

**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.)

**EIGHTH 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
JULY 1, 2013 THROUGH AND INCLUDING JULY 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: July 1, 2013 – July 31, 2013

Amount of compensation requested: \$18,480.00

Amount of expense reimbursement requested: \$100.00

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**”), co-counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors-in-possession (collectively, the “**Debtors**”), hereby submits this Eighth Monthly Fee Statement (the “**Fee Statement**”), seeking compensation and reimbursement of expenses for the period of July 1, 2013 through and including July 31, 2013 (the “**Eighth Monthly Period**”). By this Fee Statement, Carmody MacDonald seeks payment of: \$14,884.00, which is equal to (i) eighty percent of the total amount of compensation sought for actual and necessary professional services rendered during the Eighth Monthly Period (which is \$14,784.00) and (ii) reimbursement of \$100.00, 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 Eighth 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 Eighth 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 and paraprofessional, (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 Eighth Monthly Period is \$340.78. The blended hourly billing rate of Carmody MacDonald paraprofessionals during the Eighth Monthly Period is \$150.00.

3. Attached as **Exhibit C** is a summary of reimbursement sought by expense type for all expenses for the Eighth 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 Eighth 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 Eighth Monthly Period

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

Total Fees for the Eighth Monthly Period	\$ 18,480.00
Total Disbursements for the Eighth Monthly Period	\$ 100.00
TOTAL	\$ 18,580.00

7. Pursuant to the Interim Compensation Order, Carmody MacDonald seeks payment of \$14,884.00, which is equal to (i) 80% of Carmody MacDonald's total fees for services rendered during the Eighth Monthly Period and (ii) 100% of the total disbursements incurred during the Eighth Monthly Period.

80% of Total Fees for the Eighth Monthly Period	\$ 14,784.00
100% of Total Disbursements for the Eighth Monthly Period	\$ 100.00
TOTAL	\$ 14,884.00

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, 12312 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 (vi) 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 September 4, 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 Eighth Monthly Period and (ii) 100% of the total disbursements incurred during the Eighth 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: August 20, 2013
St. Louis, Missouri

CARMODY MACDONALD P.C.

/s/ Gregory D. Willard

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*Co-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	7.50	\$ 1,676.00
12059.1	HEARINGS	4.30	\$ 1,513.50
12059.8	CLAIMS ADMINISTRATION / REPORTING	1.10	\$ 401.50
12059.9	PLAN AND DISCLOSURE ISSUES	10.40	\$ 3,796.00
12059.13	GENERAL MOTIONS	15.10	\$ 5,364.50
12059.14	MEETING & COMMUNICATIONS WITH DEBTORS	3.20	\$ 1,014.00
12059.15	COMMITTEE MEETINGS / COMMUNICATIONS	9.40	\$ 3,109.00
12059.17	RETENTIONS / OTHER PROFESSIONAL APPLICATIONS	4.30	\$ 1,310.50
12059.18	CARMODY MACDONALD MONTHLY FEE STATEMENTS	0.70	\$ 206.50
12059.19	CARMODY MACDONALD FEE APPLICATIONS	0.30	\$ 88.50
	TOTAL	56.30	\$18,480.00

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	34.40	\$12,556.00
Angela L. Schisler	Corporate Restructuring & Bankruptcy Associate	2005	\$295.00	18.20	\$ 5,369.00
John G. Willard	Corporate Restructuring & Bankruptcy Paraprofessional	N/A	\$150.00	3.70	\$ 555.00
TOTAL				56.30	\$18,480.00

EXHIBIT C

Summary of Expenses

<u>Description</u>	<u>Amount</u>
Pro Hac Vice Filing Fee	\$100.00
TOTAL	\$100.00

EXHIBIT D

Expense Detail

Expenses

<u>Date</u>	<u>Description</u>	<u>Amount</u>
7/17/2013	Filing fee for Pro Hac Vice – Mr. S. Blank	\$100.00
	Total Costs:	<u>\$100.00</u>

EXHIBIT E

Time Detail

12059.0 Re: Case Administration

Date	Tmkpr	Narrative	Hours	Amount
7/10/2013	ALS	Telephone conferences with S. Blank regarding 2013 Q2 Committee Certifications; finalize and send 2013 Q2 Committee Certifications to L. Long.	0.30	\$ 88.50
7/11/2013	ALS	Send 1974 Fund's 2013 Q2 Committee Certifications to L. Long.	0.10	\$ 29.50
7/15/2013	ALS	Review updated docket, including US Trustee's objection to the Knighthood/Aurelius' fee request (.6); telephone conference with A. Amiot of Mesirow and S. Blank of Kramer Levin regarding next Interim Fee Application due date (.3); work on updated review of parties in interest and Carmody MacDonald's disinterestedness (.6).	1.50	\$ 442.50
7/16/2013	JGW	Compile necessary data and prepare Stephen Blank's Motion for Admission Pro Hac Vice.	1.20	\$ 180.00
7/16/2013	ALS	Work on S. Blank's Pro Hac Vice; telephone conference with S. Blank regarding same.	0.40	\$ 118.00
7/18/2013	ALS	Telephone conference with S. Blank regarding new fee guidelines implications on next interim application (.1); work on follow-up regarding same (.2).	0.30	\$ 88.50
7/22/2013	JGW	Prepare materials for July 23 hearing.	0.50	\$ 75.00
7/23/2013	JGW	Prepare final background materials for and attend hearing before U.S. Bankruptcy Judge Surratt-States on several matters.	2.00	\$ 300.00
7/23/2013	ALS	Attention to Interim Fee Application deadlines (.1); email correspondence with A. Amiot regarding same (.1); telephone conference with S. Blank regarding telephone conference issues and resolving same prior to next hearing (.2).	0.40	\$ 118.00
7/25/2013	ALS	Review the Internal Operating Procedures Manual of the BAP for 8th Circuit to determine whether oral arguments may be 'live' to Committee members.	0.40	\$ 118.00
7/30/2013	ALS	Follow-up with S. Blank regarding 8th Cir. Policies.	0.20	\$ 59.00
7/31/2013	ALS	Review and circulate Interim Application Filing Deadline to professionals.	0.20	\$ 59.00
Total Hours:			7.50	
Total Fees:				<u>\$ 1,676.00</u>

12059.1 Re: Hearings

Date	Tmkpr	Narrative	Hours	Amount
7/17/2013	GDW	Work on arrangements for next week's hearing and telephone conference with court clerk's office regarding same.	0.80	\$ 292.00
7/22/2013	ALS	Review agenda matters for hearing; review UCC proposed comments to reimbursement of fees to be stated at hearing.	0.30	\$ 88.50
7/23/2013	ALS	Participate in Omnibus Hearing before U.S. Bankruptcy Court.	0.50	\$ 147.50
7/23/2013	GDW	Final preparations for and attend hearings before Judge Surratt-States on several matters and follow-up on two action items from hearing and discussions at court.	2.70	\$ 985.50
			Total Hours:	<u>4.30</u>
			Total Fees:	<u>\$ 1,513.50</u>

12059.8 Re: Claims Administration/Reporting

Date	Tmkpr	Narrative	Hours	Amount
7/17/2013	GDW	Review comments on pending motion for reimbursement and revise draft pleading per same.	1.10	\$ 401.50
			Total Hours:	<u>1.10</u>
			Total Fees:	<u>\$ 401.50</u>

12059.9 Re: Plan and Disclosure Statement

Date	Tmkpr	Narrative	Hours	Amount
7/9/2013	GDW	Work on draft objection to back-stop fee proposal and prepare revision to same.	1.80	\$ 657.00
7/12/2013	GDW	Further analysis and work on issues related to Debtors' Expense Reimbursement Motion and possible structures and alternatives for resolution (1.4); further research regarding EDMo cases and orders (2.0).	3.40	\$ 1,241.00
7/15/2013	GDW	Telephone conference with Kramer Levin on issues relating to possible rights offering in plan of reorganization (.3); drafting and revisions to Conditional Objection with respect to rights offering reimbursement (3.4); review EDMo/8th Circuit precedent and U.S. Trustee objections and suggested areas of compromise (1.1); finalize draft of Conditional Objection (.4).	5.20	\$ 1,898.00
			Total Hours:	<u>10.40</u>
			Total Fees:	<u><u>\$ 3,796.00</u></u>

12059.13 Re: General Motions

Date	Tmkpr	Narrative	Hours	Amount
7/15/2013	ALS	Work on Conditional Objection to Payment of Knighthead's and Aurelius' Fees.	0.80	\$ 236.00
7/16/2013	GDW	Telephone conference with U.S. Trustee regarding pending motion issues.	0.20	\$ 73.00
7/16/2013	ALS	Work on conditional objection to reimbursement of Knighthead's and Aurelius' fees.	0.70	\$ 206.50
7/18/2013	ALS	Review Statement of UCC regarding payment of Knighthead's and Aurelius' fees.	0.60	\$ 177.00
7/18/2013	GDW	Review and analysis of various proposals, counterproposals, and issues regarding terms of possible settlement of pending motion and prepare comments on same.	3.10	\$ 1,131.50
7/19/2013	GDW	Work on various issues and possible resolutions of pending motion for stalking horse reimbursement (2.8); telephone conference with United States Trustee counsel regarding same (.2); telephone conference with Kramer Levin on two issues (.2); review additional issue lists and corresponding research and analysis per EDMo requirements and precedent, and correspondence regarding same(3.1).	6.30	\$ 2,299.50
7/22/2013	GDW	Work on preparations for hearings tomorrow before U.S. Bankruptcy Judge Surratt-States and drafting position statement of Creditors Committee on reimbursement motion (.9 a.m./1.4 p.m.).	2.30	\$ 839.50
7/30/2013	GDW	Research 8th Circuit precedent and rules on questions raised regarding 1113/1114 appeal oral argument.	1.10	\$ 401.50
			Total Hours:	<u>15.10</u>
			Total Fees:	<u>\$ 5,364.50</u>

12059.14 Re: Meetings and Communications with Debtors

Date	Tmkpr	Narrative	Hours	Amount
7/15/2013	ALS	Review and analysis of documents and projections for call (1.2); prepare for and participate in telephone conference with Debtors to provide an update to UCC of operations and case matters (1.0).	2.20	\$ 649.00
7/17/2013	GDW	Preparations for and attend telephone conference of the Official Unsecured Creditors Committee on several matters.	1.00	\$ 365.00
Total Hours:			<u>3.20</u>	
Total Fees:				<u><u>\$ 1,014.00</u></u>

12059.15 Re: Committee Meetings/Communications

Date	Tmkpr	Narrative	Hours	Amount
7/11/2013	ALS	Prepare for and participate in Professional's call.	0.40	\$ 118.00
7/15/2013	ALS	Prepare for and participate in telephone conference with Committee professionals (.5); prepare for and participate in telephone conference with Committee regarding Knighthead/Aurelius' fee request (.5).	1.00	\$ 295.00
7/15/2013	GDW	Preparation for and participate in Committee professionals call and then telephone conference of the Official Creditors Committee and the Debtors on several matters and follow-up regarding same.	2.30	\$ 839.50
7/16/2013	GDW	Preparations for and telephone conference with Committee professionals to work on possible resolution of Debtors' Expense Reimbursement Motion (.4); follow-up work on same and components per pending objection of United States Trustee (.7).	1.10	\$ 401.50
7/16/2013	ALS	Prepare for and participate in Professionals' telephone conference regarding reimbursement of Knighthead's and Aurelius' fees.	0.80	\$ 236.00
7/17/2013	ALS	Attention to committee correspondence regarding reimbursement of Knighthead's and Aurelius' fees; prepare for and participate in Committee telephone conference regarding same.	1.60	\$ 472.00
7/18/2013	ALS	Attention to Committee correspondence regarding reimbursement of Knighthead's and Aurelius' fees.	0.40	\$ 118.00
7/25/2013	ALS	Participate in Professionals' telephone conference and review documents referenced on call.	0.40	\$ 118.00
7/25/2013	GDW	Preparations for and telephone conference with Committee professionals to review and coordinate various matters (.4); follow-up work on procedural and scheduling questions for several items for Bankruptcy Court consideration (1.0).	1.40	\$ 511.00
Total Hours:			9.40	
Total Fees:				\$ 3,109.00

12059.17 Re: Retentions/Other Professional Fee Applications

Date	Tmkpr	Narrative	Hours	Amount
7/8/2013	GDW	Work on issues relating to Committee Financial Advisor interim applications and review of filings regarding same.	0.60	\$ 219.00
7/11/2013	ALS	Review updated list of parties in interests and work on review of disinterestedness.	0.40	\$ 118.00
7/23/2013	ALS	Finalize, file and coordinate service for the 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 June 1, 2013 through June 30, 2013.	0.30	\$ 88.50
7/23/2013	ALS	Work on update to Carmody MacDonald's Statement of Disinterestedness.	0.70	\$ 206.50
7/24/2013	ALS	Continue to work on Declaration of Disinterestedness.	1.10	\$ 324.50
7/25/2013	ALS	Finalize and file the Second Supplemental Declaration of Gregory D. Willard (.3); finalize and file the Monthly Fee Statement of Mesirow Financial Consulting, LLC, as financial advisors to the Official Committee of Unsecured Creditors for Services Rendered and Reimbursement of Expenses Incurred for the period of June 1, 2013 through June 30, 2013 (.3).	0.60	\$ 177.00
7/26/2013	ALS	Finalize and file Monthly Fee Statement of Kramer Levin Naftalis & Frankel LLP, as counsel to the Official Committee of Unsecured Creditors for Services Rendered and Reimbursement of Expenses Incurred for the period of June 1, 2013 through and including June 30, 2013.	0.30	\$ 88.50
7/29/2013	ALS	Finalize and file Fourth Supplemental Declaration of Adam Charles Rogoff in Support of the Application of the Official Committee of Unsecured Creditors for an Order Authorizing and Approving the Employment and Retention of Kramer Levin Naftalis & Frankel LLP as its Counsel.	0.30	\$ 88.50
Total Hours:			4.30	
Total Fees:				<u>\$ 1,310.50</u>

12059.18 Re: Carmody MacDonald Monthly Fee Statements

Date	Tmkpr	Narrative	Hours	Amount
7/18/2013	ALS	Work on Carmody MacDonald's June 2013 Monthly Fee Statement; circulate to Committee for review and comment.	0.70	\$ 206.50
			Total Hours:	<u>0.70</u>
			Total Fees:	<u>\$ 206.50</u>

12059.19 Re: Carmody MacDonald Fee Applications

Date	Tmkpr	Narrative	Hours	Amount
7/19/2013	ALS	Finalize and file Monthly Fee Statement of Carmody MacDonald P.C., as local counsel to the Official Committee of Unsecured Creditors for Services Rendered and Reimbursement of Expenses Incurred for the period of June 1, 2013 through and including June 30, 2013.	0.30	\$ 88.50
			Total Hours:	<u>0.30</u>
			Total Fees:	<u>\$ 88.50</u>