Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

1b Three-digit plan number (PN) ▶ 007

1c Effective date of plan 12/06/1977

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

WESTMORELAND COAL COMPANY

9450 SOUTH MAROON CIRCLE, SUITE 200
ENGLEWOOD, CO 80112

2b Employer Identification Number (EIN) 27-2103673

2c Sponsor's telephone number 720-354-4472

2d Business code (see instructions) 212110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2013	MARY HAUCK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2013	MARY HAUCK
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

WESTMORELAND COAL COMPANY

9450 SOUTH MAROON CIRCLE, SUITE 200
ENGLEWOOD, CO 80112

3b Administrator's EIN: 27-2103673

3c Administrator's telephone number: 720-354-4472

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name: CHEVRON CORPORATION

4b EIN: 94-0890210

4c PN: 005

5	Total number of participants at the beginning of the plan year	**5**	551
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	222
b	Retired or separated participants receiving benefits	**6b**	199
c	Other retired or separated participants entitled to future benefits	**6c**	60
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	481
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	60
f	Total. Add lines **6d** and **6e**	**6f**	541
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)	X	1	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)	X		**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
06-1050034	93629	017368	541	01/01/2012	12/31/2012

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	2064188
5	Current value of plan's interest under this contract in separate accounts at year end	5	37327570

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	0
c	Additions: (1) Contributions deposited during the year	7c(1)	0		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	23095		
	(4) Transferred from separate account	7c(4)	3884854		
	(5) Other (specify below)	7c(5)	100000		
	▶ TRANSFER FROM OUTSIDE FUNDS				
	(6) Total additions			7c(6)	4007949
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	4007949
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1810816		
	(2) Administration charge made by carrier	7e(2)	0		
	(3) Transferred to separate account	7e(3)	0		
	(4) Other (specify below)	7e(4)	132945		
	▶ CONTRACT EXPENSE CHARGE ELECTIVE SERVICE CHARGE GPS AND PBGC FEE				
	(5) Total deductions			7e(5)	1943761
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	2064188

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2012			
2	Assets:			
	a Market value	2a		40190549
	b Actuarial value	2b		41361512
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	239	20547593
	b For terminated vested participants	3b	61	1603095
	c For active participants:			
	(1) Non-vested benefits	3c(1)		603442
	(2) Vested benefits	3c(2)		16072686
	(3) Total active	3c(3)	251	16676128
	d Total	3d	551	38826816
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		7.01 %
6	Target normal cost	6		861166

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary — Date: 09/03/2013

JOHN GERICKE
Type or print name of actuary

11-05686
Most recent enrollment number

PRUDENTIAL RETIREMENT
Firm name

856-889-5933
Telephone number (including area code)

280 TRUMBULL STREET
HARTFORD, CT 06103
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	50141	2297910
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	50141	784922
9	Amount remaining (line 7 minus line 8)	0	1512988
10	Interest on line 9 using prior year's actual return of -1.02%		-15432
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		2111113
	b Interest on (a) using prior year's effective interest rate of 5.92% except as otherwise provided (see instructions)		124978
	c Total available at beginning of current plan year to add to prefunding balance		2236091
	d Portion of (c) to be added to prefunding balance		2236091
12	Other reductions in balances due to elections or deemed elections	0	1198951
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2534696

Part III Funding Percentages

14	Funding target attainment percentage	14	100.00 %
15	Adjusted funding target attainment percentage	15	106.52 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.11 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0		0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.54%	6.85%	7.52 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	861166
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	861166

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	861166	861166

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRUDENTIAL RETIREMENT INS & ANNUITY

06-1050034

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INS & ANNUITY

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	48577	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

GLOBAL PORTFOLIO STRATEGIES, INC.

06-1055669

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	14826	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	EDWARD A QUINN BUCK CONSULTANTS LLC	**b** EIN: 13-3954297
c	Position:	ACTUARY	
d	Address:	500 PLAZA DRIVE SECAUCUS, NJ 07096-1533	**e** Telephone: 201-902-2300

Explanation: UPON THE SALE OF THE COMPANY TO WESTMORELAND THE PLAN'S ENROLLED ACTUARY CHANGED TO THE ENROLLED ACTUARY SERVING WESTMORELAND'S DEFINED BENEFIT PLANS.

a	Name:	LINDQUIST LLP	**b** EIN: 52-2385296
c	Position:	ACCOUNTANT	
d	Address:	5000 EXECUTIVE PARKWAY, SUITE 400 SAN RAMON, CA 94583-4346	**e** Telephone: 925-277-9100

Explanation: UPON THE SALE OF THE COMPANY TO WESTMORELAND THE PLAN'S APPOINTED ACCOUNTANT CHANGED TO THE APPOINTED ACCOUNTANT SERVING WESTMORELAND'S DEFINED BENEFIT PLANS.

a	Name:		**b** EIN:
c	Position:		
d	Address:		**e** Telephone:

Explanation:

a	Name:		**b** EIN:
c	Position:		
d	Address:		**e** Telephone:

Explanation:

a	Name:		**b** EIN:
c	Position:		
d	Address:		**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: QMA US BROAD MARKET INDEX

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-671	P	19026820

a Name of MTIA, CCT, PSA, or 103-12 IE: INTL BLD/PICTET ASSET MGMT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-534	P	3657677

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE BOND ENHANCED INDEX/PIM

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-036	P	4706892

a Name of MTIA, CCT, PSA, or 103-12 IE: LONG DURATION BOND/IR&M FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-537	P	4972763

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU LONG CORPORATE BOND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-714	P	4963418

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	0	37327570
(11) Value of interest in master trust investment accounts	1c(11)	40289179	0
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	0	3666576
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	2064188
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	40289179	43058334
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	40289179	43058334

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)		
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		0
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)	900103	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		900103
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	59383	
	(B) Other	2b(5)(B)	1633028	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		1692411

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1291577
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1244554
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		244958
c Other income	2c		2073
d Total income. Add all **income** amounts in column (b) and enter total	2d		5375676
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2404533	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		2404533
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	201988	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		201988
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2606521
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		2769155
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: EKS&H LLLP **(2)** EIN: 46-1497033

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
WESTMORELAND KEMMERER, INC. ELKOL-SORENSEN MINE PENSION PLAN

B Three-digit plan number (PN) ▶ 007

C Plan sponsor's name as shown on line 2a of Form 5500
WESTMORELAND COAL COMPANY

D Employer Identification Number (EIN)
27-2103673

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-1211670

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 0

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☒ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

EKS&H
AUDIT | TAX | CONSULTING

7979 E. Tufts Avenue, Suite 400
Denver, Colorado 80237-2521
P: 303-740-9400
F: 303-740-9009
www.EKSH.com

INDEPENDENT AUDITORS' REPORT

Westmoreland Coal Company Pension Committee
Westmoreland Kemmerer Inc. Elkol-Sorensen Mine Pension Plan
Englewood, Colorado

REPORT ON FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of Westmoreland Kemmerer Inc. Elkol-Sorensen Mine Pension Plan (the "Plan"), which are comprised of the statement of net assets available for benefits as of December 31, 2012, the related statement of changes in net assets available for benefits for the year then ended, the statement of accumulated plan benefits as of January 1, 2012, the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by State Street Bank and Trust Company for the period from January 1, 2012 through March 15, 2012, and Prudential Retirement Insurance and Annuity Company for the period from March 15, 2012 through December 31, 2012, the custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the custodians as of December 31, 2012, and for the year then ended, that the information provided to the Plan administrator by the custodians is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTERS

The supplemental schedules as of and for the year ended December 31, 2012, which are the responsibility of Plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements, but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

EKS&H LLLP

EKS&H LLLP

October 14, 2013
Denver, Colorado

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	2012 This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	B Three-digit plan number (PN) ▶	007
Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	**D** Employer Identification Number (EIN)	
Westmoreland Coal Company	27-2103673	

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2012			
2	Assets:			
	a Market value		2a	40,190,549
	b Actuarial value		2b	41,361,512
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	239	20,547,593
	b For terminated vested participants	3b	61	1,603,095
	c For active participants:			
	(1) Non-vested benefits	3c(1)		603,442
	(2) Vested benefits	3c(2)		16,072,686
	(3) Total active	3c(3)	251	16,676,128
	d Total	3d	551	38,826,816
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions		4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5	Effective interest rate		5	7.01
6	Target normal cost		6	861,166

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

John Gericke JJG — Signature of actuary

Sept 3, 2013 — Date

John Gericke — Type or print name of actuary

11-05686 — Most recent enrollment number

Prudential Retirement — Firm name

(856) 889-5933 — Telephone number (including area code)

280 Trumbull Street

Hartford CT 06103 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	50,141	2,297,910
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	50,141	784,922
9	Amount remaining (line 7 minus line 8)	0	1,512,988
10	Interest on line 9 using prior year's actual return of (1.02) %		(15,432)
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		2,111,113
	b Interest on (a) using prior year's effective interest rate of 5.92 % except as otherwise provided (see instructions)		124,978
	c Total available at beginning of current plan year to add to prefunding balance		2,236,091
	d Portion of (c) to be added to prefunding balance		2,236,091
12	Other reductions in balances due to elections or deemed elections	0	1,198,951
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2,534,696

Part III Funding Percentages

14	Funding target attainment percentage	14	100.00 %
15	Adjusted funding target attainment percentage	15	106.52 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.11 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
5.54 %	6.85 %	7.52 %	

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	31a	861,166
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	861,166

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	861,166	861,166

36 Additional cash requirement (line 34 minus line 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	42	
43 Excess installment acceleration amount to be carried over to future plan years	43	

Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan
EIN / PN: 27-2103673/007
Attachment to 2012 Schedule SB (Form 5500)
Line 22 - Description of Weighted Average Retirement Age

Age	Ret Rates	# Rets	# Lives	Average
			1	
55	0.20	0.20	0.80	11.00
56	0.10	0.08	0.72	4.48
57	0.10	0.07	0.65	4.10
58	0.10	0.06	0.58	3.76
59	0.10	0.06	0.52	3.44
60	0.10	0.05	0.47	3.15
61	0.10	0.05	0.43	2.88
62	0.50	0.21	0.21	13.18
63	0.10	0.02	0.19	1.34
64	0.20	0.04	0.15	2.45
65	0.40	0.06	0.09	3.98
66	1	0.09	0.00	6.06
67	1	0.00	0.00	0.00
68	1	0.00	0.00	0.00
69	1	0.00	0.00	0.00
70	1	0.00	0.00	0.00
			Weighted Average Retirement Age:	60.0

I. ACTUARIAL COST METHOD

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described in "Plan Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year for all Participants plus an estimate of the expenses to be paid from the plan assets during the plan year.

Target Liability and Funding Shortfall

As of January 1, 2010, a Target Liability is established which represents the present value of accrued benefits. This Target Liability is offset by adjusted assets, and the remainder (i.e. Funding Shortfall), if any, is amortized over seven years.

Subsequent changes in the Funding Shortfall due to asset experience, liability experience, plan amendments, and/or actuarial assumption changes will be amortized over a seven year period from their valuation dates.

Discount Rate

The plan sponsor has elected to use the Segment Rate approach for discount rate purposes, with an applicable month that is 4 months prior to the valuation date.

In addition, beginning with the 2012 plan year, solely for purposes of determining the minimum required contribution level, applicability of benefit restrictions, and for the at-risk determination, the adjusted 24-month average segment rates established by MAP-21 have been incorporated.

The adjusted 24-month average segment rates are generated by taking the unadjusted 24-month average segment rates for the sponsor-chosen lookback month and adjusting them so that each individual segment rate is not outside of the stipulated corridor around the corresponding 25-year average segment rate for the given plan year. For the 2012 plan year, the stipulated corridor is 90% - 110% of these 25-year average segment rates.

II. ASSET VALUATION METHOD

Assets have been valued in accordance with generally accepted procedures as described below.

All funds invested are valued in the following manner:

Definitions

i(t)	assumed growth rate, set equal to the lesser of the expected return on assets or the applicable 3rd segment rate for Plan Year t.
C(t)	sum of contributions and other additions to the fund from all sources other than investment transactions in Plan Year t
W(t)	sum of all withdrawals and other decreases to the fund from all sources other than investment transactions in Plan Year t
AV(t)	Actuarial Value of Assets as of Plan Year t
MV(t)	Market Value of Assets as of Plan Year t
EV(t)	Expected Value of Assets as of Plan Year t
G/L(t)	Gain or Loss for Plan Year t

Actuarial Cost Method (continued)

Method

A description of the method used to determine the current year's Actuarial Value of Assets {AV(t)} is below.

For the preceding 2 years, G/L(t) is determined as follows:

$$EV(t) = MV(t-1) * (1 + i(t-1)) + [C(t-1) - W(t-1)] * (1 + i(t-1) * m)$$

Where m represents a proportionate yield consistent with the portion of the year for which C and W are invested

$$G/L(t-1) = EV(t) - MV(t)$$

For the current year, AV(t) is determined as follows:

$$AV(t) = MV(t) + 2/3 * G/L(t-1) + 1/3 * G/L(t-2)$$

Corridor Limits

The Actuarial Value of Assets may not be less than 90% or more than 110% of the current market value of plan assets as of the applicable valuation date [as required by IRC Section 430(g)(3)(B)(iii)]

Please note, as highlighted above, the assumed asset growth rate for each year is limited to the applicable 3rd segment rate by law. As a result, if the plan's expected rate of return is greater than this applicable rate, this method is expected to produce an actuarial value of assets that can be expected to be slightly less than the market value of assets, on average.

The market value of the Guaranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute an offer by Prudential or a final experience adjustment. Please be sure that anyone to whom you quote this value receives this explanation.

Actuarial Assumptions

Assumptions have been chosen to anticipate the long range experience of the plan. Consistency among assumptions is important as each interacts with the others; equally important is the recognition of inflationary trends in the economy.

The actuarial assumptions used to compute plan costs are:

Investment Return:

For ASC #960 purposes:
7.40% per annum, compounded annually, net of investment and contract fees.

For minimum required contribution level, applicability of benefit restrictions, and at risk determination only:
Segment Rates with a 4 month lookback, as adjusted by the 90%-110% corridor around the 25-year average segment rates (5.54% / 6.85% / 7.52%) for the 2012 plan year

For all other purposes:
Segment Rates with a 4 month lookback, unadjusted (2.06% / 5.25% / 6.32%) for the 2012 plan year

Mortality

2012 IRS Static Mortality Table for Funding & ASC #960.

Estimated Expenses:

$100,000

Spouse Assumptions:

All participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Termination:

The probabilities that Participants at the ages indicated will terminate before reaching the assumed retirement age are based on years of service:

Age	< 5 Years	≥ 5 Years
20	11.3%	0.0%
25	9.3%	0.0%
30	7.8%	3.8%
35	6.5%	2.5%
40	5.6%	3.5%
45	5.2%	5.0%
50	5.0%	4.5%
55	4.8%	0.7%
60	4.7%	0.4%
64	0.0%	0.0%

Actuarial Assumptions (continued)

Retirement Age:

The probabilities that Participants at the ages indicated will retire are:

Age	% Retiring
55	20%
56	10%
57	10%
58	10%
59	10%
60	10%
61	10%
62	50%
63	10%
64	20%
65	40%
66	100%

Optional Payment Forms:

Actives

100% of married active participants are assumed to take a 75% Joint & Survivor Annuity upon first eligibility after termination of employment.

Deferred Vested Members

100% of married deferred vested participants are assumed to take either a 50% Joint & Survivor annuity or, if eligible, a 75% of the participant's monthly pension upon attaining age 62.

Disability Rates:

The probabilities that Participants at the ages indicated will become disabled before reaching the assumed retirement age are:

Age	Rate
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

Plan Provisions

The plan was established pursuant to The Kemmerer Coal Company - UMWA Western Coal Wage Agreements of 1977 between The Kemmerer Coal Company (the Employer) and the International Union, United Mine Workers of America (the Union). The plan covers employees represented by the Union and working for the Employer on or after December 6, 1977 and certain specified former employees. The Kemmerer Coal Company, as Employer, was succeeded by The Pittsburgh & Midway Coal Mining Company, subsequently renamed Chevron Mining, Inc. and succeeded by the Westmoreland Coal Company. The plan was last amended to reflect the provisions of the August, 2006 union agreement. This valuation does not reflect the union negotiated benefit improvements ratified May 1, 2012. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

Definitions

"Employer" means Westmoreland Coal Company, hereinafter referred to as "Westmoreland."

"Classified job" means a job classified in a then existing Wage Agreement, with the Union, without regard to whether or not such job is with an employer signatory to any Wage Agreement.

"Western Coal Wage Agreement" means any collective bargaining agreement dated on or after December 6, 1977 between the Employer and the Union or between a Signatory Employer and the Union if such agreement provides for establishment or continuation of a retirement plan which provides for reciprocal service credits with this plan.

"1974 Pension Plan" means the United Mine Workers of America 1974 Pension Plan as in effect on December 5, 1977.

"1950 Pension Plan" means the United Mine Workers of America 1950 Pension Plan as in effect on December 5, 1977.

"Signatory Employer" means any business organization other than the Employer which has entered into a Western Coal Wage Agreement with the Union so long as such Signatory Employer maintains a retirement plan providing reciprocal service credits for Employer Future Service under this plan.

"Signatory Past Service" means service prior to January 1, 1978 in a classified job for an employer while it is signatory to a Wage Agreement (as defined in the plan) determined, (a) for the period prior to January 1, 1975, on the basis of 3 months of Signatory Past Service for each 1-1/2 months worked and (b) for the period after January 1, 1975 but prior to January 1, 1978, on the basis of 3 months of Signatory Past Service for each 250 hours worked (in both instances, a maximum of 12 months for any calendar year).

"Nonsignatory Past Service" means service prior to March 31, 1971 in a classified job for an employer in the coal industry while it was not signatory to a Wage Agreement (determined in the same manner as Signatory Past Service for the period prior to January 1, 1975).

"Employer Future Service" means service on or after January 1, 1978 performed for the Employer as an employee in a classified job, determined on the basis of one year for each calendar year in which the participant performs at least 1,400 hours of service, with fractional recognition as follows:

Under 350 hours	No credit
350 hours to 699	3 months of service
700 hours to 1,049	6 months of service
1,050 hours to 1,399	9 months of service

"Credited Service" means the sum of Signatory Past Service and Employer Future Service.

"Reciprocal Service" (as used for determining Vesting Service, eligibility for benefits and for determining the rate of accrual of benefits based on Credited Service, but not for calculating Credited Service and Nonsignatory Past Service) means credited service of a participant in the Union retirement plan of a signatory employer, excluding Nonsignatory Past Service as defined under such plan, if such plan is maintained pursuant to a Western Coal Wage Agreement and provides for Reciprocal Service for Credited Service under this plan.

"Vesting Service", in general, means (a) for service after May 18, 1946 and before January 1, 1978, one year of Vesting Service for each year of Signatory Past Service; (b) for service after December 31, 1977, one-quarter year of Vesting service for each 250 hours of service; and (c) Vesting Service for all Reciprocal Service earned with another Signatory Employer; provided, in no event will more than one year of Vesting Service be credited for any calendar year.

Participation

Any person who was an Employee of the Employer on the effective date and was eligible to participate in the 1974 Pension Plan became a participant as of the effective date.

Any person who is not eligible to participate on the effective date becomes a participant after the completion of (a) one year of Vesting Service or (b) a 12 month period in which he completes 1,000 hours of service.

Effective May 1, 2012, no new participants will enter the plan.

Benefits

Normal Retirement Pension

Eligibility

A participant who attains Normal Retirement Age prior to termination of employment with the Employer or a Signatory Employer is, upon Retirement, eligible for a pension.

Normal Retirement Age means the earlier of:

(a) attaining age 62 and completing either 10 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service; or

(b) the later of attaining age 65 or the 5th anniversary of the date the participant commenced participation in the plan or the 1974 Pension Plan.

Retirement means termination of employment with the Employer and all Signatory Employers after fulfilling the requirements for Age 62, Age 55, Disability or Minimum Disability Retirement.

Benefit Amount

For retirements on and after August 7, 2006, the monthly pension payable to a participant for his lifetime is equal to

(1) $7.50 multiplied by Nonsignatory Past Service

Plus

(2) $38.50 multiplied by Credited Service earned prior to January 1, 1994

Plus

(2) $49.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006

Plan Provisions (continued)

Plus

(4) $55.00 multiplied by Credited Service completed after December 31, 2006

For a working miner who retires on or after the second anniversary of the union agreement and who is eligible for a pension under the terms of this agreement, the dollar amount in (4) is increased by $2.00.

For a working miner who retires on or after the fourth anniversary of the union agreement and who is eligible for a pension under the terms of this agreement, the dollar amount in (4) is increased by an additional $2.00.

The monthly accrued benefit as of August 7, 2006 is no less than:

(1) $7.50 multiplied by Nonsignatory Past Service

Plus

(2) $34.50 multiplied by Credited Service included within his first 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(3) $35.00 multiplied by Credited Service included within his second 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(4) $35.50 multiplied by Credited Service included within his third 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(5) $36.00 multiplied by Credited Service after his first 30 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(6) $42.00 multiplied by Credited Service completed from January 1, 1989 through December 31, 1989

Plus

(7) $46.50 multiplied by Credited Service completed from January 1, 1990 through December 31, 1993

Plus

(8) $49.50 multiplied by Credited Service completed from January 1, 1994 through August 7, 2006.

Plan Provisions (continued)

Age 55 Retirement Pension

Eligibility	Age 55 and (a) 10 years of Vesting Service or (b) 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service.
Benefit Amount	Accrued pension deferred to age 62 or reduced pension payable on or after the date of Age 55 Retirement; the reduced pension is equal to the amount payable at age 62 reduced by 1/4% for each full month by which the date payments commence precedes the participant's 62nd birthday.

Disability Pension

Eligibility	10 years of Vesting Service and totally disabled on or after December 6, 1977 as a result of a mine accident while working for the Employer or a Signatory Employer.
Benefit Amount	Accrued monthly pension or, if greater, $200 per month.

Minimum Disability Retirement

Eligibility	Less than 10 years of Vesting Service and totally disabled as a result of a mine accident while working for the Employer.
Benefit Amount	Monthly pension - $200.

Deferred Vested Retirement Pension

Eligibility	Termination of employment with the Employer and all Signatory Employers (a) with 5 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Service or (b) effective May 1, 1981, due to involuntary layoff or permanent and total disability, provided that upon attaining age 55, participant is not being credited with Credited or Reciprocal Service and has met the Age 55 service eligibility requirements.

Benefit Amount	For (a), accrued pension deferred to age 62 or actuarially reduced pension payable on or after attainment of age 55, provided that if Credited Service plus Reciprocal Service is at least 20 years, such monthly pension is not to be reduced to less than $150 multiplied by a fraction, the numerator of which is the participant's number of years of Credited Service and the denominator of which is the participant's total number of years of Credited Service and Reciprocal Service.
	
	For (b), an Age 55 Retirement Pension, determined on the basis of the benefit levels in effect at termination.

Survivor Benefit for Death in Service After Retirement

Eligibility	The eligible spouse of a participant is entitled to a surviving spouse benefit if, at the date of death, the participant:

Plan Provisions (continued)

(a) had retired and was receiving a pension under the plan (except a participant receiving a Deferred Vested Retirement Pension whose Nonsignatory Past Service, Credited Service and Reciprocal Service did not total at least 20 years), or

(b) was employed by the Employer or a Signatory Employer or had become totally disabled, and met the eligibility requirements for an immediate pension, or

(c) was not employed by the Employer or a Signatory Employer but was entitled to elect an immediate pension, and was over age 55 with at least 20 total years of Nonsignatory Past Service, Credited Service and Reciprocal Service.

Benefit Amount

75% of the participant's monthly pension payable at the time of the participant's death or, in the event the participant dies after age 55 at a time when eligible to elect a pension but prior to receipt of such pension, 75% of the amount of the pension the participant would have received if the participant had elected an immediate pension or retired and became entitled to a pension as of the date immediately preceding his date of death.

Preretirement Survivor Annuity

Eligibility

On and after August 23, 1984, provided the participant did not waive the coverage, the eligible spouse of a participant is entitled to a preretirement survivor annuity if the participant (a) dies while employed by the Employer after having at least 5 years of Vesting Service or (b) dies after termination of employment with the Employer and all Signatory Employers while eligible for a Deferred Vested Retirement pension and prior to being eligible for an immediate pension.

Benefit Amount

The preretirement survivor annuity for the surviving spouse is 50% of the joint and survivor annuity that would have been payable if the participant had elected to have his Deferred Vested Retirement Pension commence upon his attainment of age 55 or his date of death, if later.

Joint and Survivor Annuity

(a) If a participant is

(i) eligible for a pension, but

(ii) the spouse is not eligible for a surviving spouse benefit, and

(iii) if the participant is married on the first day of the month in which the pension first becomes payable,

the pension payable is a reduced 50% joint and survivorship pension.

(b) The participant and spouse can elect not to receive the pension in the joint and survivor annuity form, but instead to receive a single life annuity.

Plan Provisions (continued)

(c) If a participant who is eligible to receive an immediate pension dies prior to requesting such pension or prior to receipt of the first pension payment, the joint and survivor annuity otherwise payable, based upon the pension which would have been payable to the participant had an election been made to have it commence on the date immediately prior to the participant's death, shall be paid to the surviving spouse.

Eligible Spouse

An eligible spouse is one to whom the participant was married throughout the 9 month period ending on the participant's death.

Skull Point Pension Plan Benefits

Skull Point Mine employees who were formerly covered under the Skull Point Pension Plan will be entitled to a benefit based upon total service at the Skull Point Mine and total service at the Kemmerer Mine, in accordance with the provisions of the plan. The total benefit will be offset by the benefit payable from the Skull Point Pension Plan based on the provisions of that plan in effect at the time of Chevron's acquisition of the Skull Point Mine.

Supplemental Payments to Certain Pensioners

Eligibility

Participants and surviving spouses who receive a pension during the first month following the effective date of the agreement and on the contract anniversary date for the length of the contract.

Benefit Amount

Single payment made each year of the six-year contract equal to:

(1) $550 for participants receiving a Disability Retirement Pension or Minimum Disability Retirement Pension, or

(2) $650 for surviving spouses, or

(3) $800 for other participants

Widow's Pension

Eligible widows of those Participants who were former employees of the Employer, who were retired under the 1950 Pension Plan and who died on or after January 1, 1978 shall receive:

$125.00 from and after June 1, 1987
$155.00 from and after June 1, 1990
$175.00 from and after June 1, 1992
$185.00 from and after June 1, 1994

Continuation of Prior Plan's Benefits

Benefits payable to or on account of specified former employees of the Employer under the 1950 or the 1974 UMWA Plan will be paid under this plan.

Contributions

All contributions to support the plan are made by the Employer.

Section I Summary of Valuation Results (continued)

Changes Since Last Year's Valuation

Changes in Pension Plan Provisions

There were no changes in the pension plan provisions recognized with this actuarial valuation. The May 1, 2012 union negotiations were not reflected in this valuation. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

New Legislation

Effective with this valuation, we are reflecting the provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which was signed into law on July 6, 2012.

Changes in Actuarial Assumptions

With the 2012 valuation, the estimated expenses were updated from $190,000 to $100,000. The 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable. The discount rate for ASC #960 purposes was changed from 7.75% to 7.40%. The mortality assumption for funding purposes was updated from the IRS 2011 Static Mortality Table to the IRS 2012 Static Mortality Table. Also, the mortality assumption for ASC #960 purposes was changed from the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected to 2019 for annuitants and to 2027 for non annuitants to the IRS 2012 Static Mortality Table.

Changes in Actuarial Cost Method

Effective with this valuation, we have incorporated the adjusted 24-month average segment rate methodology established by MAP-21. These rates for the current plan year have been detailed within IRS Notice 2012-55. Further details on this change in the actuarial cost method, and the rates incorporated in this report, can be found within the Actuarial Cost Method and Actuarial Assumptions sections.

Change in Actuarial Firm

Due to the acquisition, effective January 31, 2012, Prudential Financial became the plan's actuary. All results prior to 2012 were prepared by the prior actuary and are presented in this report for both completeness and convenience.

Benefit Restrictions and "At Risk" Status

There are no benefit restrictions associated with the current plan year.

The plan is not considered "At Risk" for the current plan year.

Section I Summary of Valuation Results (continued)

Changes Since Last Year's Valuation

Changes in Pension Plan Provisions

There were no changes in the pension plan provisions recognized with this actuarial valuation. The May 1, 2012 union negotiations were not reflected in this valuation. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

New Legislation

Effective with this valuation, we are reflecting the provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which was signed into law on July 6, 2012.

Changes in Actuarial Assumptions

With the 2012 valuation, the estimated expenses were updated from $190,000 to $100,000. The 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable. The discount rate for ASC #960 purposes was changed from 7.75% to 7.40%. The mortality assumption for funding purposes was updated from the IRS 2011 Static Mortality Table to the IRS 2012 Static Mortality Table. Also, the mortality assumption for ASC #960 purposes was changed from the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected to 2019 for annuitants and to 2027 for non annuitants to the IRS 2012 Static Mortality Table.

Changes in Actuarial Cost Method

Effective with this valuation, we have incorporated the adjusted 24-month average segment rate methodology established by MAP-21. These rates for the current plan year have been detailed within IRS Notice 2012-55. Further details on this change in the actuarial cost method, and the rates incorporated in this report, can be found within the Actuarial Cost Method and Actuarial Assumptions sections. Also, the 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable.

Change in Actuarial Firm

Due to the acquisition, effective January 31, 2012, Prudential Financial became the plan's actuary. All results prior to 2012 were prepared by the prior actuary and are presented in this report for both completeness and convenience.

Benefit Restrictions and "At Risk" Status

There are no benefit restrictions associated with the current plan year.

The plan is not considered "At Risk" for the current plan year.

Distribution of Active Participants by Age and Service

Number of Active Employees as of January 1, 2012 – Distribution by Age and Service

Attained Age	Years of Credited Service										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 +	Total
Under 25	2	6									8
25-29	3	17	6	1							27
30-34		15	18	1							34
35-39	1	9	11	2							23
40-44		6	7								13
45-49		6	5		1	1					13
50-54		3	2	8	3	6	9	8	7		46
55-59		2	1	4	2	1	5	8	32	3	58
60-64		1	1		1	1	1	2	13	8	28
65-69							1				1
70 +											
Total	6	65	51	16	7	9	16	18	52	11	251

Section IV Minimum Contribution Amortization

The prior year amortization values and the development of the amortization for the 2012 plan year are shown below.

I. Prior Year Amortization Amounts

Plan Year	Installment	PV Factor	Present Value
2011	$0	N/A	$0
2010	0	N/A	0
2009	0	N/A	0
2008	0	N/A	0
2007	0	N/A	0
2006	0	N/A	0
	$0		**$0**

II. Current Year Amortization

Exemption from Current Year Amortization		Yes
1.	Funding Shortfall to be amortized	$0
2.	Present Value of Prior Year Amortization Installments	0
3.	Current Year Amortization Base (1 - 2)	0
4.	Shortfall Amortization Factor	N/A
5.	Current Year Amortization Installment (3 divided by 4)	0
6.	Sum of Prior Year Amortization Installments	0
7.	Net Shortfall Amortization Charge (5 + 6)	$0

Section I Summary of Valuation Results (continued)

Changes Since Last Year's Valuation

Changes in Pension Plan Provisions

There were no changes in the pension plan provisions recognized with this actuarial valuation. The May 1, 2012 union negotiations were not reflected in this valuation. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

New Legislation

Effective with this valuation, we are reflecting the provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which was signed into law on July 6, 2012.

Changes in Actuarial Assumptions

With the 2012 valuation, the estimated expenses were updated from $190,000 to $100,000. The 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable. The discount rate for ASC #960 purposes was changed from 7.75% to 7.40%. The mortality assumption for funding purposes was updated from the IRS 2011 Static Mortality Table to the IRS 2012 Static Mortality Table. Also, the mortality assumption for ASC #960 purposes was changed from the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected to 2019 for annuitants and to 2027 for non annuitants to the IRS 2012 Static Mortality Table.

Changes in Actuarial Cost Method

Effective with this valuation, we have incorporated the adjusted 24-month average segment rate methodology established by MAP-21. These rates for the current plan year have been detailed within IRS Notice 2012-55. Further details on this change in the actuarial cost method, and the rates incorporated in this report, can be found within the Actuarial Cost Method and Actuarial Assumptions sections. Also, the 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable.

Change in Actuarial Firm

Due to the acquisition, effective January 31, 2012, Prudential Financial became the plan's actuary. All results prior to 2012 were prepared by the prior actuary and are presented in this report for both completeness and convenience.

Benefit Restrictions and "At Risk" Status

There are no benefit restrictions associated with the current plan year.

The plan is not considered "At Risk" for the current plan year.

Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan
EIN / PN: 27-2103673/007
Attachment to 2012 Schedule SB (Form 5500)
Line 22 - Description of Weighted Average Retirement Age

Age	Ret Rates	# Rets	# Lives	Average
			1	
55	0.20	0.20	0.80	11.00
56	0.10	0.08	0.72	4.48
57	0.10	0.07	0.65	4.10
58	0.10	0.06	0.58	3.76
59	0.10	0.06	0.52	3.44
60	0.10	0.05	0.47	3.15
61	0.10	0.05	0.43	2.88
62	0.50	0.21	0.21	13.18
63	0.10	0.02	0.19	1.34
64	0.20	0.04	0.15	2.45
65	0.40	0.06	0.09	3.98
66	1	0.09	0.00	6.06
67	1	0.00	0.00	0.00
68	1	0.00	0.00	0.00
69	1	0.00	0.00	0.00
70	1	0.00	0.00	0.00
		Weighted Average Retirement Age:		60.0

Section I Summary of Valuation Results (continued)

Changes Since Last Year's Valuation

Changes in Pension Plan Provisions

There were no changes in the pension plan provisions recognized with this actuarial valuation. The May 1, 2012 union negotiations were not reflected in this valuation. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

New Legislation

Effective with this valuation, we are reflecting the provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21), which was signed into law on July 6, 2012.

Changes in Actuarial Assumptions

With the 2012 valuation, the estimated expenses were updated from $190,000 to $100,000. The 3-segment rates used to develop the funding liability were changed from no look back to a 4-month look back (to the September 2011 3-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable. The discount rate for ASC #960 purposes was changed from 7.75% to 7.40%. The mortality assumption for funding purposes was updated from the IRS 2011 Static Mortality Table to the IRS 2012 Static Mortality Table. Also, the mortality assumption for ASC #960 purposes was changed from the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected to 2019 for annuitants and to 2027 for non annuitants to the IRS 2012 Static Mortality Table.

Changes in Actuarial Cost Method

Effective with this valuation, we have incorporated the adjusted 24-month average segment rate methodology established by MAP-21. These rates for the current plan year have been detailed within IRS Notice 2012-55. Further details on this change in the actuarial cost method, and the rates incorporated in this report, can be found within the Actuarial Cost Method and Actuarial Assumptions sections.

Change in Actuarial Firm

Due to the acquisition, effective January 31, 2012, Prudential Financial became the plan's actuary. All results prior to 2012 were prepared by the prior actuary and are presented in this report for both completeness and convenience.

Benefit Restrictions and "At Risk" Status

There are no benefit restrictions associated with the current plan year.

The plan is not considered "At Risk" for the current plan year.

Section IV Minimum Contribution Amortization

The prior year amortization values and the development of the amortization for the 2012 plan year are shown below.

I. Prior Year Amortization Amounts

Plan Year	Installment	PV Factor	Present Value
2011	$0	N/A	$0
2010	0	N/A	0
2009	0	N/A	0
2008	0	N/A	0
2007	0	N/A	0
2006	0	N/A	0
	$0		**$0**

II. Current Year Amortization

Exemption from Current Year Amortization		Yes
1.	Funding Shortfall to be amortized	$0
2.	Present Value of Prior Year Amortization Installments	0
3.	Current Year Amortization Base (1 - 2)	0
4.	Shortfall Amortization Factor	N/A
5.	Current Year Amortization Installment (3 divided by 4)	0
6.	Sum of Prior Year Amortization Installments	0
7.	Net Shortfall Amortization Charge (5 + 6)	$0

Prudential

Distribution of Active Participants by Age and Service

Number of Active Employees as of January 1, 2012 – Distribution by Age and Service

Attained Age	Years of Credited Service										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 +	Total
Under 25	2	6									8
25-29	3	17	6	1							27
30-34		15	18	1							34
35-39	1	9	11	2							23
40-44		6	7								13
45-49		6	5		1	1					13
50-54		3	2	8	3	6	9	8	7		46
55-59		2	1	4	2	1	5	8	32	3	58
60-64		1	1		1	1	1	2	13	8	28
65-69							1				1
70 +											
Total	6	65	51	16	7	9	16	18	52	11	251

Prudential

Plan Provisions

The plan was established pursuant to The Kemmerer Coal Company - UMWA Western Coal Wage Agreements of 1977 between The Kemmerer Coal Company (the Employer) and the International Union, United Mine Workers of America (the Union). The plan covers employees represented by the Union and working for the Employer on or after December 6, 1977 and certain specified former employees. The Kemmerer Coal Company, as Employer, was succeeded by The Pittsburgh & Midway Coal Mining Company, subsequently renamed Chevron Mining, Inc. and succeeded by the Westmoreland Coal Company. The plan was last amended to reflect the provisions of the August, 2006 union agreement. This valuation does not reflect the union negotiated benefit improvements ratified May 1, 2012. The plan changes pursuant with the negotiations will be reflected in the January 1, 2013 valuation.

Definitions

"Employer" means Westmoreland Coal Company, hereinafter referred to as “Westmoreland.”

"Classified job" means a job classified in a then existing Wage Agreement, with the Union, without regard to whether or not such job is with an employer signatory to any Wage Agreement.

"Western Coal Wage Agreement" means any collective bargaining agreement dated on or after December 6, 1977 between the Employer and the Union or between a Signatory Employer and the Union if such agreement provides for establishment or continuation of a retirement plan which provides for reciprocal service credits with this plan.

"1974 Pension Plan" means the United Mine Workers of America 1974 Pension Plan as in effect on December 5, 1977.

"1950 Pension Plan" means the United Mine Workers of America 1950 Pension Plan as in effect on December 5, 1977.

"Signatory Employer" means any business organization other than the Employer which has entered into a Western Coal Wage Agreement with the Union so long as such Signatory Employer maintains a retirement plan providing reciprocal service credits for Employer Future Service under this plan.

"Signatory Past Service" means service prior to January 1, 1978 in a classified job for an employer while it is signatory to a Wage Agreement (as defined in the plan) determined, (a) for the period prior to January 1, 1975, on the basis of 3 months of Signatory Past Service for each 1-1/2 months worked and (b) for the period after January 1, 1975 but prior to January 1, 1978, on the basis of 3 months of Signatory Past Service for each 250 hours worked (in both instances, a maximum of 12 months for any calendar year).

"Nonsignatory Past Service" means service prior to March 31, 1971 in a classified job for an employer in the coal industry while it was not signatory to a Wage Agreement (determined in the same manner as Signatory Past Service for the period prior to January 1, 1975).

"Employer Future Service" means service on or after January 1, 1978 performed for the Employer as an employee in a classified job, determined on the basis of one year for each calendar year in which the participant performs at least 1,400 hours of service, with fractional recognition as follows:

Under 350 hours	No credit
350 hours to 699	3 months of service
700 hours to 1,049	6 months of service
1,050 hours to 1,399	9 months of service

"Credited Service" means the sum of Signatory Past Service and Employer Future Service.

Prudential

"Reciprocal Service" (as used for determining Vesting Service, eligibility for benefits and for determining the rate of accrual of benefits based on Credited Service, but not for calculating Credited Service and Nonsignatory Past Service) means credited service of a participant in the Union retirement plan of a signatory employer, excluding Nonsignatory Past Service as defined under such plan, if such plan is maintained pursuant to a Western Coal Wage Agreement and provides for Reciprocal Service for Credited Service under this plan.

"Vesting Service", in general, means (a) for service after May 18, 1946 and before January 1, 1978, one year of Vesting Service for each year of Signatory Past Service; (b) for service after December 31, 1977, one-quarter year of Vesting service for each 250 hours of service; and (c) Vesting Service for all Reciprocal Service earned with another Signatory Employer; provided, in no event will more than one year of Vesting Service be credited for any calendar year.

Participation

Any person who was an Employee of the Employer on the effective date and was eligible to participate in the 1974 Pension Plan became a participant as of the effective date.

Any person who is not eligible to participate on the effective date becomes a participant after the completion of (a) one year of Vesting Service or (b) a 12 month period in which he completes 1,000 hours of service.

Effective May 1, 2012, no new participants will enter the plan.

Benefits

Normal Retirement Pension

Eligibility

A participant who attains Normal Retirement Age prior to termination of employment with the Employer or a Signatory Employer is, upon Retirement, eligible for a pension.

Normal Retirement Age means the earlier of:

(a) attaining age 62 and completing either 10 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service; or

(b) the later of attaining age 65 or the 5th anniversary of the date the participant commenced participation in the plan or the 1974 Pension Plan.

Retirement means termination of employment with the Employer and all Signatory Employers after fulfilling the requirements for Age 62, Age 55, Disability or Minimum Disability Retirement.

Benefit Amount

For retirements on and after August 7, 2006, the monthly pension payable to a participant for his lifetime is equal to

(1) $7.50 multiplied by Nonsignatory Past Service

Plus

(2) $38.50 multiplied by Credited Service earned prior to January 1, 1994

Plus

(2) $49.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006

Plan Provisions (continued)

Plus

(4) $55.00 multiplied by Credited Service completed after December 31, 2006

For a working miner who retires on or after the second anniversary of the union agreement and who is eligible for a pension under the terms of this agreement, the dollar amount in (4) is increased by $2.00.

For a working miner who retires on or after the fourth anniversary of the union agreement and who is eligible for a pension under the terms of this agreement, the dollar amount in (4) is increased by an additional $2.00.

The monthly accrued benefit as of August 7, 2006 is no less than:

(1) $7.50 multiplied by Nonsignatory Past Service

Plus

(2) $34.50 multiplied by Credited Service included within his first 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(3) $35.00 multiplied by Credited Service included within his second 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(4) $35.50 multiplied by Credited Service included within his third 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(5) $36.00 multiplied by Credited Service after his first 30 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(6) $42.00 multiplied by Credited Service completed from January 1, 1989 through December 31, 1989

Plus

(7) $46.50 multiplied by Credited Service completed from January 1, 1990 through December 31, 1993

Plus

(8) $49.50 multiplied by Credited Service completed from January 1, 1994 through August 7, 2006.

Plan Provisions (continued)

Age 55 Retirement Pension

Eligibility	Age 55 and (a) 10 years of Vesting Service or (b) 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service.
Benefit Amount	Accrued pension deferred to age 62 or reduced pension payable on or after the date of Age 55 Retirement; the reduced pension is equal to the amount payable at age 62 reduced by 1/4% for each full month by which the date payments commence precedes the participant's 62nd birthday.

Disability Pension

Eligibility	10 years of Vesting Service and totally disabled on or after December 6, 1977 as a result of a mine accident while working for the Employer or a Signatory Employer.
Benefit Amount	Accrued monthly pension or, if greater, $200 per month.

Minimum Disability Retirement

Eligibility	Less than 10 years of Vesting Service and totally disabled as a result of a mine accident while working for the Employer.
Benefit Amount	Monthly pension - $200.

Deferred Vested Retirement Pension

Eligibility	Termination of employment with the Employer and all Signatory Employers (a) with 5 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Service or (b) effective May 1, 1981, due to involuntary layoff or permanent and total disability, provided that upon attaining age 55, participant is not being credited with Credited or Reciprocal Service and has met the Age 55 service eligibility requirements.

Benefit Amount	For (a), accrued pension deferred to age 62 or actuarially reduced pension payable on or after attainment of age 55, provided that if Credited Service plus Reciprocal Service is at least 20 years, such monthly pension is not to be reduced to less than $150 multiplied by a fraction, the numerator of which is the participant's number of years of Credited Service and the denominator of which is the participant's total number of years of Credited Service and Reciprocal Service.
	
	For (b), an Age 55 Retirement Pension, determined on the basis of the benefit levels in effect at termination.

Survivor Benefit for Death in Service After Retirement

Eligibility	The eligible spouse of a participant is entitled to a surviving spouse benefit if, at the date of death, the participant:

Prudential

Plan Provisions (continued)

(a) had retired and was receiving a pension under the plan (except a participant receiving a Deferred Vested Retirement Pension whose Nonsignatory Past Service, Credited Service and Reciprocal Service did not total at least 20 years), or

(b) was employed by the Employer or a Signatory Employer or had become totally disabled, and met the eligibility requirements for an immediate pension, or

(c) was not employed by the Employer or a Signatory Employer but was entitled to elect an immediate pension, and was over age 55 with at least 20 total years of Nonsignatory Past Service, Credited Service and Reciprocal Service.

Benefit Amount

75% of the participant's monthly pension payable at the time of the participant's death or, in the event the participant dies after age 55 at a time when eligible to elect a pension but prior to receipt of such pension, 75% of the amount of the pension the participant would have received if the participant had elected an immediate pension or retired and became entitled to a pension as of the date immediately preceding his date of death.

Preretirement Survivor Annuity

Eligibility

On and after August 23, 1984, provided the participant did not waive the coverage, the eligible spouse of a participant is entitled to a preretirement survivor annuity if the participant (a) dies while employed by the Employer after having at least 5 years of Vesting Service or (b) dies after termination of employment with the Employer and all Signatory Employers while eligible for a Deferred Vested Retirement pension and prior to being eligible for an immediate pension.

Benefit Amount

The preretirement survivor annuity for the surviving spouse is 50% of the joint and survivor annuity that would have been payable if the participant had elected to have his Deferred Vested Retirement Pension commence upon his attainment of age 55 or his date of death, if later.

Joint and Survivor Annuity

(a) If a participant is

(i) eligible for a pension, but

(ii) the spouse is not eligible for a surviving spouse benefit, and

(iii) if the participant is married on the first day of the month in which the pension first becomes payable,

the pension payable is a reduced 50% joint and survivorship pension.

(b) The participant and spouse can elect not to receive the pension in the joint and survivor annuity form, but instead to receive a single life annuity.

Prudential

Plan Provisions (continued)

(c) If a participant who is eligible to receive an immediate pension dies prior to requesting such pension or prior to receipt of the first pension payment, the joint and survivor annuity otherwise payable, based upon the pension which would have been payable to the participant had an election been made to have it commence on the date immediately prior to the participant's death, shall be paid to the surviving spouse.

Eligible Spouse

An eligible spouse is one to whom the participant was married throughout the 9 month period ending on the participant's death.

Skull Point Pension Plan Benefits

Skull Point Mine employees who were formerly covered under the Skull Point Pension Plan will be entitled to a benefit based upon total service at the Skull Point Mine and total service at the Kemmerer Mine, in accordance with the provisions of the plan. The total benefit will be offset by the benefit payable from the Skull Point Pension Plan based on the provisions of that plan in effect at the time of Chevron's acquisition of the Skull Point Mine.

Supplemental Payments to Certain Pensioners

Eligibility

Participants and surviving spouses who receive a pension during the first month following the effective date of the agreement and on the contract anniversary date for the length of the contract.

Benefit Amount

Single payment made each year of the six-year contract equal to:

(1) $550 for participants receiving a Disability Retirement Pension or Minimum Disability Retirement Pension, or

(2) $650 for surviving spouses, or

(3) $800 for other participants

Widow's Pension

Eligible widows of those Participants who were former employees of the Employer, who were retired under the 1950 Pension Plan and who died on or after January 1, 1978 shall receive:

$125.00 from and after June 1, 1987
$155.00 from and after June 1, 1990
$175.00 from and after June 1, 1992
$185.00 from and after June 1, 1994

Continuation of Prior Plan's Benefits

Benefits payable to or on account of specified former employees of the Employer under the 1950 or the 1974 UMWA Plan will be paid under this plan.

Contributions

All contributions to support the plan are made by the Employer.

Prudential

I. ACTUARIAL COST METHOD

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described in "Plan Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year for all Participants plus an estimate of the expenses to be paid from the plan assets during the plan year.

Target Liability and Funding Shortfall

As of January 1, 2010, a Target Liability is established which represents the present value of accrued benefits. This Target Liability is offset by adjusted assets, and the remainder (i.e. Funding Shortfall), if any, is amortized over seven years.

Subsequent changes in the Funding Shortfall due to asset experience, liability experience, plan amendments, and/or actuarial assumption changes will be amortized over a seven year period from their valuation dates.

Discount Rate

The plan sponsor has elected to use the Segment Rate approach for discount rate purposes, with an applicable month that is 4 months prior to the valuation date.

In addition, beginning with the 2012 plan year, solely for purposes of determining the minimum required contribution level, applicability of benefit restrictions, and for the at-risk determination, the adjusted 24-month average segment rates established by MAP-21 have been incorporated.

The adjusted 24-month average segment rates are generated by taking the unadjusted 24-month average segment rates for the sponsor-chosen lookback month and adjusting them so that each individual segment rate is not outside of the stipulated corridor around the corresponding 25-year average segment rate for the given plan year. For the 2012 plan year, the stipulated corridor is 90% - 110% of these 25-year average segment rates.

II. ASSET VALUATION METHOD

Assets have been valued in accordance with generally accepted procedures as described below.

All funds invested are valued in the following manner:

Definitions

i(t)	assumed growth rate, set equal to the lesser of the expected return on assets or the applicable 3rd segment rate for Plan Year t.
C(t)	sum of contributions and other additions to the fund from all sources other than investment transactions in Plan Year t
W(t)	sum of all withdrawals and other decreases to the fund from all sources other than investment transactions in Plan Year t
AV(t)	Actuarial Value of Assets as of Plan Year t
MV(t)	Market Value of Assets as of Plan Year t
EV(t)	Expected Value of Assets as of Plan Year t
G/L(t)	Gain or Loss for Plan Year t

Actuarial Cost Method (continued)

Method

A description of the method used to determine the current year's Actuarial Value of Assets {AV(t)} is below.

For the preceding 2 years, G/L(t) is determined as follows:

$$EV(t) = MV(t-1) * (1 + i(t-1)) + [C(t-1) - W(t-1)] * (1 + i(t-1) * m)$$

Where m represents a proportionate yield consistent with the portion of the year for which C and W are invested

$$G/L(t-1) = EV(t) – MV(t)$$

For the current year, AV(t) is determined as follows:

$$AV(t) = MV(t) + 2/3 * G/L(t-1) + 1/3 * G/L(t-2)$$

Corridor Limits

The Actuarial Value of Assets may not be less than 90% or more than 110% of the current market value of plan assets as of the applicable valuation date [as required by IRC Section 430(g)(3)(B)(iii)]

Please note, as highlighted above, the assumed asset growth rate for each year is limited to the applicable 3rd segment rate by law. As a result, if the plan's expected rate of return is greater than this applicable rate, this method is expected to produce an actuarial value of assets that can be expected to be slightly less than the market value of assets, on average.

The market value of the Guaranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute an offer by Prudential or a final experience adjustment. Please be sure that anyone to whom you quote this value receives this explanation.

Actuarial Assumptions

Assumptions have been chosen to anticipate the long range experience of the plan. Consistency among assumptions is important as each interacts with the others; equally important is the recognition of inflationary trends in the economy.

The actuarial assumptions used to compute plan costs are:

Investment Return:

For ASC #960 purposes:
7.40% per annum, compounded annually, net of investment and contract fees.

For minimum required contribution level, applicability of benefit restrictions, and at risk determination only:
Segment Rates with a 4 month lookback, as adjusted by the 90%-110% corridor around the 25-year average segment rates (5.54% / 6.85% / 7.52%) for the 2012 plan year

For all other purposes:
Segment Rates with a 4 month lookback, unadjusted (2.06% / 5.25% / 6.32%) for the 2012 plan year

Mortality

2012 IRS Static Mortality Table for Funding & ASC #960.

Estimated Expenses:

$100,000

Spouse Assumptions:

All participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Termination:

The probabilities that Participants at the ages indicated will terminate before reaching the assumed retirement age are based on years of service:

Age	< 5 Years	≥ 5 Years
20	11.3%	0.0%
25	9.3%	0.0%
30	7.8%	3.8%
35	6.5%	2.5%
40	5.6%	3.5%
45	5.2%	5.0%
50	5.0%	4.5%
55	4.8%	0.7%
60	4.7%	0.4%
64	0.0%	0.0%

Actuarial Assumptions (continued)

Retirement Age:

The probabilities that Participants at the ages indicated will retire are:

Age	% Retiring
55	20%
56	10%
57	10%
58	10%
59	10%
60	10%
61	10%
62	50%
63	10%
64	20%
65	40%
66	100%

Optional Payment Forms:

Actives

100% of married active participants are assumed to take a 75% Joint & Survivor Annuity upon first eligibility after termination of employment.

Deferred Vested Members

100% of married deferred vested participants are assumed to take either a 50% Joint & Survivor annuity or, if eligible, a 75% of the participant's monthly pension upon attaining age 62.

Disability Rates:

The probabilities that Participants at the ages indicated will become disabled before reaching the assumed retirement age are:

Age	Rate
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Financial Statements
and
Independent Auditors' Report
December 31, 2012

EKS&H
AUDIT | TAX | CONSULTING

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Table of Contents

Page

Independent Auditors' Report....1

Financial Statements

Statement of Net Assets Available for Benefits....3

Statement of Changes in Net Assets Available for Benefits....4

Statement of Accumulated Plan Benefits....5

Statement of Changes in Accumulated Plan Benefits....6

Notes to Financial Statements....7

Supplemental Schedules

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) 17

Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions....18

EKS&H
AUDIT | TAX | CONSULTING

7979 E. Tufts Avenue, Suite 400
Denver, Colorado 80237-2521
P: 303-740-9400
F: 303-740-9009
www.EKSH.com

INDEPENDENT AUDITORS' REPORT

Westmoreland Coal Company Pension Committee
Westmoreland Kemmerer Inc. Elkol-Sorensen Mine Pension Plan
Englewood, Colorado

REPORT ON FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of Westmoreland Kemmerer Inc. Elkol-Sorensen Mine Pension Plan (the "Plan"), which are comprised of the statement of net assets available for benefits as of December 31, 2012, the related statement of changes in net assets available for benefits for the year then ended, the statement of accumulated plan benefits as of January 1, 2012, the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by State Street Bank and Trust Company for the period from January 1, 2012 through March 15, 2012, and Prudential Retirement Insurance and Annuity Company for the period from March 15, 2012 through December 31, 2012, the custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the custodians as of December 31, 2012, and for the year then ended, that the information provided to the Plan administrator by the custodians is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTERS

The supplemental schedules as of and for the year ended December 31, 2012, which are the responsibility of Plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements, but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

EKS&H LLLP

EKS&H LLLP

October 14, 2013
Denver, Colorado

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Statement of Net Assets Available for Benefits
December 31, 2012

Assets

Investments, at fair value	
Pooled separate accounts	$ 37,327,570
Registered investment companies	3,666,576
Guaranteed deposit fund	2,064,188
Net assets available for benefits	$ 43,058,334

See notes to financial statements.

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2012

Investment income	
Net appreciation in fair value of assets	$ 4,473,500
Interest and dividend income	900,103
Other income	2,073
Total investment income	5,375,676
Deductions from net assets	
Benefits paid to participants	2,404,533
Administrative fees	201,988
Total deductions from net assets	2,606,521
Net increase	2,769,155
Net assets available for benefits	
Beginning of year	40,289,179
End of year	$ 43,058,334

See notes to financial statements.

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Statement of Accumulated Plan Benefits
January 1, 2012

Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	$ 15,764,371
Retired participants and beneficiaries	21,237,662
Total vested benefits	37,002,033
Non-vested benefits	706,643
Total actuarial present value of accumulated plan benefits	$ 37,708,676

See notes to financial statements.

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Statement of Changes in Accumulated Plan Benefits
For the Year Ended January 1, 2012

Actuarial present value of accumulated plan benefits at beginning of year	$ 34,998,404
Increase (decrease) during the year	
Interest	2,629,633
Benefits accumulated and actuarial loss	902,117
Change in actuarial assumptions	1,354,428
Benefits paid	(2,175,906)
Net increase during the year	2,710,272
Actuarial present value of accumulated plan benefits at end of year	$ 37,708,676

See notes to financial statements.

Note 1 - Description of the Plan and Significant Accounting Policies

The following description of the Westmoreland Kemmerer Inc. Elkol-Sorensen Mine Pension Plan (the "Plan") provides only general information. Participants and all others should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit plan covering all eligible employees of the Kemmerer Coal Company who are represented by the International Union, United Mine Workers of America and who are or will become entitled to benefits under this Plan. This Plan does not provide benefits to any person who last worked for the employer before December 6, 1977, unless such person is subsequently reemployed by the employer after December 6, 1977, or unless such person's name is indicated in an appendix of the Plan document. The Plan was established on December 6, 1977 and was last amended and restated effective January 1, 2008. Effective January 1, 2008, the terms of the Plan as so amended and restated shall apply only to participants who complete one hour of service on or after January 1, 2008. Westmoreland Kemmerer Inc. (the "Company" or "Plan sponsor") acquired the Kemmerer Coal Company Elkol-Sorensen Mine Pension Plan effective February 1, 2012, as a result of an acquisition transaction with Chevron Mining Inc. Effective February 1, 2012, the Company amended the Plan to reflect the Company as the Plan sponsor and to change the Plan name to Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan.

The Westmoreland Coal Company Pension Committee administers the Plan and manages the Plan assets. Prudential Retirement Insurance and Annuity Company ("Prudential Retirement") is the Plan's custodian and maintains the Plan's records. Effective May 1, 2012, no new participants will enter the Plan.

Benefits are recorded when paid.

The Plan has different benefits and eligibility requirements for these types of pension payments: normal retirement pension, age 55 retirement pension, disability pension, minimum disability retirement pension, deferred vested retirement pension, survivor benefit for death in service after retirement, special permanent layoff pension, preretirement survivor annuity, and joint and survivor annuity, as defined by the Plan.

Participation

Any person who was an employee of the employer on December 6, 1977 and was eligible to participate in the 1974 pension plan became a participant as of December 6, 1977. Any person who was not eligible to participate on December 6, 1977 becomes a participant after the completion of one year of vesting service or a 12-month period in which he or she completes 1,000 hours of service.

Note 1 - Description of the Plan and Significant Accounting Policies (continued)

Vesting

Vesting service is credited as follows:

May 19, 1946 - December 31, 1977	One year of vesting service for each year of service performed in a Classified Job with an Employer who, at the time such service was performed, was signatory to a Wage Agreement defined by the Plan.
January 1, 1978 and after	1/4 of a year of vesting service for every 250 hours of service.
Reciprocal service	Vesting service shall be credited for all reciprocal service earned with another signatory employer within a Union bargaining unit covered by a Western Coal Wage Agreement as defined by the Plan.

In no event will more than one year of vesting service be credited for any calendar year.

Funding Policy

The Plan is non-contributory; all funding is provided by the Company. The Company has voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. For the Plan year ended December 31, 2012, minimum funding requirements of ERISA and the Internal Revenue Code (the "Code") was $861,166. The funding requirements were met through prefunding actuarial credit provided by the actuary.

The Plan sponsor is required by loan covenants to fund the Plan within 8 1/2 months of the valuation date, as defined by the Plan, not less than 80% of the actuarial-determined pension liability as of the prior year-end. Employer contributions made subsequent to year-end to meet contractual or legal requirements existing as of year-end are recorded as employer contributions receivable and contributions revenue. There was no employer contributions receivable as of December 31, 2012.

Administrative Expenses

During the year ended December 31, 2012, the Company paid certain administrative expenses of the Plan.

Valuation of Investments and Income Recognition

Investments are recorded at fair value as reported to the Plan by the custodians. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for a discussion of fair value measurements.

Note 1 - Description of the Plan and Significant Accounting Policies (continued)

Valuation of Investments and Income Recognition (continued)

The net realized and unrealized investment gain or loss (net appreciation or depreciation in fair value of investments) is reflected in the accompanying statement of changes in net assets available for benefits and is determined as the difference between fair value at the beginning of the year (or date purchased if during the year) and selling price (if sold during the year) or year-end fair value. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recognized on the accrual basis. Dividends are recognized on the ex-dividend date.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Risks and Uncertainties

The Plan provides for various investments that, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Additionally, some investments held by the Plan are invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Plan contributions are made and the actuarial value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would have a material impact on Plan contributions and the financial statements.

Subsequent Events

The Plan has evaluated subsequent events through the auditors' report date, which is the date the financial statements were available to be issued.

Note 1 - Description of the Plan and Significant Accounting Policies (continued)

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered prior to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary and is the amount that results from applying actuarial assumptions to the accumulated plan benefits to reflect the time value of money (through discounts and for interest) and the probability of the payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial assumptions for the Plan are made as of the beginning of the Plan year. The statement of accumulated plan benefits and the statement of changes in accumulated plan benefits were prepared as of January 1, 2012 and for the year then ended. Had the reports been prepared as of and for the year ended December 31, 2011, no material change would have been necessary. The significant actuarial assumptions used in the valuations as of January 1, 2012 are as follows:

- Life expectancy of participants was obtained from the IRS 2012 Static Mortality Table;
- Funding was based on IRS 2012 Static Mortality Table & ASC 960;
- The assumed long-term investment return was 7.4% for ASC 960 purposes, 6.6% for minimum required contribution level, applicability of benefit restrictions, and at-risk determination only, and 4.5% for all other purposes;
- Estimated administrative expenses expected to be paid from Plan assets are $100,000;
- All participants are married at death and husbands are three years older than their wives;
- Normal retirement pension;
- Optional payment forms: 100% of married active participants take a 75% Joint & Survivor annuity upon first eligibility after termination of employment, 100% of married deferred vested participants take either a 50% Joint & Survivor annuity or, if eligible, a 75% of the participant's monthly pension upon attaining age 62.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 1 - Description of the Plan and Significant Accounting Policies (continued)

Actuarial Present Value of Accumulated Plan Benefits (continued)

The following changes in actuarial assumptions were made from the January 1, 2011 valuation to the January 1, 2012 valuation:

- The estimated expenses were updated from $190,000 to $100,000;
- The three-segment rates used to develop the funding liability were changed from no look back to a four-month look back (to the September 2011 three-segment rates), adjusted by the 90%-110% corridor around the 25-year average segment rates where applicable;
- The discount rate was changed from 7.75% to 7.40%;
- The mortality assumption for funding purposes was updated from the IRS 2011 Static Mortality Table to the IRS 2012 Static Mortality Table; and
- The mortality assumption for reporting purposes was changed from the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected to 2019 for annuitants and to 2027 for non-annuitants to the IRS 2012 Static Mortality Table.

Effective with the current valuation, the Plan has incorporated the adjusted 24-month average segment rate methodology established by MAP-21. These rates for the current Plan year have been detailed within IRS Notice 2012-55.

Due to the acquisition, effective January 1, 2012, Prudential Financial became the Plan's actuary. All results prior to 2012 were prepared by the prior actuary and were presented in the report for both completeness and convenience.

Note 2 - Fair Value Accounting

Generally accepted accounting principles require disclosure about how fair value is determined and establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 2 - Fair Value Accounting (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value.

Registered investment companies: Valued at the net asset value of shares held by the Plan at year-end based on the quoted price in an active market.

Pooled separate accounts: Valued at the net asset value of units held by the Plan at year-end based on the quoted market prices of the securities underlying the investments.

Guaranteed deposit fund: Valued using a method that approximates the market value of underlying investments by discounting expected future investment cash flow from both investment income and repayment of principal for each investment purchased.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2012:

Description	Level 1	Level 2	Level 3	Total
Pooled separate accounts				
International blend (a)	$ -	$ 3,657,677	$ -	$ 3,657,677
Blended funds (b)	-	19,026,820	-	19,026,820
Fixed income - domestic (c)	-	9,936,181	-	9,936,181
Intermediate-term bond (d)	-	4,706,892	-	4,706,892
Guaranteed deposit fund	-	2,064,188	-	2,064,188
Registered investment companies	3,666,576	-	-	3,666,576
Total	$ 3,666,576	$ 39,391,758	$ -	$ 43,058,334

(a) International blends seek to have a diversified portfolio of investments, including fixed income and equity-focused investments in international markets.

(b) Blended funds seek to provide long-term growth of capital. They seek to provide investment results that approximate the performance of the Standard & Poor's Composite 1500 Index.

(c) The fixed income - domestic seeks to invest in high-quality corporate bonds with over 15 years to maturity.

(d) The intermediate-term bond seeks to achieve performance results similar to the Barclays Capital U.S. Aggregate Bond Index and is invested to reflect many of the characteristics of the Barclays

Note 2 - Fair Value Accounting (continued)

Capital U.S. Aggregate Bond Index. This fund invests primarily in corporate and government bonds.

Reported Net Asset Values

The investments in pooled separate accounts as of December 31, 2012 are $37,327,570, as valued based on the net asset value as a practical expedient. There are no unfunded commitments and the units may be redeemed on a daily basis.

Note 3 - Investments

State Street Bank and Trust Company has certified in writing to the Plan administrator that the stated amounts for investments at fair value for January 1, 2012 through March 15, 2012 and the income earned on the investments for that time period, as reflected in the accompanying financial statements, are complete and accurate. Prudential Retirement has certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2012 and the income earned on the investments for the period from March 15, 2012 through December 31, 2012, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by the trustee, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

The fair value of investments greater than 5% of net assets was the following at December 31, 2012:

Pooled separate accounts		
Intl Bld/Pictet Asset Management Fund	$	3,657,677
Core Bond Enhanced Index/PIM Fund	$	4,706,892
QMA US Broad Market Index	$	19,026,820
Long Duration Bond/IR&M Fund	$	4,972,763
Pru Long Corporate Bond	$	4,963,418
Registered investment companies		
American Europacific Growth Fund	$	3,666,576

Note 3 - Investments (continued)

Net appreciation (depreciation) in fair value of investments by investment type was the following at December 31, 2012:

Pooled separate accounts	$ 1,244,554
Registered investment companies	259,804
Common stocks	1,306,423
Commercial mortgages	14,846
Common/collective trusts	1,276,731
Corporate bonds	192,994
U.S. Government Securities	103,920
Municipal bonds	29,691
Mutual funds	(14,846)
Real estate	59,383
	$ 4,473,500

Note 4 - Income Taxes

The Plan has received a tax determination letter dated June 4, 2008 from the IRS covering changes made to comply with ERISA and indicating that the Plan qualifies under the provisions of Section 401(a) of the Code and is exempt from federal income taxes. The Plan sponsor is in the process of renewal as of the date of the financial statements.

The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

Note 5 - Administration of the Plan

The Company provides, at no cost to the Plan, certain administrative, accounting, and legal services to the Plan and also pays the cost of certain outside services for the Plan.

Note 6 - Related Party Transactions

Plan investments include pooled separate accounts and a guaranteed deposit fund managed by Prudential Retirement. Prudential Retirement is the custodian, as defined by the Plan; therefore, these transactions qualify as party-in-interest. These transactions are exempt from prohibited transaction regulations.

Note 7 - Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated for any reason, the net assets of the Plan would be allocated, as prescribed by ERISA and its regulations, generally to provide the following benefits in the order indicated:

- Annuity benefits that former employees or their beneficiaries have been receiving for at least three years or that employees eligible to retire for the three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC"), a U.S. government agency, up to the applicable limitations (discussed below);
- All other vested benefits not insured by the PBGC; or
- All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

Note 8 - Prior Year Presentation

The prior year was audited by a predecessor auditor as part of a master trust. Those financial statements will be filed contemporaneously with the current year Form 5500.

SUPPLEMENTAL SCHEDULES

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)
As of December 31, 2012

Employer Identification Number - 94-0890210
Plan Number - 005

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
	Pooled separate accounts			
*	Prudential	Intl Bld/Pictet Asset Management Fund	$ 3,313,234	$ 3,657,677
*	Prudential	Core Bond Enhanced Index/PIM Fund	4,594,552	4,706,892
*	Prudential	QMA US Broad Market Index	17,596,218	19,026,820
*	Prudential	Long Duration Bond/IR&M Fund	4,862,882	4,972,763
*	Prudential	Pru Long Corporate Bond	4,705,490	4,963,418
	Registered investment companies			
	American Funds	American Europacific Growth Fund	3,335,754	3,666,576
	Guaranteed deposit fund			
*	Prudential	Guaranteed Deposit	2,064,188	2,064,188
			$ 40,472,318	$ 43,058,334

* Party-in-interest

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions
For the Year Ended December 31, 2012

Employer Identification Number - 94-0890210
Plan Number - 005

Transactions that exceed 5% of net assets available for benefits as of the beginning of the Plan year:

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset		(h) Current Value of Asset on Transaction Date		(i) Net Gain (Loss)
				Purchase	Sales	Purchase	Sales	
State Street	Interest-bearing cash	$ 611,774	$ -	$ 611,774	$ -	$ 878,628	$ -	$ -
State Street	Common/collective trusts	$ 1,064,139	$ -	$ 957,225	$ -	$ 2,690,714	$ -	$ 106,915
Prudential	Dryden S&P 500 Index	$ 15,842,449	$ 14,995,000	$ 15,842,449	$ 15,884,256	$ 15,842,449	$ 14,995,000	$ (889,256)
Prudential	Mid Cap Value/Systematic	$ 1,300,296	$ 1,200,000	$ 1,300,296	$ 1,302,836	$ 1,300,296	$ 1,200,000	$ (102,836)
Prudential	Mid Growth/Frontier Capital	$ 1,301,862	$ 1,250,000	$ 1,301,862	$ 1,300,848	$ 1,301,862	$ 1,250,000	$ (50,848)
Prudential	QMA US Broad Market Index	$ 18,915,000	$ 1,565,595	$ 18,915,000	$ 1,544,230	$ 18,915,000	$ 1,565,595	$ 21,365
Prudential	Small Cap Grw/Columbus	$ 1,815,898	$ 1,700,000	$ 1,815,898	$ 1,814,894	$ 1,815,898	$ 1,700,000	$ (114,894)
Prudential	Small Cap Val/Ceredex	$ 1,762,634	$ 1,650,000	$ 1,762,634	$ 1,762,855	$ 1,762,634	$ 1,650,000	$ (112,855)
Prudential	Intl Bld/Pictet Asset Management Fund	$ 3,460,754	$ 200,000	$ 3,460,754	$ 188,685	$ 3,460,754	$ 200,000	$ 11,315
Prudential	Core Bond Enhanced Index/PIM Fund	$ 15,449,431	$ 11,180,000	$ 15,449,431	10,983,245	$ 15,449,431	$ 11,180,000	$ 196,755
Prudential	Long Duration Bond/IR&M Fund	$ 4,945,000	$ 200,000	$ 4,945,000	$ 193,315	$ 4,945,000	$ 200,000	$ 6,685
Prudential	Pru Long Corporate Bond	$ 4,945,000	$ 400,000	$ 4,945,000	$ 376,076	$ 4,945,000	$ 400,000	$ 23,924
Prudential	Guaranteed Deposit	$ 3,994,365	$ 1,953,272	$ 3,994,365	$ 1,953,272	$ 3,994,365	$ 1,953,272	$ -
Prudential	Prudential Short-Term	$ 3,862,358	$ 3,665,608	$ 3,862,358	$ 3,665,604	$ 3,862,358	$ 3,665,608	$ 4

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)
As of December 31, 2012

Employer Identification Number - 94-0890210
Plan Number - 005

	(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
		Pooled separate accounts			
*		Prudential	Intl Bld/Pictet Asset Management Fund	$ 3,313,234	$ 3,657,677
*		Prudential	Core Bond Enhanced Index/PIM Fund	4,594,552	4,706,892
*		Prudential	QMA US Broad Market Index	17,596,218	19,026,820
*		Prudential	Long Duration Bond/IR&M Fund	4,862,882	4,972,763
*		Prudential	Pru Long Corporate Bond	4,705,490	4,963,418
		Registered investment companies			
		American Funds	American Europacific Growth Fund	3,335,754	3,666,576
		Guaranteed deposit fund			
*		Prudential	Guaranteed Deposit	2,064,188	2,064,188
				$ 40,472,318	$ 43,058,334

* Party-in-interest

WESTMORELAND KEMMERER INC. ELKOL-SORENSEN MINE PENSION PLAN

Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions
For the Year Ended December 31, 2012

Employer Identification Number - 94-0890210
Plan Number - 005

Transactions that exceed 5% of net assets available for benefits as of the beginning of the Plan year:

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset		(h) Current Value of Asset on Transaction Date		(i) Net Gain (Loss)
				Purchase	Sales	Purchase	Sales	
State Street	Interest-bearing cash	$ 611,774	$ -	$ 611,774	$ -	$ 878,628	$ -	$ -
State Street	Common/collective trusts	$ 1,064,139	$ -	$ 957,225	$ -	$ 2,690,714	$ -	$ 106,915
Prudential	Dryden S&P 500 Index	$ 15,842,449	$ 14,995,000	$ 15,842,449	$ 15,884,256	$ 15,842,449	$ 14,995,000	$ (889,256)
Prudential	Mid Cap Value/Systematic	$ 1,300,296	$ 1,200,000	$ 1,300,296	$ 1,302,836	$ 1,300,296	$ 1,200,000	$ (102,836)
Prudential	Mid Growth/Frontier Capital	$ 1,301,862	$ 1,250,000	$ 1,301,862	$ 1,300,848	$ 1,301,862	$ 1,250,000	$ (50,848)
Prudential	QMA US Broad Market Index	$ 18,915,000	$ 1,565,595	$ 18,915,000	$ 1,544,230	$ 18,915,000	$ 1,565,595	$ 21,365
Prudential	Small Cap Grw/Columbus	$ 1,815,898	$ 1,700,000	$ 1,815,898	$ 1,814,894	$ 1,815,898	$ 1,700,000	$ (114,894)
Prudential	Small Cap Val/Ceredex	$ 1,762,634	$ 1,650,000	$ 1,762,634	$ 1,762,855	$ 1,762,634	$ 1,650,000	$ (112,855)
Prudential	Intl Bld/Pictet Asset Management Fund	$ 3,460,754	$ 200,000	$ 3,460,754	$ 188,685	$ 3,460,754	$ 200,000	$ 11,315
Prudential	Core Bond Enhanced Index/PIM Fund	$ 15,449,431	$ 11,180,000	$ 15,449,431	10,983,245	$ 15,449,431	$ 11,180,000	$ 196,755
Prudential	Long Duration Bond/IR&M Fund	$ 4,945,000	$ 200,000	$ 4,945,000	$ 193,315	$ 4,945,000	$ 200,000	$ 6,685
Prudential	Pru Long Corporate Bond	$ 4,945,000	$ 400,000	$ 4,945,000	$ 376,076	$ 4,945,000	$ 400,000	$ 23,924
Prudential	Guaranteed Deposit	$ 3,994,365	$ 1,953,272	$ 3,994,365	$ 1,953,272	$ 3,994,365	$ 1,953,272	$ -
Prudential	Prudential Short-Term	$ 3,862,358	$ 3,665,608	$ 3,862,358	$ 3,665,604	$ 3,862,358	$ 3,665,608	$ 4