

**Objection Deadline: July 26, 2012 at 4:00 pm (prevailing Eastern Time)**  
**Hearing Date (if necessary): August 2, 2012 at 2:00 pm (prevailing Eastern Time)**

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*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)**

**DEBTORS' MOTION FOR AUTHORIZATION TO EMPLOY  
ORDINARY COURSE PROFESSIONALS, *NUNC PRO TUNC*  
TO THE PETITION DATE**

Patriot Coal Corporation and its subsidiaries that are debtors and debtors  
in possession in these proceedings (collectively, the “**Debtors**”) respectfully  
represent:

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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.

### **Relief Requested**

1. By this motion (the “**Motion**”), the Debtors request entry of an order in the form attached hereto as Exhibit A, pursuant to sections 105(a), 327(e), 328 and 330 of the Bankruptcy Code and Bankruptcy Rule 2014(a), authorizing the retention of those legal professionals that the Debtors or the Board (as defined below) employ in the ordinary course of business (the “**Ordinary Course Professionals**”), *nunc pro tunc* to the Petition Date, without the submission of separate retention applications or the entry of separate retention orders for each individual professional. A list of Ordinary Course Professionals as of the Petition Date is attached hereto as Exhibit B.<sup>2</sup>

### **Background and Jurisdiction**

2. On July 9, 2012 (the “**Petition Date**”), each Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. These chapter 11 cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and the Court’s Joint Administration Order entered on July 10, 2012 [ECF No. 30].

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<sup>2</sup> The Debtors believe that Exhibit B is a complete list of the Debtors’ legal Ordinary Course Professionals as of the Petition Date. Due to the breadth of issues confronting the Debtors in the normal operation of their businesses, this list may not be comprehensive. Further, the Debtors may require the services of additional legal professionals while these cases are active. As the Debtors retain additional legal professionals during these cases, such legal professionals will comply with the practices and requirements set forth herein.

4. Additional information about the Debtors' businesses and the events leading up to the Petition Date can be found in the Declaration of Mark N. Schroeder, Patriot Coal Corporation's Senior Vice President and Chief Financial Officer, filed on July 9, 2012 [ECF No. 4], which is incorporated herein by reference.

5. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **Discussion**

6. The Debtors seek to continue employing the Ordinary Course Professionals to render a wide variety of legal services to their estates in the same manner and for the same purposes as the Ordinary Course Professionals did before the Petition Date. In the past, the Ordinary Course Professionals have rendered legal services relating to such broad topics as litigation, tax, corporate governance, regulatory matters, labor and employment matters, environmental matters, safety matters, contracts, black lung and workers compensation claims, intellectual property and real estate, as well as advice to the Debtors' board of directors (the "**Board**") and other services for the Debtors in relation to issues that have a direct and significant impact on the Debtors' day-to-day operations. It is essential that the employment of the Ordinary Course Professionals, many of whom are already familiar with the Debtors' businesses and affairs, be continued to avoid disruption of the Debtors' normal business operations.

7. The Debtors submit that the proposed employment of the Ordinary Course Professionals and the payment of monthly compensation on the basis set forth below are in the best interest of their estates and of their creditors. The relief requested will save the estates the substantial expense associated with applying separately for the employment of each professional. Further, the requested relief will avoid the incurrence of substantial additional fees relating to the preparation and prosecution of interim fee applications. Likewise, the procedure outlined below will relieve the Court, the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) and any official committees of unsecured creditors appointed in these cases of the burden of reviewing numerous fee applications involving relatively small amounts of fees and expenses.

8. The Debtors propose that they be permitted to pay each Ordinary Course Professional without a prior application to the Court and upon the submission to, and approval by, the Debtors of appropriate invoices setting forth in reasonable detail the nature of the services rendered and disbursements incurred, 100% of the postpetition fees and disbursements incurred, up to (a) \$50,000 per month (the “**Monthly Cap**”) per Ordinary Course Professional or (b) \$500,000 in the aggregate per Ordinary Course Professional over the life of these cases (the “**Aggregate Cap**” and together with the Monthly Cap, the “**Ordinary Course Professional Fee Caps**”).

9. In the event that an Ordinary Course Professional seeks more than the Monthly Cap in a single month, that professional will be required to, on or

before the 20th day of the month following the month for which the additional fees and disbursements are being sought, serve a monthly statement (“**Monthly Statement**”) for the full amount of fees and disbursements sought in such month, by hand or overnight delivery, on (a) the Debtors, Patriot Coal Corporation, 12312 Olive Boulevard, Suite 400, St. Louis, Missouri 63141, Attn: Jacquelyn A. Jones, Vice President – Associate General Counsel and Corporate Secretary, (b) proposed counsel to the Debtors, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Brian M. Resnick, (c) attorneys for the administrative agents for the Debtors’ postpetition lenders, (i) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Marcia Goldstein and Joseph Smolinsky, and (ii) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Margot B. Schonholtz and Ana Alfonso, (d) the attorneys for any official committee of unsecured creditors then appointed in these cases and (e) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Elisabetta G. Gasparini and Paul K. Schwartzberg (the “**Interested Parties**”).

(a) If any Interested Party has an objection to the compensation or reimbursement sought in a particular Monthly Statement, he or she shall, by no later than the 15th day following the service of the relevant Monthly Statement, serve upon the Ordinary Course Professional whose Monthly Statement is objected to, and upon the other Interested Parties, a written “Notice of Objection to Fee Statement” setting forth the nature of the objection and the amount of fees or expenses at issue.

(b) After the 15th day following the service of the relevant Monthly Statement, the Debtors shall promptly pay all fees and expenses identified in each Monthly Statement to which no objection has timely been served in accordance with paragraph (b) above.

(c) If the Debtors receive an Objection to a particular Monthly Statement, unless the Court, upon notice and a hearing, directs payment to be made, they shall withhold payment of that portion of the Monthly Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements.

(d) If the parties to an objection are able to resolve their dispute following the timely filing of an objection and if the party whose Monthly Statement was objected to serves upon the other Interested Parties a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay that portion of the Monthly Statement no longer subject to an objection.

(e) All objections not resolved by the relevant parties shall be preserved and presented to the Court on notice.

10. In the event that an Ordinary Course Professional seeks more than the Aggregate Cap during these chapter 11 cases, such Ordinary Course Professional shall, unless the Court orders otherwise, be required to file a separate application to be retained as a professional pursuant to sections 327(e) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a).

11. Within 15 days of the later of the entry of a final order granting this Motion or the date on which the retained Ordinary Course Professional commences services for the Debtors, each Ordinary Course Professional shall provide the Debtors' attorneys with (a) a declaration (the "**Ordinary Course Professional Declaration**"), substantially in the form attached hereto as Exhibit C, certifying that the professional does not represent or hold any interest adverse to the Debtors or their estates with respect to the matter on which the professional is to be employed and (b) a completed retention questionnaire (the "**Retention Questionnaire**"), substantially in the form attached hereto as Exhibit D, and shall periodically update such Ordinary Course Professional Declaration and/or Retention Questionnaire to the extent necessary to reflect new facts or circumstances relevant to their retention. The Debtors' attorneys shall promptly file the Ordinary Course Professional Declarations and Retention Questionnaires with the Court and serve them on the U.S. Trustee. The U.S. Trustee shall then have 15 days following service to notify the Debtors in writing of any objection to the retention stemming from the contents of the Ordinary Course Professional Declaration or Retention Questionnaire. If after 15 days the U.S. Trustee has not so notified the Debtors, the Ordinary Course Professional may, subject to the Ordinary Course Professional Fee Caps, be paid 100% of the fees and 100% of the expenses incurred after the Petition Date without the need to file fee applications, based upon the submission of appropriate invoices setting forth in reasonable detail the nature of the services rendered and disbursements incurred; *provided, however*, that if an objection is asserted by the U.S. Trustee

before the applicable objection deadline and such objection is not resolved within 20 days of the applicable objection deadline, the Debtors shall schedule the matter for a hearing before the Court. The Debtors propose that no Ordinary Course Professional be paid any amounts for invoiced fees and expense reimbursement until the Ordinary Course Professional Declaration and Retention Questionnaire have been filed with the Court and the applicable objection deadline has passed with no objection filed or, in the event an objection is filed, until such objection is resolved or upon order of the Court.

12. At three month intervals during the pendency of these chapter 11 cases (each, a “**Quarter**”), the Debtors shall file with the Court and serve on the Interested Parties, no later than 40 days after the end of such Quarter, a statement that shall include the following information for each Ordinary Course Professional: (i) the name of the Ordinary Course Professional, (ii) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by that Ordinary Course Professional during the reported Quarter and (iii) all postpetition payments made to that Ordinary Course Professional through the reported Quarter.

13. Although certain of the Ordinary Course Professionals may hold unsecured claims against the Debtors for prepetition services rendered to the Debtors, the Debtors do not believe that any of the Ordinary Course Professionals have an interest adverse to the Debtors or their estates with respect to the matters for which they are to be employed, and thus all of the Ordinary Course



Professionals the Debtors propose to retain meet the applicable retention requirements under section 327(e) of the Bankruptcy Code.

14. Other than Ordinary Course Professionals, all attorneys employed by the Debtors during these chapter 11 cases will be retained by the Debtors pursuant to separate retention applications.<sup>3</sup> Such professionals shall be compensated in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and other orders of this Court.

15. The Debtors submit that, in light of the additional cost associated with the preparation of retention applications for professionals who will receive relatively small fees, it is impractical and inefficient for the Debtors to submit individual applications and proposed retention orders for each Ordinary Course Professional. Accordingly, the Debtors request that this Court dispense with the

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<sup>3</sup> In addition to the legal Ordinary Course Professionals addressed herein, the Debtors intend to employ, without further application to the Court, additional non-legal professional persons (“**Additional Professional Persons**”) from time to time to assist the Debtors in their day-to-day operations (for example: professionals to assist them in actuarial matters and with audits, insurance matters, lobbying, labor matters and public relations matters, professionals to provide them with pension and 401(k) advice, land-use consultants, engineers, on-site services providers, environmental consulting and testing professionals, engineering services providers, real estate consulting services providers, compensation and benefits consultants and asset impairment analysts). The employment of the Additional Professional Persons will not be subject to the Ordinary Course Professional Fee Caps. Section 363(c) of the Bankruptcy Code permits the Debtors to “enter into transactions . . . in the ordinary course of business, without notice or a hearing.” 11 U.S.C. § 363(c). The Additional Professional Persons, who will not be involved in the administration of the Debtors’ estates, are not within the ambit of section 327 of the Bankruptcy Code. This is consistent with case law from this and other courts. *See, e.g., In re Johns-Manville Corp.*, 60 B.R. 612, 619 (Bankr. S.D.N.Y. 1986) (“[T]he phrase ‘professional persons,’ as used in § 327(a), is a term of art reserved for those persons who play an intimate role in the reorganization of a debtor’s estate.”); *In re Seatrain Lines, Inc.*, 13 B.R. 980, 981 (Bankr. S.D.N.Y. 1981) (“For the purposes of section 327(a), ‘professional person’ is limited to persons in those occupations which play a central role in the administration of the debtor proceeding.”); *In re SageCrest II, LLC*, 2010 Bankr. LEXIS 1645, at \*23 (Bankr. D. Conn. May 18, 2010); *In re Cyrus II P’ship*, 2008 WL 3003824, at \*2-3 (Bankr. S.D. Tex. July 31, 2008). Therefore, no further application to the court is required to employ Additional Professional Persons to assist the Debtors in their day-to-day operations.

requirement of individual employment applications and retention orders for each Ordinary Course Professional.

16. Relief similar to that requested herein has been granted by courts in this jurisdiction in other large chapter 11 cases. *See, e.g., In re Pinnacle Airlines Corp.*, Case No. 12-11343 (REG) (Bankr. S.D.N.Y. Jan. 17, 2012); *In re Eastman Kodak Co.*, Case No. 12-10202 (ALG) (Bankr. S.D.N.Y. Feb. 15, 2012); *In re Hostess Brands Inc.*, Case No. 12-22052 (RDD) (Bankr. S.D.N.Y. Jan. 27, 2012); *In re AMR Corp.*, Case No. 11-15463 (SHL) (Bankr. S.D.N.Y. Jan. 17, 2012); *In re Sbarro, Inc.*, Case No. 11-11527 (SCC) (Bankr. S.D.N.Y. May 3, 2011); *In re Mesa Air Group, Inc.*, Case No. 10-10018 (MG) (Bankr. S.D.N.Y. Mar. 10, 2010); *In re Star Tribune Holdings Corp.*, Case No. 09-10244 (RDD) (Bankr. S.D.N.Y. Feb. 9, 2009); *In re Lehman Brothers Holdings Inc.*, Case No. 08-13555 (JMP) (Nov. 5, 2008); *In re Frontier Airlines Holdings, Inc.*, Case No. 08-11298 (RDD) (Bankr. S.D.N.Y. May 2, 2008); *In re PLVTZ, Inc.*, Case No. 07-13532 (REG) (Bankr. S.D.N.Y. Nov. 8, 2007); *In re Dana Corp.*, Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Mar. 3, 2006); *In re Calpine Corp.*, Case No. 05-60200 (BRL) (Bankr. S.D.N.Y. Jan. 25, 2006); *In re Delta Air Lines, Inc.*, No. 05-17923 (PCB) (Bankr. S.D.N.Y. Sept. 16, 2005); *In re Loral Space & Commc'ns Ltd.*, Case No. 03-41710 (RDD) (Bankr. S.D.N.Y. July 15, 2003); *In re WorldCom, Inc.*, Case No. 02-13533 (ALG) (Bankr. S.D.N.Y. July 21, 2002); *In re Adelphia Commc'ns Corp.*, Case No. 02-41729 (REG) (Bankr. S.D.N.Y. June 25, 2002); *In re Global Crossing Ltd.*, Case No. 02-40188 (REG) (Bankr. S.D.N.Y. Jan. 28, 2002).

**Notice**

17. Consistent with the Order Establishing Certain Notice, Case Management and Administrative Procedures entered on July 16, 2012 [ECF No. 84] (the “**Case Management Order**”), the Debtors will serve notice of this Motion on (a) the Core Parties and (b) the Non-ECF Service Parties (as those terms are defined in the Case Management Order). All parties who have requested electronic notice of filings in these cases through the Court’s ECF system will automatically receive notice of this motion through the ECF system no later than the day after its filing with the Court. A copy of this motion and any order approving it will also be made available on the Debtors’ Case Information Website (located at [www.PatriotCaseInfo.com](http://www.PatriotCaseInfo.com)). In light of the relief requested, the Debtors submit that no further notice is necessary. Pursuant to paragraph 21 of the Case Management Order, if no objections are timely filed and served in accordance therewith, an order granting the relief requested herein may be entered without a hearing.

**No Previous Request**

18. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

Dated: New York, New York  
July 19, 2012

By: /s/ Damian S. Schaible

Marshall S. Huebner

Damian S. Schaible

Brian M. Resnick

Michelle M. McGreal

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*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**

**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)**

**ORDER AUTHORIZING THE DEBTORS TO  
EMPLOY ORDINARY COURSE PROFESSIONALS,  
NUNC PRO TUNC TO THE PETITION DATE**

Upon the motion (the “**Motion**”)<sup>2</sup> of Patriot Coal Corporation and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the “**Debtors**”) for an order pursuant to sections 105(a), 327(e), 328 and 330 of the Bankruptcy Code and Bankruptcy Rule 2014(a), authorizing the Debtors and the Board to employ ordinary course professionals (“**Ordinary Course Professionals**”), as more fully described in the Motion; and upon consideration of the Declaration of Mark N. Schroeder, Patriot Coal Corporation’s Senior Vice President and Chief Financial Officer, filed on July 9, 2012 [ECF No. 4]; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and

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

<sup>2</sup> Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Motion.

Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.) as amended by Standing Order M-431, dated February 1, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion having been provided in accordance with the Case Management Order; and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion [and having held a hearing with appearances of parties in interest noted in the transcript thereof (the “**Hearing**”)]; and the Court having determined that the legal and factual bases set forth in the Motion [and at the Hearing] establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that to the extent deemed necessary or appropriate by the Debtors, the Debtors are authorized to employ the Ordinary Course Professionals, effective as of the Petition Date; and it is further

ORDERED that within 15 days of the later of the entry of this Order or the date on which the retained Ordinary Course Professional commences services for the Debtors, each Ordinary Course Professional shall provide the Debtors’ attorneys with (a) a declaration (the “**Ordinary Course Professional Declaration**”), substantially in the form attached to the Motion as Exhibit C, certifying that the professional does not represent or hold any interest adverse to the Debtors or their estates with respect to the



matter on which the professional is to be employed and (b) a completed retention questionnaire (the “**Retention Questionnaire**”), substantially in the form attached to the Motion as Exhibit D, and shall periodically update such Ordinary Course Professional Declaration and/or Retention Questionnaire to the extent necessary to reflect new facts or circumstances relevant to their retention. The Debtors’ attorneys shall promptly file the Ordinary Course Professional Declaration and Retention Questionnaire with the Court and serve them upon the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”). The U.S. Trustee shall then have 15 days following service to notify the Debtors in writing of any objection to the retention stemming from the contents of the Ordinary Course Professional Declaration or Retention Questionnaire; and it is further

ORDERED that if the U.S. Trustee has not so notified the Debtors within 15 days, the Debtors are authorized and empowered (but not directed) to pay 100% of the fees and expenses incurred after the Petition Date by each of the Ordinary Course Professionals retained pursuant to this Order in the customary manner upon submission of appropriate invoices setting forth in reasonable detail the nature of the services rendered and disbursements incurred without a prior application to the Court, up to (a) \$50,000 per month (the “**Monthly Cap**”) per Ordinary Course Professional or (b) \$500,000 in the aggregate per Ordinary Course Professional over the life of these cases (the “**Aggregate Cap**” and together with the Monthly Cap, the “**Ordinary Course Professional Fee Caps**”); *provided* that if an objection is asserted by the U.S. Trustee before the applicable objection deadline and such objection is not resolved within 20 days of such assertion, the Debtors shall schedule the matter for a hearing before the Court; and it is further

ORDERED that in the event that an Ordinary Course Professional seeks more than the Monthly Cap in a single month, that professional shall, on or before the 20th day of the month following the month for which the additional fees and disbursements are being sought, serve a monthly statement (“**Monthly Statement**”) for the full amount of fees and disbursements sought in such month, by hand or overnight delivery, on (a) the Debtors, Patriot Coal Corporation, 12312 Olive Boulevard, Suite 400, St. Louis, Missouri 63141, Attn: Jacquelyn A. Jones, Vice President – Associate General Counsel and Corporate Secretary, (b) proposed counsel to the Debtors, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Brian M. Resnick, (c) attorneys for the administrative agents for the Debtors’ postpetition lenders, (i) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Marcia Goldstein and Joseph Smolinsky, and (ii) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Margot B. Schonholtz and Ana Alfonso, (d) the attorneys for any official committee of unsecured creditors then appointed in these cases and (e) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Elisabetta G. Gasparini and Paul K. Schwartzberg (the “**Interested Parties**”); and it is further

(a) If any Interested Party has an objection to the compensation or reimbursement sought in a particular Monthly Statement, he or she shall, by no later than the 15th day following the service of the relevant Monthly Statement, serve upon the Ordinary Course Professional whose Monthly Statement is objected to, and upon the other Interested Parties, a written “Notice of Objection

to Fee Statement” setting forth the nature of the objection and the amount of fees or expenses at issue.

(b) After the 15th day following the service of the relevant Monthly Statement, the Debtors shall promptly pay all fees and expenses identified in each Monthly Statement to which no objection has timely been served in accordance with paragraph (b) above.

(c) If the Debtors receive an Objection to a particular Monthly Statement, unless the Court, upon notice and a hearing, directs payment to be made, they shall withhold payment of that portion of the Monthly Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements.

(d) If the parties to an objection are able to resolve their dispute following the timely filing of an objection and if the party whose Monthly Statement was objected to serves upon the other Interested Parties a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay that portion of the Monthly Statement no longer subject to an objection.

(e) All objections not resolved by the relevant parties shall be preserved and presented to the Court on notice;

and it is further

ORDERED that, in the event that an Ordinary Course Professional seeks more than the Aggregate Cap in the aggregate during these chapter 11 cases, such Ordinary Course Professional shall, unless the Court orders otherwise, be required to file a separate

application to be retained as a professional pursuant to sections 327(e) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a); and it is further

ORDERED that the Debtors shall pay no Ordinary Course Professional any amounts for invoiced fees and expense reimbursement until the Ordinary Course Professional Declaration and Retention Questionnaire have been filed with the Court and the applicable objection deadline has passed with no objection filed or, in the event an objection is filed, until such objection is resolved or upon order of the Court; and it is further

ORDERED that at three month intervals during the pendency of these chapter 11 cases (each, a “**Quarter**”), the Debtors shall file with the Court and serve on the Interested Parties no later than 40 days after the end of such Quarter, a statement that shall include the following information for each Ordinary Course Professional: (i) the name of the Ordinary Course Professional, (ii) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by that Ordinary Course Professional during the reported Quarter and (iii) all postpetition payments made to that Ordinary Course Professional through the reported Quarter; and it is further

ORDERED that the Debtors’ right to dispute any invoices shall not be affected or prejudiced in any manner by the relief granted in this Order; and it is further

ORDERED that this Order shall not apply to any professional retained by the Debtors pursuant to a separate order of the Court; and it is further

ORDERED that the Debtors are authorized to employ and pay the fees and expenses incurred by Additional Professional Persons without any further application to or order of the Court; and it is further

ORDERED that the entry of this Order is without prejudice to the Debtors' rights to request modification of the Aggregate Cap or Monthly Cap; and it is further

ORDERED that the notice procedures set forth in the Motion are good and sufficient notice and satisfy Bankruptcy Rule 9014 by providing parties with notice and an opportunity to object and be heard at a hearing; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: New York, New York

\_\_\_\_\_, 2012

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THE HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

## **Exhibit B**

<b>ORDINARY COURSE PROFESSIONALS</b>	
<b>LAW FIRM</b>	<b>TYPES OF MATTERS TYPICALLY HANDLED FOR THE DEBTORS</b>
Arnold & Porter LLP	Environmental Matters
Barret, Haynes, May & Carter, P.S.C.	Federal Black Lung Matters
Betts Hardy & Rodgers, PLLC	Litigation and Safety Matters
Bingham Greenebaum Doll LLP	Litigation and Environmental Matters
Blackburn Domene & Burchett PLLC	Litigation
Blooston, Mordkofsky, Dickens, Duffy & Pendergast, LLP	FCC and Other Licensing Matters
Boehl Stopher & Graves LLP	Federal Black Lung and Workers Compensation Matters
Bowles Rice McDavid Graff Love, LLP	Safety, Real Estate, Contract and Federal Black Lung Matters
Bryan Cave LLP	General Corporate Matters
Buchanan Ingersoll & Rooney PC	Litigation
Dinsmore & Shohl LLP	Litigation and Labor Matters
Fogle Keller & Purdy PLLC	Federal Black Lung Matters
Flaherty Sensabaugh Bonasso PLLC	Litigation
Gordon & Gordon PSC	Litigation and Real Estate Matters
Greenberg Traurig LLP	Federal Black Lung Matters
Greensfelder, Hemker & Gale, P.C.	Litigation and Subsidence Claims
Hazlett & Short, PC	Workers Compensation Matters
Hunton & Williams LLP	Labor Matters
Husch Blackwell LLP	Litigation, Federal Black Lung Matters and Environmental Matters
Jackson Kelly PLLC	Litigation, Safety, Environmental, Federal Black Lung and Workers Compensation Matters

LAW FIRM	TYPES OF MATTERS TYPICALLY HANDLED FOR THE DEBTORS
Jones, Walters, Turner & Shelton PLLC	Federal Black Lung Matters
Klinger, Jeffrey	General Corporate Matters
Knobbe Martens Olson & Bear LLP	Intellectual Property Matters
Kohn, Shands, Elbert, Gianoulakis & Giljum LLP	Litigation
Neal, Gerber & Eisenberg LLP	Litigation
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.	Labor Matters
Pullin, Fowler, Flanagan, Brown & Poe, PLLC	Workers Compensation Matters
Rajkovich, Williams, Kilpatrick & True, PLLC	Safety Matters
Robinson & McElwee PLLC	Litigation
Rose Law Office	Litigation
Sammons Law Offices PLLC	Regulatory, Environmental and Permitting Matters
Sandberg Phoenix & Von Gontard P.C.	Litigation
Schrader Byrd	Litigation
Simmerman Law Office, PLLC	Litigation
Smith Moore Leatherwood LLP	Environmental Matters
SNR Denton US	Environmental Matters
Sorling, Northrup, Hanna, Cullen & Cochran LTD	Environmental Matters
Steptoe & Johnson PLLC	Litigation, Environmental, Safety, Tax, Contracts and Labor Matters
Thompson Coburn LLP	Litigation, Commercial and General Corporate Matters
Veritas Consulting LLC	Environmental Matters
White & Risse, LLP	Federal Black Lung Matters



## **Exhibit C**

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

**In re:**

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

**Debtors.**

**Chapter 11**

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

**(Jointly Administered)**

**DECLARATION AND DISCLOSURE STATEMENT OF \_\_\_\_\_,  
ON BEHALF OF \_\_\_\_\_**

\_\_\_\_\_, declares and says:

1. I am a [●] of \_\_\_\_\_, located at

\_\_\_\_\_ (the “**Firm**”).

2. Patriot Coal Corporation and its subsidiaries that are debtors and debtors in possession in the above referenced proceedings (collectively, the “**Debtors**”) have requested that the Firm provide legal services to the Debtors, and the Firm has consented to provide those services.

3. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are claimants or other parties in interest in the Debtors’ chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases.

4. Neither I nor any partner or associate of the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates with respect to the matters on which the Firm is to be employed.

5. Neither I nor any partner or associate of the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any person other than partners and associates of the Firm.

6. The Debtors owe the Firm \$ \_\_\_\_\_ for prepetition services.

7. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matter described herein, the Firm will supplement the information contained in this Declaration.

8. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Declaration was executed on \_\_\_\_\_, 2012.

\_\_\_\_\_  
[Name]

## **Exhibit D**

Patriot Coal Corporation, et al.  
Chapter 11 Case No. 12-12900 (SCC)

RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED BY PATRIOT COAL CORPORATION, *et al.* (the “**Debtors**”)

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.  
RETURN IT FOR FILING BY THE DEBTORS TO:

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, New York 10017  
Attn: Marshall S. Huebner and Brian M. Resnick

All questions **must** be answered. Please use “none,” “not applicable,” or “N/A,” as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of firm:

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Date of retention: \_\_\_\_\_

2. Brief description of services to be provided:

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3. Arrangements for compensation (hourly, contingent, etc.)

\_\_\_\_\_

(a) Range of hourly rates (if applicable): \_\_\_\_\_

(b) Estimated average monthly compensation based on prepetition retention (if firm was employed prepetition):

\_\_\_\_\_

4. Prepetition claims against any of the Debtors held by the firm:

Amount of claim: \$ \_\_\_\_\_

Date claim arose: \_\_\_\_\_

Source of claim: \_\_\_\_\_

5. Prepetition claims against any of the Debtors held individually by any of the firm's attorneys:

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

Status: \_\_\_\_\_

Amount of claim: \$ \_\_\_\_\_

Date claim arose: \_\_\_\_\_

Source of claim: \_\_\_\_\_

6. Stock of any of the Debtors currently held by the firm:

Kind of shares: \_\_\_\_\_

No. of shares: \_\_\_\_\_

7. Stock of any of the Debtors currently held individually by any of the firm's attorneys:

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

Status: \_\_\_\_\_

Kind of shares: \_\_\_\_\_

No. of shares: \_\_\_\_\_

8. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the firm is to be employed.

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9. Name of individual completing this form.

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