

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE  
EASTERN DISTRICT OF MISSOURI  
(St. Louis)**

**In Re: PATRIOT COAL CORPORATION,**

**Debtor.**

**Bankruptcy Case No. 12-51502**

**CREDITOR, CONTINENTAL BANK'S, RESPONSE  
TO THE DEBTOR'S FIFTH OMNIBUS OBJECTION TO CLAIMS 2304/3674**

**COMES NOW** Continental Bank (hereinafter "Bank"), a creditor and party in interest, by and through its attorneys of record, and for its response to the claims objection by the debtor to Continental Bank claim 2304/3674 in the amount of \$1,526,868.00, states to the Court as follows:

1. Debtor filed an objection to certain claims of Bank, claim number 2304/3674 in the amount of \$1,526,868.00.
2. The Bank is currently the owner of the equipment identified in Exhibit A attached hereto.
3. The sequence of events which proceeded creditor's ownership of the collateral is as follows. On or about May 15, 2008, the Fifth Third Leasing Company leased certain equipment to Patriot Leasing Company, Inc. pursuant to the terms of a Master Equipment Lease Agreement. As part of the transaction involving Fifth Third Leasing Company, Debtor, Patriot Coal Corporation, executed a Guaranty in favor of Fifth Third Equipment Company. Thereafter, on or about July 20, 2009, the Fifth Third Leasing Company, pursuant to a Master Assignment Agreement, assigned the Lease and the Leased equipment to SG Equipment Financing ("SG"). Thereafter on or about May 27, 2011 SG Equipment Financial, sold the lease and the leased equipment to Somerset Capital Group, LTD. ("Somerset").

4. Thereafter, Somerset sold the income stream from the Lease to a third-party bank. Thereafter, Somerset sold the Lease and the leased equipment to Continental Bank, but not the income stream from the Lease.

5. As a result of the foregoing described transactions, Continental Bank is the current owner of the equipment and owes the residual interest in the collateral after the third-party bank is satisfied in full.

6. The Bank has a claim based upon the residual value of the collateral, which is an obligation separate and apart of the lease transaction between Somerset and debtor. Somerset is the successor in interest to Fifth Third Leasing Company.

7. The debtor's objection to the claim of Bank is not appropriate in that bank has rights based upon its documentation that are separate and apart from Somerset and Fifth Third Leasing Company.

8. Debtor is bound by the terms of the leased documents and cannot seek to expunge the claim until Bank is paid in full.

9. Bank has the right to maintain its claims, separate and apart from Somerset or third-party lender until Bank is paid in full.

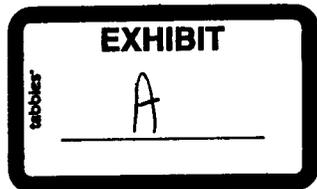
10. Bank requests that the court allow the Bank's claim to remain.

11. Bank requests the Court deny the relief requested by the Debtor in the Fifth Omnibus objection.

WHEREFORE, for the above and foregoing reasons, Bank prays that the Court enter an Order overruling the claims objection by Debtor and for such other and further relief as the Court deems just and equitable.



All Assets in Sched #12102 10/17/2012 03:32:49						
SCHID	LOCD	PONO	UNITNO	MFR	QTY	MACHMO/FEAT
12102		1 n/a		1 Brookville		1 Freight
12102		1 n/a		1 Brookville		1 PB00713UL109
12102		1 n/a		1 Brookville		1 PB00713U 50-20400
12102		1 n/a		1 Brookville		1 PB00713U 50-25499
12102		1 n/a		1 Fairchild		1 35C-WH-DC
12102		1 n/a		2 Fairchild		1 35C-WH-DC
12102		1 n/a		1 Fairchild		1 35C-WH-D 1250
12102		1 n/a		2 Fairchild		1 35C-WH-D 1250
12102		1 n/a		1 Fairchild		1 35C-WH-D PTO
12102		1 n/a		2 Fairchild		1 35C-WH-D PTO
12102		1 n/a		1 Fletcher		1 CHDDR-13
12102		1 n/a		1 Fletcher		1 CHDDR-13
12102		1 n/a		1 Joy		1 10SC32
12102		1 n/a		1 Joy		1 10SC32
12102		1 n/a		1 MinePower		1 64-125-21
12102		1 n/a		1 MinePower		1 64-125-21
12102		1 n/a		1 MinePower		1 64-125-21
12102		1 n/a		1 MinePower		1 64-125-21
12102		1 n/a		1 MinePower		1 Charger
12102		1 n/a		1 MinePower		1 Charger
12102		1 n/a		1 Mining		1 35651
Schedule OEC		\$ 3,755,973.76				
Revised Schedule OEC		\$ 1,526,868.87				
LRF of Schedule:		0.017123				
Reduced Pmt.		\$ 26,414.83				
Remaining Pmts. As of 10/17/12		44				
Debt Rate		6%				
PV of Remaining Rents		(\$1,040,961.76)				



DESCRIPTION	CLASS	SERIAL	COST	STATUS	ASTTERMDT
Freight	SOFT	n/a	\$ 1,800.00	Rejected	9/5/2012
Brookville	MINING	9693	\$ 221,252.14	Rejected	9/5/2012
Battery Ch	MINING	n/a	\$ -		
Battery	MINING	n/a	\$ -		
Fairchild 35	MINING	T339-573	\$ 268,171.80		
Fairchild 35	MINING	T339-577	\$ 268,171.80		
Set J&R 12	MINING	n/a	\$ 2,600.32		
Set J&R 12	MINING	n/a	\$ 2,600.32		
30A, 128V	MINING	n/a	\$ 2,164.99		
30A, 128V	MINING	n/a	\$ 2,164.99		
JH Fletche	MINING	2010168	\$ 653,006.25	Rejected	10/12/2012
JH Fletche	MINING	2010169	\$ 653,006.25	Rejected	10/12/2012
Joy Mining	MINING	ET17950	\$ 700,804.65	Amended Rejection.	Patriot will keep this asset
Joy Mining	MINING	ET17886	\$ 700,040.25	Rejected	9/5/2012
Mine Powe	MINING	B0472C1	\$ 21,674.00		
Mine Powe	MINING	HEB6915	\$ 21,674.00		
Mine Powe	MINING	HCB6871	\$ 21,674.00		
Mine Powe	MINING	B0452C1	\$ 21,674.00		
Battery Ch	MINING	BA0697000	\$ 10,302.00		
Battery Ch	MINING	AZ6324000	\$ 10,302.00		
Mining Cor	MINING	n/a	\$ 172,890.00		
			\$ 3,755,973.76		
			\$ (2,229,104.89)	Less rejected assets	
			\$ 1,526,868.87		