

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)

Re: ECF Nos. 1995, 4994

**ORDER AUTHORIZING DEBTORS TO (i) ASSUME OR (ii) REJECT UNEXPIRED
LEASE OF NONRESIDENTIAL REAL PROPERTY**

Upon the motion (the “**Motion**”)² of Patriot Coal Corporation and its subsidiaries that are Debtors and Debtors in Possession in these proceedings (collectively, the “**Debtors**”) for entry of an order pursuant to Section 365 of the Bankruptcy Code and Bankruptcy Rule 6006 authorizing them to (i) assume certain of their unexpired leases of nonresidential real property and (ii) reject certain of their unexpired leases of nonresidential real property [ECF No. 1995], including a certain lease between Debtor Panther LLC and Payne-Gallatin Company (“**Payne-Gallatin**”) dated October 15, 1976 (as thereafter amended or modified, the “**Panther Lease**”), as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the requested relief being a core proceeding the Court can determine pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the Case Management Order (as may be amended); and it appearing that no other or further notice need be

¹ The Debtors are the entities listed on Schedule 1 attached to the Motion, along with Brody Mining, LLC and Patriot Ventures LLC. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ Chapter 11 petitions.

² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Motion.

provided; and the Court having reviewed the Motion and having held a hearing with appearances of parties in interest noted on the record thereof (the “**Hearing**”); and the Court having issued an order granting the Motion and overruling the objection to the Motion of Payne-Gallatin entered on November 14, 2013 [ECF No. 4994] (the “**Lease Interpretation Order**”); and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the relief requested in the Motion is granted as set forth herein; and it is further

ORDERED that the Debtors are authorized to assume the Panther Lease, and the Panther Lease is deemed assumed, pursuant to Section 365 of the Bankruptcy Code, effective as of the date of entry of this Order; and it is further

ORDERED that the Debtors’ right to assign the Panther Lease pursuant to Section 365(f) of the Bankruptcy Code is expressly preserved, and the Debtors may assign the Panther Lease in the future notwithstanding any provision of the Panther Lease that prohibits, restricts or conditions the assignment of the Panther Lease; *provided* that the conditions of Section 365(f)(2)(B) of the Bankruptcy Code are satisfied; and it is further

ORDERED that the amount to be paid to cure all prepetition defaults under the Panther Lease pursuant to Section 365(b) of the Bankruptcy Code shall be \$184,311.97 (the “**Cure Amount**”); *provided*, that (i) Payne-Gallatin’s right to appeal the Lease Interpretation Order and (ii) the Debtors’ defenses with respect to any such appeal shall each be preserved; and it is further

ORDERED that Panther shall pay the Cure Amount to Payne-Gallatin within 10 days of entry of this Order; and it is further

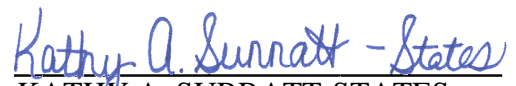
ORDERED that, upon payment of the Cure Amount, pursuant to the terms of the Panther Lease, there shall be no defaults that preclude assumption under the Panther Lease, and the Debtors shall have been deemed to have satisfied all of their obligations under Section 365(b)(1) of the Bankruptcy Code with respect to the Panther Lease; *provided*, that (i) Payne-Gallatin's right to appeal the Lease Interpretation Order and (ii) the Debtors' defenses with respect to any such appeal shall each be preserved; and it is further

ORDERED that, upon payment of the Cure Amount, Payne-Gallatin shall be forever barred and enjoined from asserting against the Debtors any claims for cure costs under Section 365 of the Bankruptcy Code other than the Cure Amount; *provided*, that (i) Payne-Gallatin's right to appeal the Lease Interpretation Order and (ii) the Debtors' defenses with respect to any such appeal shall each be preserved; and it is further

ORDERED that the Debtors are authorized to take all such actions as are necessary or appropriate to implement the terms of this Order; and it is further

ORDERED that proper, timely, adequate and sufficient notice of the Motion has been provided in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court for the Eastern District of Missouri, and no other or further notice of the Motion or the entry of this Order shall be required; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.


KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: December 5, 2013
St. Louis, Missouri
jjh

Order prepared by:

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