpoena (i) explaining the precise question(s) in dispute, (ii) laying out a proposal for how each disputed question may be narrowly tailored, and (iii) including an affidavit confirming that efforts were taken to resolve such dispute(s) with the Movants before the filing of an objection or response and that the Movants received at least five full business days' written notice prior to the objection or response being filed.

6. This Order is without prejudice to the rights of the Movants to apply to the Court for further discovery.

7. The requirement under Local Rule 2004-1 to attempt to agree to the terms of the requested Bankruptcy Rule 2004 examination has been satisfied by the Movants. No agreement was reached with the Hoops Parties.

8. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

9. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

10. Notwithstanding anything to the contrary in the Bankruptcy Rules, this Order shall be immediately effective and enforceable upon entry.

11. The Movants are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

12. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

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Unsecured Creditors of the Debtors and
Debtors-in-Possession*

EXHIBIT 1

REQUESTED DOCUMENTS

Pursuant to Bankruptcy Rule 2004, Blackjewel, L.L.C., and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) and the Official Committee of Unsecured Creditors (the “Committee,” collectively with the Debtors, the “Movants”) in the above-captioned chapter 11 cases request that Mr. Hoops, the Hoops-Related Entities, and the Hoops-Related Individuals and their respective subsidiaries and affiliates produce the following documents and categories of electronically stored information (these “Document Requests”).

DEFINITIONS

1. The terms “You”, “Your”, “Mr. Hoops”, “Hoops-Related Entities”, “Hoops-Related Individuals”, and “Hoops Parties” refer to, without limitation, predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, employees, accountants, representatives, agents, attorneys, law firms, and investigators, acting or purporting to act on Mr. Hoops’, the Hoops-Related Entities’, and/or the Hoops-Related Individuals’ behalf, and all entities in which any of the foregoing have a legal or equitable interest.

2. “Bankruptcy Filing” refers to the voluntary petitions filed by the Debtors on July 1, 2019 and July 24, 2019 under chapter 11 of title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of West Virginia.

3. The term “Communication” shall mean any utterance, notation, or statement of any nature whatsoever, by and to whomsoever made, including, but not limited to, correspondence, conversations, dialogues, discussions, interviews, consultations, agreements, and other understandings between or among two or more persons, whether made orally, by Document, made face-to-face, or made by telephone, mail, email, personal delivery, or otherwise.

4. The term “Debtors” refers to the Debtors in these chapter 11 cases and includes the following entities: Blackjewel, L.L.C.; Blackjewel Holdings L.L.C.; Revelation Energy Holdings, LLC; Revelation Management Corporation; Revelation Energy, LLC; Dominion Coal Corporation; Harold Keene Coal Co. LLC; Vansant Coal Corporation; Lone Mountain Processing, LLC; Powell Mountain Energy, LLC; and Cumberland River Coal LLC, as well as any person or entity acting for or on behalf of the Debtors.

5. “Document” shall mean any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation, the original and each non-identical copy, regardless of origin and location, of any book, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting or conversation), invoice, bill, order form, receipt, financial statement, accounting entry, diary, calendar, email, telex, telegram, cable, report, record, contract, agreement, study, notes, draft, working paper, chart, paper, print, laboratory record, drawing sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced, which is in your possession, custody, or control or which was, but is no longer, in your possession, custody, or control, and is used in the broadest possible sense permissible under relevant Federal Rules of Civil Procedure and Federal Rules of Bankruptcy Procedure. To the extent documents are in electronic form, they are requested in the form in which they were originally generated and kept.

6. The term “Financial Transfer” refers to any financial transactions or dealings related to any liquid assets, such as cash, or any other asset of economic value.

7. The term “Mr. Hoops” refers to Jeff A. Hoops, Sr., the former President and Chief Executive Officer of Blackjewel, L.L.C.

8. The term “Hoops DIP” refers to the secured subordinated debtor-in-possession financing (“DIP”) to be extended by Mr. Hoops, which the Debtors sought court approval to consummate on July 1, 2019.

9. “Hoops-Related Entities” refers to the following entities and any affiliates of such entities: (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, and all entities in which any of the foregoing have a legal or equitable interest.

10. “Hoops-Related Individuals” refers to the following individuals: (1) Patricia A. Hoops; (2) Jeffery Hoops, Jr.; (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.

11. The term “Hoops Parties” refers collectively to Hoops, the Hoops-Related Entities, the Hoops-Related Individuals, and the Hoops-Related Entities’ direct and indirect current and former shareholders, affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, principals, managers, trustees, beneficiaries, controlling persons, and each and all of their respective heirs, successors, assigns, and legal representatives, and all entities in which any of the foregoing have a legal or equitable interest.

12. The term “Identify” when referring to a:

a. fact means to state each known fact concerning the information requested by the Document Request, including, without limitation, (i) the identity of each person having knowledge of each fact or opinion relating to the information requested; (ii) the identity of each document showing or relating to the answer given or any part of the answer given; and (iii) all relevant dates and time periods.

b. document means to provide information, including, without limitation, about (i) the type of document; (ii) the contents of the document; (iii) the authors, addressees, and recipients of the document; and (iv) the date of the document.

c. person means to provide information, including, without limitation, the individual's full name, present or last known home address and business address, and present or last known home telephone number and business telephone number.

13. The term "Second Hoops DIP" refers to the priming DIP to be extended by Mr. Jeff A. Hoops, Sr., which the Debtors sought court approval to consummate on July 2, 2019.

INSTRUCTIONS

1. These Document Requests shall be construed to include any supplemental, additional, or future responsive information that is later discovered, received, obtained, or created, and that is required to be produced pursuant to these Document Requests.

2. In the event that you perceive any ambiguity in a Document Request, you should identify the ambiguity and define your interpretation of the ambiguity in your response to the Document Request. You shall resolve any perceived ambiguity in favor of the most complete disclosure and answer in the alternative where possible.

3. The singular shall be construed to include the plural, and vice versa; the present tense shall be construed to include the past tense, and vice versa; and male or female gender references shall be construed in the generic sense.

4. Produce all documents as they are kept in the usual and ordinary course of business, complete with any labels, file markings, or other identifying features, together with the file folders within which such documents are maintained. In the alternative, produce all documents organized and labeled such that they correspond to the appropriate Document Request.

5. Electronically stored information (“ESI”) shall be produced in the following forms: (A) for structured data from any claims submission or claims administration database, ANSI 837 file, or other similar data types or sources, produce a delimited text file suitable for loading in an SQL database, with information and fields for each claim, and (B) for other electronically stored information, produce it in the form in which it is ordinarily maintained (.DOC, .XLS, .PPT, or .PST/.NSF for email) or in single page .TIFF files with searchable extracted metadata, including (i) for email, the author, recipient, carbon copy recipients, blind carbon copy recipients, date, subject, attachment info, and searchable full text, and (ii) for other files, the create date, document author, and searchable text of the document. TIFF files and metadata should be provided in a format suitable for loading into standard litigation support databases such as Relativity. Requests for “documents” include requests for ESI concerning the same subject matter.

6. Any document or item of ESI responsive to these Document Requests that you do not provide, in whole or in part, because of a claim of privilege or work product, or for any other reason, shall be identified in a log providing each document’s (i) general subject matter; (ii) identity of persons to whom the document, or any portion thereof, has already been revealed; (iii) source of the document; and (iv) the basis upon which the document is being withheld.

7. The words “and” and “or” shall be used conjunctively and disjunctively; “and” shall also mean “or” and “and/or,” and “or” shall also mean “and” and “and/or.”

8. Unless otherwise specifically noted, each Document Request seeks information for the period from July 1, 2012 to the present.

REQUESTS FOR PRODUCTION

1. All Documents and/or ESI that constitute, demonstrate, or refer to the Hoops-Related Entities’ Document retention policies and procedures for the retention and destruction of Documents and ESI.

RESPONSE:

2. All Documents and ESI that (a) demonstrate, refer to, or relate to each of the Hoops-Related Entities’ corporate structure and the specific legal entities directly or indirectly involved with the Debtors or the Hoops Parties and (b) describe the nature of that involvement.

RESPONSE:

3. All Documents and ESI relating to the financial condition of the Debtors, including but not limited to, Documents and ESI analyzing, reporting, discussing, or otherwise relating to the Debtors solvency or lack thereof, ability or inability to pay amounts as they became due, and/or adequacy of capital to carry on their business activities.

RESPONSE:

4. All Documents and ESI related to Mr. Hoops’ monthly, quarterly, and annual end of year account balances for any directly or indirectly owned domestic or foreign bank accounts,

personal investments, investment vehicles, trusts, or any other financial instrument that any Hoops Party had authority to access or view.

RESPONSE:

5. All Documents and ESI constituting, referring to or relating to Mr. Hoops' and the Hoops Parties' local, state, and federal tax filings.

RESPONSE:

6. All Documents and ESI related to any valuations or appraisals of any assets owned by the Hoops Parties.

RESPONSE:

7. All Documents and ESI related to the Hoops-Related Individuals' monthly, quarterly, and annual end of year account balances for any directly or indirectly owned domestic or foreign bank accounts, personal investments, investment vehicles, trusts, or any other financial instrument that any of the Hoops Parties had authority to access or view.

RESPONSE:

8. All Documents and ESI related to monthly, quarterly, and annual balance sheets, cash flows, profit and loss statements, and any analysis of financial condition for the Hoops-Related Entities.

RESPONSE:

9. All letters of intent, memoranda of understanding, contracts, agreements, and Communications between any of the Debtors and any of the Hoops Parties, including but not limited to, amendments, supplements, and extensions of contracts or agreements.

RESPONSE:

10. All Documents and ESI relating to any overriding royalties or other royalties, wheelage, rent, or lease payments paid or incurred by any of the Debtors to any of the Hoops Parties, including but not limited to, agreements, Documents and ESI regarding the consideration for any agreement to grant or pay royalties, records of payment, and Documents and ESI relating to the form or amount of the royalties.

RESPONSE:

11. All Documents and ESI relating to any sale or transfer of permits, licenses, or leasehold interests from the Debtors to the Hoops Parties.

RESPONSE:

12. All Documents and ESI related to any sale or transfer of any real property or personal property from the Debtors to the Hoops Parties.

RESPONSE:

13. All Documents and ESI related to any transfers of real or personal property to the Hoops Parties that were done at the time of other third-party transactions, were associated with other third-party transactions, or were part of a larger deal of other third-party transactions, including, but not limited to, transactions involving the Debtors.

RESPONSE:

14. All Documents, ESI, and Communications related to investments, directly or indirectly, in any surety company by any of the Hoops Parties.

RESPONSE:

15. Any third-party reviews of, corporate resolutions pertaining to, approvals relating to, or other Documents and ESI relating to, disclosure or approval of any transactions related to Document Request numbers 9, 10, 11, 12, 13, or 14 included herein.

RESPONSE:

16. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to the Hoops Parties for or regarding tax, legal, and accounting-related services.

RESPONSE:

17. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding environmental or water testing-related services.

RESPONSE:

18. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding maintenance, construction, or reclamation-related services, including payments for fines or citations arising out of same.

RESPONSE:

19. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties (including but not limited to its insurance brokers) for or regarding insurance-related services.

RESPONSE:

20. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding insurance premiums or claim payments related to employee obligations or benefits.

RESPONSE:

21. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding information technology goods or services.

RESPONSE:

22. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding mining-related services, including services related to inventory estimation and reporting, preparation and handling as well as payments for fines or citations arising out of same.

RESPONSE:

23. All Documents and ESI relating to payments on behalf of, or Financial Transfers by the Debtors to, the Hoops Parties for or regarding transportation-related services.

RESPONSE:

24. Any third-party reviews of, corporate resolutions pertaining to, approvals relating to, or other Documents and ESI relating to disclosure or approval of any transactions related to Document Request numbers 16, 17, 18, 19, 20, 21, 22, or 23 included herein.

RESPONSE:

25. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for or regarding tax, legal, or accounting services.

RESPONSE:

26. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for information technology goods or services.

RESPONSE:

27. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for water, electricity, or other utility services.

RESPONSE:

28. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for reclamation services.

RESPONSE:

29. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for construction or demolition, maintenance, equipment, goods, or services.

RESPONSE:

30. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for insurance premiums or claim payments related to employee obligations or benefits.

RESPONSE:

31. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for insurance services.

RESPONSE:

32. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for employee wages, benefits, retirement, or healthcare services.

RESPONSE:

33. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for mining or coal preparation, cleaning, or handling services, including payments for fines or citations arising out of same.

RESPONSE:

34. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for commissions relating to the sale of coal.

RESPONSE:

35. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for transportation services.

RESPONSE:

36. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for mobile equipment leases.

RESPONSE:

37. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for document storage services

RESPONSE:

38. All Documents and ESI relating to any payment or agreement to make a payment by the Debtors of any Hoops Parties' invoices or bills for environmental or water testing-related services.

RESPONSE:

39. Any third-party reviews of, corporate resolutions pertaining to, approvals relating to, or other Documents and ESI relating to disclosure or approval of any transactions related to Document Request numbers 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, or 38 included herein.

RESPONSE:

40. All Documents and ESI relating to or regarding any activities (mining-related or otherwise) conducted (a) by or on behalf of any of the Hoops Parties on the Debtors' current or former properties or (b) conducted by the Debtors on any Hoops Parties' properties located in Virginia, including, but not limited to, Documents, ESI, and Communications related to total tons mined, tons sold, revenues, and profits generated by mining in Virginia.

RESPONSE:

41. For the period from July 1, 2015 to the present, all Documents and ESI relating to or regarding any activities (mining-related or otherwise) conducted (a) by or on behalf of any of the Hoops Parties on the Debtors' current or former properties or (b) conducted by the Debtors on any Hoops Parties' properties located in Kentucky, including, but not limited to, Documents, ESI, and Communications related to total tons mined, tons sold, revenues, and profits generated by mining in Kentucky.

RESPONSE:

42. For the period from July 1, 2015 to the present, all Documents and ESI relating to or regarding any activities (mining-related or otherwise) conducted (a) by or on behalf of any of the Hoops Parties on the Debtors' current or former properties or (b) conducted by the Debtors on any Hoops Parties' properties located in West Virginia, including, but not limited to, Documents, ESI, and Communications related to total tons mined, tons sold, revenues, and profits generated by mining in West Virginia.

RESPONSE:

43. For the period from July 1, 2015 to the present, all Documents and ESI relating to or regarding any activities (mining-related or otherwise) conducted (a) by or on behalf of any of the Hoops Parties on the Debtors' current or former properties or (b) conducted by the Debtors on any Hoops Parties' properties located in Tennessee, including, but not limited to, Documents, ESI, and Communications related to total tons mined, tons sold, revenues, and profits generated by mining in Tennessee.

RESPONSE:

44. For the period from July 1, 2015 to the present, all Documents and ESI relating to or regarding any activities (mining related or otherwise) conducted (a) by or on behalf of any of the Hoops Parties on the Debtors' current or former properties or (b) conducted by the Debtors on any Hoops Parties' properties located in Wyoming, including, but not limited to, Documents, ESI,

and Communications related to total tons mined, tons sold, revenues, and profits generated by mining in Wyoming.

RESPONSE:

45. Any third-party reviews of, corporate resolutions pertaining to, approvals relating to, or other Documents and ESI relating to disclosure or approval of any transactions related to Document Request numbers 40, 41, 42, 43, or 44 included herein.

RESPONSE:

46. All Documents and ESI constituting, evidencing, or relating to any communication between Mr. Hoops or any Hoops Parties and United Bank related to any loan, including the Hoops DIP and the Second Hoops DIP, with any of the Hoops Parties, including but not limited to, Documents and ESI regarding loan requests, loan amounts, collateral related to such loan, or the purpose for any such loan.

RESPONSE:

47. Any and all contracts, account agreements, or other similar Documents or ESI related to the bank accounts held by any of the Hoops Parties or the Debtors at United Bank, including but not limited to, any such Documents or ESI relating to any right of United Bank to freeze the accounts.

RESPONSE:

48. All Documents and ESI relating to or regarding any Financial Transfers from the Debtors to Mr. Hoops or Clearwater Investment Holdings, LLC, including but not limited to,

records of payments or advances, agreements, accountings, and Documents and ESI relating to loan balances or purported loan balances.

RESPONSE:

49. Any third-party reviews of, corporate resolutions pertaining to, approvals relating to, or other Documents and ESI relating to disclosure or approval of any transactions related to Document Request numbers 46, 47, or 48 included herein.

RESPONSE:

50. All Documents, ESI, statements, and records relating to any bank account of Clearwater Investment Holdings, LLC, including but not limited to, periodic or regular statements, any Documents relating to the statement balances of any such bank account and any inquiries, demands or legal actions taken or threatened to be taken by United Bank, or any other counterparty financial institution related to these accounts.

RESPONSE:

51. All Documents, ESI, statements, and records relating to any bank account of the Hoops-Related Entities, including but not limited to, periodic or regular statements, any Documents relating to the statement balances of any such bank account and any inquiries, demands or legal actions taken or threatened to be taken by United Bank, or any other counterparty financial institution related to these accounts.

RESPONSE:

52. All Documents, ESI, statements, and records relating to any bank account of the Hoops Parties, including but not limited to, periodic or regular statements, any Documents relating to the statement balances of any such bank account and any inquiries, demands or legal actions taken or threatened to be taken by United Bank, or any other counterparty financial institution related to these accounts.

RESPONSE:

53. Any Communications that any of the Hoops Parties had among other Hoops Parties regarding the Debtors' Bankruptcy Filing or potential need to file for bankruptcy.

RESPONSE:

54. All Documents and ESI regarding the Debtors' payment of or failure to pay any local, state, or federal taxes, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

55. All Documents and ESI regarding the Debtors' payment of or failure to make certain payments to the Bureau of Land Management or any other agency of the Federal Government for the United States of America, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

56. All Documents and ESI regarding the Debtors' payment of or failure to pay employee-related benefits and/or failure to forward employee related withholdings for the benefit of the employees, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

57. All Documents and ESI regarding the Debtors' attempt and failure to establish a multiple employer welfare arrangement, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

58. All Documents and ESI regarding the Hoops Parties operating any mobile or mining equipment owned by the Debtors, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

59. All Documents and ESI regarding assets and equipment owned by the Debtors that is currently being used or in the possession of any Hoops Parties, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

60. All Documents and ESI regarding any equipment that was used or is being used by any Hoops Parties, including associated timeframes, hours used, and maintenance records.

RESPONSE:

61. All Documents and ESI regarding any investments made by any of the Hoops Parties in any surety companies, including but not limited to Indemnity National Insurance Company (“INIC”).

RESPONSE:

62. All Documents and ESI regarding any threatened, filed, or pending claims or lawsuits against any of the Hoops Parties, including but not limited to, Documents and ESI consisting of or relating to Communications concerning that issue.

RESPONSE:

EXHIBIT 2

REQUESTED TESTIMONY

The Movants seek the oral examinations of Mr. Hoops, Patricia A. Hoops, Jeffery Hoops, Jr., Jeremy Hoops, Josh Hoops, Keith Runyon, Steven Poe, and Brent Walls in their personal capacity.

DEPOSITION TOPICS

DEFINITIONS

1. The terms “You”, “Your”, “Hoops”, “Mr. Hoops”, “Hoops-Related Entities”, “Hoops-Related Individuals”, and “Hoops Parties” mean, including without limitation, predecessors, successors, parents, subsidiaries, affiliates, assigns, joint venturers, partners, directors, officers, employees, accountants, representatives, agents, attorneys, law firms, and investigators, acting or purporting to act on Mr. Hoops’, the Hoops-Related Entities’, and/or the Hoops-Related Individuals’ behalf.

2. “Bankruptcy Filing” refers to the voluntary petitions filed by the Debtors on July 1, 2019 and July 24, 2019 under chapter 11 of title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of West Virginia.

3. The term “Communication” shall mean any utterance, notation, or statement of any nature whatsoever, by and to whomsoever made, including, but not limited to, correspondence, conversations, dialogues, discussions, interviews, consultations, agreements, and other understandings between or among two or more persons, whether made orally, by Document, made face-to-face, or made by telephone, mail, email, personal delivery, or otherwise.

4. The term “Debtors” refers to the Debtors in these chapter 11 cases and includes the following entities: Blackjewel, L.L.C.; Blackjewel Holdings L.L.C.; Revelation Energy

Holdings, LLC; Revelation Management Corporation; Revelation Energy, LLC; Dominion Coal Corporation; Harold Keene Coal Co. LLC; Vansant Coal Corporation; Lone Mountain Processing, LLC; Powell Mountain Energy, LLC; and Cumberland River Coal LLC, as well as any person or entity acting for or on behalf of the Debtors.

5. “Document” shall mean any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation, the original and each non-identical copy, regardless of origin and location, of any book, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting or conversation), invoice, bill, order form, receipt, financial statement, accounting entry, diary, calendar, email, telex, telegram, cable, report, record, contract, agreement, study, notes, draft, working paper, chart, paper, print, laboratory record, drawing sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing card, or any other written, recorded, transcribed, punched, taped, filmed, or graphic matter, however produced or reproduced, which is in your possession, custody, or control or which was, but is no longer, in your possession, custody, or control, and is used in the broadest possible sense permissible under relevant Federal Rules of Civil Procedure and Federal Rules of Bankruptcy Procedure. To the extent documents are in electronic form, they are requested in the form in which they were originally generated and kept.

6. The term “Mr. Hoops” refers to Jeff A. Hoops, Sr., the former President and Chief Executive Officer of Blackjewel, L.L.C.

7. The term “Hoops DIP” refers to the secured subordinated debtor-in-possession financing (“DIP”) to be extended by Mr. Hoops, which the Debtors sought court approval to consummate on July 1, 2019.

8. “Hoops-Related Entities” refers to the following entities and any affiliates of such entities: (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.

9. “Hoops-Related Individuals” refers to the following individuals: (1) Patricia A. Hoops; (2) Jeffery Hoops, Jr.; (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.

10. The term “Hoops Parties” refers collectively to Mr. Hoops, the Hoops-Related Entities, the Hoops-Related Individuals, and the Hoops-Related Entities’ direct and indirect current and former shareholders, affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, principals, managers, trustees, beneficiaries, controlling persons, and each and all of their respective heirs, successors, assigns, and legal representatives.

11. The term “Identify” when referring to a:

a. fact means to state each known fact concerning the information requested by the Document Request, including, without limitation, (i) the identity of each person having knowledge of each fact or opinion relating to the information requested; (ii) the identity of each document showing or relating to the answer given or any part of the answer given; and (iii) all relevant dates and time periods.

b. document means to provide information, including, without limitation, about (i) the type of document; (ii) the contents of the document; (iii) the authors, addressees, and recipients of the document; and (iv) the date of the document.

c. person means to provide information, including, without limitation, the individual's full name, present or last known home address and business address, and present or last known home telephone number and business telephone number.

12. The term "Second Hoops DIP" refers to the priming DIP to be extended by Mr. Hoops, which the Debtors sought court approval to consummate on July 2, 2019.

INSTRUCTIONS

In addition to Mr. Hoops, Patricia A. Hoops, Jeffery Hoops, Jr., Jeremy Hoops, Josh Hoops, Keith Runyon, Steven Poe, and Brent Walls in their individual capacity, each of the Hoops-Related Entities must designate one or more officers, directors, managing agents, or other persons with the relevant knowledge to testify about the Topics set forth below:

TOPICS

1. The Hoops-Related Entities' Document and data retention policies and procedures.
2. The reasoning behind the creation of the Hoops-Related Entities and the evolution of the interrelationship between the Debtors, the Hoops-Related Entities, and the Hoops-Related Parties.
3. Each of the Hoops Parties' bank accounts, property, trusts, investments, investment vehicles, or any other financial instrument owned at the end of each year beginning in 2012 to the present.

4. The financial condition of the Debtors, including but not limited to, their solvency or lack thereof, ability or inability to pay amounts as they became due, and/or adequacy of capital to carry on their business activities.

5. The financial condition of the Hoops-Related Entities, including but not limited to, their solvency or lack thereof, ability or inability to pay amounts as they became due, and/or adequacy of capital to carry on their business activities.

6. The Hoops-Related Entities' annual, quarterly, or periodic balance sheets, cash flows, and profit and loss statements beginning in 2012 to the present.

7. The Hoops-Related Entities' local, state, and federal tax filings from 2012 to the present.

8. Contracts and agreements between any of the Debtors and any of the Hoops Parties in effect at any time from July 1, 2012 to the present.

9. Any royalties, wheelage, rent, or lease payments paid by the Debtors to any of the Hoops Parties for the period from July 1, 2012 to the present.

10. Any sale or transfer of any real property, personal property, leasehold interests, permits, or licenses from the Debtors to the Hoops Parties for the period from July 1, 2012 to the present.

11. All Documents, ESI, and Communications related to investments, directly or indirectly, in any surety company by any of the Hoops Parties for the period from July 1, 2012 to the present.

12. Any sale or transfer of any transfers of real or personal property to the Hoops Parties that were done at the time of other third-party transactions, were associated with other third-party

transactions, or were part of a larger deal of other third-party transactions, including, but not limited to, transactions involving the Debtors for the period from July 1, 2012 to the present.

13. Any payment, transfer of cash, or other valuable consideration from the Debtors to the Hoops Parties for accounting, tax, legal, water, electric, utilities, construction, maintenance, reclamation, insurance payments related to services, premiums or claims, insurance, fines, citations, environmental or water treatment, information technology, mining, cleaning, preparation, handling, or transporting coal or any other goods, labor, or services for the period from July 1, 2012 to the present.

14. Any payments or agreement to make payments by the Debtors on behalf of any Hoops Parties' invoices or bills for services related to accounting, tax, legal, fines, citations, water, electric, utilities, reclamation, construction, maintenance, insurance payments related to services, premiums or claims, insurance, mining, cleaning, preparation and handling, mobile equipment leases, information technology, or transportation, employee wages, benefits, retirement, or healthcare expenses, or sale commissions for the period from July 1, 2012 to the present.

15. Any valuations or appraisals of assets or equipment owned by the Hoops Parties for the period from July 1, 2012 to the present.

16. Any activities (mining or otherwise) conducted by or on behalf of any of the Hoops Parties on the Debtors' property located in Virginia, Kentucky, West Virginia, Wyoming, or elsewhere for the period from July 1, 2012 to the present.

17. The total mining tons, revenues, profits, and other related financial information related to any activities (mining or otherwise) conducted by or on behalf of any of the Hoops Parties on the Debtors' property located in Virginia, Kentucky, West Virginia, Wyoming, or elsewhere for the period from July 1, 2014 to the present.

18. Any activities (mining or otherwise) conducted by the Debtors on behalf of any of the Hoops Parties on the Hoops Parties' property located in Virginia, Kentucky, West Virginia, or Wyoming for the period from July 1, 2014 to the present.

19. The total tons mined, tons sold, revenues, profits, and other related financial information related to any activities (mining or otherwise) conducted by the Debtors on behalf of any of the Hoops Parties on the Hoops Parties' property located in Virginia, Kentucky, West Virginia, or Wyoming for the period from July 1, 2012 to the present.

20. Any Financial Transfers from the Debtors to the Hoops Parties for the period from July 1, 2012 to the present.

21. Any bank account information of Clearwater Investment Holdings, LLC for the period from July 1, 2012 to the present.

22. Any decisions and Communications of any of the Hoops Parties regarding the Debtors' Bankruptcy Filing or potential need to file for bankruptcy during the period from January 1, 2016 to the present.

23. Any and all Communications related to decisions concerning the non-ordinary course treatment of employee-related benefit payments and employee-benefit withholdings.

24. The nature of, any modification to, and the extent of Mr. Hoops' ownership or other financial interest in each of the Hoops-Related Entities for the period from July 1, 2012 to the present.

25. Knowledge regarding the Debtors' attempts to obtain DIP financing, including the Hoops DIP and the Second Hoops DIP for the period from June 2019 to the present.

26. Knowledge regarding the Hoops Parties' usage of the Debtors' property without paying the Debtors for such use for the period from July 1, 2012 to the present.

27. Knowledge regarding the Debtors' failure to make certain payments to local, state, or federal taxing authorities, the Bureau of Land Management, and other agencies of the Federal Government for the United States of America.

28. Knowledge regarding the Debtors' failure to pay employee-related benefits or establish a multiple employer welfare arrangement.

29. Knowledge regarding the Hoops Parties' operation of any mobile or mining equipment owned by the Debtors.

30. Knowledge regarding the Hoops Parties' possession of any of the Debtors' assets or equipment and the scope of such use by the Hoops Parties regarding the associated timeframes, hours used, and maintenance records.

31. Knowledge regarding the Debtors' services provided to, or on behalf of, the Hoops-Related Entities without remuneration for the period from July 1, 2014 to the present.

32. Communications that any of the Hoops Parties had regarding United Bank's decision to freeze certain of the Hoops Parties' United Bank accounts from June 2019 to the present.

33. Knowledge regarding the freezing of various United Bank accounts owned by any of the Hoops Parties in June 2019, including but not limited to, the reasons or justification for such freezing.

34. Knowledge of United Bank's justification for freezing any of the Debtors' bank accounts, including but not limited to, the reasons or justification for such freezing.

35. Knowledge of any threatened, filed, or pending claims or lawsuits against any of the Hoops Parties.