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**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)

**SURETIES' MOTION TO TRANSFER JOINTLY ADMINISTERED CASES TO
SOUTHERN DISTRICT OF WEST VIRGINIA**

Argonaut Insurance Company, Indemnity National Insurance Company, US Specialty Insurance, and Westchester Fire Insurance Company (together, "Sureties"), through counsel, respectfully submit this Motion to Transfer Jointly Administered Cases to the Bankruptcy Court for the Southern District of West Virginia (the "Motion"). In support of this Motion, the Sureties state as follows:

I. INTRODUCTION.

Sureties are commercial surety companies that have issued approximately \$70 million in reclamation and other surety bonds on behalf of one or more of the Debtor entities. These surety bonds support the Debtors' obligations under federal, state, and local laws related to coal mining. Based on the fact the Debtors mine no coal in New York, none of the obligations secured by the surety bonds or those of any other surety of the Debtor entities affect the state of New York.

Transferring these cases from the Southern District of New York ("SDNY") to the Southern District of West Virginia ("SDWV") will serve both the interest of justice and the convenience of the parties, many of whom reside or operate in West Virginia or in nearby coal-producing states. The Debtors have no nexus whatsoever with SDNY except for the recent filing of the corporate charters of Patriot Beaver Dam Holdings LLC ("Patriot Beaver Dam") and PCX Enterprises, Inc. ("PCX"), just two of the ninety-nine Debtor entities. In contrast, the Debtors have substantial connections with West Virginia, where the majority of the Debtors' business is conducted, and where the majority of assets required for reorganization are located.

A chapter 11 bankruptcy of this magnitude could not have been entered into lightly. One can assume that the Debtors engaged in months of analysis, consultation, and planning the petition. Notwithstanding Debtors own description of its long history in the coalfields, "We and our predecessor companies have operated in these regions for more than 50 years,"¹ it was not until June 1, 2012, a mere five weeks before the Petition Date, that Debtors took their first steps into New York when PCX filed its corporate charter, followed two weeks later, on June 14, 2012, by Patriot Beaver Dam. Out of the ninety-nine Debtor entities involved in this proceeding, these are the only two with any ties to New York. The timing of these corporate filings just prior

¹See, <http://www.patriotcoal.com/index.php?view=operations&p=3>

to filing the petition indicates that the Debtors engaged in “bootstrapping”, the practice of forming a subsidiary in the jurisdiction in which corporate debtors seek to file. Certainly, “chapter 11 debtors should not be able to leave their home districts and shop for a forum whose judicial precedent on bankruptcy law they happen to prefer.”²

In recent years, the bankruptcy courts of SDNY have been inundated with large company filers.³ When such filings affect “employees, creditors, and the community in which the business operates” to the extent that these entities “feel out of touch with the reorganization process” occurring in a “far-away bankruptcy court,” criticism of these filings is warranted.⁴ Debtors’ decision to file this matter in the SDNY, is similar to the “bootstrapping” strategies criticized in a recent article by the American Bankruptcy Institute that described the resulting limitations on many creditors’ meaningful participation and the increased expense of case administration.⁵

West Virginia is the site of the bulk of the Debtors’ assets, which consist of coal mining permits, coal reserves, mineral leases, surface property rights to mine surface and underground, mining equipment, coal processing plants and coal transportation centers. Fifty-four (over half) of the Debtors’ entities are located in West Virginia. Nine others are located in neighboring Kentucky. The Debtors conduct extensive coal mining operations in the Central Appalachian and Illinois Basin coalfields. The majority of these operations occur within the State of West

²Statement of Judiciary Committee Chairman Lamar Smith Subcommittee on Courts, Commercial and Administrative Law Hearing on H.R. 2533, the “Chapter 11 Bankruptcy Venue Reform Act of 2011”, (Sept. 8, 2011) (hereinafter “Committee Statement”).

³See Committee Statement, Sept. 8, 2011.

⁴Id.

⁵See, Jeffrey G. Hamilton and Kelly Cavazos, *The Venue Reform Debate*, 9 ABI Committee News (July 2012), which states, in pertinent part, as follows:

Although forum-shopping undoubtedly occurs in cases filed throughout the country for a variety of reasons, the biggest problem with the current venue rule is the concentration of bankruptcy filings in the magnet courts of the District of Delaware and the Southern District of New York. . . . The unfortunate results of this concentration are an increase in the costs of bankruptcy and an inability of many stakeholders to have any meaningful participation in the bankruptcy process.

Virginia where Debtors hold in excess of three hundred (>300) coal mining permits issued by the West Virginia Department of Environmental Protection (“WV DEP”) for operations that encompass over 50,000 acres. Additionally, Debtors hold twenty-two (22) coal mining permits from the Kentucky Department of Natural Resource (“KDNR”), authorizing similar activities on over five thousand acres of land, as well as other permits in Illinois and Ohio. These coal



mining permits authorize the Debtors to conduct surface and underground mining, construct roads and other transportation facilities, and operate preparation plants and coal processing waste landfills and impoundments. The permits also impose a variety of environmental obligations, including restoring the disturbed land to pre-mining condition and land uses.

Figure 1. Location of Patriot Coal Operations

(source: www.patriotcoal.com/index.php?view=operations&p=3)

Moreover, West Virginia law will control many of the issues relating to Debtors’ operations and much of the litigation, including adversary actions, anticipated in this case. Transfer of this action to SDWV will serve the interest of justice by providing efficient and experienced adjudication of the issues, which include leasehold and other mineral property rights, coal supply contracts, specialized equipment leases, and compliance with the environmental laws that regulate Debtors’ coal mining and related operations. SDWV has overseen many bankruptcy cases of Debtors involved in mining operations including, among others, In re The Lady H Coal Company, Inc., Case No. 2:94-bk-20449; In re White Mountain Mining Co., L.L.C., Case No. 5:02-bk-50480; and In re Island Fork Construction, LTD, Case No. 5:02-bk-50789.

Many of the creditors in this action are based in West Virginia and contiguous states, but none of the fifty largest unsecured creditors is located in New York. Transfer to SDWV would be more convenient to the many parties, large and small, affected by this bankruptcy than maintaining this case in SDNY.

Finally, the Debtors' business, coal mining, is the primary economic base activity in West Virginia. The State of West Virginia oversees this industry through state and a federally-approved legal and regulatory framework that is administered by the WV DEP. This framework allows extraction of an economically important natural resource while protecting the many facets of environmental and public health and safety issues associated with coal mining. Thus, West Virginia has a profound interest in the resolution of the matters that will likely arise in this case.

This Court has recognized that in the interest of justice, when considering a motion to transfer venue, courts should consider, **“whether either forum has an interest in having the controversy decided within its borders.”**⁶ This Court further noted that **“there is a state interest in deciding local controversies within its borders by those familiar with its laws.”**⁷ For these reasons and others set out more fully below, a transfer to West Virginia would serve the interest of justice and the convenience of the parties.

II. BACKGROUND.

On July 9, 2012, (the “Petition Date”), each Debtor commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) with this Court. 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. Debtors-in-possession must “manage and operate property . . . according to the requirements of the valid

⁶Enron Corp. v. Arora (In re Enron Corp.), 317 B.R. 629, 646 (Bankr. S.D.N.Y. 2004) (emphasis added).

⁷Id. (emphasis added).

laws of the State in which such property is situated.” 28 U.S.C. § 959(b). The property of Debtors is not located in New York, but in West Virginia and other nearby coal-producing states.

A. Debtors Have Extensive Mining And Related Operations In West Virginia and Kentucky but None in New York.

As previously noted, the Debtors are coal producing and marketing companies with extensive coal mining operations in the Central Appalachian and Illinois Basin coalfields. In 2011, Patriot produced 31.1 million tons of coal. None of these operations is located in New York. Debtors sometimes describe their operations as 13 mines: ten in Central Appalachia and three in the Illinois Basin.⁸ This simplistic label understates the magnitude of those operations. In reality, each of the 13 “mines” is a large complex that consists of numerous mining operations (surface and/or underground), haul roads, water treatment facilities, coal processing preparation plants, coal waste disposal facilities (including major waste impoundments), and loading facilities, which may include provisions for rail, truck, and/or river barge loading and transport.

The Debtors’ business of underground and surface mining and the related operations impact the natural environment and the health and welfare of the employees and residents living near the operations. Several of Debtors’ mining operations include large areas mined by the controversial “mountaintop mining” technique where the soil and rock overlying the coal seams are removed via blasting and placed in valleys or “hollows” in the headwater areas of the Appalachian mountains. Strict requirements of both state and federal law attempt to mitigate mining’s adverse impact on the environment. These laws make restoring (reclaiming) the land and water disturbed by mining an integral part of modern mining operations. Workers’ compensation programs protect workers injured on the job, and federally-required Black Lung Benefits programs provide aid for those workers who suffer lung damage and disease caused by

⁸See, Patriot Coal Corp. Report 10-K/A, page 10 (May 8, 2012) (excerpt attached as Exhibit A).

exposure to coal dust. Sureties and other entities provide surety bonds that secure Debtors' obligations under those programs.

B. Debtors' Operations Are Heavily Regulated By Federal and State Law.

The Debtors' underground and surface coal mining operations are regulated under several state and federal environmental and mine safety laws, including the federal Surface Mining Control and Reclamation Act ("SMCRA"),⁹ the Mine Safety and Health Act of 1977 ("Mine Safety Act"),¹⁰ and the Clean Water Act.¹¹

1. SMCRA Requires Permits That Demand Reclamation of the Land Disturbed by Mining.

SMCRA and its state counterparts require that mining and related operations be conducted only under authority of a permit issued by the applicable regulatory authority.¹² Although it is a federal statute, SMCRA allows states to implement the program within their boundaries with federal approval.¹³ West Virginia and Kentucky have been granted authority by the United States Department of Interior's Office of Surface Mining ("OSM") to implement SMCRA according to approved state statutory, regulatory, and administrative programs.¹⁴ Therefore, Debtors' mining permits in West Virginia were issued by the WV DEP and in Kentucky by the Kentucky Department of Natural Resources ("KDNR"). These state regulatory authorities of Kentucky and West Virginia play the major role in governmental oversight of the Debtors' environmental compliance.

⁹30 U.S.C. § 1201 et seq.

¹⁰30 U.S.C. § 801 et seq.

¹¹33 U.S.C. § 1251 et seq.

¹²W. Va. Code § 22-3-8; KRS 350.060(1)(a).

¹³30 U.S.C. § 1235.

¹⁴The Office of Surface Mining has approved the states' programs as follows: Indiana, 30 C.F.R. Part 914; Illinois, 30 C.F.R. Part 913; Kentucky, 30 C.F.R. Part 917; Ohio, 30 C.F.R. Part 935; and West Virginia, 30 C.F.R. Part 948.

Coal mining and its related operations, by their nature, significantly affect the environment. When it adopted SMCRA, Congress recognized the impacts that are associated with surface coal mining and the surface impacts of underground mining and made the following legislative finding:

[M]any surface mining operations result in disturbances of surface areas that burden and adversely affect commerce and the public welfare by destroying or diminishing the utility of land for commercial, industrial, residential, recreational, agricultural, and forestry purposes, by causing erosion and landslides, by contributing to floods, by polluting the water, by destroying fish and wildlife habitats, by impairing natural beauty, by damaging the property of citizens, by creating hazards dangerous to life and property by degrading the quality of life in local communities, and by counteracting governmental programs and efforts to conserve soil, water, and other natural resources¹⁵

To mitigate the potential adverse impacts on the environment, mining operations must first obtain SMCRA-mandated state mining permits that carry with them the obligation to reclaim the sites disturbed by mining.¹⁶ The obligations include restoring the land affected by mining to a condition capable of supporting pre-mining uses, backfilling and grading to the approximate original contour, establishing successful revegetation on the permit area and abating adverse impacts to the waters of the United States.¹⁷

Before Debtors could obtain their mining and related permits they had to provide acceptable financial assurance to secure “faithful performance of all of the requirements” of SMCRA.¹⁸ In very general terms, the required amount of financial assurance is supposed to be “sufficient to assure the completion of the reclamation plan if the work has to be performed by

¹⁵30 U.S.C. § 1201(c).

¹⁶ W. Va. Code § 22-3-10; KRS 350.090(1); Natural Resources and Environmental Protection Cabinet v. Whitley Development Corp., 940 S.W.2d 904, 907 (Ky. Ct. App. 1997).

¹⁷See, e.g., W. Va. Code §§ 22-3-13; KRS §§ 350.405, 350.410, 350.095(1).

¹⁸30 U.S.C. § 1259(a); W. Va. Code § 22-3-11(a); .KRS 350.064.

the regulatory authority in the event of forfeiture”¹⁹ Should Debtors default on the required reclamation activities, the state agencies issuing the permits could forfeit the bonds.

By their very nature, unreclaimed mines and coal processing facilities contain safety and environmental conditions that present risks of substantial and imminent harm. Surface mines may include unreclaimed and unstable highwalls, hollow fills, open pits, and sediment control ponds, all located on steep slopes. Underground mines exhibit openings to the coal beds that include vertical shafts, horizontal entries or slope entries for worker ingress and egress, ventilation, and coal removal. Due to the magnitude of some undergrounds mines, small entries or “bore holes” may be thousands of feet away from the main entries. Additionally, coal processing facilities include coal waste disposal landfills and impoundments, which are often “Class C high hazard dams”²⁰ and slurry impoundments, and dangerous structures. Under SMCRA and related environmental laws, all of these facilities and conditions must be reclaimed in accordance with approved reclamation plans prior to the release of the surety bonds and release of permittees’ liability. None of the Debtors’ facilities that produced 31.5 million tons of coal in 2011 and that are subject to SMCRA requirements and covered by the surety bonds are located in New York.

2. **The Mine Safety Act Creates Additional Obligations for the Debtors in the Locations Where They Operate.**

Congress likewise recognized the health and safety hazards inherent with coal mining operations when it passed the Federal Mine Health and Safety Act of 1977. Under the Mine Safety Act, the Mine Safety and Health Administration (“MSHA”) has the authority to establish health and safety standards regarding various aspects of mining operations and facilities. Among

¹⁹30 C.F.R. § 800.14(b).

²⁰See, e.g., Mine Safety and Health Administration, MSHA Coal Mine Impoundment Inspection and Plan Review Handbook (2007); 405 KAR 1:020 §5(2)(d).

the standards established by MSHA are those governing coal waste impoundments.

Impoundments, in the context of coal mining regulations, are defined as meaning “all water, sediment, slurry or other liquid or semi-liquid holding structures and depressions, either naturally formed or artificially built.”²¹ An impounding structure is “a dam, embankment or other structure used to impound water, slurry, or other liquid or semi-liquid material.”²² As a result of the Buffalo Creek disaster in 1972,²³ MSHA promulgated regulations addressing the construction, inspection and abandonment of these waste impoundments.²⁴ Coal waste impoundments and related coal waste structures are necessary features of coal processing. Therefore, Debtors face the related requirements of the Mine Safety Act at each mining complex where coal processing occurs. None of the coal processing facilities and related waste impoundments are located in New York.

3. Discharges of Polluted Water from Debtors’ Operations are Highly Regulated Under the Clean Water Act.

The Clean Water Act (“CWA”), 33 U.S.C. §§1251 et seq. establishes a national goal to restore and maintain the chemical, physical, and biological integrity of the Nation’s waters and to eliminate the discharge of pollutants into surface waters. Section 1342 of the CWA establishes a National Pollutant Discharge Elimination System (“NPDES”) permit program to implement the CWA’s prohibition on unauthorized discharges by requiring a permit for discharges of pollutants from a point source into the waters of the United States. Discharge of any pollutant is unlawful

²¹30 C.F.R. § 701.5.

²²30 C.F.R. § 701.5.

²³“On February 26, 1972, a coal waste impoundment failed at Buffalo Creek, West Virginia resulting in the deaths of 125 people and leaving over 4,000 homeless.” Mine Safety and Health Administration, MSHA Coal Mine Impoundment Inspection and Plan Review Handbook 3 (2007).

²⁴30 C.F.R. § 77.216.

except as in compliance with section 1342 and other sections.²⁵ Moreover, it is the national policy that the discharge of toxic pollutants in toxic amounts be prohibited.²⁶

Therefore, in addition to their SMCRA-related mining permits, Debtors must obtain, and operate under, state-issued water discharge permits required by the CWA (in Kentucky these are Kentucky Pollutant Discharge Elimination System or “KPDES” permits, while West Virginia has adopted the NPDES designation for these permits). Ongoing compliance requires water monitoring and maintenance of surface water drainage and treatment, including removal of sediment and other pollutants by use of treatment ponds and other methods. Many mines in the Central Appalachian coalfields, including numerous mines operated by the Debtors, develop problems with acid mine drainage. Mines with acid mine drainage, which cannot be abated, require treatment long after the mining operations are complete, and the treatment obligations can prevent final release of the surety bonds. Furthermore, a recent evaluation by the U.S. Environmental Protection Agency concluded that mountaintop mining and its associated valley fills resulted in degraded water quality, elevated concentrations of selenium and other pollutants, and degraded fish and macroinvertebrate communities.²⁷ None of Debtors’ wastewater discharges occur in New York.

Pollutional discharges containing selenium have been the subject of citizens’ suits brought against some of the Debtors. These citizens’ suits brought by environmental advocacy groups in the U.S. District Court for the Southern District of West Virginia alleged discharge of the metal, selenium, into waters of West Virginia in violation of the CWA and the Debtors’

²⁵33 U.S.C. §1311.

²⁶33 U.S.C. §1251(a).

²⁷U.S. E.P.A. The Effects of Mountaintop Mines and Valley Fills on Aquatic Ecosystems of the Central Appalachian Coalfields. EPA/600/R-09/138F (March 2011).

NPDES permits.²⁸ Plaintiffs in these cases allege that selenium is a toxic pollutant and that the Debtors' operations discharged selenium in harmful amounts. Resolution of these legal actions has included the parties' entering into court-approved consent decrees in the U.S. District Courts in West Virginia that require Debtors, among other obligations, to develop and implement long-term and expensive treatment projects to limit the discharge of selenium. A copy of the most recent consent decree in Ohio Valley Environmental Coalition v. Patriot Coal Corp., Case No. 11-CV-00115 (S.D. W.V. Mar 15, 2012), is attached as Exhibit B. The obligations in this consent decree apply to four of the Debtor entities (Patriot Coal Corporation, Apogee Coal Company, LLC, Catenary Coal Company, LLC, and Hobet Mining, LLC) and involve numerous NPDES permits and point sources of water pollutants. None of the facilities subject to these consent decrees or NPDES permits is located in New York; all are located in West Virginia.

C. State-Based Mineral and Contract Law Affect Debtors' Operations.

The laws of West Virginia and Kentucky, the sites of Debtors' operations, will establish the issues and determine the outcomes of disputes in this matter. Applications to obtain a coal mining permit must identify all owners of record of surface and subsurface interests and describe the legal authority by which the mining applicant claims the right to enter the property and mine coal.²⁹ Mineral ownership, rights to mine, and access to surface if the mineral rights have been severed are questions of state law that affect the relative rights of the mining permittee and property owners.³⁰ Similarly, disputes and litigation over leases and coal supply contract turn on

²⁸See, e.g., Ohio Valley Environmental Coalition v. Apogee Coal Co., Case No. 3:07-CV-00413 (S.D. W.V.); Ohio Valley Environmental Coalition v. Patriot Coal Corp., Case No. 11-CV-00115 (S.D. W.V. Mar 15, 2012).

²⁹See, e.g., W. Va. Code § 22-3-9(a) (2) and (9).

³⁰See, e.g., Ramage v. South Penn Oil Co., 118 S.E. 162 (W. Va. 1923); Buffalo Mining Co. v. Martin, 267 S.E. 2d 721 (W. Va. 1980).

questions of state law.³¹ The overwhelming majority of these disputes will turn on interpretations of West Virginia law, not the laws of New York.

D. The Majority of Debtors' Assets and Creditors are Outside New York.

The Debtors conduct their coal mining, processing, and sales businesses primarily in the West Virginia coal fields. As discussed above, the Debtors hold more than three hundred coal mining permits issued by West Virginia regulatory authorities, covering tens of thousands of acres owned and leased to the Debtors by many West Virginia surface and mineral owners. The bulk of the Debtors' assets, including the Debtors' mineral and surface property interests and their various rights to mine these properties, are located in West Virginia. The machinery and other fixtures used in the Debtors' mining operations also constitute a substantial portion of the Debtors' assets. Most of these assets are located in West Virginia. None are located in New York.

Not surprisingly, West Virginia is also the site of many of the Debtors' creditors. Based on the Debtors' statement of the fifty largest unsecured creditors [Doc. No. 1, pages 9 - 13], the following analysis shows no connection to New York, but many strong connections to West Virginia and neighboring states.

Location of Creditor by State	Number of Creditors	Amount of Claims*
West Virginia	11	\$9,602,431*
Illinois	6	\$4,651,268*
Kentucky	4	\$11,529,189
Georgia	3	\$1,901,458
Pennsylvania	3	\$6,795,513*
Indiana	2	*
Missouri	2	\$1,371,701*
North Carolina	2	\$4,138,848
Ohio	2	*

³¹See, e.g., The Kanawha-Gauley Coal & Coke Co. Pittston Minerals Group, Inc., Case No. 2:09-cv-01278 (S.D. W. Va.).

Location of Creditor by State	Number of Creditors	Amount of Claims*
Tennessee	2	\$1,375,250
Virginia	2	\$813,621
Alabama	1	\$1,150,614
Arizona	1	*
Arkansas	1	\$454,704
Connecticut	1	*
Delaware	1	\$250,000,000
Florida	1	\$6,352,748
Iowa	1	\$532,378
Kansas	1	\$1,258,900
Maryland	1	*
Minnesota	1	\$200,000,000
Unknown	1	\$5,533,576
TOTAL	50	\$507,462,199

* Indicates creditor with unliquidated claim.

Sureties issued bonds to secure the Debtors' regulatory obligation to complete land reclamation and associated environmental remediation at the Debtors' permitted sites.³² The Debtors' own filings establish that bonds totaling in excess of \$170,000,000 have been posted with WV DEP and other state agencies to secure obligations under various permits issued by WV DEP. (Doc. 18). In light of the magnitude of these bonded obligations, it is surprising that Debtors did not include any state or any surety among the list of fifty largest unsecured creditors.

III. ARGUMENT.

Against the backdrop discussed above, both the interest of justice and convenience of the parties compel a transfer of this case to SDWV. Although venue of a bankruptcy proceeding is technically proper in a corporate debtors' state of incorporation,³³ the Court may transfer a case to another district if such a transfer would serve the interest of justice or the convenience of the

³²Attached as Exhibit C is a listing of the Debtors' surety bonds, including bonds to secure environmental obligations, filed by the Debtors. [Doc. No. 18].

³³See, 28 U.S.C. §1408.

parties.³⁴ In applying the "convenience of the parties" and "interest of justice" standards of section 1412, many courts have generally adopted the Fifth Circuit's "balancing test" set forth in Commonwealth of Puerto Rico v. Commonwealth Oil Refining Co., Inc. (Matter of Commonwealth Oil Refining Co., Inc.)("CORCO"), 596 F.2d 1239 (5th Cir. 1979) , for determining whether transfer is appropriate.³⁵ Enron Corp. v. Arora, (In re Enron Corp.), 317 B.R. 629, 637 (Bankr. S.D.N.Y. 2004), notes that that Section 1412 is worded in the disjunctive so that a case may be transferred under either the interest of justice rational or the convenience of the parties rationale.

A. The Interests of Justice Support Transfer of Venue.

The interests of justice standard is both broad and flexible. See, In re Enron Corp., 274 B.R. 327, 343 (Bankr. S.D.N.Y. 2002). Consideration is given to whether:

- (1) transfer promotes the economic and efficient administration of the bankruptcy estate;
- (2) transfer serves the interests of judicial economy;
- (3) the parties may receive a fair trial in each of the possible venues;
- (4) either forum has an interest in having the controversy decided within its borders;
- (5) enforceability of any judgment would be affected by the transfer; and
- (6) debtors' original choice of forum should be disturbed.

Enron, 317 B.R. at 638-39.

A transfer from the SDNY would not impair the economic and efficient administration of this jointly administered bankruptcy estate. None of the Debtors fifty largest unsecured creditors are located in New York, but twenty percent of these creditors are located in West Virginia.

(Doc. No. 98). The Debtors' top five secured creditors are located in five different states. The

³⁴See, 28 U.S.C. §1412; Fed. R. Bankr. P. 1014. Section 1412 provides as follows: "A district court may transfer a case or a proceeding under title 11 to a district court for another district, in the interest of justice or for the convenience of the parties." Implementing this statute is Bankruptcy Rule 1014(a)(1), which provides, in relevant part, as follows: "If a petition is filed in a proper district, on timely motion of a party in interest, and after hearing on notice to the petitioners, . . . the case may be transferred to any other district if the court determines that the transfer is in the interest of justice or for the convenience of the parties."

³⁵See also, Collier on Bankruptcy ¶ 4.04[4][a][ii] (15th ed. 1999).

surety bond holders are located in four different states. The letters of credit and security deposits are located in three different states. However, none of these creditors are located in New York. (Doc. No. 4, Declaration of Mark N. Schroeder, Senior Vice President and Chief Financial Officer, Patriot Coal Corporation, Exh. A, Sched. 2 and 5; Exh. D). Debtors' President and Chief Operating Officer, Ben Hatfield, lives and works in West Virginia. The Debtors' headquarters is in St. Louis Missouri, where the Chief Executive Officer and Chairman of the Board of Directors, Irl Englehardt resides, along with Mark Schroeder, identified above. (Doc. No. 1).

The Debtors' assets needed for reorganization are located outside of New York. These include its coal operations located in the Central Appalachian and Illinois Basin coalfields which consist of mining complexes where surface and/or underground mining occur, and where the haul roads, water treatment facilities, heavy equipment, coal processing preparation plants, coal waste disposal facilities, and loading facilities exist. Over half the Debtors' entities performing these operations are located in West Virginia, with nine others in neighboring Kentucky. This means the employees, including management that would need to testify during the bankruptcy, will be located not in New York, but in West Virginia, Missouri, and/or Kentucky. Anyone purchasing or financing the Debtors' business will, in all likelihood, conduct most of the necessary due diligence in West Virginia and Kentucky, where the operations are located. Thus, transferring venue from SDNY to SDWV would promote judicial economy and administrative efficiency in the reorganization of the bankruptcy.

The Sureties do not doubt that either forum will provide fairness in these bankruptcy proceedings.³⁶ However, West Virginia, and to a smaller extent Kentucky, have an extraordinary

³⁶The Sureties believe that the enforceability of any judgment would not be affected by the transfer of venue to SDWV, and do not believe it necessary to dissect this factor.

interest in resolving this bankruptcy within the borders of West Virginia. As set forth in more detail in Part I, the Debtors operate under more than three hundred mining permits on over 50,000 acres of land within West Virginia. The environmental and economic issues associated with mining, including disturbance to the land and the effects of mining on the health and general welfare of the communities in which these activities occur warrant resolution of these cases in the areas most affected by the bankruptcy. This factor of justice overwhelmingly favors West Virginia.

Although the Debtors' selection of forum is accorded great weight, any argument that the Debtors would be harmed by a transfer or that the estate will suffer a diminution of value if transfer occurs has no merit. The Debtors have argued that most of their domestic creditors would have been inconvenienced if the SDNY was not the chosen venue, How can that be when the bulk of the domestic creditors reside or operate outside of New York?

B. The Convenience of the Parties Supports Transfer of Venue.

Under the guidance of CORCO, the six factors to be considered in evaluating convenience of the parties include:

- (1) proximity of creditors of every kind to the court;
- (2) proximity of the debtor to the court;
- (3) proximity of witnesses necessary to the administration of the estate;
- (4) location of assets;
- (5) economic administration of the estate; and
- (6) necessity of ancillary administration if liquidation should occur.

CORCO, 596 F.2d at 1247.

Analysis of these factors in light of the undisputable facts in this case demonstrates that the convenience of the parties and the interest of justice require a transfer to West Virginia. Such transfer will allow all stakeholders meaningful participation in the bankruptcy process, not just those with the financial resources to defend their interests in a New York courtroom.

1. Proximity of the Court to Interested Parties.

Factors one and two above, the SDWV's proximity to interested parties, strongly support transfer of these cases to SDWV, because a substantial portion of the Debtors' creditors and a large percentage of the total debt are situated in West Virginia and contiguous states. In contrast, no creditors are located in New York. SDNY is thus a substantially less convenient forum than SDWV for the vast majority of creditors. The Debtors' headquarters are in St. Louis, Missouri and the Debtors' President and Chief Operating Officer lives and works in West Virginia. Thus, the SDWV will be just as convenient for the Debtors as the SDNY.

On the other hand, the SDWV will be far more convenient for most of Debtors' creditors and the other parties who will be affected by this proceeding. These other interested parties include the hundreds of individuals³⁷ who own the surface and/or mineral estates that are covered by the Debtors' mining permits and who have leased, assigned, or otherwise conveyed an interest in those estates to the Debtors thus giving the Debtors the right to mine those properties. Any resolution of these bankruptcy cases will require the Debtors, pursuant to 11 U.S.C. § 365, to assume or reject the executory contracts and unexpired leases that are the sources of the Debtors' rights to mine. A West Virginia forum would be much more convenient for the many individual land, surface and/or mineral owners and will foster their participation thus serving the interest of justice.

Some of the Debtors are under the supervision of the U.S. District Court in the Southern District of West Virginia in connection with consent decrees entered in citizens' suits brought

³⁷These individuals are entitled to notice regarding the Debtors' intent to assume and/or assignor reject the executory contracts and unexpired leases. Fed. R. Bankr.P. 6006(c), and such assumption, rejection, or assignment requires court approval. 11 U.S.C. § 365(a).

under the requirements of the Clean Water Act.³⁸ In addition, as described above, the significant reclamation and other obligations related to their mining operations are overseen by the WV DEP and the KDNR in nearby Kentucky.

Finally, the State of West Virginia has an interest in the resolution of these cases. The coal industry is a major part of West Virginia's economic base. The Debtors' own filings establish that bonds totaling in excess of \$170,000,000 have been posted with the WV DEP to secure the Debtors' obligations under permits issued by the WV DEP. [Doc. 18]. In addition, Debtors have posted bonds with the West Virginia Department of Natural Resources and other state agencies totaling more than \$5,000,000 securing Debtors' other, non-reclamation related, obligations. [Doc 18].

As set forth more fully above, the State of West Virginia regulates this industry to ensure the protection of the environment and public health and safety. The Debtors' extensive mining operations in West Virginia are conducted under more than three hundred permits issued by WV DEP that authorize Debtors' activities on over 50,000 acres of land within the state. WV DEP also regulates discharges from coal mines and related facilities to surface waters under both the CWA and SMCRA. WV DEP is responsible for administering the SMCRA, CWA, and other environmental programs and will be active on a day-to-day basis with inspections, enforcement actions if necessary, and review of permit applications, amendments, revisions, and renewals. To the extent that there are disputes that require resolution in the bankruptcy forum, West Virginia is much more accessible to the state regulators and the witnesses that will be required. Thus, the State of West Virginia will be disadvantaged because of the substantial time and cost of defending its interests in these cases if they remain in SDNY.

³⁸See, e.g., Ohio Valley Environmental Coalition v. Apogee Coal Co., Case No. 3:07-CV-00413 (S.D. W.V.); Ohio Valley Environmental Coalition v. Patriot Coal Corp., Case No. 11-CV-00115 (S.D. W.V. Mar 15, 2012).

Accordingly, the proximity of SDWV to interested parties weighs heavily in favor of transferring venue.

2. The Location of the Debtors' Assets.

Factor four in the CORCO analysis, location of the Debtors' assets, further dictates transferring venue to SDWV. Courts weighing the Commonwealth Oil Refining Co. factors have noted that "matters concerning real property have always been of local concern and traditionally decided at the situs of the property."³⁹ A large body of cases have also held that while venue is proper at the situs of the management office of the debtor that manages real estate located elsewhere, venue should be transferred to the locus of the realty on motion of the creditors.⁴⁰

Coal mining, by its very nature, is how the Debtors affect real property. The majority of Debtors' principle assets, i.e. real property interests, are in West Virginia. First, the overwhelming majority of Debtors' mineral and surface property interests and their various rights to mine those interests are located in West Virginia. These interests and rights are fundamental to Debtors' business and represent key assets of the bankruptcy estate. Second, the equipment, machinery, and fixtures used in the Debtors' mining operations constitute a further, substantial portion of the Debtors' assets. Most of these assets are located in West Virginia. In contrast, the Debtors have few assets situated in New York, and none of those are related to coal production. Accordingly, administration of these cases will be more efficient and effective in SDWV.

³⁹In re 1606 New Hampshire Avenue Associates, 85 B.R. 298, 304 (Bankr. E.D. Pa. 1988).

⁴⁰Id. See also, In re EB Capital Management, LLC, 2011 Bankr. LEXIS 2764 (Bankr. S.D. N.Y. Jul. 14, 2011); In re Bell Tower Associates, Ltd., 86 B.R. 795 (Bankr. S.D.N.Y. 1988); In re Midland Associates, 121 B.R. 459, 461 (Bankr. E.D. Pa. 1990); In re Wood Family Interests, Ltd., 78 B.R. 434 (Bankr. E.D.Pa. 1987).

3. **Transferring these Cases to the West Virginia Bankruptcy Court Will Allow More Economical Administration and Will Be More Convenient for Witnesses and Many Creditors.**

Factors three and five of the CORCO analysis likewise support transfer to SDWV. It will be considerably more economical to administer the Debtors' estates in West Virginia. Most of the creditors and other interested parties will save on legal fees and travel costs by transferring these cases to West Virginia. In addition, a transfer to West Virginia will reduce travel expenses for witnesses such as environmental and engineering consultants, land owners, mineral owners, West Virginia and Kentucky regulatory officials and counsel, appraisers and other experts who will likely to be called to testify with regard to the Debtors' mining operations. The Debtors' headquarters are in St. Louis, Missouri, and the Debtors do not appear to have employees in New York. Thus, the SDWV will be just as, or more convenient for the Debtors' witnesses than the SDNY. Because shorter distances to travel will allow more efficient use of time, these cases should be transferred to SDWV.⁴¹

As legal questions arise during the administration of these cases it will be important for any resulting litigation to take place in a forum with experience in the often complicated areas of mineral rights and mining regulations. Indeed, the recent motions regarding the Debtors' authority to reject leases for real property and to sell certain equipment [Doc. Nos. 136 and 140] are likely to be the beginning of a series of highly contested motions involving issues of West Virginia property law, mineral law, and mining regulations. SDWV has overseen bankruptcy cases involving mining operations and the legal and regulatory issues that will be central to the Debtors' cases.

⁴¹In re Eclair Bakery Ltd., 255 B.R. 121, 142 (Bankr. S.D.N.Y. 2000).

For example, a determination of parties' rights and obligations under the various leases and the Debtors' obligations to reclaim their permitted areas will require interpretation of West Virginia law. The Debtors must cure any defaults or otherwise provide adequate assurance before they may assume any executory contracts or unexpired leases. See 11 U.S.C. § 365(b). West Virginia law will determine what defaults exist and what will be necessary to cure such defaults. The rights and obligations under mineral leases are frequently litigated, and these cases require construction of leases and other instruments within the framework of West Virginia common law and statutes.

In addition, as set forth more fully above, the Debtors have incurred significant reclamation obligations as a result of their mining operations. To determine the scope of these obligations the Court will need to interpret and to apply West Virginia's mineral laws and mining regulations. These obligations include restoring the land affected by mining to a condition capable of supporting pre-mining uses or other approved land use, backfilling and grading to the approximate original contour, and establishing successful revegetation on the permit area. These and other of the Debtors' reclamation obligations continue until reclamation is completed – even after the permit has expired. A prompt transfer of these cases to West Virginia will place such contested matters in the hands of a West Virginia bankruptcy court that is more familiar with West Virginia law. Moreover, certain of the Debtors' operating entities are under obligations imposed by consent decrees in the U.S. District Courts of West Virginia where the Debtors have ongoing compliance obligations.

Further, because most of the Debtors' mining operations and a substantial portion of their assets are located in West Virginia and contiguous states, transfer of these cases will benefit rather than harm the Debtors. On the other hand, the overwhelming majority of creditors and

other interested parties will incur excessive if not preclusive costs in protecting their rights in SDNY. Were this case to remain in SDNY, the burden and expense of traveling to New York will severely limit the ability of many creditors and other parties in interest to participate in these cases. It will be much easier and far less costly for the majority of interested parties to travel from within West Virginia, or one of its contiguous states, to a West Virginia bankruptcy court rather than to one located in New York.

As detailed above, all of the relevant factors demonstrate that the convenience of the parties and the interest of justice require a transfer of venue to SDWV.

Upon application of these factors to the facts and circumstances, courts in the SDNY have often found transfer of venue necessary, and have refused to reward forum shopping by a debtor. An illustrative example can be found in the memorandum opinion and order of January 14, 2008, by Judge Martin Glenn (attached as Exhibit D). In that case a West Coast home builder owned by a California resident began experiencing financial hardship, stopped all construction in August 2007, and sold its assets to a newly formed New York corporation on September 8, 2007. The New York corporation filed for relief under Chapter 11 on November 8, 2007. This debtor had no office, employees or bank accounts in New York. Its only connection to the state was its recent incorporation. Recognizing the debtor's attempt to forum shop, Judge Glenn granted the creditors' motion to transfer venue to California. Thirty of the debtor's largest unsecured creditors were geographically dispersed throughout California, Texas, North Carolina, and Ohio. Twenty-four of these creditors were located in California. The debtor was already involved in legal actions proceeding in California. Any potential purchaser of the debtor's assets would have to travel to California to conduct due diligence as that was the location of the bulk of the assets. Testimony regarding the assets would come primarily from employees, including

management, which were located outside of New York. Despite the weight afforded to selection of venue, the court determined that the debtor's interests would not be harmed by a change of venue, and the estate would not suffer a diminution of value.

When the interests of justice and convenience of the parties weigh in favor of changing venue, the New York bankruptcy courts have transferred matters over the debtor's objection.⁴² See, e.g., In re EB Capital Management, LLC, 2011 Bankr. LEXIS 2764 (Bankr. S.D. N.Y. Jul. 14, 2011) (transferring case to South Dakota and observing that "the proper forum for this Debtor is the location of the assets and creditors"); In re Vienna Park Properties, 125 B.R. 84 (S.D. N.Y. 1991) (vacating and remanding order that denied venue change); In re Bell Tower Associates, LTD, 86 B.R. 795 (S.D. N.Y. 1988) (transferring case to Texas). See also In re Qualteq, Inc., 2012 Bankr. LEXIS 503, Case No. 11-12572 (Bankr. D. Del. Feb. 16, 2012) (transferring venue from New York to Illinois where, among other facts, only one of the debtor entities was incorporated in Delaware and none of the 30 largest unsecured creditors were in Delaware); In re Rehoboth Hospitality, LP, 2011 Bankr. LEXIS 3992, Case No. 11-12798 (Bankr. D. Del. 2011) (transferring case to Texas where the Debtor's asset was located).

The facts of this jointly administered bankruptcy as detailed herein provide just as strong, if not stronger, evidentiary basis for transferring venue as do the above-cited cases. The Sureties have met their burden of establishing that the interests of justice and convenience of the parties require a transfer of venue to the SDWV.

⁴²See e.g., In re Bell Tower Associates, Ltd., 86 B.R. 795 (Bankr. S.D.N.Y. 1988)(finding factors of convenience of witnesses, economic administration of the estate, location of principal assets, balance of proximity of credits and interests of justice required transfer to Texas); see also, In re Paul Christensen, 2012 Bankr. LEXIS 1619 (Bankr. S.D.N.Y. Apr. 13, 2012)(transferring case to California based on interests of justice).

IV. CONCLUSION.

The Debtor has a 50-year history in the coalfields. West Virginia is the center of the Debtors' operations and assets, and the SDWV is a more convenient forum for the vast majority of parties-in-interest, including creditors, employers, owners of mineral rights, and the State of West Virginia. The outcome of this case will have the greatest impact on the residents, land holders, and natural environment in West Virginia. Moreover, the interest of justice is best served by a transfer to West Virginia because of the greater accessibility of a West Virginia court to the parties-in-interest and because a prompt transfer of these cases to West Virginia will place any contested matters in the hands of a West Virginia bankruptcy court that is experienced with West Virginia law, including the regulatory, mineral, and other legal issues related to mining operations. Under these circumstances, applicable case law within the Southern District of New York clearly supports a transfer of these cases to West Virginia.

WHEREFORE, Sureties respectfully request entry of an Order sustaining this Motion, and transferring venue of these cases to the United States Bankruptcy Court for the Southern District of West Virginia. Movants further request all other relief as is appropriate under the circumstances.

Lexington, Kentucky

Dated: August 7, 2012

By: /s/Chrisandrea L. Turner
William T. Gorton III
W. Blaine Early, III
Elizabeth Lee Thompson
Chrisandrea L. Turner

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*Counsel to Argonaut Insurance Company,
Indemnity National Insurance Company,
US Specialty Insurance, and
Westchester Fire Insurance Company*

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was served on August 7, 2012, electronically in accordance with the method established under this Court's CM/ECF Administrative Procedures.

Dated: August 7, 2012
Lexington, Kentucky

/s/Chrisandrea L. Turner
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EXHIBIT A

Patriot Coal CORP (PCX)

10-K/A

Annual report pursuant to section 13 and 15(d)

Filed on 5/8/2012

Filed Period 12/31/2011



UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K/A
(Amendment No. 1)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Year Ended December 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 001-33466

PATRIOT COAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-5622045
(I.R.S. Employer
Identification No.)

12312 Olive Boulevard, Suite 400
St. Louis, Missouri
(Address of principal executive offices)

63141
(Zip Code)

(314) 275-3600

(Registrant's telephone number, including area code)
Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class
Common Stock, par value \$0.01 per share
Preferred Share Purchase Rights

Name of Each Exchange on Which Registered
New York Stock Exchange
New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

Aggregate market value of the voting stock held by non-affiliates (shareholders who are not directors or executive officers) of the Registrant, calculated using the closing price on June 30, 2011: Common Stock, par value \$0.01 per share, \$2.0 billion.

Number of shares outstanding of each of the Registrant's classes of Common Stock, as of February 17, 2012: Common Stock, par value \$0.01 per share, 92,924,037 shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement to be filed with the Securities and Exchange Commission in connection with the Company's Annual Meeting of Stockholders to be held on May 10, 2012 (the "Company's 2011 Proxy Statement") are incorporated by reference into Part III hereof. Other documents incorporated by reference in this report are listed in the Exhibit Index of this Form 10-K.

PART I

Unless the context indicates otherwise, all references in this report to Patriot, the Company, us, we, or our include Patriot Coal Corporation and our subsidiaries (Patriot). Refer to the Glossary on pages 3 through 5 for the definition of terms used throughout this document.

Item 1. Business.

Overview

We are a leading producer of thermal coal in the eastern United States (U.S.), with operations and coal reserves in the Appalachia and the Illinois Basin coal regions. We are also a leading U.S. producer of metallurgical quality coal. Our principal business is the mining and preparation of thermal coal, also known as steam coal, and metallurgical coal. Thermal coal is primarily sold to electricity generators, and metallurgical coal is sold to steel mills and independent coke producers.

As of December 31, 2011, our operations consisted of fourteen active mining complexes. Our operations include company-operated mines, contractor-operated mines and coal preparation facilities. The Appalachia and Illinois Basin segments consist of our operations in West Virginia and Kentucky, respectively. We control approximately 1.9 billion tons of proven and probable coal reserves. Our proven and probable coal reserves include metallurgical coal and medium and high-Btu thermal coal, with low, medium and high sulfur content.

We ship coal to electricity generators, industrial users, steel mills and independent coke producers. In 2011, we sold 31.1 million tons of coal, of which 76% was sold to domestic and global electricity generators and industrial customers and 24% was sold to domestic and global steel and coke producers. Export sales were 29% of our total volume in 2011. Coal is shipped via various company-owned and third-party loading facilities, multiple rail and river transportation routes and ocean-going vessels.

Effective October 31, 2007, Patriot was spun off from Peabody Energy Corporation (Peabody) and became a separate, public company traded on the New York Stock Exchange (symbol PCX). This transaction is referred to in this Form 10-K as the "distribution" or the "spin-off." The spin-off from Peabody was accomplished through a dividend of all outstanding shares of Patriot.

On July 23, 2008, Patriot completed the acquisition of Magnum Coal Company (Magnum). Magnum was one of the largest coal producers in Appalachia, operating eight mining complexes with production from surface and underground mines in Appalachia and controlling more than 600 million tons of proven and probable coal reserves. Magnum results are included as of the date of the acquisition.

Mining Operations

Our mining operations and coal reserves are as follows:

- Appalachia. As of December 31, 2011, we had ten mining complexes located in Boone, Clay, Lincoln, Logan and Kanawha counties in southern West Virginia. In northern West Virginia, we have one complex located in Monongalia County. In Appalachia, we sold 23.9 million tons of coal in the year ended December 31, 2011. As of December 31, 2011, we controlled 1.2 billion tons of proven and probable coal reserves in Appalachia, of which 491 million tons were assigned to current operations. In January 2012, we announced the idling of and production curtailment at certain metallurgical coal mines in response to weaker demand. In February 2012, we announced the closure of the Big Mountain mining complex in response to weaker thermal coal demand.

- Illinois Basin. In the Illinois Basin, we have three complexes located in Union and Henderson counties in western Kentucky. In the Illinois Basin, we sold 7.3 million tons of coal in the year ended December 31, 2011. As of December 31, 2011, we controlled 722 million tons of proven and probable coal reserves in the Illinois Basin, of which 175 million tons were assigned to current operations.

The following table provides the location and summary information of our operations for the year ended December 31, 2011.

Location	Complex	Mine(s)	Mining Method(1)	Met/Thermal	2011 Tons Sold(2)
Appalachia	Big Mountain	Big Mountain No. 16, Contractor	CM	Thermal	1,879
	Blue Creek	Blue Creek No. 1	CM	Thermal	848
	Campbell's Creek	Campbell's Creek No. 7, Contractor	CM	Thermal	680
	Corridor G	Job 21, Hill Fork	DL, TS	Thermal	3,656
	Kanawha Eagle	Contractor	CM	Met/Thermal	1,445
	Logan County	Guyan	TS	Thermal	2,693
	Paint Creek	Samples, Winchester	TS, HW, CM	Met/Thermal	1,181
	Panther	Panther	LW, CM	Met	1,845
	Rocklick	Black Oak, Gateway Eagle, Contractor	CM	Met	1,294
	Wells	Rivers Edge, Contractor	CM	Met	2,840
	Federal	Federal No. 2	LW, CM	Thermal	3,973
	Purchased coal	N/A	N/A	N/A	1,527
				Subtotal	23,861
	Illinois Basin	Bluegrass	Patriot, Freedom	TS, CM	Thermal
Dodge Hill		Dodge Hill No. 1	CM	Thermal	831
Highland		Highland No. 9	CM	Thermal	3,978
				Subtotal	7,265
			Total	<u>31,126</u>	

(1)LW = Longwall, CM = Continuous Miner, TS = Truck-and-Shovel, DL = Dragline, HW = Highwall

(2) Tons sold, presented in thousands, for each complex approximated actual annual production in 2011, subject to stockpile variations.

Appalachia

Big Mountain

As of December 31, 2011, the Big Mountain mining complex is sourced by one company-operated underground mine, Big Mountain No. 16, and one contractor-operated underground mine located in southern West Virginia. Coal is produced utilizing continuous mining methods. The coal is sold on the thermal market and was transported from the preparation plant to customers via CSX rail or trucked to a terminal on the Kanawha River and placed on barges. Coal is produced from the Coalburg and Dorothy seams. Most of the employees at the company-operated mine are represented by the United Mine Workers of America (UMWA). In February 2012, we closed our Big Mountain mining complex.

Blue Creek

The Blue Creek mining complex is located in southern West Virginia and consists of a company-operated underground mine, Blue Creek No. 1. Coal at the Blue Creek mining complex is produced from the Stockton seam. The complex utilizes continuous mining methods. Coal produced at the Blue Creek complex is sold on the thermal market and is loaded onto trucks for transportation to a barge loading facility on the Kanawha River. The employees at the company-operated mine are not represented by a union.

Campbell's Creek

The Campbell's Creek mining complex consists of two underground mines located in southern West Virginia. The company-operated Campbell's Creek No. 7 mine operates in the Winifrede seam. The contractor-operated mine operates in the Stockton seam. Both mines in the Campbell's Creek mining complex utilize the continuous mining method. After processing, the coal is transported by truck to the Kanawha River for loading onto barges. Coal produced at Campbell's Creek mining complex is sold on the thermal and stoker coal markets. The employees at the company-operated mine are not represented by a union.

Corridor G

The Corridor G mining complex consists of two company-operated surface mines, Job 21 and Hill Fork, located in southern West Virginia. Coal is sourced from the Kittanning, Stockton and Coalburg seams. Corridor G utilizes dragline and truck-and-shovel/loader mining. Coal produced at Job 21 is transferred by belt to the on-site preparation plant and loadout facility. After processing, the coal is transported to customers by CSX rail. Hill Fork production is either trucked to a terminal on the Kanawha River and placed on barges or transported to a nearby preparation plant for processing. Coal produced at the Corridor G mining complex is sold on the thermal market. Certain employees at the Corridor G mining complex are represented by the UMWA.

Kanawha Eagle

The Kanawha Eagle complex, which is contractor-operated, is located in southern West Virginia and is sourced by three underground mines. All three mines utilize continuous mining methods. Processed coal is sold on both metallurgical and thermal markets and is transported via CSX rail directly to the customer or by private line railroad to the Kanawha River and placed on barges. Coal is produced from the Coalburg and Eagle seams. In early 2012, we opened the Peerless underground mine.

Logan County

The Logan County mining complex consists of one company-operated surface mine, Guyan, located in southern West Virginia. Coal from this complex is sold on the thermal market. The Guyan mine utilizes the truck-and-shovel/loader mining method. Coal produced at this complex is transferred by truck to its on-site preparation plant and loadout facility. Coal is principally transported from the loadout facility to customers by CSX rail. Coal at Logan County is sourced from the Freeport, Kittanning, Stockton and Coalburg seams. Certain employees at the Logan County complex are represented by the UMWA.

Paint Creek

The Paint Creek mining complex consists of one surface mine and one underground mine located in southern West Virginia. Both mines are company-operated. The surface mine, Samples, utilizes truck-and-shovel/loader and highwall mining methods, while the underground mine, Winchester, utilizes the continuous mining method. The Winchester mine operates in the Hershaw seam. Coal from Samples is sourced from the Freeport, Kittanning, Stockton and Coalburg seams. The truck and shovel/loader method of mining the Samples surface mine has been idled since August 2009. After processing, coal is transported from the on-site preparation plant and loadout facility to customers by CSX rail. Coal can also be trucked approximately 14 miles to the Kanawha River and transported by barge. Coal from this complex is sold on both the metallurgical and thermal markets. The employees at the Paint Creek complex are not represented by a union.

Panther

The Panther mining complex consists of one company-operated underground mine, Panther, located in southern West Virginia. Coal is produced utilizing the longwall mining and continuous mining methods. All coal is processed at an on-site preparation plant and then transported via truck to barges on the Kanawha River or via CSX rail. Coal produced at the Panther complex was sold into the metallurgical market during 2010 and 2011. Coal at the Panther mining complex is produced from the Eagle seam. The employees at the Panther complex are not represented by a union.

Rocklick

The Rocklick mining complex is located in southern West Virginia and is sourced by two company-operated underground mines, Black Oak and Gateway Eagle, and two contractor-operated underground mines. Coal at the Rocklick mining complex is produced utilizing continuous mining methods. Rocklick has the capability to transport coal on both the CSX and the Norfolk Southern railroads. Metallurgical coal at the Black Oak mine is produced from the No. 2 Gas seam. The Gateway Eagle mine opened in 2011 and produces metallurgical coal from the Eagle seam. Our contract mines produce metallurgical coal from the Eagle and No. 2 Gas seams. Thermal coal can also be processed and sold at this operation. Certain employees at the company-operated facilities of the Rocklick mining complex are represented by the UMWA. In January 2012, we announced plans to idle the Gateway Eagle mine and one contractor-operated mine, as well as to reduce production at the Black Oak mine.

Wells

The Wells mining complex is located in southern West Virginia and is sourced by multiple contractor-operated underground mines and was sourced by one company-operated underground mine. Coal is produced utilizing continuous mining methods. Coal currently produced at the Wells mining complex is sold on the metallurgical market and is transported to customers via CSX rail. Contract mines produce coal from the Eagle, No. 2 Gas, Powellton and Lower Chilton seams. Most of the employees at the company-operated facilities of the Wells mining complex are represented by the UMWA. Rivers Edge produced coal from the Powellton seam until it reached the end of its life in April 2011. In January 2012, we announced plans to idle two contractor-operated mines in the Wells complex.

Federal

The Federal mining complex is located in northern West Virginia and is sourced by one company-operated underground mine, Federal No. 2, utilizing longwall and continuous mining methods. All coal produced at Federal is sold on the thermal market and is transported to customers via the CSX and Norfolk Southern railroads or via barges on the Ohio River. Coal is produced from the Pittsburgh seam. Most of the employees at the Federal mining complex are represented by the UMWA.

Illinois Basin Mining Operations

As of December 31, 2011, our Illinois Basin Mining Operations included three mining complexes in western Kentucky.



Illinois Basin

Bluegrass

The Bluegrass mining complex is located in western Kentucky and is sourced by two company-operated mines, Freedom, an underground mine, and Patriot, a surface mine. Coal at Freedom is produced utilizing continuous mining methods, while coal at Patriot is produced utilizing the truck-and-shovel/loader mining method. All coal is sold on the thermal market and is transported via truck or via barge loaded on the Green River. Coal is produced from the Kentucky No. 9 seam. The employees at the Bluegrass mining complex are not represented by a union.

Dodge Hill

The Dodge Hill mining complex is located in western Kentucky and is sourced by one company-operated underground mine, Dodge Hill No. 1, utilizing continuous mining methods. All coal is sold on the thermal market and transported via truck to a barge loading facility on the Ohio River. Coal at

the Dodge Hill mining complex is produced from the Kentucky No. 6 seam. The employees at the Dodge Hill mining complex are not represented by a union.

Highland

The Highland mining complex is located in western Kentucky and is sourced by one company-operated underground mine, Highland No. 9, utilizing continuous mining methods. All coal is sold on the thermal market and is transported via barges loaded on the Ohio River. Coal is produced from the Kentucky No. 9 seam. Most of the employees at the Highland complex are represented by the UMWA.

EXHIBIT B

ENTERED

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA
AT HUNTINGTON

MAR 15 2012

TERESA L. DEPPNER, CLERK
U. S. District Court
Southern District of West Virginia

OHIO VALLEY ENVIRONMENTAL
COALITION, INC.; WEST VIRGINIA
HIGHLANDS CONSERVANCY, INC.;
and SIERRA CLUB

Plaintiffs,

v.

CIVIL ACTION NO. 3:11-cv-00115

PATRIOT COAL CORPORATION,
APOGEE COAL COMPANY, LLC,
CATENARY COAL COMPANY, LLC
And HOBET MINING LLC

Defendants.

CONSENT DECREE

I. RECITALS

1. On February 18, 2011, Plaintiffs Ohio Valley Environmental Coalition, Inc., West Virginia Highlands Conservancy, Inc., and Sierra Club (collectively "Plaintiffs") filed this action against Defendants Patriot Coal Corporation ("Patriot"), Apogee Coal Company, LLC ("Apogee"), Catenary Coal Company, LLC ("Catenary"), and Hobet Mining, LLC ("Hobet") (collectively "Defendants"). On April 14, 2011, Plaintiffs subsequently filed a First Amended Complaint for Declaratory and Injunctive Relief and for Civil Penalties.

2. The Amended Complaint alleged that:

- a. Defendant Apogee had discharged concentrations of selenium in excess of the effluent limits for that parameter contained in West Virginia/National Pollution Discharge Elimination System ("WV/NPDES") Permit No. WV0099520 issued to Apogee by the

West Virginia Department of Environmental Protection (“WVDEP”) pursuant to Section 402 of the federal Clean Water Act (“CWA”) and the West Virginia Water Pollution Control Act.

- b. Defendant Catenary had discharged concentrations of selenium in excess of the effluent limits for that parameter contained in WV/NPDES Permit Nos. WV0093751, WV0096920, WV0096962, and WV1014684 issued to Catenary by the WVDEP pursuant to Section 402 of the CWA and the West Virginia Water Pollution Control Act.
- c. Defendant Hobet had discharged concentrations of selenium in excess of the effluent limits for that parameter contained in WV/NPDES Permit Nos. WV1017225, WV0099392, WV1016776, WV1020889, and WV1021028 issued to Hobet by the WVDEP pursuant to Section 402 of the CWA and the West Virginia Water Pollution Control Act.

3. The Amended Complaint further alleged that Defendants’ discharges of selenium in concentrations exceeding those permitted by their respective WV/NPDES permits constituted violations of the performance standards under the federal Surface Mining Control and Reclamation Act of 1977 (“SMCRA”).

4. The Parties recognize, and the Court by entering this Consent Decree finds, that the Consent Decree has been negotiated by the Parties in good faith and will avoid further litigation among the Parties, and that this Decree is fair, reasonable and in the public

interest. By entering into this Consent Decree, Defendants do not admit any of the allegations set forth in the Complaint or the Amended Complaint.

NOW, THEREFORE, with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED AND DECREED as follows:

II. JURISDICTION AND VENUE

5. This Court has jurisdiction over the Parties and over the subject matter of this action pursuant to 28 U.S.C. § 1331 (federal question jurisdiction), 33 U.S.C. § 1365 (CWA citizen suit provision) and 30 U.S.C. § 1270 (SMCRA citizen suit provision).

6. Venue is proper in the Southern District of West Virginia pursuant to 28 U.S.C. § 1391(b) and (c), because it is the judicial district in which Defendants are located, reside and/or do business, and/or in which the violations alleged in the Amended Complaint occurred, as well as 33 U.S.C. § 1365(c)(1), because the sources of the alleged CWA violations are located in this judicial district, and 30 U.S.C. § 1270(c), because the coal mining operations complained of are located in this judicial district.

7. For purposes of this Consent Decree, or any action to enforce this Consent Decree, Defendants consent to this Court's jurisdiction over this Consent Decree and consent to venue in this judicial district.

III. APPLICABILITY

8. The provisions of this Consent Decree apply to and are binding upon Plaintiffs and those with authority to act on their behalf, including, but not limited to, their officers, directors, and staff; upon Defendants and any of their respective successors and/or assigns; and upon other persons or entities otherwise bound by the law.

9. No transfer of ownership or operation of any Facility shall relieve Defendants of their obligation to ensure that the terms of this Consent Decree are implemented, provided, however that, prior to any transfer, any Defendant desiring to transfer ownership or operation of any Facility shall provide a copy of this Consent Decree to the proposed transferee and require the transferee to provide written confirmation to the Court acknowledging the terms of the Consent Decree and that the transferee will be bound by those terms. In such event, said Defendant shall no longer be subject to this Decree. There shall be no requirement to provide written confirmation to the Court if the ultimate parent of a Defendant will change as a result of a transaction, but the Defendant owning or operating the Facility will not change. In any event, all transferees, subsequent owners, and operators shall be bound the terms of this Consent Decree, consistent with applicable law.

10. Defendants shall provide a copy of this Consent Decree to all officers, employees and agents whose duties include compliance with any provision of this Consent Decree, as well as to any contractor retained to perform work required under this Consent Decree.

IV. DEFINITIONS

11. Terms used in this Consent Decree that are defined in the CWA, SMCRA or in regulations issued pursuant thereto shall have the meanings assigned to them therein, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

a. "Alternative Abatement Plan" shall mean a plan for the implementation of a Listed Technology at a Covered Outfall;

b. "Amended Complaint" shall mean the First Amended Complaint for Declaratory and Injunctive Relief and for Civil Penalties filed by Plaintiffs in this action on April 14, 2011;

c. "Consent Decree" or "Decree" shall mean this Consent Decree and the appendices attached hereto;

d. "Covered Outfalls" shall mean the discharge points for the Covered Permits as identified in Appendix A to this Consent Decree.

e. "Covered Permits" shall mean Defendants' permits that were the subject of this litigation as those permits are now in effect and as they may be amended, modified, or renewed, following the procedures for such amendment, modification, or renewal prescribed by the applicable federal and state statutes and regulations and interpreted by this Court in relevant decisions for the duration of this Consent Decree, including: WV/NPDES Permit Nos. WV0099520, WV0093751, WV0096920, WV0096962, WV1014684, WV1017225, WV0099392, WV1016776, WV1020889, and WV1021028. Unless a proposed modification falls within the definition of a "minor modification" as provided in 47 C.S.R. § 30-8.2.c.1, any change to the selenium effluent limitations in the Covered Permits shall be a major modification subject to public notice and comment and all other applicable requirements of federal and state law. In all events, if a Defendant intends to apply for a "minor modification" that would affect the selenium effluent limitations in one or more of the Covered Permits, that Defendant shall notify Plaintiffs of that intent at least 30 days prior to submitting a modification application to WVDEP.

f. "Daily maximum violation" shall mean an exceedance of the effective maximum daily effluent limit of the applicable WV/NPDES Permit.

g. "Day" shall mean a calendar day unless expressly stated to be a business day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday or federal holiday, the period shall run until the close of business of the next business day except for purposes of calculating periods of stipulated payments under Section IX of this Decree;

h. "DMR" means a Discharge Monitoring Report for one of the Covered Permits;

i. "Effective Date" shall have the definition provided in Section XV;

j. "Facility" or "Facilities" shall mean Defendants' Covered Outfalls and mining operations subject to the Covered Permits.

k. "Maximum daily effluent limit" shall mean maximum daily selenium discharge limitation as defined in 40 C.F.R. § 122.2;

l. "Monthly average effluent limit" shall mean average monthly selenium discharge limitation as defined in 40 C.F.R. § 122.2;

m. "Monthly average violation" shall mean an exceedance of the effective monthly average effluent limit of the applicable WV/NPDES Permit;

n. "Paragraph" shall mean a portion of this Consent Decree identified by an Arabic numeral;

o. "Parties" shall mean Plaintiffs and Defendants;

p. "Section" shall mean a portion of this Consent Decree identified by a Roman numeral;

q. "State" shall mean the State of West Virginia;

r. "USEPA" shall mean the United States Environmental Protection Agency;

s. "WVDEP" shall mean the West Virginia Department of Environmental Protection;

t. "WV/NPDES permit" shall mean a West Virginia / National Pollutant Discharge Elimination System permit issued by WVDEP pursuant to Section 402 of the CWA.

V. CIVIL PENALTY

12. Defendants shall pay a civil penalty in the amount of \$750,000 to the United States as set forth in Paragraph 13 below. Together with the Supplemental Environmental Project ("SEP") to be funded as set forth in Section VI, the payment of this civil penalty is made in settlement of all of Plaintiffs' claims in this action under the CWA and SMCRA for violations occurring prior to the effective date of this Consent Decree.

13. Defendants shall pay the civil penalty due to the United States Treasury within thirty (30) days of the entry of this Decree. That payment shall be made by certified check, bank check, or money order to the Treasurer of the United States and should be sent to the following address: Debt Collection Specialist, Environment and Natural Resources Division, Executive Office, PO Box 7754, Ben Franklin Station, Washington D.C. 20044-7754. The check or money order shall reference *Ohio Valley Environmental Coalition, Inc. et al. v. Patriot Coal Corporation et al.* Civil Action No. 3:11-cv-00115, and payment shall be considered paid upon mailing, or direct delivery to the specified address. A copy of the check and cover letter shall be sent to Plaintiffs at the time payment is made, and shall state that payment is being made pursuant to this Decree.

14. The sum set forth in Paragraph 12, *supra*, resolves Plaintiffs' demands for civil penalties under 33 U.S.C. § 1365 arising from any selenium violations alleged in Plaintiffs'

Amended Complaint and any selenium violations that have occurred or may occur at any Covered Outfalls or under any Covered Permits up to the effective date of this Consent Decree.

15. Defendants shall not deduct any penalties paid under this Consent Decree pursuant to this Section in calculating their respective federal, state, or local income tax.

VI. SUPPLEMENTAL ENVIRONMENTAL PROJECT

16. In addition to the civil penalty set forth in Section V, above, Defendants shall pay a total of \$6,750,000.00 to the West Virginia Land Trust in order to fund a SEP.

- a. Appendix B to this Decree describes how the SEP will support and expand the Land Trust.
- b. Defendants shall remit the funds identified in Paragraph 16 by certified check, bank check, or money order to the West Virginia Land Trust within thirty (30) days of the entry of this Decree and shall send the funds to the following address:

West Virginia Land Trust
PO Box 11823
Charleston, WV 25339-1823

The check or money order shall reference Ohio Valley Environmental Coalition, et al. v. Patriot Coal Corp., et al., Civil Action No. 3:11-cv-00115, and payment shall be considered complete upon mailing, or direct delivery to the specified address. A copy of the check and cover letter shall be sent to Plaintiffs at the time payment is made and shall state that payment is being made pursuant to this Decree.

17. Defendants shall not deduct their contribution to the SEP or any payments made pursuant to Section IX (“Stipulated Payments”) in calculating their respective federal, state, or local income tax.

VII. COMPLIANCE REQUIREMENTS

18. This Consent Decree in no way affects or relieves Defendants of their responsibility to comply with applicable federal, state and local laws, regulations and permits, but Plaintiffs shall not seek any remedies under the CWA or SMCRA for violations of selenium effluent limits at the Covered Outfalls so long as this Decree is in effect other than those remedies set forth herein.

19. Where any compliance obligation under this Section requires Defendants to obtain a federal, state or local permit or approval, Defendants shall submit timely and substantially complete applications and take all other actions necessary to obtain all such permits or approvals. Defendants may seek relief under the provisions of Section X of this Consent Decree (“Force Majeure”) for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation, if Defendants have submitted timely and substantially complete applications and have taken all other actions necessary to obtain all such permits or approvals. Notwithstanding the foregoing, if a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation results from a successful challenge by Plaintiffs to a permitting or approval decision on an issue that Plaintiffs made a good-faith effort to resolve with Defendants prior to commencing such a challenge, then Defendants may not avail themselves of relief under Section X of this Consent Decree.

Treatment Technology Selection and Implementation

20. Under their respective Covered Permits, each Defendant shall select and install selenium treatment technologies at each Covered Outfall such that the Covered Outfalls will achieve compliance with selenium discharge limits contained in relevant Covered Permits in accordance with the compliance date set forth in Appendix C (hereinafter a "Selected Technology"). If a Defendant believes that compliance is or will be achieved without additional treatment at one or more Covered Outfalls, it shall so indicate on or before the relevant technology selection date set forth in Appendix C and shall provide a written statement to the Plaintiffs and the Special Master setting forth the basis for that determination at that time.

21. When a Defendant chooses the Selected Technology for any Covered Outfall, it shall also supply a reasonable schedule of activities necessary for the expeditious installation of that technology by the applicable compliance date set forth in Appendix C. That schedule shall include (a) a reasonably detailed GANTT chart setting out key milestones for engineering, procurement, and construction and (b) a schedule for the Defendant's submission of periodic progress reports to the Plaintiffs, the Court and any Special Master appointed under Section XIII below. If an Alternative Abatement Plan is required under Paragraph 25 below, the Defendant shall provide such a plan by the dates specified in that Paragraph.

22. Sixty days before the technology selection date for any Covered Outfall as set forth in Appendix C, a list of technologies that may be used at the flow rates specified in the related category to treat and remove selenium at the Covered Outfalls or under the Covered Permits shall be certified by the Special Master. Technologies appearing on such list are hereinafter referred to as "Listed Technologies." A Defendant may select a Listed Technology for installation and use at a Covered Outfall and a flow rate for which it has been listed.

23. The list of technologies for each category of Covered Outfalls on Appendix C will be created pursuant to Paragraph 24, below. A technology is only a Listed Technology for those categories where it has been added to the list of technologies pursuant to Paragraph 24. The Parties will continue to cooperate in good faith to amend, update, add or delete technologies to the Listed Technologies for the Covered Outfalls. In accordance with the procedures set forth in Paragraph 24, below, a technology may be added or deleted as a Listed Technology for any particular Covered Outfall at any time prior to the compliance date for that Category as set forth in Appendix C.

24. Technologies may be added to or deleted from the Listed Technologies, and such list may be amended, as follows:

- a. By agreement of the Parties;
- b. Based upon the determination of the Special Master after the presentation of a pilot report or other data by one of the parties; provided that, the moving party has the burden of establishing that the technology should be added to or deleted from the list because of its applicability to the flow rates of the outfalls on a particular list, and provided that the non-moving party has an opportunity to comment on and oppose the inclusion or deletion of any technology on the list; or
- c. Based upon the determination of the Special Master after one of the Parties submits a request to add or delete a technology based upon field data from installed treatment systems, and provided that the non-moving party has the opportunity to comment on and

oppose the inclusion or deletion of any technology on the list.

These data may come from third party sources.

25. No later than the technology selection date for a Covered Outfall established in Appendix C, a Defendant shall choose a Selected Technology for installation at that Covered Outfall. A Selected Technology may, but need not, come from the Listed Technologies for that category. The Defendants shall choose a Selected Technology for each Covered Outfall, subject to the following:

- a. If a Defendant chooses a Selected Technology that is also a Listed Technology for a Covered Outfall, the Defendant shall not be required to submit an Alternative Abatement Plan for that Covered Outfall. If a Defendant chooses a Listed Technology, the information required by Subparagraphs 21(a) and (b) shall be submitted to the Special Master and to Plaintiffs. Plaintiffs shall have the opportunity to comment to the Special Master on the selection, as well as the information required by Subparagraphs 21(a) and (b), within 21 days of receipt of the selection. The Plaintiffs shall have the burden to establish by a preponderance of the evidence that such selection is inconsistent with customary engineering practices and principles. In the event the Special Master agrees with Plaintiffs objections, then such technology shall be treated as a not Listed Technology for the Covered Outfall at issue for purposes of this Decree, including the Stipulated Payments provisions in Section IX, and the Defendant will be

required to submit an Alternative Abatement Plan for the Covered Outfall at issue as required in Paragraph 25(b) below.

b. Except as set forth in subparagraph 25(c), if a Defendant chooses a Selected Technology for a Covered Outfall that is not a Listed Technology, it shall also initially identify an alternative Listed Technology (hereinafter "Alternative Technology") by the relevant technology selection date and shall submit to the Plaintiffs and the Special Master an Alternative Abatement Plan containing, at a minimum, the following information regarding the Alternative Technology within 60 days after the relevant technology selection date:

- i. A process design narrative describing the effluent limits which will be met;
- ii. A listing of treatment objectives applicable to the design;
- iii. The characteristics of the water to be treated;
- iv. An engineering evaluation of applicable technologies capable of successfully treating the water;
- v. A narrative description of the design in sufficient detail to be reviewed by persons competent in water/wastewater treatment technologies;
- vi. Process design summary tables containing selected design parameters;

- vii. Preliminary size of major unit processes and ancillary equipment required;
 - viii. Preliminary estimates of chemical requirements;
 - ix. A process flow diagram containing primary flow lines;
 - x. Major unit processes;
 - xi. Preliminary flow and material balances;
 - xii. A Class 5 Capital cost estimate and operating cost estimate;
 - xiii. A preliminary equipment list;
 - xiv. A estimation of average and maximum flows from the outfall and a reasonably detailed equalization plan if any;
 - xv. A reasonably detailed GANTT chart establishing a schedule for engineering, procurement, construction, and commissioning of the Alternative Technology;
 - xvi. A preliminary engineering report (applicable to Covered Outfalls in Categories III, IV, and V only); and
 - xvii. Any other information requested or required by the Special Master (applicable to Covered Outfalls in Categories I and II only).
- c. Notwithstanding the foregoing, if a ZVI-type treatment system is not a Listed Technology for Category I Covered Outfalls as of the relevant technology selection date set forth in Appendix C and a Defendant chooses a ZVI-type treatment system as a Selected Technology for any Covered Outfall in Category I, no Alternative

Abatement Plan shall be due until March 1, 2013 and the Alternative Abatement Plan requirement will be waived if Special Master determines that the proposed ZVI-type system will succeed. Provided, however, that Plaintiffs have an opportunity to comment and object to the omission of an Alternative Abatement Plan prior to the Special Master's decision and the Special Master will issue a written determination addressing the Parties' respective positions.

- d. Notwithstanding the other provisions of this Decree, the Parties expect that Defendants will choose a Listed Technology for use at all Category IV and V Covered Outfalls (as Categories IV and V are set forth on Appendix C). If, however, a Defendant chooses a Selected Technology that is not a Listed Technology for a Category IV or V Covered Outfall, that decision shall be submitted to the Special Master for review and Plaintiffs shall be entitled to comment. The Defendant shall bear the burden of proof before the Special Master to establish that the Selected Technology will succeed in meeting the requirements of the Covered Permit at the Covered Outfall for which the Selected Technology has been chosen by the compliance deadline set forth in Appendix C. The Defendant carries its burden when it establishes by a preponderance of the evidence that its choice of Selected Technology is consistent with customary engineering practices and

principles. If the Special Master approves the Selected Technology, the Defendant must also prepare and submit an Alternative Abatement Plan containing the elements set forth in Paragraph 25(b) above.

26. In determining when an Alternative Abatement Plan shall be implemented for a Covered Outfall under this Consent Decree, the Defendant shall employ the following criteria:

a. For Categories I and II:

i. The first six months following the Category Compliance Date for the installation of a Selected Technology at a Covered Outfall shall be considered a “start-up” period for that Covered Outfall and sampling data acquired during those six months shall neither be used to determine whether a Defendant will be required to implement an Alternative Abatement Plan nor whether the Consent Decree shall terminate as to that Covered Outfall, provided, however, that if a Selected Technology is constructed and commissioned prior to the Category Compliance Date set out in Appendix C, a Defendant may use sampling data acquired between the actual commissioning date and the Category Compliance Date set out in Appendix C to establish that the Consent Decree should terminate as to that Outfall pursuant to Paragraph 28.

- ii. For months seven (7) through twelve (12) following the Category Compliance Date for the installation of a Selected Technology at a Covered Outfall, if more than four (4) of the samples of the effluent from the Covered Outfall exceed the maximum daily selenium effluent limitations in the relevant Covered Permit or if two (2) of the monthly average selenium concentrations exceed the monthly average selenium effluent limitation in the relevant Covered Permit, then a Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that a Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.
- iii. If a Defendant does not achieve six consecutive months of compliance with the selenium effluent limitations on a

Covered Outfall in the relevant Covered Permit during the first twelve months following the Category Compliance Date in Appendix C, then that Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that that Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- iv. If this Consent Decree is not terminated as to a Covered Outfall pursuant to Paragraphs 28 and 78 during the first 12-month period following the Category Compliance Date established in Appendix C for that outfall, but the Alternative Abatement Plan is not triggered for that Outfall under Subparagraphs 26(a)(ii) or (iii), then the following triggers for the Alternative Abatement Plan shall apply

during each subsequent 12-month period until the Consent Decree is terminated as to that Covered Outfall:

1. If more than four (4) of the samples of the effluent from the Covered Outfall exceed the maximum daily selenium effluent limitations in the relevant Covered Permit or if two (2) consecutive monthly average selenium concentrations exceed the monthly average selenium effluent limitation in the relevant Covered Permit, then a Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that a Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit

limits, flows, upsets, and any other operating conditions.

2. If a Defendant does not achieve six consecutive months of compliance with the selenium effluent limitations on a Covered Outfall in the relevant Covered Permit, then that Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that that Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- b. For Categories III, IV, and V:

- i. The first three months following the Category Compliance Date for the installation of a biologically-based Selected Technology at a Covered Outfall shall be considered a “start-up” period for that Covered Outfall and sampling data acquired during those three months shall neither be used to determine whether a Defendant will be required to implement an Alternative Abatement Plan, nor whether the Consent Decree shall terminate as to that Covered Outfall; provided, however, that if a biologically-based Selected Technology is constructed and commissioned prior to the Category Compliance Date set out in Appendix C, a Defendant may use sampling data acquired between the actual commissioning date and the Category Compliance Date set out in Appendix C to establish that the Consent Decree should terminate as to that Outfall pursuant to Paragraph 28.
- ii. For months four (4) through twelve (12) following the Category Compliance Date for the installation of a biologically based Selected Technology at a Covered Outfall, if more than four (4) of the samples of the effluent from the Covered Outfall exceed the maximum daily selenium effluent limitations in the relevant Covered Permit or if two (2) of the monthly average selenium

concentrations exceed the monthly average selenium effluent limitation in the relevant Covered Permit, then a Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that a Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- iii. For the first twelve (12) months following the Category Compliance Date for the installation of a non-biologically based Selected Technology at a Covered Outfall, if more than four (4) of the samples of the effluent from the Covered Outfall exceed the maximum daily selenium effluent limitations in the relevant Covered Permit or if two (2) of the monthly average selenium concentration exceed the monthly average selenium effluent limitation in the

relevant Covered Permit, then a Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that a Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. Plaintiffs shall have the right to comment on and object to Defendant's plan. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- iv. If a Defendant does not achieve six consecutive months of compliance with the selenium effluent limitations on a Covered Outfall in the relevant Covered Permit during the first twelve months following the Category Compliance Date in Appendix C, then that Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that that Defendant shall have the right to seek approval from the Special Master to continue

using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- v. If this Consent Decree is not terminated as to a Covered Outfall pursuant to Paragraphs 28 and 78 during the first 12-month period following the Category Compliance Date established in Appendix C for that outfall, but the Alternative Abatement Plan is not triggered for that Outfall under Subparagraphs 26(b)(ii), (iii), or (iv), then the following triggers for the Alternative Abatement Plan shall apply during each subsequent 12-month period until the Consent Decree is terminated as to that Covered Outfall:

1. If more than four (4) of the samples of the effluent from the Covered Outfall exceed the maximum daily selenium effluent limitations in the relevant Covered Permit or if two (2) consecutive monthly average selenium concentrations exceed the

monthly average selenium effluent limitation in the relevant Covered Permit, then a Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that a Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

2. If a Defendant does not achieve six consecutive months of compliance with the selenium effluent limitations on a Covered Outfall in the relevant Covered Permit, then that Defendant shall implement an Alternative Abatement Plan for that Covered Outfall as soon as possible, except that that

Defendant shall have the right to seek approval from the Special Master to continue using the original Selected Technology. The Defendant shall seek approval from the Special Master and shall bear the burden of proof that the Selected Technology will be able to attain the required compliance with the relevant selenium limits in the relevant Covered Permit without implementing the Alternative Abatement Plan. In any such determination, the Special Master may consider the extent to which the violations exceeded the permit limits, flows, upsets, and any other operating conditions.

- c. All Alternative Abatement Plans must achieve compliance as soon as possible.

27. At any time prior to the Category Compliance Date for a given Covered Outfall, a Defendant may substitute another treatment technology for the original Selected Technology (hereinafter a "Replacement Technology"), so long as the Replacement Technology will achieve compliance by the date listed in Appendix C. If a Defendant proposes a Replacement Technology, the Special Master shall determine, after reviewing a Defendant's submission and by a preponderance of the evidence, whether the technology will succeed in achieving compliance with the relevant selenium limits in the relevant Covered Permit by the compliance date in Appendix C and the substitution shall only become effective upon such a finding.

28. The Consent Decree shall remain in effect for a Covered Outfall until that Covered Outfall has achieved compliance with its relevant selenium discharge limits in the relevant Covered Permit for six (6) consecutive months after the actual commissioning date of the treatment technology at that Covered Outfall, three months of which must include analyses of samples taken in December, January, February, or March. After any six-month period that Defendants believe satisfies the compliance requirements of this paragraph, Defendants may notify Plaintiffs in writing that they consider the Decree terminated as to such Covered Outfall. After receipt of notice from Defendants, Plaintiffs shall have thirty (30) days to object to the Special Master that the required criteria set forth in this Paragraph and/or Paragraph 26 were not met or that conditions under which the system operated during the subject 6-month period are not representative of the anticipated conditions (including, but not limited to, temperature and flow) at this Covered Outfall. After providing an opportunity for a response from Defendants and a reply from Plaintiffs, any dispute between the Parties shall be resolved by the Special Master.

General Requirements Applicable to All Covered Permits and Covered Outfalls

29. Defendants shall prepare bi-monthly interim progress reports and submit them to the Court, Plaintiffs, and Special Master commencing after appointment of the Special Master.

30. All reports shall be submitted to the persons designated in Section XIV of this Consent Decree ("Notices").

31. The reporting requirements of this Consent Decree do not relieve Defendants of any reporting obligation required by the CWA, SMCRA or their implementing regulations, or by any other federal, state or local law, regulation, permit or other requirement.

32. Any information provided pursuant to this Consent Decree may be used by Plaintiffs in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law, except that if information is submitted under a claim of confidentiality, then the scope of its use shall be determined by the Court.

33. Defendants shall install treatment or manage flow sufficient to comply with its permit requirements and the provisions of this Decree.

VIII. ADDITIONAL REQUIREMENTS

34. Patriot shall cause its affiliate Jupiter Holdings, LLC ("Jupiter") to waive those rights it holds under CWA Section 404 permit 200200050-1 issued by the United States Army Corps of Engineers on March 15, 2007 relating to the Jupiter Callisto surface mine that would otherwise allow Jupiter to construct the four additional valley fills contemplated by the mine plan. To accomplish the waiver, Patriot and Jupiter shall surrender or otherwise modify Section 404 permit 200200050-1 so as to accomplish the elimination of the four additional valley fills as specified disposal sites under Section 404 of the CWA, while maintaining Patriot's obligations with regard to the previously constructed valley fill at the Jupiter Callisto mine.

35. Patriot and Jupiter agree to forego the surface mining of any coal on the Callisto property pursuant to Jupiter's surface mine mining permit (S-5009-00) other than that which is incidental to their reclamation obligations so as to avoid long-term discharges of selenium in excess of the water quality standard. Patriot and Jupiter shall seek a modification of the surface mining permit to delete those acres from the permit that will remain undisturbed as a

result of this Consent Decree while otherwise complying with existing reclamation obligations at this mine. Patriot shall also seek a modification of WV/NPDES Permit No. WV1020315 for the Callisto surface mine to delete from the permit those outfalls that are associated with the areas that will remain undisturbed.

36. Patriot agrees not to apply for new permits to surface mine the property covered by permits 200200050 and S-5009-00 in the future. Nothing in this paragraph, however, shall be deemed to prevent Patriot from meeting or fulfilling its legal reclamation obligations with respect to the Callisto surface mine, including the surface disturbance or movement of any earth as necessary to meet such reclamation obligations. The method by which Patriot will meet or fulfill its legal reclamation obligations shall be consistent with the representations made to Plaintiffs' mining engineering expert and shall be set forth in its application to modify surface mining permit S-5009-00, which is hereby incorporated by reference into this decree and shall be included as Appendix D to this Decree by the Parties prior to the entry of the Decree by the Court.

IX. STIPULATED PAYMENTS

37. Defendants shall be liable for stipulated payments for the violations set forth in Paragraphs 38 to 41 and in the amounts set forth therein, unless excused under Section X ("Force Majeure").

38. Defendants shall be liable for stipulated payments for (a) a failure to timely comply with a technology selection date with respect to a Covered Outfall as set forth on Appendix C, and (b) a failure to timely comply with any deadline set forth in the GANTT charts developed pursuant to Paragraphs 22, 25, and 27 for any Selected Technology, Alternative Technology, or Replacement Technology in the amounts set forth in this Paragraph.

- a. For the first thirty (30) days after a deadline is missed, payments shall accrue at a rate of \$750 per day per violation.
- b. For days 31 to 60 after a deadline is missed, payments shall accrue at a rate of \$1,500 per day per violation.
- c. From day 61 and thereafter, payments shall accrue at a rate of \$2,500 per day per violation.

39. Violations of a selenium discharge limit in a Covered Permit for a Covered Outfall that occur after the compliance date set forth for that Covered Outfall in Appendix C but before the termination of this Consent Decree with respect to that Covered Outfall shall be subject to the following stipulated payments.

- a. Violations of the monthly average discharge limit shall accrue at
 - i. \$6,000 if the treatment technology in use at the Covered Outfall is a Listed Technology
 - ii. \$25,000 if the treatment technology in use at a Category I or II Covered Outfall in violation is not a Listed Technology
 - iii. \$27,500 if the treatment technology in use at a Category III Covered Outfall in violation is not a Listed Technology
 - iv. \$32,500 if the treatment technology in use at a Category IV Covered Outfall in violation is not a Listed Technology
 - v. \$37,500 if the treatment technology in use at a Category V Covered Outfall in violation is not a Listed Technology.
- b. Violations of the maximum daily discharge limit shall accrue at

- i. \$3,000 if the treatment technology in use at the Covered Outfall is a Listed Technology
- ii. \$12,500 if the treatment technology in use at a Category I or II Covered Outfall in violation is not a Listed Technology
- iii. \$13,750 if the treatment technology in use at a Category III Covered Outfall in violation is not a Listed Technology
- iv. \$16,250 if the treatment technology in use at a Category IV Covered Outfall in violation is not a Listed Technology
- v. \$18,750 if the treatment technology in use at a Category V Covered Outfall in violation is not a Listed Technology.

40. A daily maximum violation or monthly average violation as reported on Defendants' DMRs shall constitute one (1) violation for purposes of this Section such that Defendants shall not be subject to more than one (1) monthly average violation and two (2) daily maximum violations per month at any Covered Outfall.

41. In addition to the stipulated payments listed in paragraphs 38 and 39, Defendants' shall be liable for a one-time stipulated payment of \$25,000 for any Category I Covered Outfall, \$50,000 for any Category II Covered Outfall, \$75,000 for any Category III Covered Outfall, \$150,000 for any Category IV Covered Outfall, or \$250,000 for any Category V Covered Outfall where (1) a Defendant has been required to implement an Alternative Abatement Plan pursuant to Paragraph 26; (2) has not completed installation of the Alternative Technology identified in the Alternative Abatement Plan by the compliance date for that

Covered Outfall set forth in Appendix C; and (3) violates a maximum daily or monthly average permit limit before completing installation of the Alternative Technology.

42. Accrued stipulated payments shall be satisfied in full through payment as set forth in Paragraph 45.

43. Plaintiffs may, in the unreviewable exercise of their discretion, reduce or waive stipulated payments otherwise due under this Consent Decree.

44. Notwithstanding Defendants' liability for stipulated payments as described in Paragraphs 38 through 41, Plaintiffs reserve the right to seek other legal and equitable remedies, including contempt, if Defendants miss the deadlines stated in those paragraphs.

45. Defendants shall submit stipulated payments due as a result of noncompliance under Paragraphs 38 through 41 above at the end of the thirty (30)-day period following the conclusion of each calendar quarter (i.e., by April 30, July 31, October 31 and January 31). Defendants shall make payments to the West Virginia Land Trust following the procedure specified in Section VI herein. Written notice of such payment shall be sent to Plaintiffs.

X. FORCE MAJEURE

46. "Force Majeure," for purposes of this Consent Decree, is defined as any event arising from causes beyond the reasonable control of Defendants, of any entity controlled by Defendants, or of Defendants' contractors, which delays or prevents the performance of any obligation under this Consent Decree despite Defendants' best efforts to fulfill the obligation. The requirement that Defendants exercise "good faith efforts to fulfill the obligation" includes using best efforts to anticipate any potential Force Majeure event and best efforts to address the effects of any such event (a) as it is occurring and (b) after it has occurred to prevent or minimize

any resulting delay to the greatest extent possible. "Force Majeure" does not include Defendants' financial inability to perform any obligation under this Consent Decree.

47. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a Force Majeure event, Defendants shall provide notice orally or by electronic or facsimile transmission to Plaintiffs within five (5) business days of when Defendants first knew that the event is likely to cause a delay. Within fourteen (14) days thereafter, Defendants shall provide in writing to Plaintiffs an explanation of the reasons for the delay; the anticipated duration of the delay; and actions taken or to be taken to prevent or minimize the delay.

48. If Plaintiffs agree that the delay or anticipated delay is attributable to a Force Majeure event, the time for performance of the obligations under this Consent Decree that are affected by the Force Majeure event will be extended by Plaintiffs for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the Force Majeure event shall not, of itself, extend the time for performance of any other obligation. Plaintiffs will notify Defendants in writing within five (5) business days of the length of the extension, if any, for performance of the obligations affected by the Force Majeure event.

49. If Plaintiffs do not agree that the delay or anticipated delay has been or will be caused by a Force Majeure event, Plaintiffs will notify Defendants in writing of its decision with five (5) days of its receipt of the Force Majeure claim by Defendants. Any dispute between the Parties over a Force Majeure claim may be resolved by the Special Master and any decision of the Special Master may be appealed to the Court in accordance with Paragraph 68.

XI. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

50. This Consent Decree resolves the civil claims of Plaintiffs for the violations alleged in the Amended Complaint, filed on April 14, 2011, as well as for violations of the Covered Permits that were reported on discharge monitoring reports through the effective date of this Consent Decree.

51. For the term of the Consent Decree for each Covered Outfall or Covered Permit, Plaintiffs shall waive all legal and equitable remedies available to enforce discharge, effluent, or water quality limits related to selenium contained in a Covered Permit except for any proceeding or action to enforce the Consent Decree, except as to Outfall 019 of WV/NPDES Permit WV0093751. Regarding that outfall, if at any time during the term of this Decree, the selenium concentration of the effluent discharged from Outfall 019 of WV/NPDES Permit WV0093751 exceeds the monthly average selenium effluent limitation in that permit in two (2) consecutive months, then that Permit shall be subject to the timeframes set forth in Appendix C and other requirements of this Decree for the appropriate category (based on flow) as measured from the date of the second consecutive monthly average violation. The Parties each respectively reserve all legal and equitable rights and defenses available to them to enforce or defend the provisions of the Consent Decree.

52. Except for the enforcement of the Consent Decree, Plaintiffs shall refrain from filing a complaint against Defendants or their subsidiaries in Court pertaining to the enforcement of any discharge, effluent, or water quality limits related to selenium hereinafter included in any CWA permit identified in Appendix E for 12 months following the date upon which such effective and enforceable permit limits came into effect in the relevant CWA permit. For any such outfall, Plaintiffs shall provide Defendants with the opportunity to meet and confer regarding Defendants' plans to come into compliance at such outfalls at least sixty (60) days

before filing a Notice of Intent to Sue under the CWA and/or SMCRA. Plaintiffs obligation to refrain from filing a complaint as described above shall not apply:

- a. if Defendants or their subsidiaries have not received effective and enforceable permit limits within twelve (12) months of the expiration date of any permit identified in Appendix E, unless the delay in the incorporation of effective and enforceable permit limits is attributable solely to causes beyond the reasonable control of Defendants or their subsidiaries and if Defendants have submitted timely and substantially complete applications and have taken all other actions necessary to obtain the renewal or reissuance of the subject permit or permits. Whether the delay is attributable solely to causes beyond the reasonable control of Defendants or their subsidiaries shall be determined in accordance with the provisions of Section X of this Consent Decree ("Force Majeure"). For any such outfall, Plaintiffs shall provide Defendants with the opportunity to meet and confer regarding Defendants' plans to come into compliance at such outfalls at least sixty (60) days before filing a Notice of Intent to Sue under the CWA and/or SMCRA; or
- b. if Defendants or their subsidiaries obtain a schedule of compliance from WVDEP for selenium effluent limitations, whether through a judicial decree or through a permit condition, that is inconsistent with the timeframes and other provisions of this Decree.

53. The provisions of this Section (including the limitations on new litigation set forth therein) apply to any new judicial or administrative proceeding (or any new interpleader or joinder of a Defendant or its subsidiary into an existing proceeding) having as its principal claim the violation of discharge, effluent, or water quality limits related to selenium contained in any CWA permits issued by state or federal agencies to any Defendant or its subsidiary. In the event that a civil action is brought against any other person under any theory or claim, and a Plaintiff would have the right to join a Defendant or its subsidiary, it will forego any right to do so in order to remain in compliance with this Section.

54. The provisions of this Section (including the limitations on new litigation set forth therein) shall not apply to discharges, effluent, or water quality limitations related to selenium discharged from outfalls at any mine at which no mineral removal occurred before December 1, 2011.

55. The provisions of this Section (including the limitations on new litigation set forth therein) shall not prohibit individuals who are members of Plaintiffs' organizations from prosecuting claims against any Defendant or their subsidiaries for property damage or personal injury resulting from a Defendant's (or its subsidiary's) selenium discharges from its coal mining operations. Nothing in the Consent Decree shall be interpreted as a waiver, compromise or settlement of any cause of action personal to Plaintiffs' individual members, under either statute or common law, for personal injury or property damage resulting from a Defendant's selenium discharges.

56. The provisions of this Section (including the limitations on new litigation set forth therein) above shall not prohibit nor shall they apply to legal actions brought or remedies sought by Plaintiffs against parties other than Defendants or their subsidiaries which

might affect, directly or indirectly, Defendant's environmental or mining permits or applications for the same, provided that Defendants and their subsidiaries are not a party to such actions or remedies. If Plaintiffs bring such a legal action against, or seek any remedy from, a third party, such as but not limited to, the WVDEP, Defendants or their subsidiaries may, at their sole discretion, intervene in the action to protect their legal rights or to assert their interests, and this Consent Decree shall not be deemed a waiver of any right, defense, or claim that any Defendant or its subsidiary might assert. Defendants' (or their subsidiaries') right to intervene pursuant to this Paragraph shall not render an action or remedy under this paragraph subject to the provisions of Paragraph 52.

57. Except as set forth in Paragraphs 50 through 56 with respect to Defendants' subsidiaries, this Decree shall not limit or affect the rights of Plaintiffs or Defendants against any third parties not party to the Consent Decree.

58. Other than Defendants' subsidiaries, this Consent Decree would not be construed to create rights in, or grant any cause of action to, any third party not party to the Decree.

59. Plaintiffs do not, by their consent to the entry of this Consent Decree, warrant or aver in any manner that Defendants' compliance with any aspect of this Consent Decree shall result in compliance with provisions of the Act, 33 U.S.C. §§ 1311, *et seq.*, or with any other provisions of federal, state or local laws, regulations or permits.

XII. COSTS

60. Within thirty (30) days of the Effective Date of the Consent Decree, Defendants shall pay attorneys' and expert witness fees in the amount of \$ 59,807.70 in full consideration and settlement of any claim of Plaintiffs for attorneys and expert witness fees,

costs and expenses incurred up to the Effective Date of the Consent Decree, in accordance with the fee-shifting provisions of the CWA and SMCRA. Of the above amount, \$ 56,947.50 is for Plaintiffs' reasonable attorney's fees, allocated as follows:

- a. \$ 23,000.00 for Derek Teaney's 92.0 hours at the reasonable rate of \$250/hour.
- b. \$ 21,460.00 for Joe Lovett's 58.0 hours at the reasonable rate of \$370/hour.
- c. \$ 12,487.50 for J. Michael Becher's 67.5 hours at the reasonable rate of \$185/hour.

In addition to attorney fees, Plaintiffs' costs and expert expenses were \$ 2,860.20.

61. Defendants further agree to pay Plaintiffs reasonable costs, including attorneys' fees and expert witness expenses, for their work conducted after the Effective Date of the Consent Decree and related to (a) monitoring Patriot's compliance with and implementation of the Consent Decree and (b) proceedings to interpret or enforce the terms of the Consent Decree. On approximately a quarterly basis, Plaintiffs shall present Defendants with a reasonable written description of all fees and expenses for which Plaintiffs seek payment, and Defendants shall pay undisputed amounts within thirty (30) days of receipt of such written description. If there are amounts in dispute, Plaintiffs may submit a fee petition to the Court for such disputed amounts, and Defendants reserve all rights to challenge the disputed amounts, including any objections to the reasonableness of rates charged, or the time, effort, or staffing associated with the disputed amounts. The Parties recognize that monitoring compliance and implementation of the Settlement Consent Decree will require significant time of the Plaintiffs and their representatives.

62. Defendants' payments under Paragraphs 60 and 61 shall be made by delivering a check for the amount payable to Appalachian Mountain Advocates, as attorneys of record for Plaintiffs. Appalachian Mountain Advocates shall be wholly responsible for the proper distribution of any portions of the delivered sum to any and all other attorneys, experts or other entities who may be entitled thereto.

XIII. SPECIAL MASTER

63. Pursuant to Federal Rule of Civil Procedure 53(a)(1)(A), the Parties consent to the appointment of a Special Master for the purposes set forth in this Section, and the Court finds such an appointment to be an appropriate and efficient use of judicial resources. Pursuant to Fed. R. Civ. P. 53(b), the parties shall submit names of recommended Special Masters to the Court within thirty (30) days of the Effective Date of this Consent Decree, and the Court shall issue an order appointing a Special Master in conformance with the terms of this Consent Decree. In the event of a disagreement among the Parties, the Court may appoint a Special Master as described in Paragraph 64.

64. In the event of a disagreement among the Parties as to the selection of a Special Master, each side shall present to the other the names of three candidates. The opposing side would then select one candidate to be presented to the Court, resulting in two names presented to the Court without indication to the Court of which Party prefers which candidate. The Court would then pick from the remaining two candidates or require the parties to submit additional names.

65. Defendants will bear the costs and fees associated with the Special Master.

66. The Special Master shall have the authority to carry out his or her obligations under this Consent Decree, including, but not limited to:

- a. Review of a Defendant's determination that compliance is or will be achieved without additional treatment at one or more Covered Outfalls under Paragraph 20;
- b. Review of and dispute resolution regarding schedules and plans submitted under Paragraph 21;
- c. Determinations that a proposed technology should be a Listed Technology as set forth in Paragraph 24 of this Consent Decree;
- d. Review and approval of Alternative Abatement Plans submitted under Subparagraph 25(b);
- e. Determinations as to whether an Alternative Abatement Plan is needed with respect to ZVI-type systems under Paragraph 25(c);
- f. Review of Selected Technologies for Categories IV and V Covered Outfalls under Paragraph 25(d);
- g. Review of a Defendant's proposal for continued use of a Selected Technology under Paragraph 26;
- h. Review of a Defendant's choice of a Replacement Technology under Paragraph 27;
- i. Disputes between Plaintiffs and Defendants with respect to the termination of this Consent Decree for a particular Covered Outfall as set forth in Paragraph 28;
- j. Review of bi-monthly progress reports from Defendants as set forth in Paragraph 29;

- k. Any other specific dispute or issue regarding compliance with or request for relief from the terms of with the Consent Decree that, upon motion from a Party, the Court may refer to the Special Master;
- l. Conduct site visits as he or she deems appropriate to fulfill his or her duties as set forth in this Paragraph;
- m. Schedule and conduct meetings among the Parties;
- n. Request and review any data or information necessary to reach decisions or resolve disputes;

67. With respect to those disputes to which Paragraph 66(k) may apply, the Party raising the dispute must first present the other Parties with written notice of any dispute or request for relief from the terms of this Decree. The Party receiving notice shall have fourteen (14) days to respond. If that Party does not respond, or if the notifying Party is not satisfied with the response, the notifying Party may seek relief from the Court, including the Court's direction that the dispute be referred to the Special Master.

68. If any party is dissatisfied with the Special Master's resolution of a dispute or any other decision or determination made by the Special Master, it may request that the Court resolve the matter de novo. Any Party moving for the Court for resolution of a matter on which the Special Master has issued a written determination or recommendation shall submit to the Court the Special Master's recommendation together with any submissions made by the Parties to the Special Master and any evidence relevant thereto.

69. Pursuant to Fed. R. Civ. P. 53, the Special Master may communicate ex parte with the Court in the performance of his or her duties.

70. In resolving disputes or making recommendations, the Special Master shall set forth his or her determination or recommendation in writing, together with the reasons therefore, and shall provide such written determination or recommendation to the Parties and the Court.

XIV. NOTICES

71. Unless otherwise specified herein, whenever notifications, submissions, reports or communications are required by this Consent Decree, they shall be made in writing and addressed as follows:

To Plaintiffs:

Derek Teaney
Appalachian Mountain Advocates
P.O. Box 507
Lewisburg, WV 24901

To Defendants:

John McHale, Vice President
Environmental Engineering and Compliance
Patriot Coal Corporation
500 Lee Street East, Suite 900
Charleston, WV 25301

Joseph W. Bean, Esq.
Senior Vice President, Law and Administration
Patriot Coal Corporation
12312 Olive Boulevard, Suite 400
St. Louis, MO 63141

72. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

73. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XV. EFFECTIVE DATE

74. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter this Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

XVI. RETENTION OF JURISDICTION

75. The Court shall retain jurisdiction over this case until termination of this Consent Decree with respect to all Covered Outfalls, for the purpose of resolving disputes arising under this Decree or entering orders modifying this Decree, pursuant to Section XVII ("Modification") or effectuating or enforcing compliance with the terms of this Decree.

76. Plaintiffs and Defendants reserve all legal and equitable rights and defenses available to them to enforce or defend the provisions of this Consent Decree.

XVII. MODIFICATION

77. The terms of this Consent Decree, including the attached appendices, may be modified only by a subsequent written agreement signed by all Parties. Where the modification constitutes a material change to this Decree, it shall be effective only upon approval by the Court.

XVIII. TERMINATION

78. Unless otherwise specified in this Decree, this Consent Decree shall terminate when Defendants have achieved compliance with the selenium effluent limitations at all Covered Outfalls for at least six consecutive months, but shall terminate as to individual outfalls when they have achieved compliance for at least six consecutive months in accordance with Paragraph 28.

XIX. SIGNATORIES/SERVICE

79. Each undersigned representative of Plaintiffs and Defendants certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

80. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis.

XX. INTEGRATION

81. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in the Decree and supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than deliverables that are subsequently submitted and approved pursuant to this Decree, no other document, nor any representation, inducement, agreement, understanding or promise, constitutes any part of this Decree or the settlement it represents, nor shall it be used in construing the terms of this Decree.

XXI. FINAL JUDGMENT

82. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to Plaintiffs and Defendants. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

XXII. APPENDICES

83. The following Appendices are attached to this Consent Decree as appendices and are part of this Consent Decree:

Appendix A — Table of Covered Outfalls

Appendix B — Description of SEP

Appendix C — Covered Outfalls by Category, With Applicable Deadlines

Appendix D — Jupiter Callisto Reclamation Plan

Appendix E — List of Outfalls Subject to Paragraph 52

ENTER: March 15, 2012



ROBERT C. CHAMBERS
UNITED STATES DISTRICT JUDGE

For the Plaintiffs Ohio Valley Environmental Coalition, Inc., West Virginia Highlands Conservancy, Inc., and Sierra Club

/s/ Derek O. Teaney Dated: January 18, 2012
DEREK O. TEANEY (WV Bar No. 10223)
Appalachian Mountain Advocates
P.O. Box 507
Lewisburg, WV 24901
304-793-9007

For the Defendants Patriot Coal Corporation, Apogee Coal Company, LLC, Catenary Coal Company, LLC, and Hobet Mining, LLC

/s/ Blair M. Gardner Dated: January 18, 2012
BLAIR M. GARDNER (WV Bar No. 8807)
JACKSON KELLY, PLLC
1600 Laidley Tower
Post Office Box 553
Charleston, West Virginia 25322
304-340-1381

APPENDIX A

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Hobet	WV0099392	004, 014, 015, 027, 028, 034, 035, 037, 038, 040, 045, 046, 077, 079 and 084
Hobet	WV1016776	001, 002, 003, 004, 006, 007, 041 and 050
Hobet	WV1017225	004
Hobet	WV1020889	001, 003, and 005
Hobet	WV1021028	006
Catenary	WV0093751	003, 005 and 026
Catenary	WV0096920	001
Catenary	WV0096962	001, 042, 044, 055 and 056
Catenary	WV1014684	001, 002, 003 and 006
Apogee	WV0099520	001 and 011



PROPOSAL
SUPPLEMENTAL ENVIRONMENTAL PROJECT

I. SUMMARY OF PROPOSAL

The West Virginia Land Trust (WVLT) is the proposed recipient of a \$6.75 million settlement under the terms of a Supplemental Environmental Project (SEP). If awarded the funds, the organization will focus resources and leverage partnerships to restore riparian areas and preserve land within the Kanawha and Guyandotte River watersheds. These funds will provide the impetus for the WVLT to make a long term commitment to the protection of these rivers and their associated streams, tributaries and forested areas.

II. OVERVIEW OF THE WEST VIRGINIA LAND TRUST

The WVLT is the only statewide land trust in West Virginia and, thus, has flexibility to work in all areas of the state. It is a private nonprofit charitable 501(c) 3 corporation governed by a volunteer board of directors.

In evaluating properties for protection, the WVLT generally focuses on the following criteria:

Size: The WVLT typically selects projects that are 50 acres or larger. In certain situations, small projects can have significance. The WVLT staff and board will work to determine the value of small projects, and to accept, decline, or assist in alternative partnerships.

Location: The WVLT prefers to increase the total area of protected lands in West Virginia by focusing on protecting land that adjoins protected space (e.g., federal, state, local forest/park or trail or is protected by a conservation organization).

Use: The WVLT finds value in preserving lands that serve a purpose or have a use that is consistent with local, state, or federal plans (e.g., conservation programs, master plans, farmland protection plans, a designated scenic highway, or a watershed protection program).

Environmental Features: including, but not limited to:

- Ecologically important water frontage on a body of water such as a lake, river or stream.
- Wetlands or floodplain or other lands important to water quality.
- Habitat for, and/or has an occurrence of rare, threatened, or endangered species.
- Important wildlife habitat or corridor, as identified by wildlife experts.
- Exemplary natural ecosystem such as old forest growth or shale barren.
- Contains prime/unique agricultural soils and is in active agricultural production.
- Contains mature forest with a variety of species sufficient to support a productive forest.
- Contains springs of high quality water that contributes to the overall quality of lakes, rivers and springs.



Other Features: including, but not limited to:

- Access to significant public recreational opportunities.
- Opportunities for outdoor education or scientific research and offers public access to prime natural areas.
- Provides scenic views.
- Historical value (listed or is eligible to be listed with the National Register of Historic Places).
- Protects the scenic value of significant natural, cultural, or historic sites.
- Makes a significant contribution to the rural character of a town, county, or the state.

In connection with this initiative, we will work with other conservation organizations and communities within the affected watersheds to prioritize lands of highest conservation value that meet our criteria.

III. PROJECT TIMEFRAME

It is expected that the timeframe for implementation of this initiative and expenditure of funds will take place over a five year period. Under the terms of previous SEP agreements, the WVLT has proposed a staffing and organizational structure that ensures the integrity and effectiveness of its work. We do not propose any changes to this structure or timeframe.

IV. PROJECT GOALS

The WVLT is working in close partnership with the West Virginia College of Law's Land Use and Sustainable Development Clinic (LUSDC) under previous Supplemental Environmental Projects (SEP). The two organizations are working collaboratively to identify properties with ecological significance, including riparian areas, in the watersheds affected by the discharges at issue and to preserve these lands by accepting donated conservation easements, or through the purchase of easements, or land in fee.

WVLT will prioritize projects that protect, preserve, and improve the environmental conditions related to the rivers, streams, and tributaries of the Kanawha and Guyandotte River watersheds. More specifically we will focus a great deal attention on trying to acquire easements or land in fee in southern counties which are generally more associated with mining activity, such as Boone, Fayette, Kanawha, Lincoln, Logan, Raleigh, Wyoming, etc. In these counties that have been most heavily impacted, we will seek as many projects as possible with a special focus on riparian zones, woodlands and forests. These areas are critical natural buffers and filters which protect adjoining water from upland activities. To the extent possible we will work on developing protected riparian corridors to connect riparian areas fragmented by mining. Connecting these areas will improve: nutrient and sediment flows into the streams; water temperatures; aquatic and terrestrial habitat; and provide landscape buffers to improve the quality of life and aesthetics associated with the natural environment. The



program goals under this new round of SEP funding are as follows:

Goal 1: Protect and restore lands and waters within the Kanawha and Guyandotte River watersheds.

It is our goal to acquire or preserve at least 20,000 acres of forested and riparian area under the terms of this and previous SEP agreements. WVLT has begun the process of identifying a "portfolio of opportunities" or lands that represent potential projects in which land owners have expressed an interest in either selling or donating their interests to a qualified conservation organization. These projects, while not finalized, represent some of the work we will bring to fruition under the terms of this and previous SEP agreements. As an example, we are working to secure a conservation easement acquisition of 10,700 forested acres in Braxton, Clay, Nicholas, Lincoln, Kanawha, and Webster Counties that are under the ownership of one land holding company.

With this proposal, we expect to undertake similar types of projects as that mentioned above. In fact, we are already discussing the expansion of an active conservation easement acquisition along an unspecified number of hundreds of acres on the tributaries and streams of the New River in Fayette County.

The transaction costs associated with documenting and closing easements and land transactions are substantial. We will use the SEP funds to pay for these costs. Examples of these items are listed below:

- Appraisals: When acquiring land or easements for a fee, we will conduct an appraisal by qualified and competent state certified general real estate appraiser licensed by the State of West Virginia to establish fair market value. In the case of donated conservation easements, the donor will provide the appraisal.
- Surveys: If a recent survey does not exist, we will prepare a map or property plat that illustrates property boundaries and other matters affecting ownership and title.
- Environmental assessments: We will conduct an Environmental Hazard Assessment (EHA) to document any hazardous or toxic materials found on or near land we will be preserving, and as appropriate identifying the remedy for cleanup.
- Title reports: We will conduct title research to identify any and all encumbrances or matters of record that could undermine our ownership of the land or easement. Such matters as liens, mortgage/deed of trust, rights of way, and severed and retained mineral rights will be researched.
- A resolution of mineral rights and ownership: When mineral rights are severed from the surface owner, we will seek surface use agreements that protect the



property's conservation values, require Best Management Practices or that drastically reduce the footprint of any surface disturbance.

- Documentation of the property's baseline conservation values: In order to fulfill our obligation as a nonprofit charitable land conservation organization operating within the Internal Revenue Code [IRS 170(h)] we prepare a baseline report to document: 1) the conservation values associated with donated and acquired easements and land including the existing conditions related to species and habitats, water resources, forested and wild lands, cultural values, proximity to other important lands, and threats that can impact the property's future.
- Various legal fees: From time to time, the WVLT may need to engage the services of outside counsel to assist in drawing up conservation easements or in the acquisition of property. When possible, however, we will utilize the services of the LUSDC to provide this support.

Timeline for Implementation:

- Year One: Add to our pipeline of interested property owners from our data collection and educational workshops. These types of projects generally have a long lead time to come to fruition, but it is our goal to protect 1,500-2,000 acres in year one.
- Year Two-Five: Ongoing easement and acquisition initiatives with an increasing number of projects being closed annually during this time frame.

Goal 2) Participate in conservation planning and the continuing identification of lands with high conservation values. The WVLT will continue to work with various governmental and private conservation agencies and organizations such as The Nature Conservancy, WV Department of Natural Resources and the Division of Forestry, National Park Service, Trust for Public Land, Coalition of WV Land Trusts, and others to analyze and prioritize areas of high conservation value. In particular, The Nature Conservancy is in the process of conducting watershed assessments to identify issues, resources, and conservation priorities. This work is being peer reviewed by the scientific community. The focus is on both water and land assets and resources. This work will also be shared with the LUSDC as it coordinates with local governments and planning commissions to identify lands of a sensitive nature that are consistent with the goals of the project, and that can be incorporated into a community land use or conservation plan. We will identify tracts of land that are a high priority for conservation with a focus on large tracts, land that adjoins existing conservation areas, areas under significant development pressure, land with sensitive ecological issues, and those that provide opportunities for protection of riparian and forested areas.

Secondly, the WVLT is participating in the development of a Green Infrastructure Plan



for West Virginia with several other stakeholders. The implementation of this plan will result in the conservation of a network of interconnected landscapes and ecosystems, working farms and forests; parks and open space; streams, rivers and wetlands. All of those elements will support native plant and animal species, sustain clean air, water, fisheries, and other natural resources, and maintain the scenic natural beauty of the state.

Once completed, a Green Infrastructure Plan will serve as a much needed guiding document to define priorities and goals to inform the decisions of public agencies, NGOs, and others; and to strategically and scientifically guide conservation, restoration, and mitigation activities. By undertaking this process, the key conservation organizations in West Virginia will be developing a system of coordinated decision making when making land conservation investments.

Timeline for Implementation: We are working now with the Nature Conservancy to pull together their data on the watersheds in which we intend to focus our attention. We proposed the following general timeline for activities:

- Year One: Identify and contact all relevant stakeholder organizations with interests in the watersheds. Gather all appropriate data and coordinate information with the LUSDC to identify any missing data. Conduct a ranking and prioritization of all properties within the four watersheds. Develop partnerships and identify ways to leverage resources to acquire or preserve identified lands.
- Years Two-Five: Continue assessments as needed.

Goal 3: Educate land owners, communities, and local conservation organizations about land conservation. As part of its previous SEP proposals, the WVLT is committed to the deployment of a full time education and outreach coordinator in the watershed communities and across the state to work in conjunction with the LUSDC and other conservation resource partners on an as needed basis to bring expertise and information to communities and land owners. Outreach efforts will focus on:

- a) Educational sessions to inform residents and land owners about conservation programs, easements, etc.
- b) Educational meetings with local land protection organizations to provide technical assistance as needed to assist them in the execution of their projects and strengthen their capacity to undertake land conservation.
- c) Meetings with local farmland protection boards, watershed associations and other conservation and citizen groups to explain the watershed project goals and to seek assistance in the identification of properties that meet the project criteria.



- d) Comprehensive land use planning for communities including benefits, required procedures, developing the process for community input, etc.
- e) One-on-one meetings with property owners to answer questions and gain commitments to donate or sell conservation easements and land.

Recently, WVLT staff assumed the responsibilities of coordinating the work of the Coalition of West Virginia Land Trusts. These small local groups will benefit from our work to bring state and national resources and knowledge to their programs; and we will benefit from learning about important projects within their service areas that we can help bring to fruition.

Timeline for Implementation:

- Year One: Conduct at least two meetings with the Coalition of Land Trusts and strengthen connections with local efforts. Meanwhile the WVLT will already begin undertaking Tasks a, b, c and e as listed above.
- Year Two-Five: Continue year one tasks and coordinate with the LUSD to develop educational workshops on the long term benefits of land use planning and the role that conservation planning can play and tools that can be used to support land conservation associated with planning efforts.

Goal 4): Fund the Stewardship, Monitoring and Defense Fund necessary to monitor and enforce the conservation easements in perpetuity. As a member of the Land Trust Alliance, the WVLT follows national best practices standards, and requires that landowners who donate or sell conservation easements contribute to our Stewardship and Defense Fund. These funds are pooled and invested according to the WVLT Investment Management Policy. The purpose of the fund is to offset the costs associated with holding easements in perpetuity including annual monitoring, staff time, and possible legal defense. The base rate for any easement donation is \$7,500. The amount of the endowment is scaled up based on the property size, easement type, complexity of easement terms, and the estimated annual stewardship and administrative hours necessary to steward the property. The endowment is typically a major barrier for land owners wishing to donate an easement. By using SEP funds, this major impediment will be removed.

Timeline for Implementation:

- Year One: Assess current stewardship endowment policies and strengthen if needed. Add to fund when a project comes to fruition.



- Year Two-Five: Contribute to fund as needed when projects come to fruition. Annually monitor easements that are owned by WVLT. Implement stewardship and mitigation as needed. Defend easements as needed.

V. BUDGET

The following budget includes the proposed \$6.75 million award of SEP and other funding that the WVLT will manage over a five year period.



Expense Items	Year 1	Year 2	Year 3	Year 4	Year 5
Staff ¹	\$190,000 ²	\$365,000 ³	\$499,600 ⁴	\$519,584	\$540,367
Taxes and Benefits ⁵	\$21,250	\$91,250	\$125,000	\$130,000	\$135,000
Operating Expenses ⁶	\$56,000	\$57,610	\$59,410	\$61,192	\$63,027
Outreach Budget ⁷	\$27,000	\$27,800	\$28,644	\$29,503	\$30,388
Program Admin Subtotal	\$294,250	\$541,660	\$712,654	\$740,279	\$768,782
Project Costs / Stewardship ⁸	\$1,565,500	\$2,485,000	\$1,898,000	\$1,938,000	\$1,874,000
Total	\$1,659,750	\$3,026,660	\$2,610,654	\$2,678,279	\$2,642,782
Revenue Sources	Year 1	Year 2	Year 3	Year 4	Year 5
SEP (2) for Program Admin	\$167,000	\$234,500	\$268,500	\$236,500	\$193,500
SEP (1) for Program Admin	\$17,500	\$17,500	\$17,500	\$17,500	
SEP (1) for Outreach	\$25,000	\$25,000	\$25,000	\$25,000	
SEP (3) for Program Admin	\$35,000	\$115,000	\$252,000	\$212,000	\$176,000
Proceeds from Fundraising and Development ⁹	50,000	\$150,000	\$150,000	\$250,000	\$400,000
Program Admin Subtotal	\$294,500	\$542,000	\$713,000	\$741,000	\$769,500
SEP (4) Projects / Stewardship	\$965,000	\$1,885,000	\$998,000	1,038,000	\$1,074,000
SEP (2 & 3) Projects / Stewardship: Pending	\$550,000	\$500,000	\$750,000	\$700,000	\$600,000
SEP (1) Projects / Stewardship	\$50,500	\$57,500	\$57,500	\$64,500	
Conservation Funding Partners ¹⁰		\$42,500	\$92,500	\$135,500	\$200,000
Project Subtotal	\$1,365,500	\$2,485,000	\$1,898,000	\$1,938,000	\$1,874,000
Total	\$1,660,000	\$3,027,000	\$2,611,000	\$2,679,000	\$2,643,500

¹ Staff expenses based on the following functions: Executive Director; Development and Fundraising; Outreach and Education; Land Protection Coordination; Administrative Support. An increase of 3% annually starting in Year 3 is expected.

² Assumes 6 months of salaries for Executive Director and Administrative Assistant; and 12 months of transitional management and support

³ Includes a full year of salaries for Executive Director, Development, Outreach and Education, and Administrative Assistant

⁴ Includes all of above and Land Protection Coordination

⁵ Taxes and benefits are calculated at 25% of salaries

⁶ Includes year one expenses of rent (\$12,000), telephone (\$3,000), web site and internet (\$6,000), supplies (\$6,000), printing and postage (\$3,000), travel (\$5,000-does not include outreach program), accounting services including audit (\$20,000). Expenses increase by 3% annually.

⁷ Includes year one expenses of \$12,000 for travel, and assumes \$15,000 in expenses for printing, supplies, logistics for meetings, marketing materials. Expenses increase by 3% annually.

⁸ Includes transaction and monitoring costs for donated or purchased easements and land; set aside of funds for long term stewardship and defense (if necessary) of easements

⁹ Proceeds raised through fundraising efforts to support WVLT unrestricted activities

¹⁰ Funds leveraged for projects from state and federal funding sources as well as private foundations



VI. SUSTAINABILITY STRATEGIES

We recognize the importance of early on developing practices that will enable us to maintain our operations beyond the life of the SEP funds. These funds will help us build the organizational capacity to continue our commitment to southern West Virginia and more specifically the riparian and forested areas of the Kanawha and Guyandotte watersheds. After five years, the WVLT will have sufficient organizational infrastructure to sustain its operations at near capacity. We have no way of knowing the exact fundraising climate at that time, but we are confident that our work during this five year period will garner the attention of national funders and will result in the development of adequate resources to continue our efforts.

We will implement the following tactics during the five year period of SEP funding so that in year six we have an ability to maintain operations and projects at or near year five levels:

- **Donated Easements and Properties:** We will focus on developing a special donated properties and easement program in order to reduce our costs associated with transactions.
- **Planned Giving:** We will focus on establishing various avenues for planned giving that will provide benefits for the organization over many years.
- **Expand Development of Donor Base:** Our groundbreaking work will attract a much broader donations base, including individuals, foundations and donors outside of West Virginia that we would not have traditionally reached.
- **Sale of Property to Conservation Buyers:** Once properties are eased and protected in perpetuity with a deed of conservation easement, we will seek buyers to hold the land in fee, thus generating proceeds for future land conservation projects.

VII. ASSESSMENT CRITERIA AND REPORTING SCHEDULE

The WVLT will report semi-annually to the United States Department of Justice. Assessment, based on the Project's goals and five-year projected funding as a SEP, will include:

- Narrative of actions taken toward fulfillment of each goal statement.
- Expenditure of SEP and matching funds to date.

After two full years of operation, the semi-annual reports will also include metrics of results including:

- Number of acres preserved;
- Number of property owners receiving information and/or assistance with land conservation; and
- Number of educational sessions delivered to communities.

APPENDIX C

CATEGORY I (0-200 gpm)

Technology Selection Date (if necessary) – September 1, 2012

Category Compliance Date – 24 months from the Effective Date of the Consent Decree

Category I Covered Outfalls

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Hobet	WV0099392	015, 028, 034, 035, 045, 046, 077, 079 and 084
Hobet	WV1016776	002, 003, 004, 006, 007 and 041
Hobet	WV1020889	001, 003, and 005
Hobet	WV1021028	006
Catenary	WV0093751	003
Catenary	WV0096962	042 and 055
Catenary	WV1014684	006
Apogee	WV0099520	011

CATEGORY II (201-400 gpm)

Technology Selection Date (if necessary) – December 31, 2012

Category Compliance Date – 36 months from the Effective Date of the Consent Decree

Category II Covered Outfalls

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Hobet	WV0099392	014 and 027
Catenary	WV0093751	005 and 026
Catenary	WV0096920	001
Catenary	WV0096962	056
Catenary	WV1014684	001, 002 and 003

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CATEGORY III (401-600 gpm)

Technology Selection Date (if necessary) – March 31, 2013

Category Compliance Date – 45 months from the Effective Date of the Consent Decree

Category III Covered Outfalls

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Hobet	WV0099392	037 and 038
Hobet	WV1016776	050
Hobet	WV1017225	004
Apogee	WV0099520	001

CATEGORY IV (601-1000 gpm)

Technology Selection Date (if necessary) – September 1, 2013

Category Compliance Date – 50 months from the Effective Date of the Consent Decree

Category IV Covered Outfalls

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Hobet	WV0099392	004 and 040
Hobet	WV1016776	001

CATEGORY V (1000+ gpm)

Completion of Water Management and Technology Evaluation – June 30, 2014

Technology Selection Date (if necessary) – September 1, 2014

Category Compliance Date – 60 months from the Effective Date of the Consent Decree

Category V Covered Outfalls

Company	Covered Permits WV/NPDES Permit No.	Covered Outfalls
Catenary	WV0096962	001 and 044

APPENDIX D

Jupiter Callisto Reclamation Plan

To Be Submitted in Accordance with Paragraph 36

APPENDIX E

Company/Permit No.	Outlet
Apogee Coal Co., LLC/WV1020510	013
Apogee Coal Co., LLC/WV1020510	018
Apogee Coal Co., LLC/WV1020510	024
Apogee Coal Co., LLC/WV1020510	026
Apogee Coal Co., LLC/WV1020510	028
Apogee Coal Co., LLC/WV1022792	016
Coyote Coal Co., LLC/WV0094439	002
Coyote Coal Co., LLC/WV0094439	015
Coyote Coal Co., LLC/WV0094439	017
Coyote Coal Co., LLC/WV1019261	001
Catenary Coal Co., LLC/WV1019309	001
Catenary Coal Co., LLC/WV1015338	002
Colony Bay Coal Co./WV0058238	001
Colony Bay Coal Co./WV0058238	002
Colony Bay Coal Co./WV0068748	001
Colony Bay Coal Co./WV0068748	029
Colony Bay Coal Co./WV0068748	033
Kanawha Eagle Coal, LLC/WV0065137	001
Midland Trail Energy, LLC/WV0052426	001
Panther, LLC/WV0048097	002

EXHIBIT C

SURETY BONDS					
DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
APOGEE COAL COMPANY, LLC	5/13/2012	1015322	\$201,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	3/9/2013	1058001	\$408,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	3/25/2013	1058011	\$4,702,720	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	5/9/2013	1059114	\$4,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	10/18/2012	1059360	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062289	\$3,920,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062290	\$1,605,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062291	\$150,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062292	\$1,719,120	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062293	\$650,760	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	4/3/2013	1062294	\$180,960	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	5/3/2013	104729848	\$1,720	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	5/3/2009	104729848	\$1,720.00	TRAVELERS	WEST VIRGINIA STATE AGENCY
APOGEE COAL COMPANY, LLC	8/17/2013	104729858	\$100,000	TRAVELERS	WEST VIRGINIA STATE AGENCY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
APOGEE COAL COMPANY, LLC	11/2/2013	104729863	\$388,120	TRAVELERS	WEST VIRGINIA STATE AGENCY
APOGEE COAL COMPANY, LLC	3/7/2013	104729883	\$60,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	8/10/2013	104729897	\$30,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	2/19/2013	105023495	\$55,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	3/3/2013	105023498	\$5,160	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	3/3/2008	105023499	\$17,200	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	3/14/2009	400KC7172	\$10,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2012	400SA1581	\$167,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2009	400SA1586	\$203,840.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2012	400SA1588	\$459,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2009	400SA1611	\$64,368.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2009	400SA1615	\$907,200.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2012	400SA1616	\$2,759,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2012	400SA1618	\$248,820.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
APOGEE COAL COMPANY, LLC	6/14/2012	400SA1620	\$18,920.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/15/2012	400SA1639	\$42,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/14/2009	400SA1643	\$13,200.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	6/27/2009	400SA1648	\$87,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	10/25/2012	64S103930699	\$31,200.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	2/25/2012	64S104027303	\$50,000.00	TRAVELERS	WEST VIRGINIA STATE AGENCY
APOGEE COAL COMPANY, LLC	12/1/2008	8205-64-51	\$683,900.00	FEDERAL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	12/1/2011	8205-64-89	\$243,600.00	FEDERAL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	9/29/2012	SU04201	\$861,000	ASPEN AMERICAN	WEST VIRGINIA STATE AGENCY
APOGEE COAL COMPANY, LLC	3/20/2013	SUR0000334	\$4,005,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	8/10/2013	SUR0010307	\$5,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	11/3/2013	SUR0010309	\$5,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	1/5/2013	SUR0010314	\$9,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
APOGEE COAL COMPANY, LLC	9/15/2013	SUR0010324	\$1,310,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
APPALACHIA MINE SERVICES, LLC	2/21/2013	105923496	\$62,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
BLACK STALLION COAL COMPANY, LLC	9/16/2012	1059353	\$2,520	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
BLACK STALLION COAL COMPANY, LLC	12/2/2012	8205-64-44	\$5,040	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
BLACK STALLION COAL COMPANY, LLC	2/16/2013	8205-65-12	\$2,520	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
BLACK STALLION COAL COMPANY, LLC	12/10/2012	8214-19-14	\$2,520	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
BLACK STALLION COAL COMPANY, LLC	10/5/2012	SUR0013627	\$17,640	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001309	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001310	\$110,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001311	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001313	\$42,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001314	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001315	\$61,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001316	\$84,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1001321	\$3,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
CATENARY COAL COMPANY, LLC	7/23/2012	1007292	\$43,160	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2012	1015362	\$17,360	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/13/2013	1015796	\$110,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, I.J.C	1/20/2013	1016461	\$3,690,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/20/2013	1016462	\$5,440	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/20/2013	1016463	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, I.J.C	1/20/2013	1016464	\$605,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	3/10/2013	1033854	\$739,680	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/17/2013	1036560	\$9,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/19/2013	1062184	\$168,480	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	11/20/2012	104204547	\$534,200.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	3/27/2009	104224264	\$7,000.00	TRAVELERS	WEST VIRGINIA STATE AGENCY
CATENARY COAL COMPANY, LLC	12/12/2013	104729869	\$17,600	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	12/12/2013	104729870	\$87,480	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
CATENARY COAL COMPANY, LLC	12/12/2013	104729871	\$197,120	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/19/2013	104729877	\$376,200	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	3/6/2013	104729882	\$32,800	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/29/2013	105023491	\$2,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	2/5/2013	105023492	\$242,760	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/10/2013	1000837609	\$2,837,560	US SPECIALTY/HCC	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/10/2013	1000837610	\$8,317,440	US SPECIALTY/HCC	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/11/2013	1000837611	\$3,560,000	US SPECIALTY/HCC	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/10/2013	1000837612	\$1,670,000	US SPECIALTY/HCC	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	5/10/2013	1000837613	\$8,401,440	US SPECIALTY/HCC	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	8/1/2012	400SA1531	\$3,648,680.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2009	400SA1584	\$5,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2009	400SA1617	\$17,200.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2012	400SA1623	\$174,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
CATENARY COAL COMPANY, LLC	6/14/2012	400SA1626	\$60,400.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2009	400SA1627	\$92,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2012	400SA1637	\$12,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/14/2009	400SA1638	\$10,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/13/2012	400SA1641	\$12,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/13/2012	400SA1807-Z	\$436,960.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/12/2012	400SA1810	\$199,200.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/12/2009	400SA1814	\$26,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/12/2012	400SA1818	\$102,400.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/12/2009	400SA1819	\$1,556,880.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	6/23/2012	400SA1825	\$342,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	1/17/2012	64S103374592	\$72,600.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	2/7/2009	64S103539986	\$137,400.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	8/7/2009	64S103869271-Z	\$60,000.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
CATENARY COAL COMPANY, LLC	7/2/2009	64S104112195-Z	\$40,560.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CATENARY COAL COMPANY, LLC	10/2/2012	64S104176350	\$12,000.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
CLEATON COAL COMPANY	11/17/2012	5017462	\$23,600	BOND SAFEGUARD	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
CLEATON COAL COMPANY	3/29/2013	5017464	\$93,300	BOND SAFEGUARD	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
CLEATON COAL COMPANY	5/15/2008	104866615	\$82,900	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
CLEATON COAL COMPANY	12/16/2008	64s103439008a	\$7,700	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
CLEATON COAL COMPANY	12/16/2008	64s103439009	\$745,900	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
CLEATON COAL COMPANY	2/10/2006	64s104027228	\$600	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
COLONY BAY COAL COMPANY	12/6/2012	104991474	\$259,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	12/6/2012	104991475	\$93,240	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	5/5/2013	105044679	\$756,960	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBILIGEE
COLONY BAY COAL COMPANY	6/12/2012	8214-18-56	\$48,640	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	12/22/2012	8214-19-18	\$54,720	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	1/23/2013	8214-19-30	\$88,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	3/20/2013	SUR0000335	\$619,200	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	3/20/2013	SUR0000336	\$2,781,600	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COLONY BAY COAL COMPANY	3/20/2013	SUR0000337	\$2,548,480	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2012	1001317	\$344,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2012	1001318	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2012	1001319	\$73,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2012	1001320	\$354,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2013	1004670	\$102,480	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/23/2012	1007293	\$116,160	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2013	1015674	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2013	1015675	\$63,360	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
COYOTE COAL COMPANY LLC	4/1/2013	1015827	\$27,440	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/1/2012	1015854	\$8,180	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	1/20/2013	1016455	\$1,282,320	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	1/20/2013	1016456	\$16,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	8/13/2013	1026949	\$10,720	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/8/2013	1027133	\$217,120	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/24/2013	1027148	\$843,960	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/1/2013	1027173	\$1,595,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/1/2013	1027174	\$545,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/1/2013	1027175	\$1,035,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/1/2013	1027176	\$680,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/1/2013	1027177	\$1,090,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	2/9/2012	1033791	\$3,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/2/2013	1033868	\$265,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
COYOTE COAL COMPANY LLC	7/15/2013	1036579	\$279,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	8/21/2013	1036649	\$3,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	8/21/2013	1036650	\$7,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/8/2013	1055293	\$3,050,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/8/2013	1055294	\$35,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	2/1/2013	1062191	\$305,000	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
COYOTE COAL COMPANY LLC	4/12/2013	1062298	\$1,270,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/12/2013	1062299	\$690,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	1/4/2013	104729875	\$39,040	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	4/10/2013	104729888	\$18,720	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	2/14/2013	105023494	\$61,535	TRAVELERS	WEST VIRGINIA STATE AGENCY
COYOTE COAL COMPANY LLC	3/17/2013	105023503	\$14,640	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	3/21/2013	105023504	\$55,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	5/6/2013	105023508	\$20,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
COYOTE COAL COMPANY LLC	5/6/2013	105085288	\$73,840	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	5/30/2013	105085290	\$50,000	TRAVELERS	WEST VIRGINIA STATE AGENCY
COYOTE COAL COMPANY LLC	6/9/2013	105085292	\$1,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/9/2013	105085294	\$735,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	3/30/2012	400KF0939-Z	\$123,596.80	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	6/12/2012	400SA1822	\$12,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/31/2013	8214-18-66	\$633,960	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	3/4/2013	8219-35-68	\$39,760	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/9/2013	K08292280	\$24,640	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	10/9/2013	K08292322	\$5,520	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	7/22/2013	K08363808	\$660,000	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	12/7/2013	SUR0010312	\$5,760	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY LLC	5/4/2013	SUR0017581	\$150,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY, LLC	12/22/2012	333634	\$50,000	ST. PAUL/SEABOARD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
COYOTE COAL COMPANY, LLC	6/12/2009	400SA1812	\$24,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY, LLC	6/12/2009	400SA1813	\$320,320.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
COYOTE COAL COMPANY, LLC	9/23/2009	64S103869255-Z	\$103,603.20	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
DAKOTA LLC	9/27/2013	103793414	\$144,400	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
DAKOTA LLC	9/27/2013	103793415	\$277,400	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
DAKOTA LLC	9/13/2013	64S103883063	\$100,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
DAKOTA MINING	9/13/2009	103883063	\$100,000.00	TRAVELERS	WEST VIRGINIA STATE AGENCY
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015617	\$4,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015618	\$45,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015620	\$1,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015622	\$17,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015623	\$11,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

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DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
DODGE HILL MINING COMPANY, LLC	2/16/2013	1015624	\$56,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	1/25/2013	1057878	\$70,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	5/12/2013	104734532	\$66,500	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	2/2/2013	021-100049	\$80,300	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
DODGE HILL MINING COMPANY, LLC	11/13/2012	K08442514	\$10,000	WESTCHESTER FIRE	KENTUCKY STATE AGENCY
DODGE HILL MINING COMPANY, LLC	1/13/2012	K08443269	\$10,000	WESTCHESTER FIRE	KENTUCKY STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	9/4/2012	1023112	\$5,000	LEXON	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	5/5/2013	1033952	\$4,880	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	5/26/2013	1033956	\$7,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	6/15/2012	1036565	\$6,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	6/17/2012	1036568	\$142,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	11/9/2012	1037692	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	11/17/2012	1037697	\$123,480	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/7/2013	1037709	\$5,040	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	9/8/2012	1055543	\$3,500	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	2/3/2013	1057885	\$42,840	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	2/17/2013	1057887	\$4,880	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	8/3/2012	1059338	\$2,840	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	10/3/2012	1059358	\$116,640	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	11/15/2012	1061996	\$56,400	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
EASTERN ASSOCIATED COAL, LLC	4/11/2013	1062297	\$3,560	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	3/6/2013	104700307	\$5,000	TRAVELERS	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	9/7/2012	400H9635	\$50,000	ST. PAUL/SEABOARD	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	11/21/2012	400JY2781	\$5,000	ST. PAUL/SEABOARD	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	1/23/2013	400JY8303	\$50,000	ST. PAUL/SEABOARD	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	8/6/2012	400JZ4006	\$10,000	ST. PAUL/SEABOARD	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	1/23/2013	8205-65-51	\$1,324,320	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	1/23/2013	8205-65-52	\$377,140	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/23/2013	8205-65-53	\$150,080	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/23/2013	8205-65-54	\$579,040	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-55	\$1,386,460	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-56	\$13,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-57	\$33,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-58	\$151,320	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-61	\$203,360	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-62	\$10,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-63	\$10,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-64	\$257,040	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8205-65-65	\$2,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-46	\$77,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-47	\$17,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-48	\$943,400	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-58	\$109,440	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-59	\$143,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-62	\$20,160	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-63	\$387,040	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-64	\$108,360	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-73-65	\$193,120	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-06	\$66,200	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-07	\$59,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-08	\$190,280	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-09	\$34,160	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-10	\$126,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-11	\$174,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-12	\$3,513,150	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-13	\$505,520	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8206-77-14	\$50,600	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-64	\$1,100,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-65	\$221,760	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-66	\$63,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-67	\$148,400	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-69	\$29,480	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-70	\$13,120	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-71	\$13,120	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-73	\$10,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/28/2013	8213-61-75	\$10,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	6/4/2012	8214-18-55	\$12,600	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	6/12/2012	8214-18-57	\$12,600	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	6/17/2012	8214-18-59	\$2,520	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	7/29/2012	8214-18-64	\$33,800	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	9/18/2012	8214-18-88	\$500	FEDERAL/CHUBB	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	10/3/2012	8214-18-91	\$39,160	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	10/8/2012	8214-18-92	\$105,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	10/10/2012	8214-18-93	\$6,240	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	10/31/2012	8214-18-99	\$10,080	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	10/31/2012	8214-19-00	\$3,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	11/14/2012	8214-19-04	\$19,800	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	11/20/2012	8214-19-08	\$1,500	FEDERAL/CHUBB	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	12/10/2012	8214-19-15	\$10,400	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/8/2013	8219-35-63	\$9,000	FEDERAL/CHUBB	WEST VIRGINIA STATE AGENCY
EASTERN ASSOCIATED COAL, LLC	2/8/2013	8219-35-65	\$15,960	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	4/6/2013	SUR0000338	\$22,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	7/12/2012	SUR0010302	\$13,200	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN ASSOCIATED COAL, LLC	11/9/2012	SUR0010311	\$7,800	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	1/19/2012	SUR0010313	\$500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	3/3/2013	SUR0013600	\$17,800	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	4/20/2013	SUR0013604	\$4,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	4/27/2013	SUR0013605	\$11,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	8/5/2012	SUR0013619	\$101,400	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	8/5/2012	SUR0013620	\$25,340	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	9/12/2012	SUR0013622	\$4,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	9/12/2012	SUR0013623	\$2,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	11/5/2012	SUR0013628	\$9,120	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	2/7/2013	SUR0013682	\$2,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	3/27/2013	SUR0017567	\$16,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN ASSOCIATED COAL, LLC	4/2/2013	SUR0017569	\$500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY, LLC	2/11/2013	1015608	\$12,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
EASTERN COAL COMPANY,LLC	11/19/2012	104991465	\$41,480	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY,LLC	12/6/2012	64S103972471	\$7,560	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY,LLC	2/14/2013	64S104027264	\$10,080	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY,LLC	4/7/2013	8206-77-26	\$11,340	FEDERAL/CIUDD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY,LLC	4/7/2013	8206-77-27	\$93,240	FEDERAL/CHLBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
EASTERN COAL COMPANY,LLC	6/9/2012	K06809066	\$10,000	WESTCHESTER FIRE	WEST VIRGINIA STATE AGENCY
GATEWAY EAGLE COAL COMPANY, LLC	1/20/2016	1057874	\$656,000	LEXON	WEST VIRGINIA STATE AGENCY
GRAND EAGLE MINING, LLC	8/16/2008	RFB-28-08	\$96,300	LEXON	KENTUCKY STATE AGENCY
HERITAGE COAL COMPANY LLC	11/11/2012	1015331	\$41,050	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	3/4/2013	1015643	\$18,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	3/4/2013	1015644	\$38,400	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/27/2013	1033798	\$3,070,034	LEXON	ILLINOIS DEPARTMENT OF MINES AND MINERALS
HERITAGE COAL COMPANY LLC	3/21/2013	7017934	\$25,000	NATIONAL FIRE / CNA	INDIANA STATE AGENCY
HERITAGE COAL COMPANY LLC	3/21/2013	7017935	\$12,500	NATIONAL FIRE / CNA	INDIANA STATE AGENCY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HERITAGE COAL COMPANY LLC	3/21/2013	7017936	\$37,500	NATIONAL FIRE / CNA	INDIANA STATE AGENCY
HERITAGE COAL COMPANY LLC	12/19/2012	9264220	\$30,000	NATIONAL FIRE / CNA	ILLINOIS STATE AGENCY
HERITAGE COAL COMPANY LLC	6/11/2012	124054944	\$13,092,400	NATIONAL FIRE / CNA	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	1/17/2013	929178832	\$1,750,000	NATIONAL FIRE / CNA	ILLINOIS STATE AGENCY
HERITAGE COAL COMPANY LLC	2/27/2013	02I-001101	\$31,300	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/27/2013	02I-001102	\$275,400	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/27/2013	02I-001103	\$388,700	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/27/2013	02I-001104	\$209,400	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/27/2013	02I-001105	\$69,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	6/8/2012	400FN6367	\$10,000	TRAVELERS	ILLINOIS STATE AGENCY
HERITAGE COAL COMPANY LLC	2/24/2013	400FP4133	\$20,000	TRAVELERS	KENTUCKY STATE AGENCY
HERITAGE COAL COMPANY LLC	2/28/2013	400GZ6425	\$1,000	TRAVELERS	KENTUCKY STATE AGENCY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HERITAGE COAL COMPANY LLC	4/28/2013	400119615	\$25,000	TRAVELERS	KENTUCKY STATE AGENCY
HERITAGE COAL COMPANY LLC	3/18/2013	SUR0000328	\$5,404,600	ARGO/ROCKWOOD	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HERITAGE COAL COMPANY LLC	2/23/2013	SUR0013599	\$374,375	ARGO/ROCKWOOD	OHIO DEPARTMENT OF NATURAL RESOURCES; RECLAMATION DIVISION
HIGHLAND MINING COMPANY, LLC	8/19/2012	104571859	\$70,000	TRAVELERS	KENTUCKY STATE AGENCY
HIGHLAND MINING COMPANY, LLC	4/10/2013	021-001025	\$100,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/10/2013	021-001026	\$100,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001029	\$89,200	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001036	\$76,200	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001037	\$51,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001038	\$10,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001039	\$17,600	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001040	\$80,000	INDEMNITY NATIONAL	KENTUCKY STATE AGENCY
HIGHLAND MINING COMPANY, LLC	4/7/2013	021-001041	\$80,000	INDEMNITY NATIONAL	KENTUCKY STATE AGENCY
HIGHLAND MINING COMPANY, LLC	3/1/2013	400SE5565	\$172,100	ST. PAUL FIRE & MARINE	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	11/1/2012	8205-64-90	\$3,200	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HIGHLAND MINING COMPANY, LLC	12/1/2012	8219-35-58	\$5,300	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
HILLSIDE MINING COMPANY	11/19/2012	1023412	\$90,000	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HILLSIDE MINING COMPANY	11/19/2012	1023415	\$101,640	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HILLSIDE MINING COMPANY	11/19/2012	1023417	\$45,100	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HILLSIDE MINING COMPANY	11/16/2012	1037695	\$37,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HILLSIDE MINING COMPANY	9/21/2012	1059354	\$2,520	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HILLSIDE MINING COMPANY	12/12/2012	1062160	\$5,040	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HOBET MINING, LLC	4/1/2013	1005564	\$3,800,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005603	\$32,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005616	\$50,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005621	\$24,320	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005622	\$56,150	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005627	\$54,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005628	\$59,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005631	\$720,460	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005632	\$176,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005636	\$173,240	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005639	\$69,160	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005642	\$640,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005650	\$341,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005651	\$780,640	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HOBET MINING, LLC	4/1/2013	1005653	\$1,040,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005655	\$125,080	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2013	1005656	\$490,032	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	8/17/2012	1007376	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	8/17/2012	1007377	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2012	1007398	\$50,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2012	1015324	\$14,400	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	4/1/2013	1015584	\$380,160	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	4/1/2013	1015585	\$302,400	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	7/5/2012	1016084	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2012	1016247	\$95,920	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/1/2012	1016376	\$66,240	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	4/1/2012	1016377	\$109,440	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	4/1/2012	1016378	\$129,600	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HOBET MINING, LLC	1/20/2013	1016452	\$451,136	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/20/2013	1016453	\$635,360	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/20/2013	1016454	\$884,760	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/20/2013	1016457	\$27,560	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/20/2013	1016458	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/20/2013	1016459	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	10/24/2013	1027149	\$81,760	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/15/2013	1033765	\$880,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/15/2013	1033766	\$1,676,080	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	11/3/2013	1057648	\$1,210,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	3/15/2013	1058004	\$2,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	7/18/2012	1059329	\$55,000	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
HOBET MINING, LLC	7/7/2012	6542678	\$5,000.00	LIBERTY	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	7/7/2012	6542679	\$5,000.00	LIBERTY	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OB�IGEE
HOBET MINING, LLC	12/1/2008	104204573	\$45,000.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/24/2013	104224257	\$1,140,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/24/2013	104224258	\$240,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/24/2013	104224259	\$290,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/24/2013	104224260	\$650,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	10/4/2013	104729860	\$595,980	TRAVELERS	WEST VIRGINIA STATE AGENCY
HOBET MINING, LLC	10/17/2013	104729861	\$75,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	12/7/2013	104729872	\$441,260	TRAVELERS	WEST VIRGINIA STATE AGENCY
HOBET MINING, LLC	1/22/2013	104729873	\$1,030,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	1/2/2013	104729874	\$150,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/3/2013	104729886	\$565,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	4/3/2013	104729887	\$75,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	8/10/2013	104729896	\$395,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	11/19/2013	104990099	\$166,144	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HOBET MINING, LLC	3/6/2013	105023502	\$1,350,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	6/8/2012	400SA1650	\$24,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	6/22/2009	400SA1848-Z	\$3,677,360.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	6/22/2012	400SA1856	\$10,000.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	6/22/2012	400SA1869-Z	\$9,398,080.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	6/22/2009	400SA1895-Z	\$4,714,200.00	ST. PAUL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	7/10/2012	400SA1979	\$50,000.00	ST. PAUL	WEST VIRGINIA STATE AGENCY
HOBET MINING, LLC	12/14/2011	64S103930626-Z	\$1,307,200.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	10/24/2009	64S103930689-Z	\$168,560.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	10/25/2009	64S103930697-Z	\$114,100.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	10/25/2009	64S103930698-Z	\$443,880.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	2/3/2012	64S104019176-Z	\$113,520.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	3/1/2012	64S104035942	\$5,000.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	9/2/2009	64S104141057	\$2,200.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
HOBET MINING, LLC	9/2/2009	64S104141058	\$10,000.00	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	12/1/2011	8205-64-56	\$1,075,680.00	FEDERAL	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
HOBET MINING, LLC	11/6/2013	K08363092	\$55,000	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JARRELL'S BRANCH COAL COMPANY	10/12/2012	1002096	\$90,880	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JARRELL'S BRANCH COAL COMPANY	8/21/2012	1027015	\$28,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JARRELL'S BRANCH COAL COMPANY	5/15/2013	1033954	\$14,200	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JARRELL'S BRANCH COAL COMPANY	9/19/2012	8205-65-34	\$2,840	FEDERAL/CIUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JARRELL'S BRANCH COAL COMPANY	4/17/2013	8214-19-51	\$222,440	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2012	103981946	\$962,240	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2013	103981947	\$845,840	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2013	103982038	\$298,800	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2013	103982039	\$139,440	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2013	103982042	\$70,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	9/27/2013	103982043	\$18,200	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
JUPITER HOLDINGS LLC	8/17/2013	104729857	\$38,800	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	3/20/2013	SUR0000331	\$1,285,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
JUPITER HOLDINGS LLC	3/20/2013	SUR0000333	\$2,789,720	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	2/27/2013	1021147	\$18,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	7/18/2012	1027001	\$12,320	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	7/20/2012	1036636	\$10,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	10/2/2012	1037580	\$9,000	LEXON	WEST VIRGINIA STATE AGENCY
KANAWHA EAGLE COAL, LLC	9/23/2012	1055547	\$24,480	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	5/23/2013	1059126	\$11,680	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	5/23/2013	1059127	\$8,200	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	7/19/2012	1059138	\$3,000	LEXON	WEST VIRGINIA STATE AGENCY
KANAWHA EAGLE COAL, LLC	8/16/2012	1059343	\$2,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	8/23/2012	1059344	\$11,160	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	3/19/2013	1062285	\$14,880	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
KANAWHA EAGLE COAL, LLC	12/31/2012	8219-35-61	\$19,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	1/28/2013	8219-35-64	\$3,500	FEDERAL/CHUBB	WEST VIRGINIA STATE AGENCY
KANAWHA EAGLE COAL, LLC	4/30/2013	8219-35-73	\$233,280	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	3/20/2013	SUR0000332	\$1,298,120	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	2/10/2013	SUR0013597	\$21,320	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	2/15/2013	SUR0013598	\$1,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	11/17/2012	SUR0013634	\$103,680	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
KANAWHA EAGLE COAL, LLC	4/2/2013	SUR0017568	\$2,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
LITTLE CREEK LLC	2/14/2013	104224261	\$23,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
LOGAN FORK COAL COMPANY	9/10/2012	5005273	\$43,092	BOND SAFEGUARD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MARTINKA COAL COMPANY, LLC	2/8/2013	105044644	\$364,080	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MARTINKA COAL COMPANY, LLC	2/8/2013	105044645	\$781,440	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MARTINKA COAL COMPANY, LLC	2/8/2013	105044646	\$368,560	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MARTINKA COAL COMPANY, LLC	2/8/2013	105044647	\$37,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

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DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
MIDLAND TRAIL ENERGY LLC	1/14/2013	105023490	\$525,000	TRAVELERS	WEST VIRGINIA STATE AGENCY
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024519	\$25,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024521	\$50,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024522	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024523	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024524	\$30,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024526	\$15,222	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024527	\$54,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024528	\$12,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024529	\$33,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024530	\$28,750	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024531	\$64,750	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024532	\$202,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024533	\$88,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBIGEE
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024534	\$59,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024535	\$12,750	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024536	\$29,750	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
MOUNTAIN VIEW COAL COMPANY, LLC	1/11/2013	1024537	\$413,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
OHIO COUNTY COAL COMPANY, LLC	10/5/2012	1002077	\$25,100	LEXON	KENTUCKY STATE AGENCY
PANTHER, LLC	7/28/2013	1036641	\$2,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	8/4/2013	1036644	\$351,080	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	3/3/2013	1037837	\$505,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	3/17/2013	1037847	\$2,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	2/24/2013	1057890	\$4,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	8/19/2012	1059342	\$500	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	11/7/2012	1061989	\$18,720	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	6/13/2012	103981942	\$278,040	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	9/27/2013	103981943	\$347,200	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PANTHER, LLC	9/27/2013	103981944	\$24,105	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	9/27/2009	103981944	\$24,105.00	TRAVELERS	WEST VIRGINIA STATE AGENCY
PANTHER, LLC	2/25/2013	104224255	\$50,000	TRAVELERS	WEST VIRGINIA STATE AGENCY
PANTHER, LLC	4/2/2013	104729885	\$2,500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	6/15/2013	104729893	\$1,500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	10/15/2013	104990097	\$500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	8/5/2013	8214-18-73	\$4,500	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	3/10/2013	8214-19-41	\$2,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PANTHER, LLC	5/14/2013	8219-35-75	\$65,280	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PATRIOT COAL COMPANY, L.P.	2/6/2013	1004654	\$365,410	LEXON	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/6/2013	1004658	\$107,496	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	6/11/2012	1007209	\$20,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014831	\$136,700	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014832	\$269,100	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014833	\$265,100	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014834	\$73,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014836	\$561,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014837	\$25,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014838	\$77,880	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014840	\$243,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014841	\$290,400	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1014844	\$10,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	6/10/2012	1015846	\$10,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1016494	\$65,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1016495	\$127,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1016497	\$21,700	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	7/13/2012	1018583	\$185,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	7/10/2012	1021507	\$7,215	LEXON	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	1/7/2013	1033755	\$373,400	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/7/2013	1033756	\$276,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/7/2013	1033757	\$466,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/28/2013	1033938	\$808,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	4/28/2013	1033939	\$1,669,018	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/28/2013	1033940	\$1,355,610	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/27/2012	1037590	\$197,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/27/2012	1037591	\$234,400	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	12/15/2012	1037704	\$50,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/4/2013	1037814	\$299,900	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/4/2013	1037815	\$283,100	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	5/12/2013	1055274	\$5,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	3/1/2013	1057893	\$128,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	3/1/2013	1057895	\$184,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	3/1/2012	1057896	\$33,900	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	3/1/2013	1057897	\$86,600	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1058015	\$276,725	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1058016	\$76,726	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1058028	\$6,900	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1058029	\$139,050	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1058030	\$188,250	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1059107	\$136,900	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	4/25/2013	1059108	\$37,250	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1059109	\$166,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1059110	\$436,150	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/25/2013	1059111	\$367,750	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/6/2013	1062193	\$610,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/22/2013	1062272	\$138,100	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/22/2013	1062273	\$416,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674430	\$89,200	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674431	\$459,200	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674432	\$165,253	TRAVELERS	HENDERSON COUNTY, KENTUCKY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674436	\$205,154	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674439	\$12,300	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674442	\$50,400	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674445	\$69,360	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674450	\$5,000	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674454	\$370,930	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/15/2013	104674467	\$17,000	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674468	\$74,700	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674469	\$135,300	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674470	\$42,000	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674471	\$20,795	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674478	\$300	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	3/7/2013	104674479	\$300,300	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674488	\$18,300	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674489	\$20,250	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674490	\$14,750	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/7/2013	104674493	\$2,400	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/28/2013	104700454	\$266,200	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	5/1/2013	104700462	\$251,200	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/16/2013	104700463	\$254,600	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/1/2013	104700464	\$89,800	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/1/2013	104700467	\$62,938	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/1/2013	104700470	\$72,090	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/1/2013	104700472	\$26,200	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	8/2/2012	104768843	\$50,000	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	7/30/2012	104866643	\$21,280	TRAVELERS	HENDERSON COUNTY, KENTUCKY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	7/30/2011	104866645	\$149,998	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	7/30/2012	104866651	\$14,695	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	1/9/2012	105112419	\$52,565	TRAVELERS	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001002	\$81,800	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001004	\$4,700	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001005	\$255,300	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001006	\$73,700	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001008	\$74,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001009	\$45,500	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/15/2013	021-001010	\$6,600	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	4/11/2013	021-001027	\$10,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	4/11/2013	02I-001028	\$5,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	5/30/2013	02I-001050	\$406,500	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	8/7/2012	02I-001064	\$311,600	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-001088	\$79,100	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-001089	\$190,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-001090	\$270,300	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-001091	\$397,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/27/2013	02I-001092	\$1,000	INDEMNITY NATIONAL	KENTUCKY STATE AGENCY
PATRIOT COAL COMPANY, L.P.	2/27/2013	02I-001093	\$1,000	INDEMNITY NATIONAL	KENTUCKY STATE AGENCY
PATRIOT COAL COMPANY, L.P.	2/27/2013	02I-001098	\$500,000	INDEMNITY NATIONAL	KENTUCKY STATE AGENCY
PATRIOT COAL COMPANY, L.P.	3/25/2013	02I-001112	\$750,000	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	3/25/2013	02I-001113	\$750,000	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	6/1/2012	021-001118	\$246,500	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	6/1/2012	021-001119	\$112,200	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001120	\$1,062,974	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001121	\$218,463	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001122	\$1,025,676	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001123	\$276,850	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001124	\$579,818	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	6/15/2012	021-001125	\$902,525	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	10/13/2012	021-001129	\$39,100	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	3/9/2013	021-001138	\$1,033,500	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/5/2013	021-100001	\$75,200	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/5/2013	021-100002	\$67,750	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/6/2013	021-100003	\$53,515	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/6/2013	021-100004	\$106,683	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	4/6/2013	02I-100005	\$123,078	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/6/2013	02I-100006	\$122,228	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	4/6/2013	02I-100007	\$446,048	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	5/4/2013	02I-100008	\$3,450	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	7/21/2012	02I-100021	\$67,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/17/2012	02I-100025	\$215,200	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-100052	\$176,100	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/23/2013	02I-100053	\$9,400	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-100054	\$13,500	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	2/24/2013	02I-100055	\$251,900	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	3/14/2013	02I-100097	\$1,156,500	INDEMNITY NATIONAL	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	3/29/2013	02I-100098	\$10,000	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	11/15/2012	400FB3655	\$25,000	ST. PAUL/SEABOARD	ILLINOIS STATE AGENCY
PATRIOT COAL COMPANY, L.P.	1/19/2013	400FP4114	\$5,000	ST. PAUL/SEABOARD	INDIANA STATE AGENCY
PATRIOT COAL COMPANY, L.P.	3/2/2013	400KA5103	\$150,860	ST. PAUL FIRE & MARINE	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	11/5/2012	64s103946591	\$135,000	TRAVELERS	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-34	\$49,100	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-35	\$11,000	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-36	\$8,800	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-37	\$1,200	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-39	\$46,608	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-40	\$246,600	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-41	\$23,003	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL COMPANY, L.P.	10/13/2012	8205-64-42	\$6,000	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/31/2013	8205-65-04	\$50,300	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/14/2013	8205-65-05	\$216,500	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/4/2013	8205-65-06	\$34,700	FEDERAL/CHUBB	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL COMPANY, L.P.	1/25/2013	8205-65-09	\$319,783	FEDERAL/CHUBB	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	1/25/2013	8205-65-10	\$190,488	FEDERAL/CHUBB	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	11/6/2012	K08292723	\$991,692	WESTCHESTER FIRE	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	11/6/2012	K08292760	\$344,316	WESTCHESTER FIRE	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	11/6/2012	K08292802	\$779,757	WESTCHESTER FIRE	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	3/9/2012	K08363468	\$1,242,800	WESTCHESTER FIRE	HENDERSON COUNTY, KENTUCKY
PATRIOT COAL COMPANY, L.P.	2/23/2013	SUR0013691	\$5,300	ARGO/ROCKWOOD	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	10/12/2012	1023128	\$345,853	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL CORPORATION	3/28/2013	1024691	\$146,800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024692	\$800	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024693	\$51,000	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024694	\$3,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024695	\$35,700	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024696	\$27,300	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024697	\$17,900	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024698	\$41,700	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	3/28/2013	1024699	\$220,500	LEXON	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	1/7/2013	104991493	\$17,640	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PATRIOT COAL CORPORATION	9/23/2013	105332989	\$10,000	TRAVELERS	MISSOURI STATE AGENCY
PATRIOT COAL CORPORATION	8/25/2014	105473328	\$10,000	TRAVELERS	MISSOURI STATE AGENCY
PATRIOT COAL CORPORATION	1/13/2013	105497949	\$10,000	TRAVELERS	MISSOURI STATE AGENCY
PATRIOT COAL CORPORATION	4/6/2012	105583928	\$10,000	TRAVELERS	MISSOURI STATE AGENCY
PATRIOT COAL CORPORATION	11/12/2012	021-001042	\$33,700	INDEMNITY NATIONAL	KENTUCKY DEPT. FOR NATURAL RESOURCES: DIVISION OF MINE RECLAMATION & ENFORCEMENT
PATRIOT COAL CORPORATION	1/7/2013	8205-65-49	\$335,400	FEDERAL/CHUBB	WEST VIRGINIA STATE AGENCY
PATRIOT COAL CORPORATION	1/7/2013	8206-77-15	\$10,080	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024502	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024503	\$118,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024504	\$122,720	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024505	\$22,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024506	\$1,553,440	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024507	\$723,200	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024511	\$613,040	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024512	\$19,587	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024514	\$110,920	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024517	\$143,080	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	1/11/2013	1024518	\$608,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	5/5/2013	1059113	\$7,800	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	12/6/2012	1062158	\$23,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	7/18/2012	400JT6976	\$10,000	ST. PAUL/SEABOARD	WEST VIRGINIA STATE AGENCY
PINE RIDGE COAL COMPANY, LLC	3/5/2013	8214-19-40	\$5,200	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
PINE RIDGE COAL COMPANY, LLC	8/9/2012	SUR0010306	\$39,600	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	3/2/2013	1037836	\$30,600	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	9/27/2013	103793412	\$124,200	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	9/17/2013	103981940	\$18,500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	9/27/2013	104197223	\$102,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	9/27/2013	104197224	\$612,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
REMINGTON, LLC	12/6/2013	104990101	\$2,500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
RIVERS EDGE MINING, INC.	11/30/2012	1037700	\$10,080	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	1/20/2013	1033767	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	1/20/2013	1033768	\$5,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	6/21/2013	1055288	\$4,500	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	2/24/2013	1057889	\$3,500	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	5/17/2013	1059120	\$2,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	9/29/2012	1059357	\$10,000	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	10/31/2012	1059366	\$3,500	LEXON	WEST VIRGINIA DEPARTMENT OF NATURAL RESOURCES
ROBIN LAND COMPANY, LLC	8/10/2013	104729856	\$4,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	10/2/2013	104990094	\$6,500	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	10/3/2013	104990095	\$1,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	5/19/2013	105085289	\$1,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	7/18/2013	105085295	\$1,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	11/14/2013	8214-19-03	\$5,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
ROBIN LAND COMPANY, LLC	11/14/2009	8214-19-03	\$5,000.00	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	2/24/2013	8219-35-67	\$4,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	5/6/2013	8219-35-74	\$2,500	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	11/5/2013	K08363055	\$2,500	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	9/14/2013	K08442733	\$4,500	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	9/14/2013	K08442770	\$4,000	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	9/14/2011	K08442770	\$4,000.00	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	10/28/2013	K08443257	\$5,000	WESTCHESTER FIRE	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	1/11/2013	SUR0010315	\$3,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	1/11/2013	SUR0010316	\$2,500	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
ROBIN LAND COMPANY, LLC	3/14/2013	SUR0013601	\$10,000	ARGO/ROCKWOOD	WEST VIRGINIA STATE AGENCY
ROBIN LAND COMPANY, LLC	6/9/2012	SUR0013611	\$1,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	11/20/2012	1001357	\$48,240	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	11/10/2012	1015326	\$70,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
SNOWBERRY LAND COMPANY	11/10/2012	1015327	\$46,720	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	1/21/2013	1015575	\$55,400	LEXON	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	12/16/2012	104647133	\$29,760	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	5/16/2013	104734548	\$38,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734582	\$14,880	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734583	\$46,800	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734584	\$38,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734585	\$10,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734586	\$695,640	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SNOWBERRY LAND COMPANY	6/2/2012	104734587	\$10,720	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
SPEED MINING LLC	11/4/2013	104224254	\$691,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	5/18/2013	104729851	\$565,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	5/18/2013	104729852	\$475,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	8/10/2013	104990092	\$790,000	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

DEBTOR	EXPIRATION OR RENEWAL DATE	BOND NUMBER	TOTAL BOND AMOUNT	ISSUER	OBLIGEE
WILDCAT, LLC	10/8/2013	104990096	\$104,880	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	6/9/2013	105083291	\$230,040	TRAVELERS	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	3/20/2010	SUR0000329	\$1,105,000.00	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILDCAT, LLC	3/20/2013	SUR0000330	\$1,790,000	ARGO/ROCKWOOD	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
WILL SCARLET PROPERTIES LLC	10/14/2012	SUR0013630	\$399,000	ARGO/ROCKWOOD	ILLINOIS DEPARTMENT OF MINES AND MINERALS
WINIFREDE DOCK LIMITED LIABILITY COMPANY	4/1/2013	8206-77-25	\$23,000	FEDERAL/CHUBB	WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION
TOTAL			\$237,885,471		

EXHIBIT D

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re: :
: :
DUNMORE HOMES, INC., : Case No.: 07- 13533 (MG)
: Chapter 11
: :
Debtor :
-----X

**MEMORANDUM OPINION AND ORDER GRANTING MOTION FOR
TRANSFER OF VENUE TO THE EASTERN DISTRICT OF CALIFORNIA,
SACRAMENTO DIVISION**

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MARTIN GLENN

United States Bankruptcy Judge

Pending before this court is a motion by creditors seeking an order transferring venue of this chapter 11 case pursuant to 28 U.S.C. § 1412 to the Eastern District of California, Sacramento Division. (ECF Doc. # 54.) The original moving parties were Cal Sierra Construction Inc., Pacific Paving Co., Inc., and Valley Utility Services, Inc. (*Id.*) The motion was joined by other creditors¹ of Dunmore Homes, Inc. (hereinafter “Debtor”), or its non-Debtor affiliates. The transfer venue motion has been opposed by the Debtor and two creditors, Bank of New York Trust Company, N.A. (“Bank of New York”) and KeyBank National Association (“KeyBank”). (ECF Doc. # 104, 114, 117.) For the reasons provided below, the motion to transfer venue is granted.

BACKGROUND

The Debtor filed its voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Southern District of New York on November 8, 2007 (“Petition Date”). Prior to its filing, the predecessor to the Debtor, Dunmore Homes, a California corporation (“Dunmore California”) performed entitlement and land development work, prepared sites for homebuilding, and built single-family residential housing throughout Northern and Central California. (ECF Doc. # 2.) Beginning in September 2005, Dunmore California experienced declining home absorption and pricing levels and deteriorating financial performance. In response, Dunmore California and its subsidiaries halted nearly all home construction, land development operations and sales on August 1, 2007. (*Id.* at ¶ 14.) Additionally, beginning in August 2007, Dunmore

¹ These other moving parties are Teichert Construction, Inc., Aleco Corp., Granite Construction Co., DeSilva Gates Construction, L.P., Travelers Bond, Weyerhaeuser Realty Investors, Inc., Hemington Landscape Services, Inc., SGN Construction, Inc. and the Official Unsecured Creditors Committee. (ECF Doc. # 66, 84, 99, 107, 109, 110, 130.)

California and the subsidiaries experienced a series of technical and non-technical defaults under many of its existing secured debt agreements.

On September 10, 2007, Dunmore California sold all of its assets to the Debtor, Dunmore Homes, Inc., a New York corporation (“Dunmore New York”), wholly owned by Michael Kane. (*Id.* at ¶ 9.) Mr. Kane resides in California. Dunmore California is wholly owned by Sidney B. Dunmore. (*Id.* at ¶¶ 9, 10.) Mr. Dunmore resides in California. Dunmore California’s assets were sold for \$500.00 and the assumption of all of the company’s debts and liabilities by Dunmore New York. At the time of the sale transaction, Mr. Dunmore owed Dunmore California approximately \$11.2 million. This obligation was unsecured. As part of the sale transaction, Mr. Dunmore signed a promissory note secured by a pledge of an anticipated personal tax refund he hopes to receive as a result of the loss upon the sale of Dunmore California to Dunmore New York.² Contemporaneously with the sale, Dunmore California changed its name to DHI Development, Inc., a California corporation. On November 8, 2007, fifty-nine days after the purchase of Dunmore California, the Debtor filed its chapter 11 petition in New York. As of the Petition Date, the Debtor employed approximately 37 people, down from approximately 132 during the same time last year.³ The Debtor has no office, employees, or bank accounts in New York. Its only presence in New York is its recent incorporation in this state.

The Debtor and its non-debtor affiliates (the “Dunmore Companies”) are developing 26 communities, organized into fourteen limited liability companies and one limited partnership

² It seems clear that the sale was designed so that Mr. Dunmore could obtain a tax refund, use it to reduce his debt to the company, and enable the company to pay down some of the debt on which Mr. Dunmore is a guarantor. Dunmore New York benefited from the transaction to the extent that the previously unsecured obligation from Mr. Dunmore became at least partially secured.

³ During the January 11, 2008 omnibus motion hearing, the Debtor disclosed that only seventeen employees and two independent contractors remain.

(collectively, the "Subsidiaries"), all owned (in whole or in substantial part) by the Debtor.⁴ (*Id.* at ¶ 12.) The Dunmore Companies financed fifteen subsidiaries, representing twenty-five communities, with secured debt at the subsidiary level. The financing has been provided by nine different lenders (or lending groups). Many of the loans to the Subsidiaries are guaranteed by the Debtor (or the Debtor is a co-borrower).⁵ The Subsidiaries are not currently debtors but are engaged in out of court restructuring.⁶ (*Id.* at ¶ 12.)

As of September 30, 2007, the book value of the Debtor's consolidated assets was \$280,592,251 and the book value of consolidated liabilities was \$250,285,447. (*Id.* at ¶ 17.) As of the Petition Date, the Debtor's principal assets included: (a) its interests in the Subsidiaries; (b) cash on hand of approximately \$119,000, (c) an option to purchase 19.8 acres of property in Northern California with an estimated value in excess of the option exercise price of \$815,000, (d) the Debtor's interest in the Executive Non Qualified Excess Plan valued at approximately \$1,700,000, (e) the promissory note from Mr. Dunmore, in the amount of approximately \$11.2 million as of the Petition Date, secured by Mr. Dunmore's anticipated 2007 Federal tax refund, (f) 161 acres of mitigation property in Northern California, encumbered by a first lien in favor of

⁴ The Subsidiaries are: Dunmore Canterbury LLC; Dunmore Country Vilas, LLC; Dunmore Fullerton Ranch, LLC; Dunmore Highland, LLC; Dunmore Laguna Reserve, LLC; Dunmore Orchard LLC; Dunmore-Providence LLC; Dunmore Stone Creek, LLC; Fahrens Park LP; Dunmore Viscaya LLC; Dunmore Diamond Ridge LLC; Dunmore Croftwood LLC; Dunmore Westport, LLC; Dunmore Sycamore Ranch LLC; and Dunmore Montecito LLC. The Debtor wholly owns all of the Subsidiaries except Dunmore Croftwood, LLC, Dunmore Diamond Ridge, LLC, Dunmore Highlands, LLC and Dunmore Viscaya, LLC, all of which are operated as joint ventures with Weyerhaeuser Realty Investors. The Debtor also has an interest in the following inactive subsidiaries: Dunmore Brown Estates, LLC; Dunmore Reflections II, LLC; Dunmore Wildhawk, LLC; Fairways, LLC; Dunmore Sierra, LLC; Dunmore Delano, LLC; Dunmore Wildhawk North LP; and the Dunmore Homes Statutory Trust 1.

⁵ All of Dunmore California's guarantees or obligations as co-obligor with the Subsidiaries were assumed by Dunmore New York as part of the sale.

⁶ Foreclosure proceedings are ongoing in California against several of the Subsidiaries' properties, with the earliest foreclosure possibly occurring in January 2008. Debtor's counsel represented to the Court that the Debtor has no present intention to file additional chapter 11 cases for Subsidiaries facing imminent foreclosure, but counsel also did not completely rule out that possibility.

Sacramento Valley Farm Credit ("Stone Mitigation Property"). (*Id.* at ¶ 18.) The Court approved the sale of the Stone Mitigation Property for \$4,360,000 on December 14, 2007. (ECF Doc. # 176.) The sale closed before year-end and the proceeds were paid first to the first lien holder, Sacramento Valley Farm Credit, and then to pay down the debtor-in-possession financing. (*Id.*)

The Debtor's direct liabilities consist of approximately \$2 million in debt, secured by a second lien on the assets of Dunmore Fullerton Ranch, LLC, Dunmore Highland, LLC, and Dunmore Montecito LLC, and \$20 million of junior subordinated notes that mature in 2035. (*Id.* at ¶ 19.) Bank of New York is the indenture trustee for the subordinated notes. The Debtor also has significant indirect liabilities resulting from its obligations as guarantor or co-borrower of secured debts of various Subsidiaries held by RBC Builder Finance; Indymac Bank F.S.B.; Guaranty Bank; KeyBank; Wachovia Bank, N.A. ("Wachovia"); Affinity Bank; Comerica Bank; Franklin Bank; and United Commercial Bank. The total amount of secured debt to Subsidiaries for which the Debtor is a guarantor or co-borrower was approximately \$195 million as of the Petition Date. In the first instance, the security for this debt is California real property owned at the subsidiary level.

In addition to the above debt, Travelers Casualty and Surety Company of America ("Travelers") issued payment and performance bonds ("Bonds") in favor of certain of the Subsidiaries. Dunmore California and Mr. Dunmore each executed a General Agreement of Indemnity in favor of Travelers for any loss incurred in connection with the Bonds. The Debtor assured Dunmore California's obligations to Travelers in connection with the indemnity agreement. Travelers asserts a security interest in Dunmore California's property to secure the indemnification obligation.

Pursuant to the Debtor's Amended List of Creditors Holding Thirty Largest Unsecured Claims, the indirect institutional creditors listed above are geographically dispersed in California, Texas, North Carolina,⁷ and Ohio.⁸ (ECF Doc. # 115, 116.) Bank of New York, the indenture trustee of the \$20 million of subordinated notes, is the only one of the top 30 creditors in New York. (ECF Doc. # 115.) There is no indication about who owns the subordinated notes and where the noteholders are located. The majority of the creditors comprising the remainder of the top thirty creditors are trade creditors located in California. (*Id.*) Of the thirty largest creditors shown on the Amended List, seven have joined the venue transfer motion, representing approximately \$23,578,998.46 of debt, and two have opposed the motion representing \$56,700,000 in debt. (*Id.*) In terms of the number of creditors, twenty-four of the top thirty are located in California. (*Id.*) It appears undisputed that the vast majority of creditors below the top thirty are trade creditors located in California.

The Moving Parties filed the change of venue motion pursuant to 28 U.S.C. § 1412 on November 26, 2007. (ECF Doc. # 54.) The motion was not based on allegations that the Southern District of New York was an improper venue pursuant to 28 U.S.C. § 1408⁹; rather, the motion claimed that venue should be changed based on consideration of the interests of justice and the convenience of parties.

The Moving Parties alleged that they were listed in the Debtor's schedule of top twenty unsecured creditors and that they were representative of most of the creditor classes that are California-based businesses. (*Id.*) The motion argues that the smaller creditors will suffer

⁷ Wachovia is headquartered in North Carolina but the Debtor's loans are administered by Wachovia's Philadelphia, Pennsylvania office. (ECF Doc. # 115 at ¶ 13.)

⁸ KeyBank is headquartered in Ohio, but the Debtor's loans are administered in Bellevue, Washington. (ECF Doc. # 117 at ¶ 6.)

⁹ In the motion and at oral argument, the Moving Parties recognized that the incorporation of the Debtor, Dunmore New York, in New York provides a sufficient nexus to the state to confer venue. (ECF Doc. # 54 at ¶ 23 n.2.)

substantial burden and expense participating in this case in New York whereas the large institutional creditors located outside of California would incur no additional expense if the proceedings were transferred. The motion alleges that the Debtor has no other domestic business activity or presence outside of California. (*Id.*) The Debtor's assets, employees, and pending litigations, among other things, are located in California. Dunmore New York was recently incorporated in New York to facilitate the purchase of Dunmore California for nominal consideration. As already mentioned, Dunmore New York has no office, employees, assets or bank accounts in New York. The motion alleges that the Debtor's initial decision to file in New York was an attempt at forum shopping as a means to limit certain creditors access to the proceedings. Importantly, the Unsecured Creditors Committee supports the motion to transfer venue to the Eastern District of California.

The Debtor's opposition relies on the weight given to the Debtor's choice of venue, the percentage of the dollar amount of debt held by creditors located outside California, the familiarity of this Court with the facts versus the time and expense in familiarizing a new court with the case, and the focus of the restructuring on securing financing rather than operational issues. The Debtor argues that the largest creditors who are the most likely to be very active in the case are large national banks with headquarters outside of California and that the smaller creditors, like the trade creditors, would still be able to participate telephonically and through the electronic filing of motions. (ECF Doc. # 114.) The Debtor argues that its direct debts are not principally held by California entities. (*See id.*) The Debtor also argues that this case is principally about finding funding for a sale or orderly wind-down of Debtor's business and, as such, the chapter 11 case is not going to directly impact many of the trade creditors, who are not direct creditors of the Debtor but of the Subsidiaries. The Subsidiaries, who are not currently in

bankruptcy, are still available for the creditors to proceed against in California. (*Id.*) Two large creditors, KeyBank and Bank of New York, have joined the Debtors' opposition to the transfer venue motion. (*See* ECF Doc. # 104, 117.) Bank of New York alleges that it is the only creditor whose claim is against the Debtor alone with no recourse to the Subsidiaries. (ECF Doc. # 104.) KeyBank holds the debt of several Subsidiaries, for which the Debtor was a guarantor or co-borrower. (ECF Doc. # 117.) KeyBank contends that it holds the largest amount of debt owed by the Subsidiaries. As a result, both argue that they represent the most significant creditor interests and prefer New York as the venue for this case.

DISCUSSION

A. Proper Venue under 28 U.S.C. §1408

28 U.S.C. §1408 states that a chapter 11 case may be commenced in the district court for the district in which “the domicile, residence, principal place of business in the United States, or principal assets in the United States . . . have been located for a hundred and eighty days immediately preceding such commencement” The statute is written in the disjunctive making venue proper in any of the listed locations. *In re Segno Commc'n, Inc.*, 264 B.R. 501, 505 (Bankr. N.D. Ill. 2001) (finding any of the four is jurisdictionally sufficient). A corporation's domicile is generally held to be its state of incorporation. *In re B.L. of Miami, Inc.*, 294 B.R. 325, 328 (Bankr. D. Nev. 2003) (finding venue in Nevada proper because it was the state of incorporation); 1 COLLIER ON BANKRUPTCY ¶ 4.01[2][b] (15th ed. rev. 2007). In this case, the Debtor, Dunmore New York, was incorporated in New York and would be considered domiciled here. Therefore, the venue selected by the Debtor is proper under § 1408.

B. Change of Venue Pursuant to § 1412

Finding venue proper under § 1408, consideration of the transfer venue motion must then turn to the discretionary power granted courts pursuant to 28 U.S.C. § 1412. After a case or

proceeding has commenced in a proper district, it can be transferred to another district court if the court finds the transfer would be in the interest of justice or for the convenience of parties. 28 U.S.C. § 1412; *In re B.L. of Miami*, 294 B.R. at 328. Section 1412 is worded in the disjunctive allowing a case to be transferred under *either* the interest of justice rationale or the convenience of parties rationale. *Enron Corp. v. Arora (In re Enron Corp.)*, 317 B.R. 629, 637 (Bankr. S.D.N.Y. 2004). The decision to transfer venue is within the discretion of the court, as evidenced by the use of the permissive “may” in § 1412. *Id.* at 638 n.8. A court should base its analysis on the facts underlying each particular case. *See id.* at 638; *Gulf States Exploration Co. v. Manville Forest Prod. Corp. (In re Manville Forest Prod. Corp.)*, 896 F.2d 1384, 1391 (2d Cir. 1990) (review should be on individualized basis). However, “the power to transfer a case [or proceeding] should be exercised cautiously.” *In re Enron*, 317 B.R. at 638 (citing *In re Toxic Control Technologies, Inc.*, 84 B.R. 140, 143 (Bankr. N.D. Ind. 1988)). A debtor’s selection of a proper venue is “entitled to great weight” in the consideration of change of venue motions. *In re Enron Corp.*, 274 B.R. 327, 342 (Bankr. S.D.N.Y. 2002). As a result, “a heavy burden of proof rests on the moving party to demonstrate that the balance of convenience clearly weighs in his favor.” *Lionel Leisure, Inc. v. Trans Cleveland Warehouses, Inc. (In re Lionel Corp.)*, 24 B.R. 141, 142 (Bankr. S.D.N.Y. 1982) (deciding motion to transfer an adversary proceeding from the district in which the main bankruptcy case was filed). “The party moving for change of venue bears the burden of proof and that burden must be carried by a preponderance of the evidence.” *Manville*, 896 F.2d at 1390 (affirming bankruptcy court’s refusal to transfer an adversary proceeding); *Commonwealth of Puerto Rico v. Commonwealth Oil Refining Co., Inc. (Matter of Commonwealth Oil Refining Co., Inc.)*, 596 F.2d 1239, 1241 (5th Cir. 1979) (“CORCO”). In considering change of venue motions, courts often look to the criteria established in two circuit

court decisions to evaluate the interests of justice and convenience of parties – *In re Manville Forest Prod. Corp.*, 896 F.2d 1384 and *CORCO*, 596 F.2d 1239.

In *CORCO*, the court affirmed the bankruptcy court's denial of a transfer motion seeking to transfer the chapter 11 cases of an oil refining company debtor and eleven of its subsidiaries from Texas to Puerto Rico. *CORCO*'s principal office and management were located in Texas; most of its assets and creditors were located in Puerto Rico. The parties seeking the transfer to Puerto Rico argued that Puerto Rico had the greatest interest in the case because *CORCO* was a major supplier of petroleum products to Puerto Rico, its operations were located in Puerto Rico, and many of its creditors were located there. The Fifth Circuit rejected the argument, concluding that the bankruptcy court did not abuse its discretion in deciding to retain the case in Texas. The court concluded that the venue was proper in Texas for several reasons, including that management of all aspects of the debtor's business were handled in Texas, the debtor's problems were financial rather than operational and the people who would work to solve those financial problems or would appear in court were based in Texas. *CORCO*, 596 F.2d at 1241-48.

In *Manville*, the Second Circuit considered the benefits of the current court's familiarity with the case and facts and the lag time of the receiving court's learning curve. *In re Enron*, 274 B.R. 327, 349-50 (Bankr. S.D.N.Y. 2002) (citing *Manville*, 896 F.2d at 1391). In *Manville*, the moving party sought to transfer the venue of an adversary proceeding involving Louisiana law from New York, the district handling the main bankruptcy case, to Louisiana. *Manville*, 896 F.2d at 1387-88. The bankruptcy court that originally denied the motion found that while the convenience of the parties and witnesses favored transferring venue, the economic and efficient administration of the case weighed in favor of retaining venue of the adversary proceeding. The court held that it was inappropriate to shift the burden of the case to another court because the

bankruptcy court had already developed a substantial learning curve. *Id.* at 1391. The court also found the change of venue motion untimely. *Id.* On appeal, the Second Circuit held that the lower court had struck the appropriate balance between the economic and efficient administration of the case and the convenience of the parties. *Id.*

The interests of justice prong has been characterized as a broad and flexible standard. *In re Enron*, 274 B.R. at 343 (citing *Manville*, 896 F.2d at 1391). The court considers whether (i) transfer would promote the economic and efficient administration of the bankruptcy estate; (ii) the interests of judicial economy would be served by the transfer; (iii) the parties would be able to receive a fair trial in each of the possible venues; (iv) either forum has an interest in having the controversy decided within its borders; (v) the enforceability of any judgment would be affected by the transfer; and (vi) the plaintiff's original choice of forum should be disturbed. *In re Enron*, 317 B.R. at 638-39.

The convenience of parties prong has six factors: (i) proximity of creditors of every kind to the court; (ii) proximity of the debtor; (iii) proximity of witnesses necessary to the administration of the estate; (iv) location of the assets; (v) economic administration of the estate; and (vi) necessity for ancillary administration if liquidation should result. *In re B.L. of Miami*, 294 B.R. 325, 329 (citing *CORCO*, 596 F.2d at 1247; *In re Consol. Equity Prop., Inc.*, 136 B.R. 261, 266 (D. Nev. 1991)). The consideration given the most weight is the economic and efficient administration of the estate. *Enron*, 274 B.R. at 343. Most cases do not consider liquidation because it is illogical to focus on liquidation contingencies when the goal of the bankruptcy is reorganization. *CORCO*, 596 F.2d at 1248; *In re Enron*, 274 B.R. at 349; *In re B.L. of Miami*, 294 B.R. at 333.

Each prong identified above and its impact on the case will be discussed in turn below. The court concludes that the Moving Parties have met their burden under both the interests of justice and convenience of parties standards.

1. Interest of Justice

Courts evaluating the interests of justice have considered the following factors:

- (1) whether transfer would promote the economic and efficient administration of the bankruptcy estate;
- (2) whether the interests of judicial economy would be served by the transfer;
- (3) whether the parties would be able to receive a fair trial in each of the possible venues;
- (4) whether either forum has an interest in having the controversy decided within its borders;
- (5) whether the enforceability of any judgment would be affected by the transfer; and
- (6) whether the plaintiff's original choice of forum should be disturbed.

In re Enron Corp., 317 B.R. at 638-639. Courts also consider the impact of the learning curve if the case is transferred. *In re Enron*, 274 B.R. at 349. In addition, courts consider the ability of interested parties to participate in the proceedings and the additional costs that might be incurred to do so. *In re B.L. of Miami*, 294 B.R. at 334.

Courts evaluating the economic and efficient administration of the case have looked at “the need to obtain post petition financing, the need to obtain financing to fund reorganization, and the location of the sources of such financing and the management personnel in charge of obtaining it.” *In re Enron*, 274 B.R. at 348 (citing *In re Int'l Filter Corp.*, 33 B.R. 952, 956 (Bankr. S.D.N.Y. 1983)); *CORCO*, 596 F.2d at 1247. In this case, these factors support the transfer of venue. Post petition financing has already been obtained from Mr. Dunmore, a California resident. (ECF Doc. # 48, 192.) Further financing for a purchase of assets or a wind down of the business is just as likely to come from California as New York since the Debtor's main assets are the California real estate owned by its Subsidiaries. (ECF Doc. # 114 at ¶ 24) (stating that of the six term sheets submitted, two are from New York, three from California, and

one from Connecticut). Anyone purchasing or financing the business in all likelihood is going to have to conduct most of the necessary due diligence in California. Debtor's only offices, management and employees are located in California. Debtor's sole shareholder resides in California. Debtor's counsel, while having a New York office, is based in California, and the two lead partners from the firm in this case are based in California. Debtor's financial advisor, Alvarez & Marsal North America, LLC, and its investment banker, Alvarez & Marsal Securities, LLC, are based in California and Arizona, respectively. (ECF Doc. # 11 at Exhibits A & B.) The location of the financial professionals retained in this case is further evidence of the ability to secure funding or a purchaser for this company when based in a location other than New York. Based on the above, the sources of funding are likely in California and the location of the professionals and management personnel in charge of obtaining this funding are in California or Arizona. As a result, the efficient administration of this case weighs heavily in favor of transfer to California.

The Debtor in opposition relies on the *Enron* and *CORCO* courts' ultimate decisions to retain venue based on the location of the financial restructuring of the debtors in those cases rather than the physical location of their assets. However, the Debtor's reliance on these cases is misplaced because the assets and business models in *Enron* and *CORCO* were fundamentally different than those involved in this case. The majority of the Debtor's significant assets consist of real property in residential developments in the state of California. As stated in *Enron*, "where a debtor's assets consist solely of real property cases have held that transfer of venue is proper because matters concerning real property have always been of local concern and traditionally are decided at the situs of the property." *In re Enron*, 284 B.R. 376, 392 (Bankr. S.D.N.Y. 2002) (abrogated on other grounds) (citing *In re Baltimore Food Sys., Inc.*, 71 B.R.

795, 803 (Bankr. D.S.C. 1986) (“[S]pecial consideration to administration at the situs of the assets where those assets consist of real property.”); see also *In re Old Delmar Corp.*, 45 B.R. 883, 884 (S.D.N.Y. 1985) (finding that venue of real property was the most capable in handling emergencies and keeping close contact with the property). In *Enron*, the court faced the reorganization of a complex global energy conglomerate, and the sophistication of the financial markets was an essential factor in the successful financing and reorganization of the company. See *In re Enron*, 284 B.R. at 390 -91. In *CORCO*, the court faced reorganization or sale of an oil refining company conducting business in Puerto Rico, while its executive management was primarily in Texas. The expertise of its management and greater availability of financing in Texas were more important than the location of the physical assets or the largest number of its creditors. *CORCO*, 596 F.2d at 1247-48. Both *CORCO* and *Enron* emphasized that venue was most appropriate where the people who would handle the bankruptcy were located. In this case, all of the Debtor’s employees and the majority of its professionals are located in California. In addition, Dunmore is distinguishable from *Enron* and *CORCO* because Dunmore lacks any ties to New York, other than its recent incorporation in the state and its efforts to secure financing here. Dunmore New York has no offices or employees here, unlike *Enron*, which had an operating subsidiary in New York, and *CORCO*, which had its executive offices and management in Texas. The Debtor currently has no ongoing operations in any state, but its predecessor in interest, Dunmore California, was a long-time California home builder with no projects or other connections with New York. Dunmore New York’s only other “connection” to New York is that the headquarters of Bank of New York, the indenture trustee of the Debtor’s subordinated notes, is located here.

The next prongs to consider in the interests of justice – judicial economy and the ability to receive a fair trial in either the Southern District of New York or the Eastern District of California – are closely balanced, but judicial economy tilts slightly in favor of transfer to California. Both courts have the capacity to handle this case and provide a fair proceeding. However, because cases are already pending in California state courts against some of Debtor’s Subsidiaries (but stayed as to the Debtor), and many issues in this case are likely to be governed by California law, judicial economy would be better served if all cases were pending in California.

In *Manville*, in affirming the denial of a transfer of an adversary proceeding, the court relied on the bankruptcy court’s substantial “learning curve” and the likelihood that a transferee court would have delayed the final resolution of the bankruptcy case. *Manville*, 896 F.2d at 1391. The court recognized the inefficiency that can result where the main case is administered in one district by a judge who has gained familiarity with the case, but an adversary proceeding is transferred to another district to be handled by a different judge. The transfer motion in this case has been made early in the case. While this Court has gained some familiarity with the issues in this case by considering and ruling on First Day Motions and the motion to approve the sale of the Stone Mitigation Property, these are not likely to be the kinds of issues that require the most court time in the future. Accepting the Debtor’s argument would effectively mean that anytime a court has ruled on first day motions it should deny a subsequent transfer motion (necessarily filed after the first day) because of the learning curve a new court would have to get up to speed. This result would eviscerate the transfer venue statute, 28 U.S.C. § 1412. Given the Debtor’s stated objective to sell all or parts of the company or its assets in an orderly wind down, the familiarity and knowledge gained by this Court is not as pivotal to the progress of the case as

it might be in more complex reorganizations such as Enron. Therefore, the learning curve is not a substantial deterrent to transferring the case.

In *CORCO*, the court emphasized the interest of the receiving venue in the outcome of the case. *CORCO*, 596 F.2d at 1248. In this case, California clearly has a greater interest in the outcome of this case for both the Debtor and the creditors. The Debtor's assets and business are in residential home building properties within California, giving California a strong interest in the impact of the disposition of those assets to the areas and communities in which they are located. California also has a greater interest than New York because the majority of the trade creditors in this case are local California businesses. In addition, several of those creditors have commenced proceedings against the Debtor or its Subsidiaries in California state courts based on California law. In *CORCO*, the court was ultimately not persuaded by Puerto Rico's interest in the outcome of the bankruptcy because the court found that the retention of the case in Texas ultimately served the interests of Puerto Rico by maintaining the bankruptcy in close proximity to the company's management that were working to provide the Debtor with needed access to capital markets and potential buyers for the underlying company. *Id.* In this case, while New York is a financial capital and could provide the funding for the Debtor's wind down, given the local nature of the assets and operations of the Debtor and the current interest expressed while the case was proceeding in New York, retaining the case in New York does not provide the same benefits relied on in *CORCO*. The potential financial investors who have expressed sufficient interest in the Debtor's properties to submit a term sheet are geographically dispersed. (*See* ECF Doc. # 114 at ¶ 21) (one company from Connecticut, two companies from New York, and three companies from California have submitted term sheets).

In *In re B.L. of Miami*, a case granting the transfer motion, the court identified the need for creditors to obtain local counsel to participate in the case as an additional difficulty and expense that would be incurred by parties if venue was not transferred. *In re B.L. of Miami*, 294 B.R. at 334. In this case, the Southern District Bankruptcy Court has a permissive *pro hac vice* admission rule, permitting any lawyer admitted to practice in any state or federal court to be admitted *pro hac vice* without requiring local counsel. See Southern District Bankruptcy Court Local Rules 2090-1 effective August 2, 2004 www.nysb.uscourts.gov. This rule has substantially eased the burden and expense for out-of-state parties and counsel to appear and participate in cases in this court. Additionally, the Court has already approved telephone participation in hearings in this case by counsel who do not maintain their offices in New York City. See Pretrial Order # 1, ¶ 3 (ECF Doc. # 44). However, even with the availability of alternative appearances by telephone, many creditors will still want counsel to be physically present at hearings either because they are the moving parties for motions under consideration or for the more general benefits that come from attending hearings in person such as the ability to observe the court, witnesses and other parties in interest. As a result, despite technological advances there are limitations on the quality of participation for a large number of creditors located exclusively in California if they do not incur the additional expense of New York counsel or have their California counsel travel to New York for hearings.

In considering the remaining factors under the interest of justice prong, while the Debtor's selection of venue is accorded great weight it does not appear that the Debtor's interests will be harmed or that the estate will suffer a diminution in value if venue is transferred to the Eastern District of California. In this case, the Debtor's employees, including management that would be needed to testify, assets, and the Subsidiaries are located in California. Debtor's

professionals (lawyers, financial advisors and investment bankers) are also located in California or Arizona. The Creditors Committee supports transfer of the case to California, and the Creditors Committee's counsel, Morrison & Foerster, LLP, has offices in New York and California. In addition, considering the jurisdictional issues of potential judgments and subpoenas in this case, all parties would be subject to the jurisdiction of California courts by virtue of either their domicile in the case of the trade creditors or sufficient contacts in the case of the institutional investors that conduct business there on a regular basis. As a result, while the Debtor's selection is valid under § 1408 and accorded great weight, the overall circumstances of the case show by a preponderance of the evidence that transfer of venue is in the interest of justice in this case. Indeed, the thin nexus of the Debtor to the Southern District of New York, and the overwhelming contacts between the Debtor and Eastern District of California, combined with no overriding factors making it substantially more likely that the Debtor's prospects for a successful reorganization would be enhanced if this Court were to retain jurisdiction, raise serious questions whether the Court would abuse its discretion if it denied the motion to transfer venue in the interests of justice.

2. Convenience of the Parties

Under the prong "convenience of the parties," the six factors most commonly analyzed by bankruptcy courts under § 1412 are:

1. proximity of creditors of every kind to the court;
2. proximity of the debtor;
3. proximity of witnesses necessary to the administration of the estate;
4. location of the assets;
5. economic administration of the estate; and
6. necessity for ancillary administration if liquidation should result.

In re B.L. of Miami, 294 B.R. at 329 (citing *Consol. Equity Prop., Inc. v. Southmark, Corp. (In re Consol. Equity Prop., Inc.)*, 136 B.R. 261, 266 (D. Nev. 1991); *CORCO*, 596 F.2d at 1247): The

most weight is given to the promotion of the economic and efficient administration of the estate. This factor has already been discussed in connection with the interests of justice prong. *See In re Enron*, 274 B.R. at 343 n.10.

Consideration of the proximity and convenience of creditors must include the number of creditors as well as the amounts owed. *Id.* at 345. In this case the Debtor is a co-borrower or guarantor of loans from approximately ten large institutional national lenders representing over \$200 million in debt. The remaining creditors in the Debtor's top thirty creditors list, save one, are located in California and represent over \$12 million in debt. (ECF Doc. # 116.) Considering the number of creditors and the amounts owed, this factor does not favor changing venue unless consideration is given to the quality of participation available to the creditors. The largest bank creditors in this case are often participants in California cases and only Bank of New York, the indenture trustee, is headquartered in New York. (ECF Doc. # 114 at Exhibit 1) (showing majority of dollar amount of debt is based in Texas). A California venue would not be more inconvenient to these creditors as most would have to travel to appear in New York or California. However, the majority of trade creditors would not have to travel very far if venue was transferred to California. While the court has already provided for telephone participation at hearings, for parties who cannot travel to New York, or for whom travel is financially burdensome, the ability to advocate for them is impaired.

In *Enron*, the court also stressed the statutory role that the Creditors Committee fills as a fiduciary to creditors and as a representative body of the unsecured creditors. *In re Enron*, 274 B.R. at 345. In *Enron*, the Creditors Committee opposed the transfer of venue whereas in this case the Creditors Committee supports the transfer of venue. *Id.*; ECF Doc. # 130.

While the Debtor is incorporated in New York, all of its remaining employees, sole shareholder, and the majority of its professionals are located in California. While the number of hearings at which its employees may be required to testify – either called as witnesses by the Debtor or by creditors – is uncertain, it will certainly be more convenient for them to appear in Sacramento and compulsory process can also issue to require their appearance.¹⁰

While the *Enron* court characterized the physical location of the assets as one of the least important factors in that case, *In re Enron*, 274 B.R. at 347-48, other courts have relied on it more heavily. *In re B.L. of Miami*, 294 B.R. at 332. In *B.L. of Miami*, the court found that the debtor, a nightclub in Florida, was better served if the court hearing the case was more likely to have an “active familiarity with the community and the milieu in which the nightclub operated.” *In re B.L. of Miami*, 294 B.R. at 332. *Enron* was largely a “financial” case, where the physical assets were divided amongst various locations and their location was therefore less important to the restructuring than the center of the financial markets. *In re Enron*, 274 B.R. at 347-48. In analyzing *Enron* and *In re B.L. of Miami*, it is apparent that the nature of the underlying businesses was a major consideration in the venue decisions. Here, despite Debtor’s efforts to fit this case in *Enron*’s “financial” box, the Debtor’s real estate assets and the local or regional business climate in which the Debtor and its Subsidiaries operated are the driving considerations in this case. The Debtor’s business did not operate on a global scale, as did *Enron*, and Debtor’s assets are not located in various locations but instead are mostly centralized in California.

The Court has already discussed the economic administration of the estate. *See In re Enron*, 274 B.R. at 348; *see supra* at 14-15. In addition to those considerations, another factor pointing to California venue is that the Debtor is already in the process of liquidating. (ECF

¹⁰ The importance of the availability of compulsory process cannot be underestimated in light of the Debtor’s substantial reduction in the number of employees. Former employees who worked for the Debtor or its Subsidiaries in California are more likely to be subject to compulsory process if the case is pending in Sacramento.

Doc. # 150 at ¶ 8.) Marketing and selling its California real estate assets can best be overseen by a California bankruptcy court with greater familiarity with the market.

As a result of the above and the totality of the circumstances in this case, the Court concludes that the Moving Parties have met their burden for transfer of the case under the convenience of the parties prong as well.

CONCLUSION

The Moving Parties have shown by a preponderance of the evidence that the Court should order the transfer of venue of this case to the Eastern District of California in the interests of justice and for the convenience of the parties. For the reasons stated, the motion is GRANTED. The Clerk of the Court is directed to transfer this case to the United States District Court for the Eastern District of California, Sacramento Division.

IT IS SO ORDERED.

DATED: January 14, 2008
New York, New York

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge

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**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)

**ORDER TRANSFERRING VENUE OF JOINTLY ADMINISTERED CASES TO
SOUTHERN DISTRICT OF WEST VIRGINIA**

Upon the motion (“Motion”) of Argonaut Insurance Company, Indemnity National Insurance Company, US Specialty Insurance, and Westchester Fire Insurance Company to Transfer Jointly Administered Cases to the Bankruptcy Court for the Southern District of West Virginia (“SDWV”), proper notice having been given to all 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 therefore, it is

ORDERED that, the Motion is sustained; and it is further

ORDERED that, though either basis is sufficient for transfer of venue, both the interest of justice and convenience of the parties compel a transfer of this case to SDWV; and it is further

ORDERED that transfer from the Southern District of New York (“SDNY”) to SDWV will not impair the economic and efficient administration of this jointly administered bankruptcy estate; and it is further

ORDERED that transferring venue from SDNY to SDWV will promote judicial economy and administrative efficiency in the reorganization of the bankruptcy.

Dated: _____

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE