



KEEVICAN WEISS
BAUERLE & HIRSCH LLC

Natural Resources Industry Group Profile

2009

Table of Contents

<u>Topic</u>	<u>Page</u>
Firm Overview	1
Natural Resource Industry Capabilities	2
Selected Industry Transactions	3
MBO and Restructuring.....	3
Exploration and Drilling	4
Mineral Transactions	4
Coal Transactions.....	4
Oil and Gas Transactions	6
Lending and Financing	7
Selected Commercial Lending Transactions	8
Labor and Benefits	10
Supporting Areas of Legal Practice	11
Securities.....	11
Litigation.....	11

Firm Overview

Keevican Weiss Bauerle & Hirsch LLC is a full service business law firm offering services in the full range of commercial matters, including:

- Antitrust and Trade Regulation
- Commercial & Real Estate Finance
- Corporate Governance
- Employment Litigation
- Environmental Law
- Franchising Law
- Healthcare
- International Business
- Litigation
- Product Liability
- Tax
- Trade Secrets & Unfair Competition
- Bank Regulatory Law
- Construction Law
- Customs
- Energy & Natural Resources
- Estates & Trusts
- Government Affairs
- Immigration & Citizenship
- Labor & Employment
- Mergers & Acquisitions
- Real Estate
- Technology Law
- Bankruptcy & Creditors' Rights
- Corporate & Business Law
- Emerging Business
- Entertainment Law
- Financial Institutions
- Government Contracts
- Intellectual Property
- Land Use Development
- Non-Profit Organizations
- Securities
- Venture Capital

Our experience includes representation of a national electronic payment systems corporation, the world's largest independent dedicated provider of leading edge products and services to the steel industry, a New York Stock Exchange traded pharmaceuticals company, the largest American manufacturer of railroad wheels and axles, a national provider of technical staffing services, a major producer of engineered steels, the eighth largest steel maker in the United States, a publicly traded manufacturer and re-manufacturer of locomotives and locomotive component parts, a major distributor of sporting goods and equipment, regional health care insurance companies, and leading foreign and domestic banks.

Since our founding, our Firm has built its reputation on closing commercial transactions, winning cases, and providing practical legal advice. We are committed to providing the highest quality legal services to clients for a fraction of the cost of a typical large, corporate law firm.

Natural Resource Industry Capabilities

Comprehensive Industry Experience

Keevican Weiss Bauerle & Hirsch LLC established its Natural Resources and Energy Industry Group to provide a specific, comprehensive range of services to its clients in these industries. From complex securities law to forming international joint ventures, Keevican Weiss Bauerle & Hirsch LLC's ability to meet a wide array of legal needs has enabled it to become experienced with the most current issues as well as future trends of clients' interests.

While Keevican Weiss Bauerle & Hirsch LLC has broad experience with assisting commercial developers, producers and lenders of properties throughout the United States, the firm has particular experience with properties located in the Appalachian Basin region of New York, Pennsylvania, West Virginia, Virginia, Ohio and Kentucky, as well as the states of Louisiana, Texas, Oklahoma, California and Colorado. Keevican Weiss Bauerle & Hirsch LLC also has experience with international interests, most notably assisting and completing commercial transactions in North Africa.

A snapshot of the natural resource industry services Keevican Weiss Bauerle & Hirsch LLC has provided to its clients include:

- Private syndications to raise equity for exploration and drilling
- Feasibility assessments of proposed alternative energy projects
- Production payment financing for drillers
- Working capital financing for established producers
- Real estate title and contract work for producers, drillers and lenders
- Purchase and sale of oil and gas interests
- Oil and gas loan workouts, including secured party sales and deeds in lieu of foreclosure
- International fundraising
- Algerian and Russian drilling and pipeline contracts

Selected Industry Transactions

Keevican Weiss Bauerle & Hirsch LLC's extensive work in the natural resources industry extends to assisting most of the leading coal and coal industry-related companies in the United States, including 78 of the 150 members of the American Iron and Steel Institute and a majority of the members of the Bituminous Coal Operators Association.

The following representative transactions reflect the breadth of experience Keevican Weiss Bauerle & Hirsch LLC offers to its clients.

MBO and Restructuring

On behalf of our clients, we have:

- Completed a variety of acquisitions and ultimate disposition on behalf of the largest non-union surface mining company in the United States
- Represented management in management's buy-out bid for the largest mining machinery manufacturer in the United States
- Structured and negotiated the proposal for a management buy-out of a national mine service company
- Acquired the West Virginia mining operations of a publicly traded St. Louis based company and the West Virginia operations of a Philadelphia based publicly traded coal company on behalf of a United Kingdom based mining and minerals company
- Represented the senior secured lender in providing an \$8 million senior credit facility to a privately owned aggregates company
- Served as mid-west regional counsel to senior lenders providing a \$1.2 billion senior secured credit facility to a United Kingdom based international aggregates company

Exploration and Drilling

On behalf of our clients, we have:

- Organized company to explore 8,300 kilometer tract in Algeria, assisting company in all phases of its start-up and operations, including negotiation of joint venture with the Algerian national oil company and assistance in raising through a multi-national private placement approximately \$30 million for its initial exploration activity and in going public on the London AIM Stock Market

Mineral Transactions

On behalf of our clients, we have:

- Purchased a 300-acre West Virginia limestone mine from a Texas-based public energy company

Coal Transactions

On behalf of our clients, we have:

- Renegotiated coal supply agreements with a New England utilities company, a Delaware utilities company and a Western New York utilities company to significantly alleviate the financial burden of the agreements imposed upon our client
- Negotiated the purchase and sale of all the coal reserves owned by a large, publicly traded company in the Southern Illinois basin
- Represented the Australian purchaser of coal recovery technology. The representation included negotiations with a United States steel company for the recovery of coal from a large West Virginia waste coal site
- Financed the acquisition of substantial coal reserves in West Virginia and Virginia for an international mining company
- Acquired, on behalf of the largest coal company in the United Kingdom, fifteen coal companies throughout the United States and negotiated commercial transactions with many of the leading American utilities

-
-
- Assisted manufacturer of equipment used to monitor coal-fired boiler emissions in connection with general matters, ultimately including the sale of the business for approximately \$20 million to a British public company
 - Provided representation in connection with tax issues relating to the formation of a limited company for the mining of coal

Oil and Gas Transactions

On behalf of our clients, we have:

- Conducted a feasibility assessment to determine the economics and potential for commercialization of a large-scale coal gasification facility in Pennsylvania
- Represented a Midwestern financial institution with secured extension of credit to seasoned oil and gas producers and developmental drilling partnerships with properties in the Appalachian Basin, Oklahoma, Texas and Louisiana. Representation totaled over 50 transactions, involving over \$200 million and stretching over 15 years
- Represented one of the ten largest oil and gas producers in the United States in its funding activities, completing twenty syndications and raising over \$100,000,000 for development activities
- Represented lenders and developers in numerous oil and gas transactions in Louisiana, gaining extensive experience with the unique aspects of funding and extracting mineral interests under Louisiana law, which is based on the French Napoleonic Code rather than British common law
- Guided oil and gas lender through over \$50 million of workouts of numerous troubled loans, secured party sales of distressed energy properties, and acceptance of deeds to energy properties in lieu of foreclosure and then through reworking and selling the properties
- Sold 86 oil and gas wells located in three counties in Pennsylvania to a privately held oil and gas company
- Structured and completed numerous financings for a publicly traded oil and gas company including more than \$1 billion of senior debt financing
- Restructured oil and gas trusts into partnerships, enabling the investors, who invested over \$35 million, to avoid adverse tax treatment
- Served as counsel to the issuer of depository units valued at approximately \$120 million representing interests in a natural gas net profits interests trust
- Successfully represented large utility in the first self-disclosure - nationwide - under U.S. EPA's Interim Self Policing and Voluntary Self-Disclosure policy issued in April 1995, negotiation of which involved the U.S. EPA headquarters

Lending and Financing

Keevican Weiss Bauerle & Hirsch LLC has enormous experience in natural resources credit transactions in the United States, Canada, Mexico and Europe.

We have designed and completed financings providing for:

- Working Capital
- Project Financing
- Equipment Leasing
- Acquisitions

We also have significant experience guiding natural resources industry clients through financial difficulties. In doing so, we have designed and implemented strategies that meet needs of lenders, stockholders, trade creditors and other constituencies.

The credibility we have established with these constituencies can prevent bankruptcy filings in some cases and make reorganization possible in others. Selected transactions:

- Assisted financial institutions in developing and implementing highly successful and profitable program for extending secured credit to accredited investors to invest in developmental drilling partnerships, known as the SAIF Program (Secured Accredited Investor Financing Program)
- Represented a diversified energy company in its public offering of 3,000,000 shares of common stock
- Represented a diversified energy company in the public offering of medium-term notes in the principal amount of \$100,000,000
- Represented a regional investment banking firm in connection with the underwriting of a successful exchange offer in which interests in more than 10 oil and gas partnerships were exchanged for shares of stock of a publicly-traded corporation
- Served as corporate general counsel in the initial public offering of a leading finisher and supplier of oil country tubular goods, successfully raising over \$33 million in fresh equity capital
- Served as corporate general counsel in the initial public offering of a leading finisher and supplier of oil country tubular goods, successfully raising over \$33 million in fresh equity capital

Selected Commercial Lending Transactions

Selected Commercial Lending Transactions:		
<u>Borrower</u>	<u>Facility Type</u>	<u>Amount</u>
Steel Manufacturer	Secured Acquisition and Working Capital Financing	\$225,000,000
Oil and Gas Exploration and Production Company	Secured Acquisition and Working Capital Financing	\$180,000,000
Oil and Gas Exploration and Production Company	Secured Acquisition and Working Capital Financing	\$140,000,000
Oil and Gas Exploration and Production Company	Secured Working Capital Facility	\$120,000,000
Steel Manufacturer	Secured Letters of Credit	\$100,000,000
Oil and Gas Exploration and Production Company	Secured Exploration and Development Program Financing	\$95,000,000
Steel Manufacturer	Revolving Credit Facility	\$80,000,000
Steel Distributor	Secured Acquisition and Term Loan Facility	\$70,060,000
Diversified Manufacturer	Revolving Credit Facility	\$63,000,000
Steel Manufacturer	Secured Revolving Credit and Term Loan Facility	\$38,500,000
Specialty Steel Manufacturer	Secured Revolving Credit Facility	\$38,500,000
Specialty Steel Manufacturer	Revolving Credit Facility	\$35,000,000
Steel Manufacturer	Revolving Credit Facility	\$35,000,000
Diversified Steel Products Manufacturer	Asset-Based Revolving Credit and Term Loan Facilities; Loan Workout	\$35,000,000
Steel Supply Distributor	Asset-Based Revolving Credit and Term Loan Facilities	\$35,000,000
Steel Manufacturer	Secured Revolving Credit with Complex Intercreditor Issues	\$30,000,000
Oil and Gas Exploration and Production Company	Secured Revolving Credit	\$30,000,000

Selected Commercial Lending Transactions:

<u>Borrower</u>	<u>Facility Type</u>	<u>Amount</u>
Steel Manufacturer	Secured Revolving Credit	\$25,000,000
Steel Manufacturer	Unsecured Project Financing	\$25,000,000
Steel Manufacturer	Unsecured Project Financing	\$20,000,000
Diversified Manufacturer	Revolving Credit Facility	\$20,000,000
Coal Company	Secured Term Loan Financing	\$17,200,000
Wholesale Lumber	Asset-Based Revolving Credit and Term Loan Facilities	\$12,000,000
Forest Products Distributor	Asset-Based Line of Credit	\$12,000,000
Oil & Gas Exploration & Production Company	Construction and Term Loan	\$10,000,000

Labor and Benefits

Our Firm has completed more than 100 negotiations of labor and benefits arrangements on behalf of companies employing more than 60,000 employees in the natural resources industry. Restructuring of labor and benefits arrangements to reduce costs has been a key feature of virtually every natural resources industry acquisition we have completed. In addition:

- We have consistently accomplished significant savings without incurring strikes, work stoppages or other labor unrest
- Labor agreements negotiated by our firm have regularly been used as templates by others seeking to achieve for themselves the gains in labor cost and productivity that we have won for our clients
- We have regularly defeated organizing efforts brought by unions against our clients and their employees
- We have also helped clients attain favorable media coverage of their labor relations strategies

Supporting Areas of Legal Practice

Securities

From pioneering innovative financing structures to helping public companies meet securities law reporting requirements, our securities and corporate finance practice covers the full range of securities and finance matters. Developed in conjunction with our mergers and acquisitions practice, our work in this field serves both our regular clients and companies that hire us for special assignments.

For private companies accessing the public markets for the first time, our experience results in a smooth transition to public company status, providing high rates of return on capital invested while assuring proper compliance and meeting long-term management objectives.

For existing public companies, in addition to attending to their equity and debt needs, we have registered option and stock bonus plans (providing incentives to management), shelf registrations (giving issuers the opportunity to time their offerings based on public market trends) and dividend reinvestment plans (allowing mature corporations to enhance their capital structures).

We also prepare required reports and proxy statements and structure and implement securities law compliance programs for issuers and their directors, officers, insiders and benefit plans.

Our representation has included preparation of all regular and special reports by 1934 Act reporting companies (including preparation of proxy statements, annual reports, Forms 10-K, 10-Q, 8-K, and Forms 3, 4 and 5); special securities law considerations involved in employee benefit plans, including related issues arising in connection with the investment vehicles offered under a plan (such as mutual funds and money market instruments); Section 16(b) compliance issues and corporate compliance plans and Rule 144 considerations for affiliates.

Litigation

There are a million ways to lose a complex commercial legal case; our lawyers find ways to win. Some of our industry clients would not be in business were it not for our court victories on their behalf.

Below are some examples of our litigation experience:

-
-
- Settlement of a series of shareholders lawsuits was essential to the survival of a publicly traded client. Working around the clock and from coast to coast, we negotiated and completed settlements that permitted new financing to be put in place and gave new life to the enterprise
 - A court challenge by an organized employee group threatened to block the sale of one of the nation's largest integrated steel manufacturers. We mobilized overnight and defeated the challenge. The sale was completed on schedule
 - A dispute over rights to use a patented device threatened to derail completion of a \$210 million continuous annealing line being installed by a client in the mill of a large integrated steel company. We fought and won for our client the undisputed right to use the patented technology in the line that was being installed in the mill
 - Another client's existence was threatened by a trade secret lawsuit in which the plaintiff asserted that our client's entire manufacturing process was a trade secret. We proved that the process was neither secret nor protected and defeated the challenge that, if successful, would have put our client out of business