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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**NOTICE OF STIPULATION BETWEEN THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS AND THE PRE-
PETITION AGENT EXTENDING THE CHALLENGE PERIOD**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On August 3, 2012, the Court entered the *Final Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e), and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. § 363 and (II) Granting Adequate Protection to Pre-Petition Secured Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364* [Docket No. 275] (the “**Final DIP Order**”).¹

2. As set forth in paragraph 19 of the Final DIP Order, the “Challenge Deadline” is ninety days from the entry of the Final DIP Order, or November 1, 2012.

3. On October 16, 2012, the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors and debtors-in-possession in these Chapter 11 cases and Bank of America, N.A. as administrative agent for the Pre-Petition Credit Agreement Lenders (the “**Pre-Petition Agent**”) entered into that certain *Stipulation Between the Official Committee of Unsecured Creditors and the Pre-Petition Agent Extending the Challenge Period* (the “**Extension Stipulation**”), a copy of which is attached hereto as **Exhibit “A”**.

¹ Capitalized terms not otherwise defined herein shall be given the meanings ascribed to them in the Final DIP Order.

4. Subject to and qualified by the terms of the Extension Stipulation, the Pre-Petition Agent has agreed to an extension of the Challenge Deadline for the Committee only, to and through December 3, 2012.

Dated: October 16, 2012
New York, New York

COLE, SCHOTZ, MEISEL, FORMAN &
LEONARD, P.A., *Conflicts Counsel to the Official
Committee of Unsecured Creditors of Patriot Coal
Corporation, et al.*

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EXHIBIT A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**STIPULATION BETWEEN THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS AND THE PRE-PETITION AGENT
EXTENDING THE CHALLENGE PERIOD**

The Official Committee of Unsecured Creditors (the “**Committee**”) appointed in the above-captioned Chapter 11 cases pursuant to Section 1102 of the Bankruptcy Code, and Bank of America, N.A. as administrative agent for the Pre-Petition Credit Agreement Lenders¹ (the “**Pre-Petition Agent**”)², by and through their undersigned counsel, hereby agree and stipulate as follows:

WHEREAS, on July 9, 2012, each of the above-captioned Debtors (the “**Debtors**”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “**Bankruptcy Code**”);

WHEREAS, the Debtors are continuing in possession of their property as debtors in possession pursuant to sections 1107 and 1108 the Bankruptcy Code;

WHEREAS, on July 18, 2012, the Office of the United States Trustee appointed the Committee;

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Final DIP Order (as defined herein).

² Pursuant to the Final DIP Order and the Second Out DIP Credit Agreement, (i) the Pre-Petition Credit Agreement was deemed amended and restated in its entirety and replaced by the Second Out DIP Credit Agreement, (ii) the Pre-Petition Credit Agreement Lenders were deemed to be the Second Out DIP Lenders, and (iii) Bank of America, N.A. became the Second Out DIP Agent.

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WHEREAS, on August 3, 2012, the Court entered the *Final Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e), and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. § 363 and (II) Granting Adequate Protection to Pre-Petition Secured Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364* [Docket No. 275] (the “**Final DIP Order**”);

WHEREAS, as set forth in paragraph 19 of the Final DIP Order, the Challenge Deadline is November 1, 2012;

WHEREAS, the Committee has requested, and the Pre-Petition Agent has agreed, to extend the Committee’s Challenge Deadline to and through December 3, 2012, subject to the terms and conditions set forth below.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the Committee and the Pre-Petition Agent as follows:

1. Each of the recitals above is incorporated herein by reference.
2. The Challenge Deadline is hereby extended, for the Committee only, to and through December 3, 2012, which may be further extended only to such later date (x) as may be agreed to, in writing, by the Pre-Petition Agent in its sole discretion, or (y) as may be ordered by the Court; provided, however, that for the avoidance of doubt, and subject to the first proviso of paragraph 6(g) of the Final DIP Order, nothing in this Stipulation is intended to, nor shall it, extend the Challenge Deadline with respect to (i) any parties other than the Pre-Petition Agent, the Pre-Petition Lenders or their respective affiliates, representatives, attorneys or advisors or (ii) any claims or liens other than the claims and liens held by the Pre-Petition Agent and Pre-Petition Credit Agreement Lenders in their capacities as such.

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3. To the extent the Committee seeks to obtain information, documents or other discovery in connection with its investigation of matters described in paragraph 19 of the DIP Order prior to the Challenge Deadline (“Investigation Discovery”), the Committee (i) shall use reasonable good faith efforts to obtain such Investigation Discovery from the Debtors prior to seeking such Investigation Discovery from the Pre-Petition Agent; and (ii) shall not seek Investigation Discovery from any Pre-Petition Credit Agreement Lender (other than the Pre-Petition Agent acting in that capacity).

4. The terms of the Final DIP Order shall remain in full force and effect except as specifically modified hereby.

5. This Stipulation may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

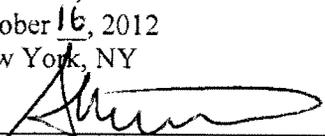
6. This Stipulation may not be changed, amended, modified, or altered except by written agreement signed by each of the parties.

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7. This Court shall retain jurisdiction to enforce the terms of this Stipulation and adjudicate any disputes that arise under or in connection with this Stipulation, or any matter related thereto.

SO STIPULATED AND AGREED

Dated: October 16, 2012
New York, NY



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Pre-Petition Agent