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May 16, 2013

BY FEDERAL EXPRESS

Honorable Kathy A. Surratt-States  
Chief United States Bankruptcy Judge  
Eastern District of Missouri  
Thomas F. Eagleton Courthouse  
111 South Tenth Street  
St. Louis, Missouri 63102

Re: *In re Patriot Coal Corporation, et al.*, Case No. 12-51502 (KSS)

Dear Judge Surratt-States:

We represent Duff & Phelps, LLC ("Duff & Phelps") in the above-referenced proceeding. Duff & Phelps writes to express issues similar to those referenced in yesterday's letter to the Court from Morgan Stanley concerning the upcoming May 21, 2013 hearing on the objections of Peabody Coal Corp. ("Peabody"). (Docket No. 3994.)

On April 26, 2013, the Debtors moved pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the "Rule 2004 Motion") seeking leave to take document discovery from Duff & Phelps. The Rule 2004 Motion is returnable on May 21, 2013.

Duff & Phelps and the Debtors have resolved the Rule 2004 Motion, as set forth in the attached Stipulated Order Authorizing the Debtors to Issue a Subpoena Compelling the Production of Documents by Duff & Phelps Pursuant to Rule 2004 (the "Stipulated Order"). Pursuant to the Stipulated Order, among other things, Duff & Phelps's rights to object to the scope, relevance and burden of the subpoena duces tecum have been preserved. Also, any discovery to be provided to the Debtors pursuant to the Stipulated Order is contingent on this Court's entry of a protective order applicable to Duff & Phelps production. We understand that the Debtors submitted the Stipulated Order to Chambers on May 13, 2013.

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On May 13, 2013, Peabody filed an Objection to Motion of Debtors for Leave to Conduct discovery of Duff & Phelps Corp. Pursuant to Rule 2004 (the "Peabody Opposition") raising certain issues concerning the scope of the discovery to be sought of Duff & Phelps and measures to be taken to preserve the confidentiality of information. (Docket No. 3973.)

Since Duff & Phelps's objections are preserved by the Stipulated Order until 30 days after the Debtors serve their subpoena, any objection that ultimately may be raised by Duff & Phelps is not yet ripe for review. Moreover, the dispute as currently framed is between the Debtors and Peabody. In light of the above, Duff & Phelps does not intend to appear at the May 21 hearing subject, of course, to this Court's preference. If the Court so desires, Duff & Phelps will attend the hearing.

Duff & Phelps respectfully requests that the Court notify it if the Court desires Duff & Phelps's attendance at the May 21st hearing.

Thank you for your consideration.

Respectfully submitted,

  
Susan L. Saltzstein

Enclosure

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