

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re

PATRIOT COAL CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 12-51502-659

(Jointly Administered)

Objection Deadline:

October 15, 2013 at 4:00 p.m.

(prevailing Central Time)

Hearing Date (if necessary):

October 22, 2013 at 10:00 a.m.

(prevailing Central Time)

Hearing Location:

Courtroom 7 North

**NOTICE AND APPLICATION OF THE DEBTORS FOR
AUTHORITY TO EMPLOY AND RETAIN OGLETREE, DEAKINS,
NASH, SMOAK & STEWART, P.C., AS SPECIAL COUNSEL FOR
THE DEBTORS NUNC PRO TUNC TO AUGUST 1, 2013**

PLEASE TAKE NOTICE THAT this application is scheduled for hearing on October 22, 2013, at 10:00 a.m. (prevailing Central Time), in Bankruptcy Courtroom Seventh Floor North, in the Thomas F. Eagleton U.S. Courthouse, 111 South Tenth Street, St. Louis, Missouri 63102.

WARNING: ANY RESPONSE OR OBJECTION TO THIS APPLICATION MUST BE FILED WITH THE COURT BY 4:00 P.M. (PREVAILING CENTRAL TIME) ON OCTOBER 15, 2013. A COPY MUST BE PROMPTLY SERVED UPON COUNSEL FOR THE DEBTORS. FAILURE TO FILE A TIMELY RESPONSE MAY RESULT IN THE COURT GRANTING THE RELIEF REQUESTED PRIOR TO THE HEARING DATE.

¹ The Debtors are the entities listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

**APPLICATION OF THE DEBTORS FOR AUTHORITY TO
EMPLOY AND RETAIN OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C., AS SPECIAL COUNSEL FOR THE
DEBTORS *NUNC PRO TUNC* TO AUGUST 1, 2013**

Patriot Coal Corporation (“**Patriot**”) and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the “**Debtors**”) respectfully show the Court as follows:

Relief Requested

1. By this application (the “**Application**”), the Debtors request the entry of an order (the “**Proposed Order**”) authorizing the Debtors, pursuant to sections 327(e) and 330 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 2014 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Eastern District of Missouri (the “**Local Bankruptcy Rules**”), to retain and employ Ogletree, Deakins, Nash, Smoak & Stewart, P.C. (“**Ogletree Deakins**”), *nunc pro tunc* to August 1, 2013 (the “**Effective Date**”) as special labor-relations counsel that will be required during these chapter 11 cases. The Debtors request that the Court approve the employment of Ogletree Deakins under the terms and conditions set forth in this Application, as more fully described in the Declaration of John R. Woodrum, a Shareholder of Ogletree Deakins, attached hereto as **Exhibit A** (the “**Declaration**”).

Background and Jurisdiction

2. On July 9, 2012 (the “**Petition Date**”), each Debtor commenced with the United States Bankruptcy Court for the Southern District of New York (the “**SDNY**”

Bankruptcy Court”) a voluntary case under chapter 11 of the Bankruptcy Code. On December 19, 2012, the SDNY Bankruptcy Court entered an order transferring the Debtors’ chapter 11 cases to this Court (the “**Transfer Order**”) [ECF No. 1789].² 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. These cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and the SDNY Bankruptcy Court’s Joint Administration Order entered on July 10, 2012 [ECF No. 30].

3. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the Declaration of Mark N. Schroeder pursuant to Local Bankruptcy Rule 1007-2 of the SDNY Bankruptcy Court, filed on July 9, 2012 [ECF No. 4], which is incorporated herein by reference.

4. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Qualifications of Ogletree Deakins

5. Ogletree Deakins is an international law firm with attorneys in more than 40 offices in major cities throughout the United States, the U.S. Virgin Islands, and Europe. Ogletree Deakins has extensive expertise and experience in both complex chapter 11 cases and labor-relations matters.

² Pursuant to the Transfer Order, all orders previously entered in these chapter 11 cases remain in full force and effect in accordance with their terms notwithstanding the transfer of venue.

6. Ogletree Deakins is well qualified to represent the Debtors as special labor-relations counsel in these chapter 11 cases. Ogletree Deakins has, for over several years, served as outside counsel to the Debtors with respect to certain labor matters. Since the Petition Date, Ogletree Deakins has, with the Court's approval, provided essential legal services to the Debtors as an ordinary course professional with respect to certain labor issues. In this role, Ogletree Deakins has been instrumental to the Debtors' needs. Ogletree Deakins' professionals have worked closely with the Debtors' management and, given both past and current representations, Ogletree Deakins is well-acquainted with, and has developed relevant experience and historical knowledge regarding, the Debtors' labor and employment matters with respect to the Debtors' union contracts. Ogletree Deakins will continue to provide effective, efficient, and critical services to the Debtors in these chapter 11 cases.

7. The Debtors submit that the employment of Ogletree Deakins is necessary, appropriate and in the best interests of the Debtors, their estates and their creditors under Bankruptcy Code sections 327(e) and 1107 and should therefore be approved.

Scope of Services

8. By this Application, the Debtors seek to employ and compensate Ogletree Deakins on an hourly basis to act as the Debtors' special labor-relations counsel in these chapter 11 cases. In particular, the Debtors anticipate that Ogletree Deakins will render, among others, the following professional services:

- a. prepare, on behalf of the Debtors, all necessary and appropriate motions, proposed orders, other pleadings, notices and other documents in connection with certain labor and employment matters, most notably,

negotiating the collective bargaining agreement (the “**Retained Matters**”);

- b. advise and assist the Debtors in connection with any settlements concerning the Retained Matters; and
- c. perform all other necessary or appropriate legal services in connection with the Retained Matters.

The Debtors require knowledgeable labor-relations counsel to provide these essential professional services.

9. Ogletree Deakins is authorized to advise the Debtors on the Retained Matters under the Order Authorizing the Debtors to Employ Ordinary Course Professionals, *Nunc Pro Tunc* to the Petition Date, entered by the SDNY Bankruptcy Court on August 2, 2012 (the “**OCP Order**”) [ECF No. 263]. Under the OCP Order, monthly fees for ordinary course professionals are capped at \$50,000 (the “**Monthly Cap**”), with any excess amounts requiring approval pursuant to the procedures set forth in the OCP Order. Furthermore, if payments to an ordinary course professional will exceed \$500,000 over the course of these chapter 11 cases (the “**Aggregate Cap**”), that professional must file a separate retention application under section 327 of the Bankruptcy Code.

10. Ogletree Deakins’ aggregate fees in these chapter 11 cases exceeded the Aggregate Cap during August 2013, roughly 13 months after the Petition Date. Specifically, during July and August 2013, Ogletree Deakins was involved in intensive negotiations of the collective bargaining agreements as issue in these cases, which caused them to exceed the Aggregate Cap slightly in August. Since the negotiations proceeded on an almost continuous basis, Ogletree Deakins was unable to prepare this Application and to conduct the requisite conflicts checks until the negotiations concluded. As soon thereafter

as practicable, Ogletree Deakins moved promptly to obtain approval to be retained as special labor-relations counsel, and the Debtors accordingly seek to retain Ogletree Deakins as special labor-relations counsel under section 327(e) of the Bankruptcy Code.

11. Ogletree Deakins has stated its desire and willingness to continue to act in these cases and provide the necessary services as special labor-relations counsel for the Debtors. As noted above, Ogletree Deakins has substantial expertise with respect to the Debtors' special labor-relations needs in connection with the Retained Matters. Accordingly, the Debtors believe that Ogletree Deakins is both well qualified and uniquely able to represent the Debtors' interests as special labor-relations counsel.

Compensation

12. As set forth in the Declaration, Ogletree Deakins intends to (a) charge for its legal services in connection with the Retained Matters on an hourly basis at rates that reflect a substantial negotiated discount from the rates that Ogletree Deakins customarily charges for work of this type and (b) seek reimbursement of actual, necessary and documented out-of-pocket expenses.³ The Debtors believe that these rates are reasonable. A list of the professionals currently expected to provide services to the Debtors and the current hourly rates for these professionals for 2013 is attached to the Declaration as ***Schedule 2***. Other attorneys may also provide services to the Debtors as well, depending on the legal issues facing the Debtors. Ogletree Deakins' negotiated discounted hourly

³ In connection with the preparation of this Application, including the Declaration, and the preparation and filing of all fee applications with the Court, Ogletree Deakins intends to seek (i) compensation for services rendered based upon the negotiated discounted hourly billing rates in effect at the time services were rendered and (ii) reimbursement of actual, necessary and documented out-of-pocket expenses.

billing rates may change from time to time in accordance with Ogletree Deakins' established billing practices and procedures. Ogletree Deakins will maintain detailed, contemporaneous records of time spent, as well as any actual, necessary and documented expenses incurred, in connection with the rendering of the legal services described above by category and nature of the services rendered.

13. From and after the Effective Date, Ogletree Deakins intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with the procedures set forth in the applicable provisions of section 330 of the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules. Ogletree Deakins has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with the chapter 11 cases, other than as permitted pursuant to section 504 of the Bankruptcy Code.

14. The Debtors understand that, in connection with the reimbursement of reasonable and necessary expenses, it is Ogletree Deakins' policy to charge its clients for certain expenses incurred in connection with providing certain client services, including travel, lodging, photocopying, postage, vendor charges, delivery service and other expenses incurred in providing professional services. Ogletree Deakins intends to seek reimbursement for expenses incurred in connection with the representation of the Debtors in accordance with Ogletree Deakins' policy, subject to modification as may be required by the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the fee and expense guidelines established by the United States Trustee (the "**United States Trustee Guidelines**") (collectively, the "**Fee Guidelines**"), the Order to Establish Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals entered

on August 2, 2012 [ECF No. 262], and any other applicable orders of this Court. Ogletree Deakins understands that interim and final fee awards are subject to approval by this Court. The Debtors believe that the aforementioned fees and expense reimbursement policy are fair and reasonable in light of (a) industry practice, (b) market rates charged for comparable services both in and out of the chapter 11 context and (c) Ogletree Deakins' experience with respect to these services.

Ogletree Deakins' Connections

15. To the best of the Debtors' knowledge, information and belief, other than in connection with these chapter 11 cases and in prior representations of the Debtors, Ogletree Deakins does not represent or hold any interest adverse to the Debtors or to the estates with respect to the Retained Matters on which Ogletree Deakins is to be employed;⁴ Ogletree Deakins does not have any connection with, and has not represented in the past, the United States Trustee for the Eastern District of Missouri, or any person employed by the Office of the United States Trustee for the Eastern District of Missouri; and is not connected with the Honorable Kathy A. Surratt-States approving this Application. Ogletree Deakins does not have any connection with the Debtors' creditors, any other party in interest, or its respective attorneys and accountants, except as set forth below:

- a. Ogletree Deakins has approximately 650 attorneys and many other employees. It is possible that certain Ogletree Deakins attorneys or employees hold interests in mutual funds or other investment vehicles that may own the Debtors' securities;

⁴ Ogletree Deakins has waived a pre-petition claim for pre-petition services rendered in the amount of \$26,212.68.

- b. From time to time, Ogletree Deakins has referred matters to some of the Debtors' professionals to be retained in these chapter 11 cases. Likewise, certain of the Debtors' professionals have referred matters to Ogletree Deakins; and
- c. From time to time, Ogletree Deakins likely has represented, and likely will continue to represent, certain creditors of the Debtors and other parties actually or potentially adverse to the Debtors in matters unrelated to the Debtors or these cases. Ogletree Deakins has undertaken a detailed search to determine whether it represents or has represented any significant creditors, equity security holders, insiders or other parties in interest in such unrelated matters, and all such known representations within the last three (3) years are described in Attachment 1, attached to the Declaration. Due to the breadth of Ogletree Deakins' client base, the firm is not subject to undue influence of any single client.

16. Ogletree Deakins performed the following actions to determine whether Ogletree Deakins or any of its attorneys has any connections with, has in the past represented, or is currently representing potential parties in interest in these cases:

- a. A list of interested parties (the "**Interested Parties**") was created by the Debtors and provided to Ogletree Deakins;
- b. Ogletree Deakins compared each of the Interested Parties to the names that Ogletree Deakins maintains in its master client database created from its conflict clearance and billing records. Ogletree Deakins' client database includes: (i) the name of each current or former client; (ii) the names of any entities materially related to, or materially adverse to, such current or former client; (iii) the names of the Ogletree Deakins attorneys responsible for such current or former clients; (iv) the status of the matter as either "active" or "inactive"; and (v) the dates on which the matter was opened and/or closed and the date the last time entry was entered; and
- c. Any matches between the Interested Parties and the entities in Ogletree Deakins' client database were identified, reviewed by an attorney and compiled for purposes of the Declaration. To the extent that Ogletree Deakins currently represents, or has represented within the last three (3) years, any of the Interested Parties, the identities of such entities are set forth in Attachment 1, attached to the Declaration. In determining whether a client is presently represented by Ogletree Deakins, Ogletree Deakins attorneys relied on the

existence of an “active” notation on the report to reflect current representation. With respect to matters showing as “inactive”, Ogletree Deakins relied on the “close date” to determine whether the representation occurred within the past three (3) years and/or the date the last time entry was entered. If an “inactive” matter opened prior to August 1, 2010 showed no “close date” and no time entered within the past three years, Ogletree Deakins assumed for purposes of this disclosure that the matter was inactive during the past three years and did not include the client on Attachment 1 attached to the Declaration. If an “inactive” matter opened on or after August 1, 2010, but showed no “close date,” the client is included on Attachment 1, attached to the Declaration.

17. Ogletree Deakins conducted its conflict searched before the Debtors filed petitions for Brody Mining, LLC and Patriot Ventures LLC (the “New Debtors”) on September 23, 2013. Ogletree Deakins will supplement this Application with information pertinent to the creditors and other parties in those cases.

18. In addition to the forthcoming supplemental application as to the New Debtors, the Debtors have been informed that Ogletree Deakins intends to conduct an ongoing review of matters it is handling to ensure that no disqualifying circumstances have arisen, and, if any new facts or relationships that Ogletree Deakins believes should be disclosed to this Court and the parties in interest in these cases are discovered, Ogletree Deakins will file a supplemental disclosure with the Court and serve such supplemental disclosure on the U.S. Trustee. If any new material, relevant facts or relationships are discovered between review periods, Ogletree Deakins will promptly file a supplemental disclosure with the Court and serve such supplemental disclosure on the U.S. Trustee.

19. Based upon the foregoing, to the best of the Debtors’ knowledge, information, and belief, Ogletree Deakins represents no interest or holds any interest adverse to the Debtors or their estates with respect to the Retained Matters on which

Ogletree Deakins is to be employed consistent with Section 327(e) of the Bankruptcy Code. Accordingly, the Debtors believe that Ogletree Deakins should be engaged as special labor-relations counsel in these chapter 11 cases.

Basis for Relief Requested

20. Section 327(e) of the Bankruptcy Code provides that a debtor in possession may, with the court's approval, employ special counsel that does not hold any interest adverse to the debtor or its estate with respect to the matters upon which Ogletree Deakins is to be employed.

21. Ogletree Deakins' services are necessary to the successful functioning of these chapter 11 cases. Based upon both its extensive experience and expertise, and its prior representation of the Debtors, Ogletree Deakins is both well-qualified and uniquely able to represent the Debtors with respect to its critical labor-relations needs in an efficient, cost-effective, and timely manner. Accordingly, the Debtors submit that the retention of Ogletree Deakins is in the best interests of the Debtors, their estates, and their creditors and should be approved by the Court.

Notice

22. Consistent with the Order Establishing Certain Notice, Case Management and Administrative Procedures [ECF No. 3361] (the "**Case Management Order**"), the Debtors will serve notice of this Application on the Core Parties. All parties who have requested electronic notice of filings in these cases through the Court's ECF system will automatically receive notice of this Application through the ECF system no later than the

day after its filing with the Court. A copy of this Application and any order approving it will also be made available on the Debtors' Case Information Website (located at www.patriotcaseinfo.com).

23. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice of this Application is necessary or required.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

Dated: St. Louis, Missouri
September 30, 2013

Respectfully submitted,

BRYAN CAVE LLP

/s/ Laura Uberti Hughes

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-and-

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Counsel to the Debtors

Schedule 1
(Debtor Entities)

1. Affinity Mining Company
2. Apogee Coal Company, LLC
3. Appalachia Mine Services, LLC
4. Beaver Dam Coal Company, LLC
5. Big Eagle, LLC
6. Big Eagle Rail, LLC
7. Black Stallion Coal Company, LLC
8. Black Walnut Coal Company
9. Bluegrass Mine Services, LLC
10. Brook Trout Coal, LLC
11. Catenary Coal Company, LLC
12. Central States Coal Reserves of Kentucky, LLC
13. Charles Coal Company, LLC
14. Cleaton Coal Company
15. Coal Clean LLC
16. Coal Properties, LLC
17. Coal Reserve Holding Limited Liability Company No. 2
18. Colony Bay Coal Company
19. Cook Mountain Coal Company, LLC
20. Corydon Resources LLC
21. Coventry Mining Services, LLC
22. Coyote Coal Company LLC
23. Cub Branch Coal Company LLC
24. Dakota LLC
25. Day LLC
26. Dixon Mining Company, LLC
27. Dodge Hill Holding JV, LLC
28. Dodge Hill Mining Company, LLC
29. Dodge Hill of Kentucky, LLC
30. EACC Camps, Inc.
31. Eastern Associated Coal, LLC
32. Eastern Coal Company, LLC
33. Eastern Royalty, LLC
34. Emerald Processing, L.L.C.
35. Gateway Eagle Coal Company, LLC
36. Grand Eagle Mining, LLC
37. Heritage Coal Company LLC
38. Highland Mining Company, LLC
39. Hillside Mining Company
40. Hobet Mining, LLC
41. Indian Hill Company LLC
42. Infinity Coal Sales, LLC
43. Interior Holdings, LLC
44. IO Coal LLC
45. Jarrell's Branch Coal Company
46. Jupiter Holdings LLC
47. Kanawha Eagle Coal, LLC
48. Kanawha River Ventures I, LLC
49. Kanawha River Ventures II, LLC
50. Kanawha River Ventures III, LLC
51. KE Ventures, LLC
52. Little Creek LLC
53. Logan Fork Coal Company
54. Magnum Coal Company LLC
55. Magnum Coal Sales LLC
56. Martinka Coal Company, LLC
57. Midland Trail Energy LLC
58. Midwest Coal Resources II, LLC
59. Mountain View Coal Company, LLC
60. New Trout Coal Holdings II, LLC
61. Newtown Energy, Inc.
62. North Page Coal Corp.
63. Ohio County Coal Company, LLC
64. Panther LLC
65. Patriot Beaver Dam Holdings, LLC
66. Patriot Coal Company, L.P.
67. Patriot Coal Corporation
68. Patriot Coal Sales LLC
69. Patriot Coal Services LLC
70. Patriot Leasing Company LLC
71. Patriot Midwest Holdings, LLC
72. Patriot Reserve Holdings, LLC
73. Patriot Trading LLC
74. PCX Enterprises, Inc.
75. Pine Ridge Coal Company, LLC
76. Pond Creek Land Resources, LLC
77. Pond Fork Processing LLC
78. Remington Holdings LLC
79. Remington II LLC
80. Remington LLC
81. Rivers Edge Mining, Inc.
82. Robin Land Company, LLC
83. Sentry Mining, LLC
84. Snowberry Land Company
85. Speed Mining LLC
86. Sterling Smokeless Coal Company, LLC
87. TC Sales Company, LLC
88. The Presidents Energy Company LLC
89. Thunderhill Coal LLC
90. Trout Coal Holdings, LLC
91. Union County Coal Co., LLC
92. Viper LLC
93. Weatherby Processing LLC
94. Wildcat Energy LLC
95. Wildcat, LLC
96. Will Scarlet Properties LLC
97. Winchester LLC
98. Winifrede Dock Limited Liability Company
99. Yankeetown Dock, LLC
100. Brody Mining, LLC
101. Patriot Ventures LLC

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

| | | |
|----------------------------------|---|-------------------------------|
| In re: |) | Chapter 11 |
| |) | Case No. 4:12-bk-51502 |
| PATRIOT COAL CORPORATION, |) | Jointly Administered |
| <i>et al.,</i> |) | |
| |) | |
| Debtors.* |) | |
| <hr/> |) | |

DECLARATION OF JOHN R. WOODRUM

I, John R. Woodrum, hereby state and declare as follows:

1. I am an attorney and shareholder in the law firm of Ogletree, Deakins, Nash, Smoak, & Stewart, P.C. (“Ogletree Deakins”). Our firm maintains offices for the practice of law at 1909 K Street NW, Suite 1000, Washington, D.C., in more than 40 other locations in the United States, the U.S. Virgin Islands, and Europe. I am familiar with the matters set forth herein and make this Declaration pursuant to Section 329(a) of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2014(a) and 2016(b) in support of the Application for Authority to Employ Ogletree, Deakins, Nash, Smoak, & Stewart, P.C., as Special Counsel for the Debtors (the “Application”).

2. Ogletree Deakins is authorized to advise the Debtors on the Retained Matters under the Order Authorizing the Debtors to Employ Ordinary Course Professionals, *Nunc Pro Tunc* to the Petition Date, entered by the SDNY Bankruptcy Court on August 2, 2012 (the “OCP

* The Debtors are the entities listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ Chapter 11 petitions.

Order”) [ECF No. 263]. Under the OCP Order, monthly fees for ordinary course professionals are capped at \$50,000 (the “Monthly Cap”), with any excess amounts requiring approval pursuant to the procedures set forth in the OCP Order. Furthermore, if payments to an ordinary course professional will exceed \$500,000 over the course of these chapter 11 cases (the “Aggregate Cap”), that professional must file a separate retention application under section 327 of the Bankruptcy Code.

3. Ogletree Deakins’ aggregate fees in these chapter 11 cases exceeded the Aggregate Cap during August 2013.

4. After the Court's May 29, 2013 Order approving Debtors' 1113 Motion to modify their collective bargaining agreements, the companies entered into negotiations with the UMWA in a concerted effort to obtain a negotiated contract with the Union for the 13 labor agreements that were subject to the Order. The Declarant was retained to assist Debtors complete this task, which began in mid-June, and extended through the end of August. The negotiations, which occurred on a continuous basis in St. Louis, Washington, D.C., and Charleston, W.Va., were far more complex and protracted than the parties had initially expected. Negotiations and related preparation and drafting of final contracts effectively required all of the Declarant's time during this period, which resulted in the cap being exceeded by a small amount in August. Ogletree Deakins desires and is willing to continue to act in these cases and provide the necessary services as special labor-relations counsel for the Debtors.

5. The Debtors have agreed to engage Ogletree Deakins under a general retainer arrangement. I expect that substantially all of Ogletree Deakins’ services will be provided by persons in the firm’s Washington, D.C. office or by me.

6. Hourly rates for Ogletree Deakins' professionals based in Washington D.C., which are subject to adjustment from time to time, presently are as follows:

Shareholders and Counsel: \$350 to \$650 per hour

Associates: \$250 to \$365 per hour

Legal Assistants: \$165 to \$175 per hour

7. It is the policy of Ogletree Deakins to charge its clients for certain expenses incurred in connection with performing services. Expenses charged to clients include, among other things, facsimile charges, bulk and express mail charges, messengers, photocopying, computerized research, travel expenses, filing fees, and other third-party disbursements. Ogletree Deakins expects to charge for these expenses in a manner and at rates consistent with charges made generally to other clients or as allowed by this Court.

8. As of the Petition Date, Ogletree Deakins was owed \$26,212.68 by the Debtors for attorneys' fees and expenses. Ogletree Deakins has waived this amount in connection with its retention as special labor-relations counsel. Accordingly, Ogletree Deakins is not a creditor of the Debtor.

9. In support of the Application, I disclose the following:

(a) Unless otherwise stated, this Declaration is based upon facts of which I have personal knowledge.

(b) The facts stated in this Declaration as to the relationship between lawyers in our firm and the Debtors, the Debtors' creditors, other parties in interest, the United States Trustee, and persons employed by the Office of the United States Trustee are stated to the best of my knowledge, information, and belief and are based on the results of the searches and inquiries described in the following paragraphs.

(c) In preparing this Declaration, I have caused to be conducted a search of our firm's conflict-check system in respect of a list provided to me by the Debtors of the Debtors; their affiliates; their directors and officers; the directors' affiliations; five percent and greater shareholders and beneficial owners; significant business partners; attorneys, professionals, and financial advisors; significant financial institutions (other than ordinary-course banking relationships); significant equipment lessors; significant landlords and lessors; unions; letter-of-credit and surety-bond providers and beneficiaries; significant taxing authorities; regulatory agencies; parties to significant litigation; significant suppliers, shippers, warehousemen, customers, and vendors; the 50 largest unsecured creditors and the members of the Official Committee of Unsecured Creditors; utilities; indenture trustees; professionals representing any of the foregoing in relation to the Debtors' cases; and other parties that have entered their appearances in these cases.

(d) I also have caused to be disseminated a written request for information to all of the attorneys in our firm regarding connections to the Debtors, the Bankruptcy Judges in this District, the United States Trustee, and persons employed by the Office of the United States Trustee.

10. Ogletree Deakins' conflict-check system is comprised of records regularly maintained in the ordinary course of business of the firm, and it is the regular practice of the firm to make and maintain these records. It reflects entries that are noted in the system at the time the information becomes known by persons whose regular duties include recording and maintaining this information. I regularly use and rely upon the information contained in the system in the performance of my duties with the law firm and in my practice of law.

11. The searches and request for information described above revealed the following connections:

(a) Peabody Energy Corporation (“Peabody”) is the Debtors’ former parent company. Ogletree Deakins represents Peabody and certain of its affiliates on matters unrelated to the Debtors. Ogletree Deakins provided advice with respect to limited aspects of the transaction in which Peabody spun off the Debtors, including labor issues and certain retiree health care liabilities. Ogletree Deakins is not involved with any dispute between the Debtors and Peabody relating to these or any other matters or disputes between Peabody and Debtors.

(b) Ogletree Deakins provided labor advice to Arch Coal in the course of its sale of certain Arch subsidiaries to Magnum Coal Company, which was subsequently acquired by Patriot, and which is a debtor in this action. Ogletree Deakins is not involved in any dispute between the Debtors and Arch relating to these or any other matters or disputes between Arch and Debtors.

(c) Other connections are summarized on **Attachment 1**. None of the current or past engagements reflected on that attachment is related to the Debtors.

(d) Attorneys associated with Ogletree Deakins or their family members (i) may have mortgages, consumer loans, or other banking relationships with the Debtors’ creditors; and (ii) may own debt or equity securities issued by creditors of the Debtors in amounts that are not material from the issuer’s perspective.

(e) As part of its practice, Ogletree Deakins appears in cases, proceedings, and transactions involving many different attorneys, accountants, financial consultants, and investment bankers, some of which now or may in the future represent the Debtors, creditors, or parties in interest in these cases.

12. Because of the size of this case and the possibility of trading in claims and equity interests, Ogletree Deakins may represent other entities that have a connection with the Debtors but were not disclosed to Ogletree Deakins or uncovered in my investigation. However, my review indicates that Ogletree Deakins does not represent any such entity in connection with this case.

13. Ogletree Deakins submits that none of the foregoing representations or connections constitutes Ogletree Deakins' holding or representing an interest adverse to the Debtors or their estates.

14. Neither I nor Ogletree Deakins will represent any entity in connection with this case, except the Debtors, unless otherwise authorized by the Court.

15. To the best of my knowledge, information, and belief, neither Ogletree Deakins nor any attorney associated with Ogletree Deakins:

(a) is a creditor, an equity security holder, or an insider of the Debtors;

(b) is or has been, within two years before the filing of these cases, a director, officer, or employee of the Debtors; or

(c) has an interest materially adverse to the interests of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in the Debtors, or for any other reason.

16. Except with respect to services provided by Ogletree Deakins as an ordinary-course professional on or before August 1, 2013, the professional fees and costs incurred by Ogletree Deakins in the course of its representation of the Debtors in these cases will be subject in all respects to the application and notice requirements of Sections 327, 330, and 331 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2014 and 2016.

17. There is no agreement of any nature as to the sharing of any compensation to be paid to Ogletree Deakins, other than sharing among the shareholders and regular associates of Ogletree Deakins. No promises have been received by Ogletree Deakins nor any shareholder or regular associate thereof as to compensation in connection with these cases, other than in accordance with the provisions of the Bankruptcy Code.

18. I am not related to, and to the best of my knowledge no other attorney associated with Ogletree Deakins is a relative of, any Bankruptcy Judge in this District, the United States Trustee, or any person employed by the Office of the United States Trustee.

19. Except as disclosed above, I do not believe that there is any other connection (as such term is used in Federal Rule of Bankruptcy Procedure 2014(a)) between Ogletree Deakins and the Debtors, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed by the Office of the United States Trustee.

I declare under penalty of perjury that the foregoing is true and correct. Executed on
September 27, 2013.

John R. Woodrum

SCHEDULE 1

Debtors

1. Affinity Mining Company
2. Apogee Coal Company, LLC
3. Appalachia Mine Services, LLC
4. Beaver Dam Coal Company, LLC
5. Big Eagle, LLC
6. Big Eagle Rail, LLC
7. Black Stallion Coal Company, LLC
8. Black Walnut Coal Company
9. Bluegrass Mine Services, LLC
10. Brook Trout Coal, LLC
11. Catenary Coal Company, LLC
12. Central States Coal Reserves of Kentucky, LLC
13. Charles Coal Company, LLC
14. Cleaton Coal Company
15. Coal Clean LLC
16. Coal Properties, LLC
17. Coal Reserve Holding Limited Liability Company
No. 2
18. Colony Bay Coal Company
19. Cook Mountain Coal Company, LLC
20. Corydon Resources LLC
21. Coventry Mining Services, LLC
22. Coyote Coal Company LLC
23. Cub Branch Coal Company LLC
24. Dakota LLC
25. Day LLC
26. Dixon Mining Company, LLC
27. Dodge Hill Holding JV, LLC
28. Dodge Hill Mining Company, LLC
29. Dodge Hill of Kentucky, LLC
30. EACC Camps, Inc.
31. Eastern Associated Coal, LLC
32. Eastern Coal Company, LLC
33. Eastern Royalty, LLC
34. Emerald Processing, L.L.C.
35. Gateway Eagle Coal Company, LLC
36. Grand Eagle Mining, LLC
37. Heritage Coal Company LLC
38. Highland Mining Company, LLC
39. Hillside Mining Company
40. Hobet Mining, LLC
41. Indian Hill Company LLC
42. Infinity Coal Sales, LLC
43. Interior Holdings, LLC
44. IO Coal LLC
45. Jarrell's Branch Coal Company
46. Jupiter Holdings LLC
47. Kanawha Eagle Coal, LLC
48. Kanawha River Ventures I, LLC
49. Kanawha River Ventures II, LLC
50. Kanawha River Ventures III, LLC
51. KE Ventures, LLC
52. Little Creek LLC
53. Logan Fork Coal Company
54. Magnum Coal Company LLC
55. Magnum Coal Sales LLC
56. Martinka Coal Company, LLC
57. Midland Trail Energy LLC
58. Midwest Coal Resources II, LLC
59. Mountain View Coal Company, LLC
60. New Trout Coal Holdings II, LLC
61. Newtown Energy, Inc.
62. North Page Coal Corp.
63. Ohio County Coal Company, LLC
64. Panther LLC
65. Patriot Beaver Dam Holdings, LLC
66. Patriot Coal Company, L.P.
67. Patriot Coal Corporation
68. Patriot Coal Sales LLC
69. Patriot Coal Services LLC
70. Patriot Leasing Company LLC
71. Patriot Midwest Holdings, LLC
72. Patriot Reserve Holdings, LLC
73. Patriot Trading LLC
74. PCX Enterprises, Inc.
75. Pine Ridge Coal Company, LLC
76. Pond Creek Land Resources, LLC
77. Pond Fork Processing LLC
78. Remington Holdings LLC
79. Remington II LLC
80. Remington LLC
81. Rivers Edge Mining, Inc.
82. Robin Land Company, LLC
83. Sentry Mining, LLC
84. Snowberry Land Company
85. Speed Mining LLC
86. Sterling Smokeless Coal Company, LLC
87. TC Sales Company, LLC
88. The Presidents Energy Company LLC
89. Thunderhill Coal LLC
90. Trout Coal Holdings, LLC
91. Union County Coal Co., LLC
92. Viper LLC
93. Weatherby Processing LLC
94. Wildcat Energy LLC
95. Wildcat, LLC
96. Will Scarlet Properties LLC
97. Winchester LLC
98. Winifrede Dock Limited Liability Company
99. Yankeetown Dock, LLC
100. Brody Mining LLC
101. Patriot Ventures LLC

ATTACHMENT 1

Other Connections

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|--------------------------------|--------------------------------|--|--|
| Buffalo Wild Wings | Affiliate of Directors | X | |
| CenterPoint Energy | Affiliate of Directors | X | |
| Healthcare Service Corporation | Affiliate of Directors | X | |
| Magnum Coal Company, LLC | Affiliate of Directors | X | |
| Patriot Coal Company | Subsidiary | X | |
| Rivers Edge Mining | Subsidiary | X | |
| Tecumseh Coal Corporation | Subsidiary | X | |
| Vanguard Group | Shareholder/Beneficial Owner | X | |
| Bank of America | Professional; Secured Creditor | X | |
| Barclays Capital Inc. | Professional | X | |
| Blue Cross Blue Shield | Professional | X | |
| Bryan Cave | Professional | X | |
| Buchanan Ingersoll & Rooney | Professional | X | |
| CH2M Hill | Professional | X | |
| Citibank/Citigroup | Professional | X | |
| Computershare | Professional | X | |
| CenturyTel/Tele-Max, Inc. | Professional | X | |
| CH2M Hill Engineers | Professional | X | |
| Georgeson, Inc. | Professional | X | |
| KPMG LLP | Professional | X | |
| Mercer | Professional | X | |
| Merrill Lynch | Professional | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|---|---|---|---|
| Milliman | Professional | X | |
| Mesirow Financial | Professional | X | |
| PNC Capital Markets | Professional | X | |
| Sandberg Phoenix & Von Gontard | Professional | X | |
| Santander Investment Securities | Professional | X | |
| SNR Denton | Professional | X | |
| Summit Strategies Group | Professional | X | |
| The Blackstone Group | Professional | X | |
| UBS Investment Bank | Professional | X | |
| Veritas Consulting | Professional | X | |
| Zenon Environmental Corp d/b/a/ GE Water | Professional | X | |
| Caterpillar Financial Services Group; Caterpillar Global Mining | Financial Institution; Secured Creditor; Unsecured Creditor | X | |
| Comerica | Financial Institution | X | |
| AmerCable Incorporated | Equipment Lessor | X | |
| Bank of the West | Equipment Lessor, Secured Creditor | X | |
| CapitalSource Bank | Equipment Lessor | X | |
| FlagStar Bank | Equipment Lessor | X | |
| General Electric Capital | Equipment Lessor, Secured Creditor; Unsecured Creditor | X | |
| Komatsu Financial Limited Partnership | Equipment Lessor; Secured Creditor | X | |
| Macquarie Corporate and Asset Funding | Equipment Lessor | X | |
| Siemens Financial Services, Inc. | Equipment Lessor; Secured Creditor | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|---|----------------------------------|---|---|
| Alcoa Fuels | Landlord | X | |
| BGK Integrated TIC Management LLC | Landlord | X | |
| Hoover | Landlord | X | |
| Southern Land Company | Landlord | X | |
| WPP LLC | Landlord | X | |
| Peabody Energy | Surety Bond Provider | X | |
| Ace American Insurance Company | Surety Issuer | X | |
| Aspen Speciality Insurance Company | Surety Issuer | X | |
| Chubb Group of Insurance Companies | Surety Issuer | X | |
| Continental Casualty Company | Surety Issuer | X | |
| Fireman's Insurance Company of Newark, New Jersey | Surety Issuer | X | |
| HCC Surety Group | Surety Issuer | X | |
| Indemnity National Insurance Company | Surety Issuer | X | |
| Liberty | Surety Issuer | X | |
| Rockwood | Surety Issuer | X | |
| U.S. Speciality | Surety Issuer | X | |
| Western Surety Company | Surety Issuer | X | |
| National Union Fire Insurance | Letters of Credit Beneficiary | X | |
| National Fire Insurance | Letters of Credit Beneficiary | X | |
| Old Republic Insurance | Letters of Credit Beneficiary | X | |
| Travelers | Letters of Credit Beneficiary | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|------------------------------------|---------------------------------|---|---|
| Alpha Natural Resources | Party to Litigation | X | |
| Arch Coal | Party to Litigation | X | |
| ArcLight Capital Partners | Party to Litigation | X | |
| Massey Energy Company | Party to Litigation | X | |
| Occidental Petroleum Corporation | Party to Litigation | X | |
| Peabody Coal | Party to Litigation | X | |
| Tampa Electric Company | Party to Litigation | X | |
| American Electric Power | Supplier | X | |
| Bayer CropScience LP | Supplier | X | |
| Brody Mining | Supplier | X | |
| Caremark | Supplier | X | |
| Drummond Coal Sales | Supplier | X | |
| DTE Energy | Supplier | X | |
| Duke Energy | Supplier | X | |
| Eastman Kodak | Supplier | X | |
| Gerdau Acominas SA | Supplier | X | |
| Gulf Power Company | Supplier | X | |
| IBM | Supplier; Unsecured Creditor | X | |
| Phillips Machine Services | Supplier | X | |
| Progress Energy Carolina | Supplier | X | |
| Selah Corp. | Supplier | X | |
| Sandvik Mining and Construction | Supplier | X | |
| Southern Company | Supplier | X | |
| SunCoke Energy | Supplier | X | |
| ThyssenKrupp CSA Siderurgica | Supplier | X | |
| Vanguard Group | Supplier | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|---------------------------------------|--------------------|---|---|
| Webster Trucking | Supplier | X | |
| Marsh USA | Insurer | X | |
| AIG | Underwriter | X | |
| Allied World Assurance Company | Underwriter | X | |
| Aspen Speciality Insurance Company | Underwriter | X | |
| Axis | Underwriter | X | |
| Berkley | Underwriter | X | |
| Chubb | Underwriter | X | |
| Hartford | Underwriter | X | |
| Hiscox | Underwriter | X | |
| Ironshore | Underwriter | X | |
| RSUI | Underwriter | X | |
| XL | Underwriter | X | |
| Zurich | Underwriter | X | |
| AFCO | Unsecured Creditor | X | |
| American Electric Power | Unsecured Creditor | X | |
| American Freedom Innovations | Unsecured Creditor | X | |
| Phillips 66 Receiveable | Unsecured Creditor | X | |
| Powell Construction Co. | Unsecured Creditor | X | |
| SGS North America | Unsecured Creditor | X | |
| US Bank NA | Unsecured Creditor | X | |
| AT&T | Utility | X | |
| Dish Network | Utility | X | |
| Republic Services, Inc. | Utility | X | |
| Suddenlink | Utility | X | |
| Time Warner Cable | Utility | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|--|--|---|---|
| Tangoe, Inc. | Utility | X | |
| Verizon | Utility | X | |
| Waste Management of WV | Utility | X | |
| Windstream | Utility | X | |
| Gulf Coast Capital Partners | Committee of Unsecured Creditors | X | |
| Willkie Farr & Gallagher | Professional Representing DIP Lender | X | |
| Bridgestone Americas Tire Operations LLC | Notice of Appearance Party | X | |
| Deutsche Bank | Notice of Appearance Party | X | |
| Hanson Aggregates Davon, LLC | Notice of Appearance Party | X | |
| Iron Mountain Information Management | Notice of Appearance Party | X | |
| Illinois Union Insurance Company | Notice of Appearance Party | X | |
| Microsoft Corporation | Notice of Appearance Party | X | |
| Morgan Stanley & Co. | Notice of Appearance Party | X | |
| Ohio Valley Coal Company | Notice of Appearance Party | X | |
| Oracle America Inc. | Notice of Appearance Party | X | |
| Performance Coal Company | Notice of Appearance Party | X | |
| Union Pacific Railroad Company | Notice of Appearance Party | X | |
| Westchester Surplus Lines Insurance Company | Notice of Appearance Party | X | |
| Aramark Uniform Services | Rejection Party | X | |
| Cintas Corporation | Rejection Party | X | |

| <u>Interested Party</u> | <u>Role</u> | <u>Current Client / Affiliate of Client</u> | <u>Former Client / Affiliate of Former Client</u> |
|-------------------------------------|-------------------------------|---|---|
| Xerox | Rejection Party | X | |
| Tire Centers LLC | Rejection Party | X | |
| CWS Company | 503 (b) (9) Party | X | |
| Arnold & Porter LLC | Professional | | X |
| Dinsmore & Shohl LLP | Professional | | X |
| Ernst & Young | Professional | | X |
| Kirkland & Ellis | Professional | | X |
| Smith Moore Leatherwood | Professional | | X |
| Raymond James Bank | Financial Institution | | X |
| Federal Insurance | Surety Issuer | | X |
| Constellation Energy Commodities | Supplier | | X |
| Jennmar Corporation | Supplier | | X |
| Kentucky Utilities | Supplier | | X |
| Magnum Coal Company | Supplier | | X |
| Penn Virginia Resource Partners | Supplier | | X |
| PPL Energy Plus/ PPL Generation | Supplier | | X |
| U.S. Steel | Supplier | | X |
| AON Risk. | Broker | | X |
| Chartis | Underwriter | | X |
| West Virginia American Water Co. | Utility | | X |
| Hughes Supply | Notice of Appearance Party | | X |
| Lewis-Goetz & Company | Rejection Party | | X |