

**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 APPROVING THE SETTLEMENT OF  
CERTAIN MSHA PROCEEDINGS**

Upon the motion dated November 27, 2012 (the “**Motion**”)<sup>2</sup> of Patriot Coal Corporation and its subsidiaries, as debtors and debtors in possession (collectively, the “**Debtors**”), for entry of an order pursuant to section 105(a) of the Bankruptcy Code, and Bankruptcy Rule 9019(a); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 19, 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 that 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 there being no objections to the

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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.

<sup>2</sup> All capitalized terms not otherwise defined herein shall have the meanings set forth in the Motion.

Motion; and the Court having reviewed the Motion; and the relief requested in the Motion being in the best interests of Eastern and its respective estate and creditors; and Eastern having articulated good, sufficient and sound business justifications and compelling circumstances for the Settlement; and the settlement and compromise reflected by the Settlement being both fair and reasonable to all of the Parties; and the Court having determined that the legal and factual bases set forth in the Motion 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 hereby

ORDERED that the relief requested in the Motion is hereby granted as set forth herein; and it is further

ORDERED that the Settlement as set forth in the Motion is hereby approved pursuant to Bankruptcy Rule 9019; and it is further

ORDERED that the claim granted to the Secretary pursuant to the Settlement shall constitute, pursuant to Section 502 of the Bankruptcy Code, an allowed prepetition, general, nonpriority unsecured claim that is not subject reclassification, objection, reconsideration under section 502 of the Bankruptcy Code or otherwise, subordination, reduction of any kind or nature whatsoever except payment under the Bankruptcy Code (such claim, the “**Allowed Claim**”); and it is further

ORDERED that Eastern is authorized to execute and deliver any documents or other instruments that may be necessary to consummate the resolution contemplated by the Settlement; and it is further

ORDERED that Eastern is authorized to take and perform such other actions as may be necessary or appropriate to implement and effectuate the Settlement; and it is further

ORDERED that payment to Mr. Stewart pursuant to the Settlement shall be in full and complete satisfaction of any and all claims that Mr. Stewart has or may have against the Debtors in connection with or relating to the MSHA Proceedings; and it is further

ORDERED that, except for payment to Mr. Stewart pursuant to the Settlement, as set forth herein, upon entry of this Order, Mr. Stewart, on behalf of himself and his successors and assigns, does hereby fully, finally and forever mutually waive, release and/or discharge the Debtors and their respective heirs, successors, assigns, affiliates, officers, directors, shareholders, associates, parents, subsidiaries, predecessors, successors, employees, attorneys and agents from any claim (whether pre-petition unsecured, secured, priority or administrative) and from all related actions, causes of action, suits, debts, obligations liabilities, accounts, damages, defenses, or demands whatsoever, known or unknown, arising out of or relating to the MSHA Proceedings; and it is further

ORDERED that the Allowed Claim shall be in full and complete satisfaction of any and all claims that the Secretary has or may have against the Debtors in connection with or relating to the MSHA Proceedings; and it is further

ORDERED that, except for the Allowed Claim, upon entry of this Order, the Secretary, on behalf of itself and its successors and assigns, does hereby fully, finally and forever mutually waive, release and/or discharge the Debtors and their respective

heirs, successors, assigns, affiliates, officers, directors, shareholders, associates, parents, subsidiaries, predecessors, successors, employees, attorneys and agents from any claim (whether pre-petition unsecured, secured, priority or administrative) and from all related actions, causes of action, suits, debts, obligations liabilities, accounts, damages, defenses, or demands whatsoever, known or unknown, arising out of or relating to the MSHA Proceedings; and it is further

ORDERED that, notwithstanding the possible applicability of Bankruptcy Rules 4001(d), 6006(d), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: December 17, 2012  
New York, New York

*/s/ Shelley C. Chapman*  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE