

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)
) Chapter 11
PATRIOT COAL CORPORATION, *et al.*,) Case No. 12-51502
) (Jointly Administered)
Debtors.)

**FOURTH MONTHLY FEE STATEMENT OF CARMODY MACDONALD P.C.
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF PATRIOT COAL CORPORATION, ET AL. FROM
MARCH 1, 2013 THROUGH AND INCLUDING MARCH 31, 2013**

Name of Applicant: Carmody MacDonald P.C.

Authorized to provide professional services to: Official Committee of Unsecured Creditors

Date of Retention: As of December 3, 2012 [Docket No. 2382]

Period for which compensation and reimbursement is sought: March 1, 2013 – March 31, 2013

Amount of compensation requested: \$40,221.00

Amount of expense reimbursement requested: \$40.97

In accordance with the Order to Establish Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, dated August 2, 2012 (the “**Interim Compensation Order**”), Carmody MacDonald P.C. (“**Carmody MacDonald**”), local counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors-in-possession (collectively, the “**Debtors**”), hereby submits this Fourth Monthly Fee Statement (the “**Fee Statement**”), seeking compensation and reimbursement of expenses for the period of March 1, 2013 through and including March 31, 2013 (the “**Fourth Monthly Period**”). By this Fee Statement, Carmody MacDonald seeks payment of: \$32,217.77, which is equal to (i) eighty percent of the total amount of compensation sought for actual and necessary professional services rendered during the Fourth Monthly Period (which is \$32,176.80) and (ii) reimbursement of \$40.97, which is equal to one hundred percent of its actual and necessary expenses incurred in connection with such services.

Services Rendered and Disbursements Incurred

1. Attached as **Exhibit A** is a summary of the services rendered and compensation sought, by project category, for the Fourth Monthly Period.
2. Attached as **Exhibit B** is a billing summary of Carmody MacDonald professionals by individual, setting forth the (i) name and title of each individual who performed services during the Fourth Monthly Period, (ii) aggregate time expended by each such individual, (iii) hourly billing rate for each such individual at Carmody MacDonald’s current billing rates, (iv) the amount of fees earned by each Carmody MacDonald professional, (v) year of bar admission for each attorney, and (vi) area of concentration for each attorney.

The blended hourly billing rate of Carmody MacDonald attorneys during the Fourth Monthly Period is approximately \$341.00.

3. Attached as **Exhibit C** is a summary of reimbursement sought by expense type for all expenses for the Fourth Monthly Period incurred in connection with the performance of professional services.

4. Attached as **Exhibit D** is an itemized record of all expenses for the Fourth Monthly Period incurred in connection with the performance of professional services.

5. Attached as **Exhibit E** are itemized time records of Carmody MacDonald professionals.

Total Fees and Expenses Sought for the Fourth Monthly Period

6. The total amounts sought for fees for services rendered and reimbursement of expenses incurred for the Fourth Monthly Period are as follows:

Total Fees for the Fourth Monthly Period	\$ 40,221.00
Total Disbursements for the Fourth Monthly Period	\$ 40.97
TOTAL	\$ 40,261.97

7. Pursuant to the Interim Compensation Order, Carmody MacDonald seeks payment of \$32,217.77, which is equal to (i) 80% of Carmody MacDonald’s total fees for services rendered during the Fourth Monthly Period and (ii) 100% of the total disbursements incurred during the Fourth Monthly Period.

80% of Total Fees for the Fourth Monthly Period	\$ 32,176.80
100% of Total Disbursements for the Fourth Monthly Period	\$ 40.97
TOTAL	\$ 32,217.77

Notice and Objection Procedures

8. No trustee or examiner has been appointed in these Chapter 11 Cases. Pursuant to the Interim Compensation Order, notice of this Fee Statement has been served, via the Court’s ECF system, upon: (i) the Debtors, Patriot Coal Corporation, 13212 Olive Boulevard, Suite 400, St. Louis, MO 63141, Attn: Jacquelyn A. Jones; (ii) Davis Polk & Wardwell LLP, 450

Lexington Avenue, New York, NY 10017, Attn: Marshall S. Huebner and Brian M. Resnick; (iii) Bryan Cave LLP, One Metropolitan Square, 211 N. Broadway, Suite 3600, St. Louis, MO 63102, Attn: Lloyd A. Palans and Brian C. Walsh; (iv) Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036, Attn: Adam C. Rogoff and Gregory G. Plotko; (v) the Office of the United States Trustee for the Eastern District of Missouri, 111 S. 10th Street, 4th Floor, St. Louis, MO 63102, Attn: Leonora Long; and (iv) attorneys for the administrative agent for the Debtors' post petition lenders, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Marcia Goldstein and Joseph Smolinsky, and (b) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019, Attn: Margot B. Schonholtz and Ana Alfonso, (collectively, the "**Notice Parties**"). Carmody MacDonald submits that no other or further notice need be provided.

9. Pursuant to the Interim Compensation Order, objections to this Fee Statement, if any, must be served upon the Notice Parties, including Carmody MacDonald, no later than May 3, 2013 (the "**Review Deadline**"), setting forth the nature of the objection and the specific amount of fees or expenses at issue.

10. If no objections to the Fee Statement are received on or before the Review Deadline, the Debtors will pay Carmody MacDonald: (i) 80% of Carmody MacDonald's total fees for services rendered during the Fourth Monthly Period and (ii) 100% of the total disbursements incurred during the Fourth Monthly Period.

11. To the extent an objection to the Fee Statement is received on or before the Review Deadline, the Debtors will withhold payment of that portion of the Fee Statement to which the objection is directed and will promptly pay the remainder of the fees and

disbursements in the percentages set forth above. To the extent such objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing.

Dated: April 19, 2013
St. Louis, Missouri

CARMODY MACDONALD P.C.

/s/ Gregory D. Willard

Gregory D. Willard, MO30192

Angela L. Schisler, MO56768

120 South Central Avenue, Suite 1800

St. Louis, Missouri 63105

Telephone: (314) 854-8600

Facsimile: (314) 854-8660

*Local Counsel to the Official Committee of
Unsecured Creditors*

EXHIBIT A

Summary of Time by Category

<u>Matter Number</u>	<u>Description</u>	<u>Hours</u>	<u>Fees</u>
12059.0	CASE ADMINISTRATION	9.10	\$ 2,684.50
12059.1	HEARINGS	22.00	\$ 7,309.00
12059.4	PENSION / OPEB / LABOR ISSUES	14.70	\$ 5,365.50
12059.8	CLAIMS ADMINISTRATION / REPORTING	9.40	\$ 3,242.00
12059.10	CONFIDENTIALITY AGREEMENTS / BYLAWS	0.70	\$ 255.50
12059.11	COMMITTEE INVESTIGATIONS / DILIGENCE	2.60	\$ 949.00
12059.12	ADVERSARY PROCEEDINGS	3.40	\$ 1,052.00
12059.13	GENERAL MOTIONS	12.80	\$ 4,553.00
12059.14	MEETINGS AND COMMUNICATIONS WITH DEBTORS	2.10	\$ 766.50
12059.15	COMMITTEE MEETINGS / COMMUNICATIONS	37.40	\$12,860.00
12059.17	RETENTIONS / OTHER PROFESSIONAL APPLICATIONS	1.50	\$ 442.50
12059.18	CARMODY MACDONALD MONTHLY FEE STATEMENTS	2.30	\$ 741.50
	TOTAL	118.0	\$40,221.00

EXHIBIT B

Summary of Professionals

<u>Attorney/Professional Name</u>	<u>Department/Position at Carmody MacDonald</u>	<u>Year Admitted</u>	<u>Hourly Billing Rate</u>	<u>Total Worked Hours</u>	<u>Total Compensation Requested</u>
Gregory D. Willard	Corporate Restructuring & Bankruptcy Partner	1980	\$365.00	77.90	\$28,433.50
Angela L. Schisler	Corporate Restructuring & Bankruptcy Associate	2005	\$295.00	38.00	\$11,210.00
Meghan M. Lamping	Litigation Associate	2007	\$275.00	2.10	\$ 577.50
TOTAL				118.00	\$40,221.00

EXHIBIT C

Summary of Expenses

<u>Description</u>	<u>Amount</u>
Courier Services	\$40.97
TOTAL	\$40.97

EXHIBIT D

Expense Detail

Expenses

Date	Description	Amount
3/1/2013	Courier service by Access Courier	\$ 10.01
3/20/2013	Courier service by Federal Express	\$ 30.96
Total Costs:		<u>\$ 40.97</u>

EXHIBIT E

Time Detail

12059.0 Re: Case Administration

Date	Tmkpr	Narrative	Hours	Amount
3/4/2013	ALS	Work on memorandum summarizing 8th Circuit and EDMo precedent concerning [PRIVILEGED - REDACTED].	0.60	\$ 177.00
3/5/2013	ALS	Continue to work on memorandum summarizing 8th Circuit and EDMo precedent concerning [PRIVILEGED - REDACTED].	5.10	\$ 1,504.50
3/11/2013	ALS	Communications with A. Wong regarding EDMo requirements for Applications (.2); communications with S. Blank regarding EDMo requirements for Monthly Operating Reports (.3).	0.50	\$ 147.50
3/19/2013	ALS	Attend scheduling conference with Judge Surratt-States regarding Debtor's Motion to Reject Collective Bargaining Agreements and to modify retiree benefits pursuant to 1113/1114.	1.10	\$ 324.50
3/26/2013	ALS	Work on docket filings, including review of the amended Case Management Order.	1.30	\$ 383.50
3/29/2013	ALS	Communications with E. Detlefsen and S. Wallace regarding coordinating filing of US Bank's Joinder to Committee's objection to equity committee formation.	0.50	\$ 147.50

Total Hours: 9.10

Total Fees: \$ 2,684.50

12059.1 Re: Hearings

Date	Tmkpr	Narrative	Hours	Amount
3/13/2013	GDW	Review draft documents for hearings next week and prepare follow-up list regarding same (.8); work on logistics with Clerk's Office and Kramer Levin for hearing and telephonic participation and telephone conference with Kramer Levin regarding same (.4).	1.20	\$ 438.00
3/18/2013	GDW	Preparations for hearing, including finalizing points for Committee, legal issues and related matters and conferences regarding same (3.7); attend hearing before U.S. Bankruptcy Judge Surratt-States (5.1).	8.80	\$ 3,212.00
3/18/2013	ALS	Prepare final hearing binders, materials and Committee statements for hearing on the Debtors' Motion for Authority to Implement Compensation Plans (5.3); attend hearing before U.S. Bankruptcy Judge Surratt-States (5.0).	10.30	\$ 3,038.50
3/19/2013	GDW	Preparations for and attend hearing before U.S. Bankruptcy Judge Surratt-States and follow-up regarding same.	1.70	\$ 620.50
Total Hours:			<u>22.00</u>	
Total Fees:				<u><u>\$ 7,309.00</u></u>

12059.4 Re: Pension/OPEB/Labor Issues

Date	Tmkpr	Narrative	Hours	Amount
3/7/2013	GDW	Additional review and analysis of EDMo precedent on Debtors' pending compensation motion, Committee response, and components as to same in light of Congressional amendments.	1.00	\$ 365.00
3/8/2012	GDW	Research and analysis of whether Committee should [PRIVILEGED - REDACTED] present evidence on projections and other issues at hearing before U.S. Bankruptcy Judge Surratt-States and alternatives for Committee.	2.70	\$ 985.50
3/12/2013	GDW	Review and analysis of documents and issues for hearing next week on company motion and presentations at same (1.3); work on logistics for hearing and Committee participation (.3).	1.60	\$ 584.00
3/13/2013	GDW	Research and analysis of draft documents with respect to labor related issues, EDMo precedents and related matters (1.5); review communications regarding same (.2).	1.70	\$ 620.50
3/19/2013	GDW	Telephone conference with DIP Lenders' counsel on labor matters and scheduling (.1); prepare action items as to scheduling alternatives and possible solutions (.7); telephone conferences with constituents regarding same and Chambers Conference with U.S. Bankruptcy Judge Surratt-States and representatives of several entities to discuss 1113/1114 procedural matters (.9); follow-up on action items from court hearings, pleadings and schedule for 1113/1114 and extensive filings regarding same (1.2).	2.90	\$ 1,058.50
3/28/2013	GDW	Work on presentation parameters and limitations for hearings next month, including EDMo precedents for same; review of draft proposals and possible resolutions regarding same.	1.70	\$ 620.50
3/29/2013	GDW	Review and drafting correspondence to U.S. Bankruptcy Judge Surratt-States regarding 1113/1114 matters, evidence and procedural issues, and finalize/transmit same.	3.10	\$ 1,131.50
Total Hours:			<u>14.70</u>	
Total Fees:				<u>\$ 5,365.50</u>

12059.8 Re: Claims Administration/Reporting

Date	Tmkpr	Narrative	Hours	Amount
3/12/2013	GDW	Research EDMo precedents and components on reporting, and intra-proceeding adjustments to same, per creditor inquiries as to formatting and detail.	2.40	\$ 876.00
3/26/2013	GDW	Review documents and materials on claims questions (.6); research and analysis of questions, EDMo precedent and practice, and related standing issues on specific claims issues (2.2).	2.80	\$ 1,022.00
3/28/2013	GDW	Analysis and work on procedural issues with respect to claims process and strategy and conference regarding same.	2.10	\$ 766.50
3/28/2013	MML	Conference regarding issues on standing issues (.5); research regarding legal issues (.6); prepare analysis of standing and objection issues (1.0).	2.10	\$ 577.50
Total Hours:			9.40	
Total Fees:				<u>\$ 3,242.00</u>

12059.10 Re: Confidentiality Agreements/Bylaws

Date	Tmkpr	Narrative	Hours	Amount
3/14/2013	GDW	Work on transition items related to resignation of Committee member and replacement appointment.	0.70	\$ 255.50

Total Hours: 0.70

Total Fees: \$ 255.50

12059.11 Re: Committee Investigations/Diligence

Date	Tmkpr	Narrative	Hours	Amount
3/21/2013	GDW	Telephone conference with Kramer Levin regarding Equity Committee matters and planning for hearing (.2); telephone conference with Davis Polk and Kramer Levin to coordinate responses and planning for hearing on Equity Committee request (.2); follow-up work on two EDMo legal issues relating to same and hearing evidence (2.2).	2.60	\$ 949.00

Total Hours: 2.60

Total Fees: \$ 949.00

12059.12 Re: Adversary Proceedings

Date	Tmkpr	Narrative	Hours	Amount
3/18/2013	GDW	Review pleadings and relevant documents for Emergency hearing tomorrow morning before U.S. Bankruptcy Judge Surratt-States.	0.70	\$ 255.50
3/19/2013	ALS	Prepare final hearing materials for hearings (1.2); attend hearing before U.S. Bankruptcy Judge Surratt-States (1.5).	2.70	\$ 796.50
			Total Hours:	<u>3.40</u>
			Total Fees:	<u><u>\$ 1,052.00</u></u>

12059.13 Re: General Motions

Date	Tmkpr	Narrative	Hours	Amount
3/11/2013	GDW	Work on two issues for Incentive Motion and upcoming hearing.	0.80	\$ 292.00
3/15/2013	GDW	Review of draft responsive pleading on AIP Motion and prepare revisions to same (.6); telephone conference with Kramer Levin on final changes and finalize revisions and file same with U.S. Bankruptcy Court (.7).	1.30	\$ 474.50
3/17/2013	GDW	Review materials and court documents and preparations for Evidentiary hearing tomorrow before U.S. Bankruptcy Judge Surratt-States on Debtors' Incentive Compensation Motion.	2.40	\$ 876.00
3/26/2013	GDW	Work on legal issues and precedent regarding draft objection of Official Unsecured Creditors Committee to Motion for Equity Holder Committee.	1.10	\$ 401.50
3/28/2013	GDW	Review of draft objection and prepare revisions to same (.7); review additional EDMo precedent regarding same (.6).	1.30	\$ 474.50
3/29/2013	ALS	Finalize and file Objection to the Motion to Appoint a Committee of Equity Security Holders.	1.20	\$ 354.00
3/29/2013	GDW	Work on revisions and final changes to objection for appointment of Equity Holders Committee and telephone conferences with Kramer Levin to finalize same for filing with U.S. Bankruptcy Court.	2.50	\$ 912.50
3/30/2013	GDW	Work on matters for hearing on Motion for Appointment of Equity Committee and draft, prepare and file related motion as to Committee's filed objection.	1.70	\$ 620.50
3/30/2013	ALS	Finalize and file Motion for Leave to Exceed.	0.50	\$ 147.50
Total Hours:			<u>12.80</u>	
Total Fees:				<u><u>\$ 4,553.00</u></u>

12059.14 Re: Meetings and Communications with Debtors

Date	Tmkpr	Narrative	Hours	Amount
3/13/2013	GDW	Telephone conference with Debtors' counsel on several pending matters, scheduling, and related matters and follow-up telephone conference with Kramer Levin regarding same (1.2); work on four action items for upcoming hearing and full Committee review at teleconference (.9).	2.10	\$ 766.50

Total Hours: 2.10

Total Fees: \$ 766.50

12059.15 Re: Committee Meetings/Communications

Date	Tmkpr	Narrative	Hours	Amount
3/1/2013	GDW	Preparations for telephone conference with Committee professionals regarding pending matters, upcoming Committee meeting, and action items.	5.00	\$ 1,825.00
3/1/2013	ALS	Prepare for and participate in Professionals call.	1.20	\$ 354.00
3/4/2013	ALS	Prepare for Committee telephone conference by reviewing and analyzing Committee communications regarding updated pleadings and UMWA's proposed global settlement.	0.70	\$ 206.50
3/5/2013	GDW	Attend teleconference meeting of the Official Unsecured Creditors Committee.	7.70	\$ 2,810.50
3/5/2013	GDW	Review matters and prepare for Creditors Committee meeting.	0.40	\$ 146.00
3/5/2013	ALS	Participate in Committee professionals' call (.5); prepare for and participate in Committee call (2).	2.50	\$ 737.50
3/11/2013	GDW	Preparations for and teleconference meeting with Committee professionals on several pending matters, action items, and due outs.	1.00	\$ 365.00
3/11/2013	ALS	Prepare for and participate in weekly Committee professionals status update telephone conference.	1.00	\$ 295.00
3/14/2013	GDW	Preparations for and telephone conference with Committee advisors regarding financial data, court filings, and approach to upcoming court hearing, and follow-up with Kramer Levin regarding meeting tomorrow with full Committee to consider same (.6); analysis of revised drafts regarding same (.7); update punch-list for Committee meeting (.1).	1.40	\$ 511.00
3/15/2013	GDW	Review materials for Committee call preparations (.3); teleconference meeting of the Official Creditors Committee on pending motion and procedural consideration (1.1); follow-up on action item from Committee call (.5).	1.90	\$ 693.50
3/19/2013	GDW	Meeting with Assistant US Trustee and counsel Leonora Long on several Committee matters and related topics.	0.70	\$ 255.50
3/19/2013	ALS	Meeting with L. Long and P. Randolph of US Trustee's office regarding various Committee issues.	1.30	\$ 383.50
3/20/2013	GDW	Preparations for and telephone conference with Committee professionals on several matters and presentations for Committee.	0.70	\$ 255.50
3/20/2013	ALS	Participate in Committee professionals telephone conference (.5); prepare for, review materials, and participate in Committee telephone conference (2.6).	3.10	\$ 914.50
3/20/2013	GDW	Meeting of Official Committee on several topics and issues and follow-up on legal issue from same.	2.50	\$ 912.50
3/28/2013	GDW	Preparations for and Committee professionals call on several action items and coordination of pending matters.	0.40	\$ 146.00
3/29/2013	GDW	Preparations for and telephone conference with Committee advisors on [CONFIDENTIAL - PRIVILEGED] and related legal issues.	1.30	\$ 474.50
3/29/2013	ALS	Participate in Committee professionals telephone conference regarding recovery analysis.	1.50	\$ 442.50

3/31/2013 GDW Preparations for and teleconference meeting with the Creditors 3.10 \$ 1,131.50
Committee.

Total Hours: 37.40

Total Fees: \$12,860.00

12059.17 Re: Retentions/Other Professional Fee Applications

Date	Tmkpr	Narrative	Hours	Amount
3/1/2013	ALS	Coordinate for service of Mesirow Financial Consulting, LLC's January 2013 Fee Statement.	0.10	\$ 29.50
3/19/2013	ALS	Finalize and file Third Monthly Fee Statement of Houlihan Lokey Capital, Inc., as financial advisor and investment banker to the Official Committee of Unsecured Creditors for Services Rendered and Reimbursement of Expenses Incurred for the period of February 1, 2013 through February 28, 2013 (.2); coordinate service of same with Epiq (.2).	0.40	\$ 118.00
3/20/2013	ALS	Finalize and file Cole, Schotz, Meisel, Forman & Leonard, P.A. Monthly Fee Statement, as conflicts counsel to the Official Committee of Unsecured Creditors for February, 2013.	0.40	\$ 118.00
3/25/2013	ALS	Telephone conference with S. Blank regarding EDMo attorney compensation guidelines and addressing the 12 factors in Johnson v. Georgia Highway Express in interim fee applications.	0.30	\$ 88.50
3/28/2013	ALS	Finalize and file Kramer Levin Naftalis & Frankel LLP Monthly Fee Statement for February, 2013.	0.30	\$ 88.50
Total Hours:			<u>1.50</u>	
Total Fees:				<u><u>\$ 442.50</u></u>

12059.18 Re: Carmody MacDonald Monthly Fee Statements

Date	Tmkpr	Narrative	Hours	Amount
3/16/2013	GDW	Compliance revisions and conforming changes per Court and US Trustee requirements of Carmody MacDonald Monthly Statement.	0.90	\$ 328.50
3/20/2013	ALS	Prepare Carmody MacDonald's February 2013 Monthly Statement (1.1); finalize and circulate same to Committee (.3).	1.40	\$ 413.00
			Total Hours:	<u>2.30</u>
			Total Fees:	<u>\$ 741.50</u>