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Marshall S. Huebner  
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Brian M. Resnick  
Michelle M. McGreal

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**PATRIOT COAL CORPORATION, et al.,**

**Debtors.<sup>1</sup>**

**Chapter 11**

**Case No. 12-12900 (SCC)**

**(Jointly Administered)**

**NOTICE OF FILING OF REDACTED FEE LETTERS**

**PLEASE TAKE NOTICE** that, in connection with that Interim Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. § 363, (II) Granting Adequate Protection to Pre-Petition Secured Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364 and (III) Scheduling Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c) [ECF No. 39] and that Order Authorizing Debtors to File Redacted Letter Agreements Relating to Debtors' Motion to Obtain Postpetition Financing [ECF No. 85], the above-captioned debtors and debtors in possession hereby file redacted versions of (i) the fee

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<sup>1</sup> The Debtors are the entities listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

letter (the “**First Out Fee Letter**”), dated as of July 9, 2012, among Citigroup Global Markets Inc. (“**CGMI**”), Barclays Bank PLC (“**Barclays**”), Merrill Lynch, Pierce, Fenner & Smith Incorporated (“**MLPFS**”) and Patriot Coal Corporation (“**Patriot Coal**”), attached hereto as Exhibit A; (ii) the fee letter (the “**Second Out Fee Letter**”), dated as of July 10, 2012, among MLPFS, Bank of America, N.A. (“**BofA**”) and Patriot Coal, attached hereto as Exhibit B; (iii) the fee letter (the “**Structure Fee Letter**”), dated as of July 9, 2012, among CGMI, Barclays and Patriot Coal, attached hereto as Exhibit C; and (iv) the syndication letter (the “**Syndication Letter**”), dated as of July 9, 2012, among CGMI, Barclays, MLPFS and Patriot Coal, attached hereto as Exhibit D.

New York, New York  
Dated: July 16, 2012

By: /s/ Brian M. Resnick  
Marshall S. Huebner  
Damian S. Schaible  
Brian M. Resnick  
Michelle M. McGreal

DAVIS POLK & WARDWELL LLP  
450 Lexington Avenue  
New York, New York 10017  
Telephone: (212) 450-4000  
Facsimile: (212) 607-7983

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**SCHEDULE 1**  
(Debtor Entities)

1. Affinity Mining Company
2. Apogee Coal Company, LLC
3. Appalachia Mine Services, LLC
4. Beaver Dam Coal Company, LLC
5. Big Eagle, LLC
6. Big Eagle Rail, LLC
7. Black Stallion Coal Company, LLC
8. Black Walnut Coal Company
9. Bluegrass Mine Services, LLC
10. Brook Trout Coal, LLC
11. Catenary Coal Company, LLC
12. Central States Coal Reserves of Kentucky, LLC
13. Charles Coal Company, LLC
14. Cleaton Coal Company
15. Coal Clean LLC
16. Coal Properties, LLC
17. Coal Reserve Holding Limited Liability Company No. 2
18. Colony Bay Coal Company
19. Cook Mountain Coal Company, LLC
20. Corydon Resources LLC
21. Coventry Mining Services, LLC
22. Coyote Coal Company LLC
23. Cub Branch Coal Company LLC
24. Dakota LLC
25. Day LLC
26. Dixon Mining Company, LLC
27. Dodge Hill Holding JV, LLC
28. Dodge Hill Mining Company, LLC
29. Dodge Hill of Kentucky, LLC
30. EACC Camps, Inc.
31. Eastern Associated Coal, LLC
32. Eastern Coal Company, LLC
33. Eastern Royalty, LLC
34. Emerald Processing, L.L.C.
35. Gateway Eagle Coal Company, LLC
36. Grand Eagle Mining, LLC
37. Heritage Coal Company LLC
38. Highland Mining Company, LLC
39. Hillside Mining Company
40. Hobet Mining, LLC
41. Indian Hill Company LLC
42. Infinity Coal Sales, LLC
43. Interior Holdings, LLC
44. IO Coal LLC
45. Jarrell's Branch Coal Company
46. Jupiter Holdings LLC
47. Kanawha Eagle Coal, LLC
48. Kanawha River Ventures I, LLC
49. Kanawha River Ventures II, LLC
50. Kanawha River Ventures III, LLC
51. KE Ventures, LLC
52. Little Creek LLC
53. Logan Fork Coal Company
54. Magnum Coal Company LLC
55. Magnum Coal Sales LLC
56. Martinka Coal Company, LLC
57. Midland Trail Energy LLC
58. Midwest Coal Resources II, LLC
59. Mountain View Coal Company, LLC
60. New Trout Coal Holdings II, LLC
61. Newtown Energy, Inc.
62. North Page Coal Corp.
63. Ohio County Coal Company, LLC
64. Panther LLC
65. Patriot Beaver Dam Holdings, LLC
66. Patriot Coal Company, L.P.
67. Patriot Coal Corporation
68. Patriot Coal Sales LLC
69. Patriot Coal Services LLC
70. Patriot Leasing Company LLC
71. Patriot Midwest Holdings, LLC
72. Patriot Reserve Holdings, LLC
73. Patriot Trading LLC
74. PCX Enterprises, Inc.
75. Pine Ridge Coal Company, LLC
76. Pond Creek Land Resources, LLC
77. Pond Fork Processing LLC
78. Remington Holdings LLC
79. Remington II LLC
80. Remington LLC
81. Rivers Edge Mining, Inc.
82. Robin Land Company, LLC
83. Sentry Mining, LLC
84. Snowberry Land Company
85. Speed Mining LLC
86. Sterling Smokeless Coal Company, LLC
87. TC Sales Company, LLC
88. The Presidents Energy Company LLC
89. Thunderhill Coal LLC
90. Trout Coal Holdings, LLC
91. Union County Coal Co., LLC
92. Viper LLC
93. Weatherby Processing LLC
94. Wildcat Energy LLC
95. Wildcat, LLC
96. Will Scarlet Properties LLC
97. Winchester LLC
98. Winifrede Dock Limited Liability Company
99. Yankeetown Dock, LLC

Exhibit A

First Out Fee Letter

**CITIGROUP GLOBAL  
MARKETS INC.  
390 GREENWICH STREET  
NEW YORK, NY 10013**

**BARCLAYS BANK PLC  
745 SEVENTH AVENUE  
NEW YORK, NY 10019**

**MERRILL LYNCH,  
PIERCE, FENNER &  
SMITH INCORPORATED  
ONE BRYANT PARK  
NEW YORK, NY 10036**

July 9, 2012

Patriot Coal Corporation  
12312 Olive Boulevard, Suite 400  
St. Louis, Missouri 63141

Attention: Mark N. Schroeder  
Senior Vice President & Chief Financial Officer

**FEE LETTER**

Ladies and Gentlemen:

This letter (this "*Fee Letter*") sets forth certain fees payable by Patriot Coal Corporation (the "*Company*" or "*you*") in connection with the debtor-in-possession financing proposed to be provided by Citigroup Global Markets Inc. ("*CGMI*"), Barclays Bank PLC ("*Barclays*") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("*Merrill Lynch*", and together with CGMI and Barclays, the "*Arrangers*", and each individually, an "*Arranger*") in connection with filing of voluntary petitions (the "*Cases*") by the Company and certain of its subsidiaries (the "*Loan Parties*") with the bankruptcy court in the Southern District of New York initiating cases under Chapter 11 of the bankruptcy code, such financing consisting of (i) a revolving credit facility in the amount of \$125,000,000 (the "*Revolving Facility*") and (ii) a term loan facility in the amount of \$375,000,000 (the "*Term Loan Facility*", and together with the Revolving Facility, the "*Facilities*"), in each case, secured by substantially all the assets of the Loan Parties and constituting a "superpriority claim" in the Cases. For purposes of this Fee Letter, "*Citi*" shall mean CGMI, Citicorp North America, Inc., Citicorp USA, Inc., Citibank, N.A. and/or any of their affiliates as CGMI shall determine to be appropriate to provide the services contemplated herein. It is understood and agreed that the Arrangers are not and will not be under any commitment or other legal obligation of any kind whatsoever to (i) provide the Facilities or any other financing to the Company, (ii) issue any commitment for the Facilities or any other financing to the Company, or (iii) close the Facilities or any other financing within any specified time period. No such obligation or commitment to provide the Facilities shall arise unless and until the date (the "*Closing Date*") that the definitive written loan documentation has been duly executed by the Arrangers or their affiliates and the Loan Parties, and then any such commitment shall be subject to the terms and conditions of such loan documentation.

**Section 1. Fees.**

As consideration for the proposed financing, you agree to pay the nonrefundable fees set forth below in accordance with the terms of this Fee Letter:

- A. **Underwriting Fee:** Underwriting fees equal to (i) [REDACTED] of the maximum amount of commitments under the Revolving Facility (which for purposes of this Fee Letter shall not be less than \$125,000,000) will be payable to the Arrangers, to be shared among the Arrangers based on each Arranger's proportionate share of the aggregate commitments under the Revolving Facility, with a portion of such fees payable to the Lenders in the discretion of the Arrangers and (ii) [REDACTED] of the maximum commitments under the Term Loan Facility (which for the purposes of this Fee Letter shall not be less than \$375,000,000) will be payable to the Arrangers, to be shared among the Arrangers based on each Arranger's proportionate share of the aggregate commitments under the Term Loan Facility (such fees in clauses (i) and (ii), the "*Underwriting Fees*"). With respect to the Underwriting Fees, (x) [REDACTED] shall be earned, due and payable on the date hereof and (y) [REDACTED] shall be earned, due and payable on the Closing Date. Of the fees paid by the Company to the Arrangers on July 6, 2012, [REDACTED] shall be credited towards the Underwriting Fees due on the date hereof.
- B. **Upfront Fees:** The Company shall pay to the Arrangers, for the account of each lender under the Term Facility as fee compensation for the funding of such lender's loans under the Term Facility, an upfront fee in an amount equal to [REDACTED] of the stated principal amount of such lender's Term Loan Facility commitment payable to such lender out of the proceeds of its Term Facility loans as and when funded on the closing date.
- C. **Annual Administrative Agent and Collateral Agent Fees:** With respect to each of the Revolving Facility and the Term Loan Facility, (i) an annual administrative agent's fee in the amount of [REDACTED] per annum with respect to such Facility and (ii) an annual collateral agent's fee in the amount of [REDACTED] per annum with respect to such Facility, in each case, shall be payable to Citi for its own account, payable in advance on the initial funding of the Facilities and thereafter annually in advance for so long as any obligation shall be outstanding under the applicable Facility or any lender shall have any commitment thereunder.

Subject to paragraph A above, the fees payable pursuant to this Fee Letter shall be fully earned and non-refundable when paid and shall be in addition to any fees referred to in the credit agreement and other operative documents pursuant to which the Facilities are provided and other fee letters. Payment of the foregoing fees will not be subject to counterclaim or set-off for, or be otherwise affected by, any claim or dispute relating to any other matter.

**Section 2. Confidentiality.**

By accepting delivery of this Fee Letter, the Company agrees that this Fee Letter is for the Company's confidential use only and that neither its existence nor the terms hereof will be disclosed by the Company to any person other than the Company's officers, directors, employees, accountants, attorneys and other advisors, agents and representatives (collectively, the "*Company Representatives*"), and then only on a confidential and "*need to know*" basis in connection with the transactions contemplated herein; *provided, however*, that the Company may disclose the existence and the terms hereof (i) as the Company is required by law or compulsory legal process to make, in the opinion of counsel, (ii) to the extent and to the parties necessary to obtain required approval from the bankruptcy court for the Facilities, (iii) to legal and financial advisers of any official committee appointed in the Company's bankruptcy cases on a "professionals' eyes only"

basis or (iv) as may be otherwise mutually agreed in writing between the Company and the Arrangers; *provided* that the Company agrees to use its reasonable efforts to prevent the contents of this Fee Letter from becoming publicly available, including, without limitation, by the filing of a motion or an ex parte request pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, as applicable, in each case seeking an order of the bankruptcy court authorizing the Company to file this Fee Letter under seal, and to take such other actions as the Arrangers may reasonably request to preserve the confidentiality of this Fee Letter in connection with any such disclosure.

### **Section 3. Indemnification.**

The Company agrees to indemnify and hold harmless each Arranger, each lender under the Facilities and each of their respective affiliates and each of their respective officers, directors, partners, members, employees, agents, advisors and representatives (each, an “*Indemnified Person*”) from and against (and will reimburse each Indemnified Person as the same are incurred for) any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees, disbursements and other charges of counsel) (collectively, “*Liabilities*”), joint or several, that may be incurred by or asserted or awarded against any Indemnified Person in connection with, any investigation, inquiry, litigation or proceeding or the preparation of any defense in connection therewith (in each case, whether based on contract or tort or otherwise) (any of the foregoing, an “*Action*”) arising out of or in connection with or in any way relating to this and any other fee letter, the Syndication Letter (the “*Syndication Letter*”), to be dated as of the date hereof, between the Company and the Arrangers, or the operative documents or the transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Facilities, except to the extent such Liabilities (i) are found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted primarily from such Indemnified Person’s gross negligence or willful misconduct, (ii) arise from a material breach by such Indemnified Person of this and any other fee letter, the Syndication Letter or the operative documents, or (iii) arise out of, or in connection with, any proceeding that does not involve an act or omission by the Company or any of its affiliates and that is brought by an Indemnified Person against any other Indemnified Person (other than any proceeding against any Indemnified Person in its capacity or fulfilling its role as Arranger, agent or similar role under the operative documents). The foregoing indemnity will not, as to any Indemnified Person, apply to any settlement entered into by such Indemnified Person without the written consent of the Company (such consent not to be unreasonably withheld). In the case of an Action to which the indemnity in this paragraph applies, such indemnity shall be effective, whether or not such Action is brought by any of the Company, any of its securityholders or creditors, an Indemnified Person or any other person, or whether or not an Indemnified Person is otherwise a party thereto and whether or not any aspect of this and any other fee letter, the Syndication Letter, the Facilities or any of the transactions contemplated hereby or thereby is consummated. The reimbursement and indemnity obligations of the Company under this paragraph are cumulative and will be in addition to any liability that the Company may otherwise have and will be binding upon any successors, assigns, heirs and personal representatives of the Company and inure to the benefit of any successors, assigns, heirs and personal representatives of each Indemnified Person.

If for any reason the foregoing indemnification is unavailable to an Indemnified Person or is insufficient to hold it harmless, then the Company will contribute to the amount paid or payable by such Indemnified Person as a result of such Liability in such proportion as is appropriate to reflect the relative economic interests of (i) the Company and its affiliates, shareholders, partners, members or other equity holders on the one hand and (ii) such Indemnified Person on the other hand in the matters contemplated by this Fee Letter as well as the relative fault of (i) the

Company and its affiliates, shareholders, partners, members or other equity holders on the one hand and (ii) such Indemnified Person with respect to such Liability and any other relevant equitable considerations.

No Indemnified Person shall be responsible or liable for Liabilities arising from the use by others of information or other materials obtained through internet, electronic, telecommunications or other information transmission (including, without limitation, the "Platform" described in the Syndication Letter). No Indemnified Person shall have any liability (whether direct or indirect, in contract, tort or otherwise) to the Company or its subsidiaries or affiliates or any of its securityholders or creditors arising out of, related to or in connection with the transactions contemplated hereby, except (i) to the extent of direct (as opposed to special, indirect, consequential or punitive) money damages determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted primarily from such Indemnified Person's gross negligence or willful misconduct, and (ii) the extent such liability arises from a material breach in bad faith by such Indemnified Person of its obligations under this and any other fee letter or the Syndication Letter. It is further agreed that the Arrangers shall have liability only to the Company and shall have no third party liability to any other person. Notwithstanding anything to the contrary in this Fee Letter, in no event shall any Indemnified Party be liable for any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings).

**Section 4. Miscellaneous.**

Your agreement under this Fee Letter shall be legally binding upon and enforceable against you and your successors and assigns, may be enforced by us and our successors and assigns, and shall be enforceable without regard to any act, event or circumstance except as expressly set forth herein. This Fee Letter is an integral part of the Syndication Letter.

**Each party hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Fee Letter or the transactions contemplated hereby or the actions of the parties hereto or any of their affiliates in the negotiation, performance or enforcement of this Fee Letter.**

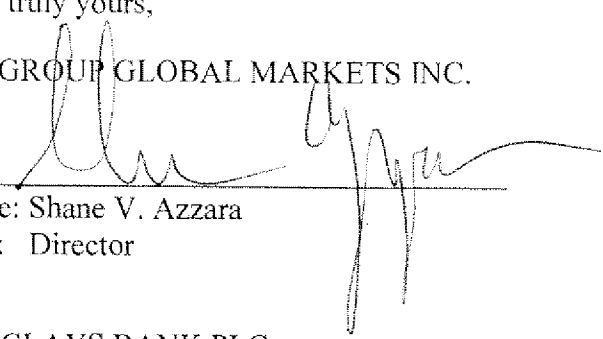
This Fee Letter shall be governed by and construed in accordance with the law of the State of New York.



Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By:   
Name: Shane V. Azzara  
Title: Director

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: SO \_\_\_\_\_  
Name: J Jeffcott Ogden \_\_\_\_\_  
Title: MD \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

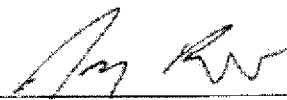
CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By:  \_\_\_\_\_  
Name: Jeffrey Bloomquist  
Title: Managing Director

ACCEPTED this \_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION


By:   
Name: Mark N. Schroeder  
Title: Senior Vice President &  
Chief Financial Officer

Exhibit B

Second Out Fee Letter

**MERRILL LYNCH, PIERCE,  
FENNER & SMITH INCORPORATED.  
ONE BRYANT PARK  
NEW YORK, NEW YORK 10036**

**BANK OF AMERICA, N.A.  
101 N TRYON ST  
MAIL CODE: NC1-001-04-39  
CHARLOTTE, NC 28255**

July 10, 2012

Patriot Coal Corporation  
12312 Olive Boulevard, Suite 400  
St. Louis, Missouri 63141

Attention: Mark N. Schroeder  
Senior Vice President & Chief Financial Officer

**FEE LETTER**

Ladies and Gentlemen:

This letter (this "Fee Letter") sets forth certain fees payable by Patriot Coal Corporation (the "Company" or "you") in connection with certain debtor-in-possession financing proposed to be provided by Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch" or the "Arranger") in connection with filing of voluntary petitions (the "Cases") by the Company and certain of its subsidiaries (the "Loan Parties") with the bankruptcy court in the Southern District of New York initiating cases under Chapter 11 of the bankruptcy code, such financing consisting of an amendment and restatement of the Credit Agreement, dated as of October 31, 2007 and as amended and restated as of May 5, 2010 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Existing Credit Agreement"), among the Company, the lenders from time to time parties thereto and Bank of America, N.A., as administrative agent (in such capacity, the "Administrative Agent") providing for the continuing effectiveness and automatic renewal of the Letters of Credit (as defined in the Existing Credit Agreement) outstanding as of the Closing Date (as defined below) with an aggregate face amount of approximately \$301,000,000, secured by substantially all the assets of the Loan Parties and constituting a "superpriority claim" in the Cases (the "Facility"). It is understood and agreed that the Arranger is not and will not be under any commitment or other legal obligation of any kind whatsoever to (i) provide the Facility or any other financing to the Company, (ii) issue any commitment for the Facility or any other financing to the Company, or (iii) close the Facility or any other financing within any specified time period. No such obligation or commitment to provide the Facility shall arise unless and until the date (the "Closing Date") that the definitive written loan documentation has been duly executed by the Arranger or its affiliates and the Loan Parties, and then any such commitment shall be subject to the terms and conditions of such loan documentation.

**Section 1. Fees.**

As consideration for the proposed financing, you agree to pay the nonrefundable fees set forth below in accordance with the terms of this Fee Letter:

- A. **Arranger Fee:** Arranger fee equal to [REDACTED] of the aggregate amount available to be drawn under all Existing Letters of Credit plus any unreimbursed amounts in connection thereto (the "Existing L/C Obligations") will be payable to the Arranger (the "Arranger Fee"). With respect to the Arranger Fee, (x) [REDACTED] shall be earned, due and payable on the date hereof and (y) [REDACTED] shall be earned, due and payable on the Closing Date.
- B. **Upfront Fees:** The Company shall pay to the Arranger, for the account of each lender under the Facility as fee compensation for the continuing effectiveness and renewal of such lender's participations under the Existing Letters of Credit, upfront fees in an aggregate amount for all lenders equal to [REDACTED] of the Existing L/C Obligations to be allocated among such lenders in its discretion, due and payable on the Closing Date.
- C. **Annual Administrative Agent and Collateral Agent Fees:** With respect to the Facility, an annual administrative agent's fee in the amount of [REDACTED] per annum (the "Agency Fee") shall be payable to the Administrative Agent for its own account, payable in advance on the Closing Date of the Facility and thereafter annually in advance for so long as any obligation shall be outstanding under the Facility or any lender shall have any obligation or commitment thereunder; provided, that the first payment of the Agency Fee shall be reduced by [REDACTED] in respect of unamortized agency fees previously paid in respect of the Existing Credit Agreement.

Subject to paragraph A above, the fees payable pursuant to this Fee Letter shall be fully earned and non-refundable when paid and shall be in addition to any fees referred to in the credit agreement and other operative documents pursuant to which the Facility is provided and other fee letters. Payment of the foregoing fees will not be subject to counterclaim or set-off for, or be otherwise affected by, any claim or dispute relating to any other matter.

**Section 2. Confidentiality.**

By accepting delivery of this Fee Letter, the Company agrees that this Fee Letter is for the Company's confidential use only and that neither its existence nor the terms hereof will be disclosed by the Company to any person other than the Company's officers, directors, employees, accountants, attorneys and other advisors, agents and representatives (collectively, the "Company Representatives"), and then only on a confidential and "need to know" basis in connection with the transactions contemplated herein; provided, however, that the Company may disclose the existence and the terms hereof (i) as the Company is required by law or compulsory legal process to make, in the opinion of counsel, (ii) to the extent and to the parties necessary to obtain required approval from the bankruptcy court for the Facility, (iii) to legal and financial advisers of

any official committee appointed in the Company's bankruptcy cases on a "professionals' eyes only" basis or (iv) as may be otherwise mutually agreed in writing between the Company and the Arranger; provided that the Company agrees to use its reasonable efforts to prevent the contents of this Fee Letter from becoming publicly available, including, without limitation, by the filing of a motion or an ex parte request pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, as applicable, in each case seeking an order of the bankruptcy court authorizing the Company to file this Fee Letter under seal, and to take such other actions as the Arranger may reasonably request to preserve the confidentiality of this Fee Letter in connection with any such disclosure.

### **Section 3. Indemnification.**

The Company agrees to indemnify and hold harmless Arranger, each lender under the Facility and each of their respective affiliates and each of their respective officers, directors, partners, members, employees, agents, advisors and representatives (each, an "Indemnified Person") from and against (and will reimburse each Indemnified Person as the same are incurred for) any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees, disbursements and other charges of counsel) (collectively, "Liabilities"), joint or several, that may be incurred by or asserted or awarded against any Indemnified Person in connection with, any investigation, inquiry, litigation or proceeding or the preparation of any defense in connection therewith (in each case, whether based on contract or tort or otherwise) (any of the foregoing, an "Action") arising out of or in connection with or in any way relating to this and any other fee letter or the operative documents or the transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Facility, except to the extent such Liabilities (i) are found in a final, nonappealable judgment by a court of competent jurisdiction to have resulted primarily from such Indemnified Person's gross negligence or willful misconduct, (ii) arise from a material breach by such Indemnified Person of this and any other fee letter or the operative documents, or (iii) arise out of, or in connection with, any proceeding that does not involve an act or omission by the Company or any of its affiliates and that is brought by an Indemnified Person against any other Indemnified Person (other than any proceeding against any Indemnified Person in its capacity or fulfilling its role as Arranger, agent or similar role under the operative documents). The foregoing indemnity will not, as to any Indemnified Person, apply to any settlement entered into by such Indemnified Person without the written consent of the Company (such consent not to be unreasonably withheld). In the case of an Action to which the indemnity in this paragraph applies, such indemnity shall be effective, whether or not such Action is brought by any of the Company, any of its securityholders or creditors, an Indemnified Person or any other person, or whether or not an Indemnified Person is otherwise a party thereto and whether or not any aspect of this and any other fee letter, the Facility or any of the transactions contemplated hereby or thereby is consummated. The reimbursement and indemnity obligations of the Company under this paragraph are cumulative and will be in addition to any liability that the Company may otherwise have and will be binding upon any successors, assigns, heirs and personal representatives of the Company and inure to the benefit of any successors, assigns, heirs and personal representatives of each Indemnified Person.



If for any reason the foregoing indemnification is unavailable to an Indemnified Person or is insufficient to hold it harmless, then the Company will contribute to the amount paid or payable by such Indemnified Person as a result of such Liability in such proportion as is appropriate to reflect the relative economic interests of (i) the Company and its affiliates, shareholders, partners, members or other equity holders on the one hand and (ii) such Indemnified Person on the other hand in the matters contemplated by this Fee Letter as well as the relative fault of (i) the Company and its affiliates, shareholders, partners, members or other equity holders on the one hand and (ii) such Indemnified Person with respect to such Liability and any other relevant equitable considerations.

No Indemnified Person shall be responsible or liable for Liabilities arising from the use by others of information or other materials obtained through internet, electronic, telecommunications or other information transmission. No Indemnified Person shall have any liability (whether direct or indirect, in contract, tort or otherwise) to the Company or its subsidiaries or affiliates or any of its securityholders or creditors arising out of, related to or in connection with the transactions contemplated hereby, except (i) to the extent of direct (as opposed to special, indirect, consequential or punitive) money damages determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted primarily from such Indemnified Person's gross negligence or willful misconduct, and (ii) the extent such liability arises from a material breach in bad faith by such Indemnified Person of its obligations under this and any other fee letter. It is further agreed that the Arranger shall have liability only to the Company and shall have no third party liability to any other person. Notwithstanding anything to the contrary in this Fee Letter, in no event shall any Indemnified Party be liable for any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings).

#### **Section 4. Miscellaneous.**

Your agreement under this Fee Letter shall be legally binding upon and enforceable against you and your successors and assigns, may be enforced by us and our successors and assigns, and shall be enforceable without regard to any act, event or circumstance except as expressly set forth herein.

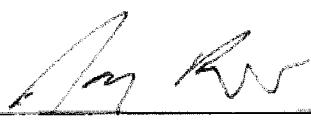
**Each party hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Fee Letter or the transactions contemplated hereby or the actions of the parties hereto or any of their affiliates in the negotiation, performance or enforcement of this Fee Letter.**

This Fee Letter shall be governed by and construed in accordance with the law of the State of New York.

Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By:  \_\_\_\_\_

Name: Jeffrey Bloomquist  
Title: Managing Director

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Name: Tyler D. Levings  
Title: Director

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please evidence your acceptance of the terms of this Fee Letter by signing the enclosed copy of this Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Fee Letter shall be effective as delivery of an original executed counterpart of this Fee Letter. This Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_

Name:

Title:

BANK OF AMERICA, N.A.

By: Tyler D Levings

Name: Tyler D. Levings

Title: Director

ACCEPTED this \_\_\_ day

of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURE PAGE TO FEE LETTER]

Very truly yours,

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION


By:   
Name: Mark N. Schroeder  
Title: Senior Vice President &  
Chief Financial Officer

Exhibit C

Structure Fee Letter

**CITIGROUP GLOBAL MARKETS INC.  
390 GREENWICH STREET  
NEW YORK, NY 10013**

**BARCLAYS BANK PLC  
745 SEVENTH AVENUE  
NEW YORK, NY 10019**

July 9, 2012

Patriot Coal Corporation  
12312 Olive Boulevard, Suite 400  
St. Louis, Missouri 63141

Attention: Mark N. Schroeder  
Senior Vice President & Chief Financial Officer

### **STRUCTURE FEE LETTER**

Ladies and Gentlemen:

Reference is made to the Fee Letter (the "*Fee Letter*") dated the date hereof between Citigroup Global Markets Inc. ("*CGMI*"), Barclays Bank PLC ("*Barclays*" and together with CGMI, the "*Structuring Parties*", and each individually, an "*Structuring Party*"), Merrill Lynch, Pierce, Fenner & Smith Incorporated and Patriot Coal Corporation (the "*Company*"). Capitalized terms used but not defined herein are used with the meanings assigned to them in the Fee Letter.

In addition to the fees specified in the Fee Letter, as consideration for structuring the Facilities, you agree to pay nonrefundable structuring fees equal to [REDACTED] basis points of the maximum amount of commitments under the Facilities [REDACTED] (such fees, the "*Structuring Fees*"). With regard to the Structuring Fees, (i) [REDACTED] shall be earned, due and payable on the date hereof and (ii) [REDACTED] shall be earned, due and payable on the Closing Date. Of the fees paid by the Company to the Structuring Parties on July 6, 2012, [REDACTED] shall be credited towards the Structuring Fees due on the date hereof.

Subject to the terms and conditions herein, the fees payable pursuant to this Structure Fee Letter shall be fully earned and non-refundable when paid and shall be in addition to any fees referred to in the credit agreement and other operative documents pursuant to which the Facilities are provided and other fee letters. Payment of the foregoing fees will not be subject to counterclaim or set-off for, or be otherwise affected by, any claim or dispute relating to any other matter.

By accepting delivery of this Structure Fee Letter, the Company agrees that this Structure Fee Letter is for the Company's confidential use only and that neither its existence nor the terms hereof will be disclosed by the Company to any person other than the Company's officers, directors, employees, accountants, attorneys and other advisors, agents and representatives (collectively, the "*Company Representatives*"), and then only on a confidential and "*need to know*" basis in connection with the transactions contemplated herein; *provided, however*, that the Company may disclose the existence and the terms hereof (i) as the Company is required by law or compulsory legal process to make, in the opinion of counsel, (ii) to the extent and to the parties

necessary to obtain required approval from the bankruptcy court for the Facilities, (iii) to legal and financial advisers of any official committee appointed in the Company's bankruptcy cases on a "professionals' eyes only" basis or (iv) as may be otherwise mutually agreed in writing between the Company and the Structuring Parties; *provided* that the Company agrees to use its reasonable efforts to prevent the contents of this Structure Fee Letter from becoming publicly available, including, without limitation, by the filing of a motion or an ex parte request pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, as applicable, in each case seeking an order of the bankruptcy court authorizing the Company to file this Structure Fee Letter under seal, and to take such other actions as the Structuring Parties may reasonably request to preserve the confidentiality of this Structure Fee Letter in connection with any such disclosure.

Your agreement under this Structure Fee Letter shall be legally binding upon and enforceable against you and your successors and assigns, may be enforced by us and our successors and assigns, and shall be enforceable without regard to any act, event or circumstance except as expressly set forth herein. This Structure Fee Letter is an integral part of the Syndication Letter.

**Each party hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Structure Fee Letter or the transactions contemplated hereby or the actions of the parties hereto or any of their affiliates in the negotiation, performance or enforcement of this Structure Fee Letter.**

This Structure Fee Letter shall be governed by and construed in accordance with the law of the State of New York.

Please evidence your acceptance of the terms of this Structure Fee Letter by signing the enclosed copy of this Structure Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Structure Fee Letter shall be effective as delivery of an original executed counterpart of this Structure Fee Letter. This Structure Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By:  \_\_\_\_\_

Name: Shane V. Azzara

Title: Director

BARCLAYS BANK PLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



Please evidence your acceptance of the terms of this Structure Fee Letter by signing the enclosed copy of this Structure Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Structure Fee Letter shall be effective as delivery of an original executed counterpart of this Structure Fee Letter. This Structure Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: SO \_\_\_\_\_  
Name: J Jeffcott Ogden \_\_\_\_\_  
Title: MD \_\_\_\_\_

ACCEPTED this \_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please evidence your acceptance of the terms of this Structure Fee Letter by signing the enclosed copy of this Structure Fee Letter and returning it to the undersigned. Delivery by telecopier or electronic mail of an executed counterpart of a signature page to this Structure Fee Letter shall be effective as delivery of an original executed counterpart of this Structure Fee Letter. This Structure Fee Letter may be executed and delivered in counterparts, each of which, when so executed and delivered, shall be deemed an original and all of which taken together shall constitute one and the same original agreement.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION


By:   
Name: Mark N. Schroeder  
Title: Senior Vice President &  
Chief Financial Officer

Exhibit D

Syndication Letter

**CITIGROUP GLOBAL  
MARKETS INC.  
390 GREENWICH STREET  
NEW YORK, NY 10013**

**BARCLAYS BANK PLC  
745 SEVENTH AVENUE  
NEW YORK, NY 10019**

**MERRILL LYNCH, PIERCE,  
FENNER & SMITH  
INCORPORATED  
ONE BRYANT PARK  
NEW YORK, NY 10036**

July 9, 2012

Patriot Coal Corporation  
12312 Olive Boulevard, Suite 400  
St. Louis, Missouri 63141

Attention: Mark N. Schroeder  
Senior Vice President & Chief Financial Officer

### **SYNDICATION LETTER**

Ladies and Gentlemen:

Reference is made to that certain Superpriority Secured Debtor-in-Possession Credit Agreement (the "*Credit Agreement*"), dated as of the date hereof, among Patriot Coal Corporation (the "*Borrower*" or "*you*"), certain subsidiaries of the Borrower (collectively with the Borrower, the "*Loan Parties*"), the lenders from time to time party thereto (the "*Lenders*"), Citicorp North America, Inc., Barclays Bank PLC and Bank of America, N.A. as L/C Issuers, and Citibank, N.A., as Administrative Agent, providing for a \$125,000,000 Revolving Credit Facility and a \$375,000,000 Term Facility. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Credit Agreement. Citigroup Global Markets Inc. ("*CGMI*"), Barclays Bank PLC ("*Barclays*") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("*Merrill Lynch*", and together with CGMI and Barclays, the "*Arrangers*", and each individually, an "*Arranger*"), as Lenders under the Credit Agreement, have committed, subject to the terms and conditions of the Credit Agreement, to provide the Borrower with the entire amount of the Facilities and to act as joint lead arrangers and joint bookrunners with respect to the Facilities.

#### **Section 1. Syndication.**

The Arrangers reserve the right, before or after the Closing Date, to syndicate all or a portion of their Commitments and Loans to one or more other financial institutions reasonably acceptable to the Borrower that will become parties to the Credit Agreement pursuant to a syndication to be managed by the Arrangers (such financial institutions becoming parties to the Credit Agreement as "*Lenders*" thereunder). The Arrangers will manage all aspects of the syndication of the Facilities in consultation with the Borrower, including, without limitation, the timing of all offers to potential Lenders, the determination of the amounts offered to potential Lenders, the assignment of any titles, the acceptance of commitments of the Lenders and the compensation to be provided to the Lenders.

Until the earlier of (x) the date of completion of a Successful Syndication (as defined below) and (y) the date that is 120 days after Closing Date (the "*Syndication Date*"), the Borrower shall take all action as the Arrangers may reasonably request to assist the Arrangers in forming a syndicate acceptable to the Arrangers and reasonably acceptable to the Borrower. The Borrower's assistance in forming such a syndicate shall include but not be limited to: (i) making senior management (which, for the avoidance of

doubt, will include the chief executive officer or any other senior management executives reasonably acceptable to the Arrangers), representatives and advisors of the Borrower available to participate in information meetings with potential Lenders at such times and places as the Arrangers may reasonably request; (ii) using the Borrower's best efforts to ensure that the syndication efforts benefit from the Borrower's existing lending relationships; (iii) assisting (including using its best efforts to cause its affiliates and advisors to assist) in the preparation of a confidential information memorandum for the Facilities and other marketing materials to be used in connection with the syndication of the Facilities; (iv) promptly providing the Arrangers with all other information reasonably deemed necessary by it to successfully complete the syndication of the Facilities and (v) assisting in arranging for the rating of the Term Facility by Moody's and S&P.

The Borrower acknowledges that (i) the Arrangers may make available any Information and Projections (each as defined in Section 4) (collectively, the "*Borrower Materials*") to potential Lenders by posting the Borrower Materials on IntraLinks™ or another similar electronic system (the "*Platform*") and (ii) certain of the Lenders may be public side Lenders (i.e. Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities, each a "*Public Lender*"). The Borrower agrees that (i) at the request of the Arrangers, it will assist and participate in the preparation of a version of the information package and presentation to be provided to potential Lenders that does not contain material non-public information concerning the Borrower or its securities for purposes of United States federal and state securities laws; (ii) all Borrower Materials that are to be made available to Public Lenders will be clearly and conspicuously marked "PUBLIC" that, at a minimum, will mean that the word "PUBLIC" will appear prominently on the first page thereof; (iii) by marking Borrower Materials "PUBLIC," the Borrower will be deemed to have authorized the Arrangers and the proposed Lenders to treat such Borrower Materials as not containing any material non-public information (although they may be confidential or proprietary) with respect to the Borrower or its securities for purposes of United States federal and state securities laws; (iv) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Lender," and (v) the Arrangers will be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable for posting on a portion of the Platform not designated "Public Lender."

To ensure an effective syndication of the Facilities, the Borrower agrees that until the Syndication Date, the Borrower will not, and it will not permit any of its affiliates to, syndicate or issue, attempt to syndicate or issue, announce or authorize the announcement of the syndication or issuance of, or engage in discussions concerning the syndication or issuance of, any debt facility or debt security (including, without limitation, the renewal of any thereof) without the prior written consent of each Arranger.

Citi will act as the sole collateral agent and administrative agent for each of the Facilities, and Citi, Barclays, and Merrill Lynch will act as joint lead arrangers and joint bookrunners for the Facilities. It is understood and agreed that Citi will have "left" placement, Barclays shall be to the right of Citi and Merrill Lynch shall be to the right of Barclays in all marketing materials and other documentation in connection with the Facilities. No additional agents, co-agents or arrangers will be appointed and no other titles conferred, without the consent of Citi, Barclays and Merrill Lynch. The Borrower agrees that no Lender will receive any compensation of any kind for its participation in the Facilities, except as expressly provided for in the Fee Letters (as defined below) or in the Credit Agreement.

## **Section 2. Fees.**

In addition to the fees described in the Credit Agreement, the Borrower shall pay the non-refundable fees set forth in the letter agreement dated as of the date hereof between the Borrower and the Arrangers and any other fee letter between the Borrower and any of the Arrangers that has been disclosed to each Arranger (collectively, the "*Fee Letters*"). The terms of the Fee Letters are an integral part of the

Arrangers' Commitments under the Credit Agreement and constitute part of this letter for all purposes hereof.

**Section 3. Confidentiality.**

By accepting delivery of this Syndication Letter, the Borrower agrees that this Syndication Letter is for the Borrower's confidential use only and that neither its existence nor the terms hereof will be disclosed by the Borrower to any person other than the Borrower's officers, directors, employees, accountants, attorneys and other advisors, agents and representatives (collectively, the "*Borrower Representatives*"), and then only on a confidential and "*need to know*" basis in connection with the transactions contemplated herein; *provided, however*, that the Borrower may disclose the existence and the terms hereof (i) as the Borrower is required by law or compulsory legal process to make, in the opinion of counsel, (ii) to the extent and to the parties necessary to obtain required approval from the bankruptcy court for the Facilities, (iii) to legal and financial advisers of any official committee appointed in the Borrower's bankruptcy cases on a "professionals' eyes only" basis or (iv) as may be otherwise mutually agreed in writing between the Borrower and the Arrangers; *provided* that the Borrower agrees to use its reasonable efforts to prevent the contents of this Syndication Letter from becoming publicly available, including, without limitation, by the filing of a motion or an ex parte request pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, as applicable, in each case seeking an order of the bankruptcy court authorizing the Borrower to file this Syndication Letter under seal, and to take such other actions as the Arrangers may reasonably request to preserve the confidentiality of this Syndication Letter in connection with any such disclosure.

**Section 4. Representations and Warranties of the Borrower.**

The Borrower represents and warrants that (i) all information, other than the Projections (as defined below) that has been or will hereafter be made available to the Arrangers, any Lender or any potential Lender by the Borrower or any Borrower Representative in connection with the transactions contemplated hereby and by the Credit Agreement (the "*Information*") is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements were or are made and (ii) all financial projections that have been or will be prepared by the Borrower or any Borrower Representative and made available to the Arrangers, any Lender or any potential Lender (the "*Projections*") have been or will be prepared in good faith based upon assumptions that were reasonable as of the date of the preparation of such financial projections (it being understood that the Projections are subject to significant uncertainties and contingencies, many of which are beyond the Borrower's control, and that no assurance can be given that the Projections will be realized).

In arranging the Facilities, including the syndication thereof, the Arrangers will be entitled to use, and to rely on the accuracy of, the information furnished to it by or on behalf of the Borrower and its affiliates without responsibility for independent verification thereof.

**Section 5. Flex Rights**

As further consideration for the Commitments of each Arranger under the Credit Agreement, the Arrangers shall be entitled, upon agreement by each Arranger and until the Syndication Date, without the consent of, but after consultation with, you, and in addition to any other rights expressly set forth herein or in the Credit Agreement, to make the following changes to the Facilities (and to amend the Credit Agreement to effect such changes without the further consent of any Loan Party or any Lender) if such

Arrangers determine that such changes are advisable in order to facilitate a Successful Syndication (as defined below) or if a Successful Syndication cannot be achieved:

(a) Increase the interest margin on Facilities in accordance with any one or more of the following subparagraphs by:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

If the Arrangers elect to change any of the terms of the Facilities pursuant to this Section 5, the Borrower shall promptly execute any amendment to the Credit Agreement, side letter, loan documentation or other documents required, and until the Syndication Date, without the consent of, but after consultation with, you, and in addition to any other rights expressly set forth herein or in the Credit Agreement, to make the foregoing changes to the Facilities (and to amend the Credit Agreement to effect such changes without the further consent of any Loan Party or any Lender) if such Arrangers determine that such changes are advisable in order to facilitate a Successful Syndication or if a Successful Syndication cannot be achieved.

**Section 6. No Third Party Reliance, Etc.**

The agreements of the Arrangers hereunder and of any Lender that issues a commitment to provide financing under the Facilities are made solely for the benefit of the Borrower and may not be relied upon or enforced by any other person. Please note that those matters that are not covered or made clear in this Syndication Letter are subject to mutual agreement of the parties. The Borrower may not assign or delegate any of its rights or obligations hereunder without the Arrangers' prior written consent. This Syndication Letter may not be amended or modified, or any provisions hereof waived, except by a written agreement signed by all parties hereto.

The Borrower acknowledges that the Arrangers are acting pursuant to a contractual relationship on an arm's length basis, and the parties hereto do not intend that the Arrangers act or be responsible as a fiduciary to the Borrower, its management, stockholders, creditors or any other person. Each of the Borrower and the Arrangers hereby expressly disclaims any fiduciary relationship and agrees that they are each responsible for making their own independent judgments with respect to any transactions entered into between them. The Borrower also acknowledges that the Arrangers have not advised and is not advising the Borrower as to any legal, restructuring, accounting, regulatory or tax matters, and that the Borrower is consulting its own advisors concerning such matters to the extent it deems appropriate.

The Borrower acknowledges that each of the Arrangers and/or one or more of each of the Arrangers' affiliates (collectively, the "Group") are engaged in a wide range of financial services and businesses (including investment management, financing, securities trading, corporate and investment banking and research). Members of the Group and businesses within the Group generally act independently of each other, both for their own account and the account of clients. Accordingly, there may be situations where parts of the Group and/or their clients either now have or may in the future have interests, or take actions, that may conflict with the Borrower's interests. For example, the Group may, in the ordinary course of business, engage in trading its financial products or undertake other investment businesses for their own account or on behalf of other clients, including, without limitation, trading in or holding long, short or derivative positions in securities, loans or other financial products of the Borrower or its affiliates or other entities connected with the Facilities or the transactions contemplated hereby.

In recognition of the foregoing, the Borrower agrees that the Group is not required to restrict its activities as a result of this Syndication Letter and that the Group may undertake any business activity without further consultation with or notification to the Borrower. Neither this Syndication Letter nor the receipt by the Arrangers of confidential information nor any other matter will give rise to any fiduciary, equitable or contractual duties (including, without limitation, any duty of trust or confidence) that would prevent or restrict the Group from acting on behalf of other customers or for its own account. Furthermore, the Borrower agrees that neither the Group nor any member or business of the Group is under a duty to disclose to the Borrower or use on behalf of the Borrower any information whatsoever about or derived from those activities or to account for any revenue or profits obtained in connection with such activities. However, consistent with the Group's long-standing policy to hold in confidence the affairs of its customers and its contractual obligations therewith, the Group will not use confidential information obtained from the Borrower except in connection with its services to, and its relationship with, the Borrower; *provided, however*, that the Group will be free to disclose information in any manner as required by law, regulation, regulatory authority or other applicable judicial or governmental order.

#### **Section 7. Governing Law, Etc.**

This Syndication Letter and all claims and causes of action arising out of or relating to this Syndication Letter shall be governed by, and construed in accordance with, the law of the State of New York. The Borrower irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in the City of New York over any suit, action or proceeding arising out of or relating to this Syndication Letter; *provided, however*, that, subsequent to the Closing Date, the Bankruptcy Court presiding over the Cases shall assume exclusive jurisdiction over any disputes involving, related to or arising out of the Facilities. Service of any process, summons, notice or document by registered mail addressed to the Borrower shall be effective service of process against such person for any suit, action or proceeding brought in any such court. Subject to the qualification above, the Borrower irrevocably and unconditionally waives any objection to the laying of venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. A final judgment in any such suit, action or proceeding brought in any such court may be enforced in any other court to whose jurisdiction the Borrower is or may be subject by suit upon judgment.

This Syndication Letter sets forth the entire agreement between the parties with respect to the matters addressed herein and supersedes all prior communications, written or oral, with respect hereto. This Syndication Letter may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same Syndication Letter. Delivery of an executed counterpart of a signature page to this Syndication Letter by telecopier or other electronic communication shall be as effective as delivery of an original, executed counterpart of this Syndication Letter.



**Section 8. Waiver of Jury Trial.**

**Each party hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Syndication Letter or the transactions contemplated by this Syndication Letter or the actions of the parties hereto or any of their affiliates in the negotiation, performance or enforcement of this Syndication Letter.**

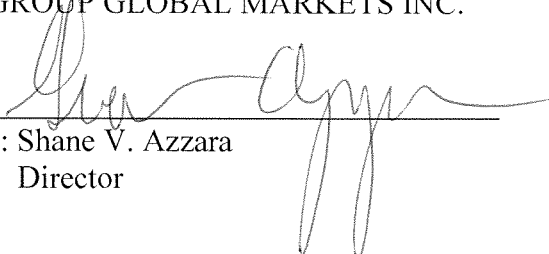
**Section 9. Patriot Act.**

The arrangers hereby notify you that pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "*Patriot Act*"), each Lender is required to obtain, verify and record information that identifies the Borrower, which information includes the name, address, tax identification number and other information regarding the Borrower that will allow such Lender to identify the Borrower in accordance with the Patriot Act. The Arrangers may also request corporate formation documents, or other forms of identification, to verify the information provided. This notice is given in accordance with the requirements of the Patriot Act and is effective as to each Lender.

Please indicate the Borrower's acceptance of the provisions hereof by signing the enclosed copy of this Syndication Letter and returning them to the Arrangers at or before 11:30 p.m.(New York City time) on July 8, 2012. If the Borrower elects to deliver this Syndication Letter by telecopier or other electronic communication, please arrange for the executed original to follow by next-day courier.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By:   
Name: Shane V. Azzara  
Title: Director

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please indicate the Borrower's acceptance of the provisions hereof by signing the enclosed copy of this Syndication Letter and returning them to the Arrangers at or before 11:30 p.m.(New York City time) on July 8, 2012. If the Borrower elects to deliver this Syndication Letter by telecopier or other electronic communication, please arrange for the executed original to follow by next-day courier.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: J. Jeffcott Ogden  
Title: MD

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please indicate the Borrower's acceptance of the provisions hereof by signing the enclosed copy of this Syndication Letter and returning them to the Arrangers at or before 11:30 p.m.(New York City time) on July 8, 2012. If the Borrower elects to deliver this Syndication Letter by telecopier or other electronic communication, please arrange for the executed original to follow by next-day courier.

Very truly yours,


CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By:  \_\_\_\_\_  
Name: Jeffrey Bloomquist  
Title: Managing Director

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Please indicate the Borrower's acceptance of the provisions hereof by signing the enclosed copy of this Syndication Letter and returning them to the Arrangers at or before 11:30 p.m.(New York City time) on July 8, 2012. If the Borrower elects to deliver this Syndication Letter by telecopier or other electronic communication, please arrange for the executed original to follow by next-day courier.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BARCLAYS BANK PLC


By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED this \_\_\_\_ day  
of July, 2012

PATRIOT COAL CORPORATION

By:   
Name: Mark N. Schroeder  
Title: Senior Vice President &  
Chief Financial Officer