

**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)**
)

**FIRST INTERIM APPLICATION OF BLACKSTONE ADVISORY PARTNERS L.P.
AS FINANCIAL ADVISOR TO THE DEBTORS FOR INTERIM ALLOWANCE OF
COMPENSATION FOR ACTUAL AND NECESSARY SERVICES RENDERED AND
REIMBURSEMENT OF ACTUAL AND NECESSARY OUT-OF-POCKET EXPENSES
INCURRED FOR THE PERIOD OF JULY 9, 2012 THROUGH SEPTEMBER 30, 2012**

SUMMARY SHEET

Name of Applicant:	Blackstone Advisory Partners L.P.
Authorized to Provide Professional Services to:	Debtors
Date of Retention:	July 19, 2012 <i>nunc pro tunc</i> to July 9, 2012
Period for which Compensation and Reimbursement is Sought:	July 9, 2012 through September 30, 2012
Total Amount of Compensation Sought as Actual, Reasonable, and Necessary, During these Cases:	\$4,489,838.71
Total Amount of Expenses Sought as Actual, Reasonable, and Necessary, During these Cases:	\$14,367.97
Cash Payment Sought:	\$4,451,706.68

The total time expended for the preparation of this application was 3 hours and the corresponding compensation requested is \$0.00.

This is a ___ monthly ___x___ interim ___ final application

Summary of Blackstone's Monthly Applications:

Period Covered	Fees	Expenses	Status
07/09/12 – 07/31/12	\$129,838.71	\$4,048.68	Pending
08/01/12 – 08/31/12	\$175,000.00	\$10,300.29	Pending
09/01/12 – 09/30/12	\$175,000.00	\$19.00	Pending

**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)**
)

**FIRST INTERIM APPLICATION OF BLACKSTONE ADVISORY PARTNERS L.P.
AS FINANCIAL ADVISOR TO THE DEBTORS FOR INTERIM ALLOWANCE OF
COMPENSATION FOR ACTUAL AND NECESSARY SERVICES RENDERED AND
REIMBURSEMENT OF ACTUAL AND NECESSARY OUT-OF-POCKET EXPENSES
INCURRED FOR THE PERIOD OF JULY 9, 2012 THROUGH SEPTEMBER 30, 2012**

Blackstone Advisory Partners L.P. ("Blackstone"), financial advisor to the above captioned debtors and debtors-in-possession (the "Debtors"), respectfully represents:

I. Background

1. On July 9, 2012 (the "Petition Date"), 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.*, as amended (the "Bankruptcy Code"). The Debtors are operating their businesses and managing their property as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On July 19, 2012, the Debtors applied to this Court for an order [Docket No. 132] authorizing the retention and employment of Blackstone *nunc pro tunc* to the Petition Date pursuant to the terms of an engagement agreement between the Blackstone and the Debtors dated June 22, 2012 (the "Engagement Agreement"). A copy of the Engagement Agreement is attached hereto as Appendix A.

3. On August 2, 2012, this Court entered an order (the "Procedures Order") [Docket No. 262] establishing procedures for interim compensation and reimbursement of expenses for professionals.

4. On September 5, 2012, this Court entered an order (the "Retention Order") [Docket No. 523] pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014(a), and Local Rule 2014-1 authorizing the employment and retention of Blackstone as financial advisor to the Debtors *nunc pro tunc* to the Petition Date. A copy of the Retention Order is attached here to as Appendix B.

5. This is the first interim fee application (the "First Interim Application") of Blackstone for interim allowance of (i) compensation for services rendered during the period of July 9, 2012 through September 30, 2012 (the "First Interim Period"); (ii) Blackstone's DIP Financing Fee (as herein defined); and (iii) the reimbursement of out-of-pocket expenses recognized during the First Interim Period.

II. The Blackstone Engagement

6. Blackstone was retained by the Debtors as financial advisor to provide the following financial advisory services:

- (a) Assist in the evaluation of the Debtors' businesses and prospects;
- (b) Assist in the development of the Debtors' long-term business plan and related financial projections;
- (c) Assist in the development of financial data and presentations to the Debtors' Board of Directors, various creditors and other third parties;
- (d) Analyze the Debtors' financial liquidity and evaluate alternatives to improve such liquidity;
- (e) Analyze various restructuring scenarios and the potential impact of these scenarios on recoveries of those stakeholders impacted by the Restructuring;
- (f) Provide strategic advice with regard to restructuring or refinancing the Obligations;
- (g) Evaluate the Debtors' debt capacity and alternative capital structures;
- (h) Participate in negotiations among the Debtors and its creditors, suppliers, lessors and other interested parties;

- (i) Value securities to be offered by the Debtors in connection with a Restructuring;
- (j) Advise the Debtors and negotiate with lenders with respect to potential waivers or amendments of various credit facilities;
- (k) Assist in arranging debtor-in-possession (“DIP”) financing for the Debtors, as requested;
- (l) Provide expert witness testimony concerning any of the subjects encompassed by the other financial advisory services; and
- (m) Provide such other advisory services as are customarily provided in connection with the analysis and negotiation of a Restructuring, as requested and mutually agreed.

7. Pursuant to the terms of the Engagement Agreement, as approved by the Retention Order, Blackstone is entitled to be compensated for its services under the Engagement Agreement, as approved by the Retention Order, as follows:¹

- (a) A monthly advisory fee (the “Monthly Fee”) in the amount of \$175,000.00 in cash, with the first Monthly Fee payable upon the execution of the Engagement Agreement by both parties and additional installments of such Monthly Fee payable in advance on each monthly anniversary of the effective date of Blackstone’s engagement for the Debtors;
- (b) A DIP financing fee (the “DIP Financing Fee”) of 0.5% of the total facility size of any DIP financing arranged by Blackstone, payable upon funding of such a facility;
- (c) An equity financing fee (the “Equity Raise Fee”) of 4.0% of total gross proceeds received from any equity financing arranged by Blackstone during the term of the Engagement Agreement, payable upon consummation;
- (d) An additional fee (the “Restructuring Fee”) equal to \$6,500,000.00, payable in cash, upon the consummation of the Restructuring; provided, however, that 50% of any Equity Raise Fee shall be credited against the Restructuring Fee.
- (e) Reimbursement of all actual, reasonable and documented out-of-pocket expenses incurred during this engagement, including, but not limited to, travel and lodging, direct identifiable data processing, document production, publishing services and communication charges, courier services, working meals, reasonable fees and expenses of Blackstone’s counsel (not to exceed \$75,000.00 except (i) as provided in the Indemnification Agreement and/or (ii) in the event that, as a result of or in connection with Blackstone’s engagement for the Debtors, Blackstone becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial) and other necessary expenditures, payable

¹ This description of Blackstone’s compensation structure is for summary and illustrative purposes only. The terms of the Engagement Agreement and the Retention Order shall apply to any such compensation awarded to Blackstone.

upon rendition of invoices setting forth in reasonable detail the nature and amount of such expenses. In connection therewith the Debtors shall pay Blackstone on the effective date of the engagement and maintain thereafter a \$25,000.00 expense advance for which Blackstone shall account upon termination of the Engagement Agreement.

III. Services Provided by Blackstone during the First Interim Period

- (a) Testifying in support of the Debtors' DIP financing;
- (b) Creating financial analyses to assist in the Debtors' contract and other settlement renegotiations;
- (c) Preparing presentations to various constituencies, including the DIP arrangers and Unsecured Creditors Committee, to keep them informed of developments in the Debtors' business and the bankruptcy case;
- (d) Helping the Debtors and counsel analyze assets and liabilities by legal entity;
- (e) Assisting the Debtors in the preparation and updating of its financial forecasts;
- (f) Preparing materials to present to the Debtors' Board of Directors and advising on strategic matters;
- (g) Assisting potential DIP lenders in their due diligence;
- (h) Assisting in syndicating the DIP financing;
- (i) Reviewing various motions filed with the bankruptcy court; and
- (j) Fielding incoming inquiries from third-parties interested in the Debtors' business and assets.

IV. The Blackstone Team

8. The financial advisory services set forth above were performed primarily by: Timothy Coleman, Senior Managing Director; Paul Huffard, Senior Managing Director; Mark Buschmann, Managing Director; Adam Schlesinger, Associate; Eli Silverman², Associate, Zach Mitschrich, Analyst; Vik Chawla, Analyst; and other professionals of Blackstone, as needed. Details of the background and experience of the professionals are provided in Appendix C.

² Mr. Silverman is currently no longer employed at Blackstone.

V. Blackstone's Request for Compensation and Reimbursement of Expenses

A. Blackstone's Pre-Petition Assignment

9. Prior to the Petition Date, Blackstone was retained by the Debtors to represent them in their restructuring and reorganization efforts (the "Pre-Petition Assignment"). In connection with the Pre-Petition Assignment, the Debtors paid Blackstone a sum total of \$353,745.07 for services rendered and out-of-pocket expenses incurred on behalf of the Debtors for the period of May 18, 2012 through July 17, 2012.

10. Of the \$353,745.07 Blackstone received during the Pre-Petition Assignment, Blackstone earned pre-petition monthly advisory fees totaling \$297,500.00 for 52 calendar days covering the period of May 18, 2012 through July 8, 2012, and was reimbursed for \$3,745.07 of pre-petition out-of-pocket expenses incurred during the Pre-Petition Assignment. After crediting the earned pre-petition fees and reimbursable out-of-pocket expenses from the total amount of pre-payments received prior to the Petition Date, Blackstone was holding a net unearned payment of ("Unearned Payment") in the amount of \$52,500.00. Accordingly, Blackstone will apply the Unearned Payment towards post-petition amounts being requested in this Statement.

11. In addition to receiving \$353,745.07 for services rendered and out-of-pocket expenses incurred in connection with the Pre-Petition Assignment, Blackstone also received a \$25,000.00 expense deposit (the "Expense Deposit"). With respect to the Expense Deposit, Blackstone has identified \$37,809.88 of unbilled pre-petition expenses as of the date of this Statement and has credited the Expense Deposit in its entirety against said amount of unbilled pre-petition expenses.

. Blackstone's Request for Allowance of Monthly Fees

12. During the First Interim Period, Blackstone provided professional financial advisory services to the Debtors and earned fees for such services totaling \$479,838.71. Blackstone

respectfully submits that the compensation sought in this First Interim Application for services rendered by Blackstone to the Debtors during the First Interim Period is fully justified and reasonable based upon (a) the time and labor required, (b) the complexity of the issues presented, (c) the skill necessary to perform the financial advisory services properly, (d) the preclusion of other employment, (e) the customary fees charged to clients in non-bankruptcy situations for similar services rendered, (f) time constraints required by the exigencies of the case and (g) the experience, reputation and ability of the professionals rendering services.

13. Blackstone respectfully submits that the services it has rendered to the Debtors have been necessary and have furthered the goals of all parties in interest. The effort expended by Blackstone in representing the Debtors, the complexity of the issues and the difficulty in negotiating these cases has been substantial.

14. Blackstone respectfully submits that under all of the criteria normally examined in chapter 11 reorganization cases, the compensation requested by Blackstone is reasonable in light of the work performed by Blackstone in these cases.

B. Blackstone's Request for Allowance of DIP Financing Fee

15. In addition to the monthly fees earned, Blackstone has earned a financing fee (the "DIP Financing Fee") in the amount of \$4,010,000.00 for the arrangement of DIP financing to the Debtors.

C. Blackstone's Request for Reimbursement of Out-Of-Pocket Expenses Recognized

16. In connection with the services rendered during the First Interim Period, Blackstone has recognized actual and necessary out-of-pocket expenses in the amount of \$14,367.97. Additional out-of-pocket expenses that Blackstone has incurred but not yet processed due to timing will be submitted at a later date.

17. Out-of-pocket expenses incurred by Blackstone are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such particular client. Blackstone does not factor general overhead expenses into disbursements charged to its clients in connection with chapter 11 cases. Blackstone has followed its general internal policies with respect to out-of-pocket expenses billed as set forth below, with any exceptions specifically explained:

- (a) All airfare charges billed are based on coach rates.
- (b) With respect to local travel, Blackstone's general policy enables employees to travel by taxi or, in certain circumstances private car service, to and from meetings while rendering services to a client on a client related matter, for which the client is charged. Further, and primarily for safety reasons, employees are permitted to charge to a client the cost of transportation home if an employee is required to work past 9:00 p.m. on client specific matters.
- (c) Blackstone's general policy permits its professionals to charge in-office dinner meals to a client who have worked 3 hours beyond their regularly scheduled workday if the employee is required to provide services to the client during such dinnertime.
- (d) The Document Production category of expenses includes charges from outside service companies that provide, for a fee, high volume photocopying services on an expedited basis to Blackstone, and charges for internal photocopying services provided by Blackstone. Blackstone bills internal Document Production charges at the rate of \$0.10 per page for black and white photocopies, and \$0.25 per page for color photocopies. However, and for purposes of these cases, Blackstone will bill the Debtors at a rate of \$0.20 per page for color photocopies in accordance with Administrative Order M-389(E)(2).
- (e) The Publishing Services category of expenses includes charges for the production of text-based publications such as memoranda and presentations, and printing and binding services.
- (f) The External Research category of expenses includes charges from outside computer/electronic service companies that supply, for a fee, research and/or financial documents to Blackstone. The services provided by these companies primarily consist of the retrieval of financial documents from regulatory agencies and/or the retrieval of research that would not otherwise be available to Blackstone. The Internal Research category of expenses are the charges for time spent by Blackstone research staff in operating the computer/electronic terminals related to these computer/electronic service companies.

- (g) Blackstone bills outgoing long-distance facsimile charges at a rate of \$1.25 per page. Blackstone does not bill local or incoming facsimile charges to clients.

18. Blackstone respectfully submits that the out-of-pocket expenses recognized during the First Interim Period for which Blackstone seeks reimbursement were necessary and reasonable both in scope and amount. Invoices detailing the out-of-pocket expenses recognized during the First Interim Period are provided in Appendix D.

19. A summary of all fees earned and out-of-pocket expenses recognized during the First Interim Period is outlined in the chart below:

<u>Monthly Period</u>	<u>Fees</u>	<u>Holdbacks @ 20%³</u>	<u>Out-Of- Pocket Expenses</u>	<u>Amount Due</u>
July 9 – 31, 2012 ⁴	\$129,838.71	\$-	\$4,048.68	\$133,887.39
August 1 – 31, 2012	175,000.00	-	10,300.29	185,300.29
September 1 – 30, 2012	175,000.00	-	19.00	175,019.00
DIP Financing Fee	4,010,000.00	-	-	4,010,000.00
Subtotal	4,489,838.71	-	14,367.97	4,504,206.68
Less: Unearned Payment	--	-	-	(52,500.00)
Total	<u>\$4,489,838.71</u>	<u>\$--</u>	<u>\$14,367.97</u>	<u>\$4,451,706.68</u>

20. The amount of the fees and out-of-pocket expenses sought in this First Interim Application and Blackstone's billing processes are consistent with market practices both in and out of a bankruptcy context. Blackstone has never billed its clients based on the number of hours expended by its professionals. Blackstone has, however, maintained contemporaneous time records in one-half hour increments. Time records of the 2,243.0 hours expended by Blackstone

³ No holdbacks shown since no payments have been received in connection with the invoiced Monthly Fees.

⁴ Monthly Fee calculated as follows: 23 days divided by 31 days, multiplied by \$175,000.00.

professionals in providing financial advisory services to the Debtors during the First Interim Period are provided in Appendix E by professional.

21. A summary of the hours expended by Blackstone professional's during the First Interim Period in providing financial advisory services to the Debtors is outlined below:

Summary of Hours Expended during The First Interim Period				
Professional	July 9 – 31, 2012	August 2012	September 2012	Total Hours
Timothy Coleman	8.0	-	-	8.0
Paul Huffard	58.5	60.0	89.0	207.5
Mark Buschmann	94.5	102.0	123.5	320.0
Adam Schlesinger	157.0	203.5	163.5	524.0
Eli Silverman	240.0	167.0	0.0	407.0
Zach Mitschrich	20.0	332.0	270.5	622.5
Vik Chawla	154.0	0.0	0.0	154.0
Total(s)	732.0	864.5	646.5	2,243.0

22. All services provided by Blackstone for which compensation is requested were performed for and on behalf of the Debtors after the filing of these cases and were not rendered on behalf of any other person.

23. There is currently no agreement or understanding between Blackstone and any other person for the sharing of compensation received or to be received for services rendered in connection with these proceedings.

VI. Requested Relief

WHEREFORE, Blackstone requests the Court to:

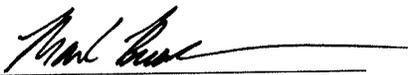
- (a) Allow and approve (i) Blackstone's Monthly Fees in the amount of \$479,838.71; (ii) Blackstone's DIP Financing Fee in the amount of \$4,010,000.00, and (ii) the reimbursement of Blackstone's out-of-pocket expenses in the amount of \$14,367.97;
- (b) Authorize and direct payment to Blackstone for its unpaid Monthly Fees and out-of-pocket expenses for the First Interim Period, as follows:

Monthly Fees	\$479,838.71
Out-Of-Pocket Expenses	14,367.97
DIP Financing Fee	4,010,000.00
Less: Payments Received	<u>(52,500.00)</u>
Amount Due Blackstone	<u>\$4,451,706.68</u>

- (c) Grant such other and further relief as this Court deems just and proper.

Dated: November 8, 2012

Blackstone Advisory Partners L.P.
Financial Advisor to Debtors

By: 
Mark Buschmann
Managing Director
345 Park Avenue
New York, NY 10154

**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)**
)

**CERTIFICATION UNDER GUIDELINES FOR FEES AND
OUT-OF-POCKET EXPENSES FOR PROFESSIONALS IN RESPECT OF
FIRST APPLICATION OF BLACKSTONE ADVISORY PARTNERS L.P. FOR INTERIM
COMPENSATION AND REIMBURSEMENT OF OUT-OF POCKET EXPENSES**

I, Mark Buschmann, hereby certify that:

1. I am a Managing Director with the applicant firm, Blackstone Advisory Partners L.P. (“Blackstone”).

2. In accordance with the guidelines established by the Office of the United States Trustee (the “UST Guidelines”), the Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (the “Fee and Disbursement Guidelines”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on November 25, 2009 (together with the Fee and Disbursement Guidelines, the “Local Guidelines”), and the *Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 137] (the “Administrative Order,” and together with the UST Guidelines, the Fee and Disbursement Guidelines and the Local Guidelines, the “Guidelines”), this certification is made with respect to Blackstone’s first interim application, dated November 8, 2012 (the “First Interim Application”), for interim compensation and reimbursement of expenses for the period of July 9, 2012 through September 30, 2012 (the “First Interim Period”).

3. In respect of section B.1 of the Local Guidelines, I certify that:

- (a) I have read the Application;
- (b) To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines;
- (c) The fees and out-of-pocket expenses sought are customarily charged by Blackstone and generally accepted by Blackstone's clients; and
- (d) In providing a reimbursable service, Blackstone does not make a profit on that service, whether the service is performed by Blackstone in-house or through a third party.

4. In accordance with section B.2 of the Local Guidelines and as required by the Administrative Order, I certify that the Debtors, the Office of the United States Trustee for Region 2, and the Official Committee of Unsecured Creditors appointed in these cases are each being provided with a statement of Blackstone's fees and out-of-pocket expenses.

5. In respect of section B.3 of the Local Guidelines, I certify that the Debtors, the Office of the United States Trustee for Region 2, and counsel for the Official Committee of Unsecured Creditors are each being provided with a copy of the First Interim Application.

By: 
Mark Buschmann
Managing Director

APPENDIX A

The  Blackstone Group

June 22, 2012

Mr. Mark Schroeder
Senior Vice President - Chief Financial Officer
Patriot Coal Corporation
12312 Olive Boulevard
St. Louis, MO 63141

Dear Mr. Schroeder:

This letter confirms the understanding and agreement (the "Agreement") between Blackstone Advisory Partners L.P. ("Blackstone") and Patriot Coal Corporation (together with any affiliates and subsidiaries, the "Company") regarding the retention of Blackstone on an exclusive basis by the Company effective as of May 18, 2012 (the "Effective Date") as its financial advisor for the purposes set forth herein.

Under this Agreement, Blackstone will provide financial advisory services to the Company in connection with a possible restructuring of certain liabilities of the Company (a "Restructuring") and will assist the Company in analyzing, structuring, negotiating and effecting a Restructuring, pursuant to the terms and conditions of this Agreement. As used in this Agreement, the term Restructuring shall mean, collectively, any restructuring, reorganization (whether or not pursuant to Chapter 11 of the United States Bankruptcy Code) and/or recapitalization of the Company affecting existing or potential debt obligations or other claims, including, without limitation, senior debt, junior debt, trade claims and general unsecured claims (collectively, the "Obligations").

The financial advisory services to be rendered by Blackstone will include the following:

- (a) Assist in the evaluation of the Company's businesses and prospects;
- (b) Assist in the development of the Company's long-term business plan and related financial projections;
- (c) Assist in the development of financial data and presentations to the Company's Board of Directors, various creditors and other third parties;
- (d) Analyze the Company's financial liquidity and evaluate alternatives to improve such liquidity;

The Blackstone Group® L.P.
345 Park Avenue
New York, NY 10154
212 583 5000

- (e) Analyze various restructuring scenarios and the potential impact of these scenarios on the recoveries of those stakeholders impacted by the Restructuring;
- (f) Provide strategic advice with regard to restructuring or refinancing the Obligations;
- (g) Evaluate the Company's debt capacity and alternative capital structures;
- (h) Participate in negotiations among the Company and its creditors, suppliers, lessors and other interested parties;
- (i) Value securities to be offered by the Company in connection with a Restructuring;
- (j) Advise the Company and negotiate with lenders with respect to potential waivers or amendments of various credit facilities;
- (k) Assist in arranging debtor-in-possession ("DIP") financing for the Company, as requested;
- (l) Provide expert witness testimony concerning any of the subjects encompassed by the other financial advisory services; and
- (m) Provide such other advisory services as are customarily provided in connection with the analysis and negotiation of a Restructuring, as requested and mutually agreed.

Notwithstanding anything contained in this Agreement to the contrary, Blackstone shall have no responsibility for designing or implementing any initiatives to improve the Company's operations, profitability, or cash management. Blackstone makes no representations or warranties about the Company's ability to (i) successfully improve its operations, (ii) maintain or secure sufficient liquidity to operate its business, or (iii) successfully complete a Restructuring. Blackstone is retained under this Agreement solely to provide advice regarding a Restructuring, and is not being retained to provide "crisis management."

The Company will pay the following fees to Blackstone for its financial advisory services:

- (i) a monthly advisory fee (the "Monthly Fee") in the amount of \$175,000 in cash, with the first Monthly Fee payable upon the execution of this Agreement by both parties and additional installments of such Monthly Fee payable in advance on each monthly anniversary of the Effective Date;
- (ii) a DIP financing fee (the "DIP Financing Fee") of 0.5% of the total facility size of any DIP financing arranged by Blackstone, payable upon funding of such a facility;
- (iii) an equity financing fee (the "Equity Raise Fee") of 4.0% of total gross proceeds received from any equity financing arranged by Blackstone during the term of this Agreement, payable upon consummation;

- (iv) an additional fee (the “Restructuring Fee”) equal to \$6,500,000, payable in cash, upon the consummation of the Restructuring; provided, however, that 50% of any Equity Raise Fee shall be credited against the Restructuring Fee. Except as otherwise provided herein, a Restructuring shall be deemed to have been consummated upon (a) the binding execution and effectiveness of all necessary waivers, consents, amendments or restructuring agreements between the Company and its creditors involving the compromise of the face amount of the Obligations or the conversion of all or substantially all of the Obligations into alternative securities, including equity, in the case of an out-of-court restructuring; or b) the execution, confirmation, consummation and effectiveness of a Plan of Reorganization pursuant to an order of the Bankruptcy Court, in the case of an in-court restructuring; and
- (v) reimbursement of all actual, reasonable and documented out-of-pocket expenses incurred during this engagement, including, but not limited to, travel and lodging, direct identifiable data processing, document production, publishing services and communication charges, courier services, working meals, reasonable fees and expenses of Blackstone’s counsel (not to exceed \$75,000 except (i) as provided in the Indemnification Agreement (as defined below) and/or (ii) in the event that, as a result of or in connection with Blackstone’s engagement for the Company, Blackstone becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial) and other necessary expenditures, payable upon rendition of invoices setting forth in reasonable detail the nature and amount of such expenses. In connection therewith the Company shall pay Blackstone on the Effective Date and maintain thereafter a \$25,000 expense advance for which Blackstone shall account upon termination of this Agreement.

In the event that the Company is or becomes a debtor under Chapter 11 of the Bankruptcy Code, the Company shall use its best efforts to promptly apply to the bankruptcy court having jurisdiction over the Chapter 11 case or cases (the “Bankruptcy Court”) for the approval pursuant to sections 327 and 328 of the Bankruptcy Code of (A) this Agreement, including the attached indemnification agreement, and (B) Blackstone’s retention by the Company under the terms of this Agreement and subject to the standard of review provided in section 328(a) of the Bankruptcy Code and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply Blackstone with a draft of such application and any proposed order authorizing Blackstone’s retention sufficiently in advance of the filing of such application and proposed order to enable Blackstone to review and comment thereon. Blackstone shall have no obligation to provide any services under this Agreement in the event that the Company becomes a debtor under the Bankruptcy Code unless Blackstone’s retention under the terms of this Agreement is approved under section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or

petition for certiorari, and which order is reasonably acceptable to Blackstone in all respects. Blackstone acknowledges that in the event that the Bankruptcy Court approves its retention by the Company, Blackstone's fees and expenses shall be subject to the jurisdiction and approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders. In the event that the Company becomes a debtor under the Bankruptcy Code and Blackstone's engagement hereunder is approved by the Bankruptcy Court, the Company shall pay all fees and expenses of Blackstone hereunder as promptly as practicable in accordance with the terms hereof. Prior to commencing a Chapter 11 case, the Company shall pay all invoiced amounts to Blackstone in immediately available funds by wire transfer.

With respect to Blackstone's retention under sections 327 and 328 of the Bankruptcy Code, the Company acknowledges and agrees that Blackstone's restructuring expertise as well as its capital markets knowledge, financing skills and mergers and acquisitions capabilities, some or all of which may be required by the Company during the term of Blackstone's engagement hereunder, were important factors in determining the amount of the various fees set forth herein, and that the ultimate benefit to the Company of Blackstone's services hereunder could not be measured merely by reference to the number of hours to be expended by Blackstone's professionals in the performance of such services. The Company also acknowledges and agrees that the various fees set forth herein have been agreed upon by the parties in anticipation that a substantial commitment of professional time and effort will be required of Blackstone and its professionals hereunder over the life of the engagement, and in light of the fact that such commitment may foreclose other opportunities for Blackstone and that the actual time and commitment required of Blackstone and its professionals to perform its services hereunder may vary substantially from week to week or month to month, creating "peak load" issues for the firm. In addition, given the numerous issues which Blackstone may be required to address in the performance of its services hereunder, Blackstone's commitment to the variable level of time and effort necessary to address all such issues as they arise, and the market prices for Blackstone's services for engagements of this nature in an out-of-court context, the Company agrees that the fee arrangements hereunder (including the Monthly Fee, DIP Financing Fee, Equity Raise Fee and Restructuring Fee) are reasonable under the standards set forth in 11 U.S.C. Section 328(a).

The advisory services and compensation arrangement set forth in this Agreement do not encompass other investment banking services or transactions that may be undertaken by Blackstone at the request of the Company, including the arranging of debt or equity capital (except as provided above), providing mergers and acquisitions advice, issuing fairness opinions or any other specific services not set forth in this Agreement. The terms and conditions of any such investment banking services, including compensation arrangements, would be set forth in a separate written agreement between Blackstone and the appropriate party.

Except as contemplated by the terms hereof or as required by applicable law or legal process, for a period of three years from the termination of this Agreement, Blackstone shall keep confidential all non-public information provided to it by or at the request of the Company, and shall not disclose such information to any third party or to any of its employees or advisors except to those persons who have a need to know such information in connection with

Blackstone's performance of its responsibilities hereunder and who are advised of the confidential nature of the information and who agree to keep such information confidential.

The Company will furnish or cause to be furnished to Blackstone such information as Blackstone reasonably believes to be necessary to its assignment (all such information so furnished being the "Information"). The Company recognizes and confirms that Blackstone (a) will use and rely primarily on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same, (b) does not assume responsibility for the accuracy or completeness of the Information and such other information, (c) is entitled to rely upon the Information without independent verification, and (d) will not make an appraisal of any assets in connection with its assignment. Subject to Blackstone's compliance with all applicable laws, within 30 days after written request by the Company following the termination of this Agreement, Blackstone shall return or destroy, at the direction of the Company, all Information received from the Company during the course of its engagement and, in the case of destruction, Blackstone shall certify that all Information has been so destroyed.

In the event that the Information belonging to the Company is stored electronically on Blackstone's computer systems, Blackstone shall not be liable for any damages resulting from unauthorized access, misuse or alteration of such information by persons not acting on its behalf, provided that Blackstone exercises the same degree of care in protecting the confidentiality of, and in preventing unauthorized access to, the Company's information that it exercises with regard to its own most sensitive proprietary information.

Except as required by applicable law, regulation or legal process (on the advice of the Company's counsel or otherwise), any advice to be provided by Blackstone under this Agreement shall not be disclosed publicly or made available to third parties (other than the Company's other professional advisors) without the prior consent of Blackstone. All services, advice and information and reports provided by Blackstone to the Company in connection with this assignment shall be for the sole benefit of the Company and shall not be relied upon by any other person.

The Company acknowledges and agrees that Blackstone will provide its financial advice exclusively to the members of the Board of Directors and senior management of the Company and not to the Company's shareholders or other constituencies. The Board of Directors and senior management will make all decisions for the Company regarding whether and how the Company will pursue a Restructuring and on what terms and by what process. In so doing, the Board of Directors and senior management will also obtain the advice of the Company's legal, tax and other business advisors and consider such other factors which they consider appropriate before exercising their independent business judgment in respect of a Restructuring. The Company further acknowledges and agrees that Blackstone has been retained to act solely as financial advisor to the Company and does not in such capacity act as a fiduciary for the Company or any other person. Blackstone shall act as an independent contractor and any duties of Blackstone arising out of its engagement pursuant to this Agreement shall be owed solely to the Company.

In consideration of Blackstone's agreement to provide financial advisory services to the Company in connection with this Agreement, it is agreed that the Company will indemnify Blackstone and its agents, representatives, members and employees. A copy of our standard form of indemnification agreement is attached to this Agreement as Attachment A (the "Indemnification Agreement").

In the event that, as a result of or in connection with Blackstone's engagement for the Company, Blackstone becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial, subject to court approval in the event that the Company becomes a debtor under the Bankruptcy Code and Blackstone's engagement hereunder is approved by the Bankruptcy Court, the Company will reimburse Blackstone for the actual, reasonable and documented fees and expenses of its counsel incurred in responding to such a request; *provided*, however, that in no event shall the Company be obligated to pay the fees and expenses of more than one counsel related to such request. Nothing in this paragraph shall affect in any way the Company's obligations pursuant to the separate indemnification agreement attached hereto.

Blackstone's engagement hereunder may be terminated upon 30 days' written notice without cause by either the Company or Blackstone; termination for cause by either party will occur forthwith. Notwithstanding the foregoing, (a) the provisions relating to the payment of fees and expenses accrued through the date of termination, the status of Blackstone as an independent contractor and the limitation as to whom Blackstone shall owe any duties will survive any such termination, (b) any such termination shall not affect the Company's obligations under the Indemnification Agreement or Blackstone's confidentiality obligations hereunder, and (c) Blackstone shall be entitled to the Restructuring Fee in the event that a Restructuring is consummated at any time prior to the expiration of 12 months following the termination of this Agreement; *provided*, however, in the event that Blackstone terminates its engagement or is terminated for cause, Blackstone shall not be entitled to any Restructuring Fee. For the purpose of this paragraph, "cause" shall include gross negligence, fraud, willful misconduct, bad faith or a material breach of the terms of this Agreement by Blackstone.

The Company does not appear on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control of the United States Department of the Treasury, nor is it a prohibited party according to other U.S. government regulatory or enforcement agencies.

Notwithstanding anything to the contrary provided elsewhere herein, none of the provisions of this letter shall in any way limit the activities of The Blackstone Group L.P. and its affiliates in their businesses distinct from the restructuring advisory business of The Blackstone Group L.P., provided that the Information is not made available to representatives of The Blackstone Group L.P. and its affiliates who are not directly involved in the restructuring advisory business of The Blackstone Group L.P. Should the Information be made available to a representative of The Blackstone Group L.P. and its affiliates who is not involved in

restructuring advisory business of The Blackstone Group L.P., such representative shall be bound by this letter in accordance with its terms. Subject to the confidentiality provisions above, Blackstone represents (a) that, in the event that the Company is or becomes a debtor under Chapter 11 of the Bankruptcy Code, it intends to disclose, as required by the applicable Court, the provision of services it has performed or is performing for any past or present client and (b) that, while this Agreement is in effect and for a six-month period following its termination, Blackstone will not represent any other client in any effort to purchase or exercise control over equity, debt or assets of the Company or in any effort to collect any debt from the Company, except with the approval of the Company.

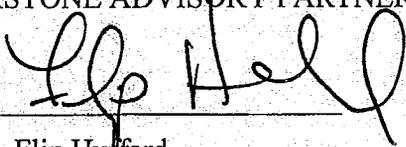
This Agreement (including the Indemnification Agreement) embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, such determination will not affect the Agreement in any other respect, which will remain in full force and effect. No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each party to be bound thereby. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that state.

The Company hereby agrees that any action or proceeding brought by the Company against Blackstone based hereon or arising out of Blackstone's engagement hereunder, shall be brought and maintained by the Company exclusively in the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York; provided, if the Company commences a Chapter 11 case, all legal proceedings pertaining to this engagement arising after such case is commenced may be brought in the Bankruptcy Court handling such case. The Company irrevocably submits to the jurisdiction of the courts of the State of New York located in the City and County of New York and the United States District Court for the Southern District of New York and appellate courts from any thereof for the purpose of any action or proceeding based hereon or arising out of Blackstone's engagement hereunder and irrevocably agrees to be bound by any judgment rendered thereby in connection with such action or proceedings. The Company hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter may have to the laying of venue of any such action or proceeding brought in any such court referred to above and any claim that such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same.

Please confirm that the foregoing correctly sets forth our agreement by signing and returning to Blackstone the duplicate copy of this Agreement and the Indemnification Agreement.

Very truly yours,

BLACKSTONE ADVISORY PARTNERS L.P.

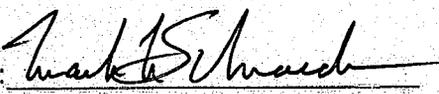
By: 

Name: Flip Hulfard

Title: Senior Managing Director

Accepted and Agreed to as
of the date first written above:

PATRIOT COAL CORPORATION

By: 

Name: Mark Schroeder

Title: Senior Vice President - Chief Financial Officer

ATTACHMENT A

June 22, 2012

Blackstone Advisory Partners L.P.
345 Park Avenue
New York, NY 10154

INDEMNIFICATION AGREEMENT

Ladies and Gentlemen:

This letter will confirm that we have engaged Blackstone Advisory Partners L.P. (“Blackstone”) to advise and assist us in connection with the matters referred to in our letter of agreement dated as of June 22, 2012 (the “Engagement Letter”). In consideration of your agreement to act on our behalf in connection with such matters, we agree to indemnify and hold harmless you and your affiliates and your and their respective partners (both general and limited), members, officers, directors, employees and agents and each other person, if any, controlling you or any of your affiliates (you and each such other person being an “Indemnified Party”) from and against any losses, claims, damages, expenses and liabilities whatsoever, whether they be joint or several, related to, arising out of or in connection with the engagement (the “Engagement”) under the Engagement Letter and will reimburse each Indemnified Party for all actual, reasonable and documented out of pocket expenses (including actual, reasonable and documented fees, expenses and disbursements of counsel) as they are incurred in connection with investigating, preparing, pursuing, defending or assisting in the defense of any action, claim, suit, investigation or proceeding related to, arising out of or in connection with the Engagement or this agreement, whether or not pending or threatened, whether or not any Indemnified Party is a party, whether or not resulting in any liability and whether or not such action, claim, suit, investigation or proceeding is initiated or brought by us. We will not, however, be liable under the foregoing indemnification provision for any losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined by a court of competent jurisdiction to have resulted from the gross negligence, bad faith, willful misconduct or fraud of Blackstone. We also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to us or our owners, parents, affiliates, security holders or creditors for or in connection with the Engagement except for any such liability for losses, claims, damages or liabilities incurred by us that are finally judicially determined by a court of competent jurisdiction to have resulted from the gross negligence, bad faith, willful misconduct or fraud of Blackstone.

If the indemnification provided for in the preceding paragraph is for any reason unavailable to an Indemnified Party in respect of any losses, claims, damages or liabilities referred to herein, then, in lieu of indemnifying such Indemnified Party hereunder, we shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (and expenses relating thereto) (i) in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by you, on the one hand, and us, on the other hand, from the Engagement or (ii) if and only if the allocation provided by clause (i) above is for any reason not available, in such proportion as is appropriate to reflect not only the relative benefits referred to in such clause (i) but also the relative fault of each of you and us, as well as any other relevant equitable considerations; provided, however, to the extent permitted by applicable law, in no event shall your aggregate contribution to the amount paid or payable exceed the aggregate amount of fees actually received by you under the Engagement Letter. For the purposes of this agreement, the relative benefits to us and you of the Engagement shall be deemed to be in the same proportion as (a) the total value paid or contemplated to be paid or received or contemplated to be received by us, our security holders and our creditors in the transaction or transactions that are subject to the Engagement, whether or not any such transaction is consummated, bears to (b) the fees paid or to be paid to Blackstone under the Engagement Letter (excluding any amounts paid as reimbursement of expenses).

Neither party to this agreement will, without the prior written consent of the other party (which consent will not be unreasonably withheld), settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (a "Judgment"), whether or not we or any Indemnified Party are an actual or potential party to such claim, action, suit or proceeding. In the event that either party seeks to settle or compromise or consent to the entry of any Judgment, such settlement, compromise or consent (i) shall include an unconditional release of the other parties hereunder from all liability arising out of such claim, action, suit or proceeding, (ii) shall not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of the other parties hereunder, and (iii) shall not impose any continuing obligations or restrictions on the other parties hereunder.

Promptly after receipt by an Indemnified Party of notice of any complaint or the commencement of any action or proceeding with respect to which indemnification is being sought hereunder, such person will notify us in writing of such complaint or of the commencement of such action or proceeding, but failure to so notify us will not relieve us from any liability which we may have hereunder or otherwise, except to the extent that such failure materially prejudices our rights. If we so elect or are requested by such Indemnified Party, we will assume the defense of such action or proceeding, including the employment of counsel reasonably satisfactory to Blackstone and the payment of the fees and disbursements of such counsel.

In the event, however, such Indemnified Party reasonably determines in its judgment that having common counsel would present such counsel with a conflict of interest or if we fail to

assume the defense of the action or proceeding in a timely manner, then such Indemnified Party may employ separate counsel reasonably satisfactory to us to represent or defend it in any such action or proceeding and we will pay the fees and disbursements of such counsel; provided, however, that in no event will we be required to pay any fees and disbursements of more than one separate counsel for all Indemnified Parties in any jurisdiction in any single action or proceeding. In any action or proceeding the defense of which we assume, the Indemnified Party will have the right to participate in such litigation and to retain its own counsel at such Indemnified Party's own expense.

The foregoing reimbursement, indemnity and contribution obligations of the Company under this Agreement shall be in addition to any rights that an Indemnified Party may have at common law or otherwise, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company and such Indemnified Party.

The provisions of this Agreement shall apply to the Engagement and any written modification of the Engagement and shall remain in full force and effect regardless of any termination or the completion of your services under the Engagement Letter.

This Agreement and the Engagement Letter shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts executed in and to be performed in that state.

Very truly yours,

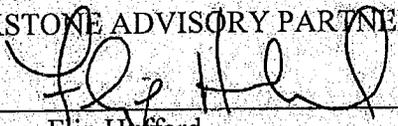
PATRIOT COAL CORPORATION

By: 

Name: Mark Schroeder
Title: Senior Vice President -
Chief Financial Officer

Accepted and Agreed
to as of the date first
written above:

BLACKSTONE ADVISORY PARTNERS L.P.

By: 

Name: Flip Huffard
Title: Senior Managing Director

APPENDIX B

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PATRIOT COAL CORPORATION, et al.,

Debtors.¹

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF
BLACKSTONE ADVISORY PARTNERS L.P. AS INVESTMENT
BANKER TO THE DEBTORS
NUNC PRO TUNC TO THE PETITION DATE**

Upon the Application dated July 19, 2012 (the “**Application**”)² of Patriot Coal Corporation (“**Patriot**”) and its above-captioned debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), pursuant to sections 327(a) and 328(a) 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 Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for entry of an order authorizing the Debtors to employ and retain Blackstone Advisory Partners L.P. (the “**Advisor**”) as their investment banker, effective *nunc pro tunc* to the Petition Date under the terms and conditions set forth in that certain amended and restated engagement letter (the

¹ The Debtors are the entities listed on Schedule 1 attached to the Application. 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 such term in the Application.

“**Engagement Letter**”), dated August 21, 2012 (the “**Engagement Date**”), all as more fully described in the Application; and upon consideration of the *Declaration of Paul P. Huffard in Support of Application of the Debtors for Authority To Employ and Retain Blackstone Advisory Partners L.P. as Investment Banker to the Debtors Nunc Pro Tunc to the Petition Date*, sworn to on July 19, 2012 (the “**Huffard Declaration**”) and the *Declaration and Statement of Robert Gentile and Disclosure Statement of Blackstone Advisory Partners L.P. in Support of the Application of the Debtors for Authority to Employ and Retain Blackstone Advisory Partners L.P. as Investment Banker to the Debtors*, sworn to on July 19, 2012 (the “**Gentile Declaration**” and, together with the Huffard Declaration, the “**Declarations**”); and the Court being satisfied, based on the representations made in the Application and the Declarations, that (i) the Advisor does not represent or hold any interest adverse to the Debtors or their estates, (ii) the Advisor and its professionals are “disinterested persons” under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and (iii) the terms and conditions of the Advisor’s employment, including the compensation structure set forth in the Engagement Letter, are reasonable as required by section 328(a) of the Bankruptcy Code; and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Application having been provided; and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Application (the “**Hearing**”); and the appearances of all interested parties having been noted in the record of the Hearing; and

upon the record of the Hearing; and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Application is granted to the extent provided herein.
2. The Debtors are authorized to employ and retain the Advisor as their investment banker effective *nunc pro tunc* to the Petition Date in accordance with the terms and conditions set forth in the Engagement Letter attached as Exhibit 1 hereto, as modified herein, and incorporated by reference herein, and to pay fees to the Advisor on the terms and conditions specified in the Engagement Letter; *provided, however*, that such fees in the aggregate shall not exceed \$25 million.
3. The Advisor is authorized to provide the services detailed in the Engagement Letter in subparagraphs (a) through (m).
4. The Advisor will not, without further order of this Court, provide underwriting services to the Debtors in these chapter 11 cases and will not serve as a commitment party to any equity raise.
5. Notwithstanding anything to the contrary in the Engagement Letter, the Application or the Declarations, to the extent that the Debtors request that the Advisor perform any services other than those detailed in the Engagement Letter in subparagraphs (a) through (m), the Debtors shall seek further approval by the Court, including any related modifications to the Engagement Letter, and the application seeking

such approval shall set forth, in addition to the additional services to be performed, the additional fees sought to be paid.

6. The Debtors will reimburse the Advisor for reasonable expenses incurred in connection with the performance of its engagement under the Engagement Letter including, without limitation, fees, disbursements and other charges by the Advisor's counsel to the extent provided for in the Engagement Letter as modified by this Order (including, without limitation, pursuant to the Indemnification Provisions as modified by this Order), which counsel shall not be required to be retained pursuant to section 327 of the Bankruptcy Code or otherwise; provided however that such fees shall not include fees related to fee applications or drafting and negotiating the Engagement Letter, the Application or any related documents; provided, further, that in the event that the Advisor seeks reimbursement from the Debtors for attorneys' fees and expenses consistent with the terms of this Order, the invoices and supporting time records from such attorneys shall be included in the Advisor's own applications, both interim and final, and they shall be subject to the Fee Guidelines and the approval of the Bankruptcy Court pursuant to Sections 330 and 331 of the Bankruptcy Code.

7. The Advisor shall apply any amounts of its prepetition retainer remaining, after applying such retainer to prepetition amounts (as described in the Application), as a credit toward postpetition fees and expenses, after such postpetition fees and expenses are approved pursuant to the first order of the Court awarding fees and expenses to the Advisor.

8. The Indemnification Provisions set forth in the Engagement Letter and Attachment A of the Engagement Letter (the “**Indemnification Agreement**”) are approved, subject to the following modifications:

- (a) All requests of Indemnified Parties for payment of indemnity, reimbursement or contribution pursuant to the Engagement Letter shall be made by means of an application (interim or final as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity, reimbursement or contribution conforms to the terms of the Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity, reimbursement or contribution is sought, provided, however, that in no event shall Indemnified Party be indemnified in the case of its own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.
- (b) In the event that Indemnified Party seeks reimbursement from the Debtors for reasonable attorneys’ fees in connection with a request by Indemnified Party for payment of indemnity, reimbursement or contribution pursuant to the Engagement Letter, as modified by this Order, the invoices and supporting time records from such attorneys shall be included in Indemnified Party’s own application (both interim and final) and such invoices and time records shall be subject to the Fee Guidelines and the approval of the Court under the standards of sections 330 and 331 of the Bankruptcy Code without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code and without regard to whether such attorneys’ services satisfy section 330(a)(3)(C) of the Bankruptcy Code.

9. The Advisor shall file fee applications for interim and final allowance of compensation and reimbursement of expenses and shall be compensated for its services and reimbursed for any related expenses in accordance with and pursuant to the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Fee Guidelines, the Order Establishing Procedures for Interim Monthly

Compensation and Reimbursement of Expenses of Professionals, filed August 2, 2012 [ECF No. 262], and any other applicable orders of this Court; *provided, however*, that the fee applications filed by the Advisor shall be subject to review pursuant to the standard of review set forth in section 328 of the Bankruptcy Code (and not the standard of review pursuant to section 330 of the Bankruptcy Code) and solely the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) shall be entitled to review the Advisor’s applications for payment of compensation and reimbursement of expenses of the Advisor under section 330 of the Bankruptcy Code.

10. Notwithstanding anything to the contrary in this Order, the U.S. Trustee retains all rights to object to the Advisor’s interim and final fee applications (including any Restructuring Fee, Equity Raise Fee, DIP Financing Fee or expense reimbursement) on all grounds including, but not limited to, the reasonableness standard provided for in section 330 of the Bankruptcy Code, and, solely with respect to an objection by the U.S. Trustee or on the Court’s own motion, the Court retains the right to review the interim and final applications pursuant to section 330 of the Bankruptcy Code.

11. The Advisor shall include in any fee applications time records setting forth a description of the services rendered by each professional rendering services and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtors in one half-hour increments, but the Advisor shall not be required to provide or conform to any schedule of hourly rates or provide time detail in one tenth-hour (0.1) increments. Additionally, the Advisor shall assign appropriate project categories set forth in the U.S. Trustee Guidelines to each time entry contained in any applications filed in these cases.

12. The Monthly Fee, Restructuring Fee, Equity Raise Fee, and DIP Financing Fee shall be deemed earned when and upon the terms specified in the Engagement Letter.

13. Notwithstanding anything to the contrary in this Order and the Engagement Letter, the calculation of the Equity Raise Fee shall specifically exclude credit bids, claim offsets, debt recapitalization, exchanges or any other non-cash benefits provided by a debtholder or lender.

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

15. The relief granted herein shall be binding upon any chapter 11 trustee appointed in these chapter 11 cases, or upon any chapter 11 trustee appointed in the event of a subsequent conversion of these chapter 11 cases to cases under chapter 7 of the Bankruptcy Code.

16. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or other Bankruptcy Rules.

17. The Advisor shall use its best efforts to avoid any duplication of services provided by any of the Debtors' other retained professionals in these chapter 11 cases.

18. To the extent the Application, the Engagement Letter any prior order or pleading in these cases is inconsistent with this Order, the terms of this Order shall govern.

19. Notwithstanding any provision to the contrary in the Application or the Engagement Letter, the Court shall retain jurisdiction to hear and to determine all matters arising from or related to implementation, interpretation and/or enforcements of this Order.

Dated: September 5, 2012
New York, New York

/s/ Shelley C. Chapman
HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

The  Group

August 21, 2012

Mr. Mark Schroeder
Senior Vice President - Chief Financial Officer
Patriot Coal Corporation
12312 Olive Boulevard
St. Louis, MO 63141

Dear Mr. Schroeder:

This amended and restated engagement letter (the "A&R Engagement Letter") confirms the understanding and agreement between Blackstone Advisory Partners L.P. ("Blackstone") and Patriot Coal Corporation (together with any affiliates and subsidiaries, the "Company") regarding the retention of Blackstone on an exclusive basis by the Company effective as of May 18, 2012 (the "Effective Date") as its investment banker for the purposes set forth herein. This A&R Engagement Letter amends and restates, in its entirety, the engagement letter between the Company and Blackstone dated June 22, 2012.

Under this A&R Engagement Letter, Blackstone will provide investment banking services to the Company in connection with a possible restructuring of certain liabilities of the Company (a "Restructuring") and will assist the Company in analyzing, structuring, negotiating and effecting a Restructuring, pursuant to the terms and conditions of this A&R Engagement Letter. As used in this A&R Engagement Letter, the term Restructuring shall mean, collectively, any restructuring, reorganization (whether or not pursuant to Chapter 11 of the United States Bankruptcy Code) and/or recapitalization of the Company affecting existing or potential debt obligations or other claims, including, without limitation, senior debt, junior debt, trade claims and general unsecured claims (collectively, the "Obligations").

The investment banking services to be rendered by Blackstone will include the following:

- (a) Assist in the evaluation of the Company's businesses and prospects;
- (b) Assist in the development of the Company's long-term business plan and related financial projections;
- (c) Assist in the development of financial data and presentations to the Company's Board of Directors, various creditors and other third parties;

- (d) Analyze the Company's financial liquidity and evaluate alternatives to improve such liquidity;
- (e) Analyze various restructuring scenarios and the potential impact of these scenarios on the recoveries of those stakeholders impacted by the Restructuring;
- (f) Provide strategic advice with regard to restructuring or refinancing the Obligations;
- (g) Evaluate the Company's debt capacity and alternative capital structures;
- (h) Participate in negotiations among the Company and its creditors, suppliers, lessors and other interested parties;
- (i) Value securities to be offered by the Company in connection with a Restructuring;
- (j) Advise the Company and negotiate with lenders with respect to potential waivers or amendments of various credit facilities;
- (k) Assist in arranging debtor-in-possession ("DIP") financing for the Company, as requested;
- (l) Provide expert witness testimony concerning any of the subjects encompassed by the other investment banking services; and
- (m) Provide such other advisory services as are customarily provided in connection with the analysis and negotiation of a Restructuring, as requested and mutually agreed.

Notwithstanding anything contained in this A&R Engagement Letter to the contrary, Blackstone shall have no responsibility for designing or implementing any initiatives to improve the Company's operations, profitability, or cash management. Blackstone makes no representations or warranties about the Company's ability to (i) successfully improve its operations, (ii) maintain or secure sufficient liquidity to operate its business, or (iii) successfully complete a Restructuring. Blackstone is retained under this A&R Engagement Letter solely to provide advice regarding a Restructuring, and is not being retained to provide "crisis management."

The Company will pay the following fees to Blackstone for its investment banking services:

- (i) a monthly advisory fee (the "Monthly Fee") in the amount of \$175,000 in cash, with the first Monthly Fee payable upon the execution of this A&R Engagement Letter by both parties and additional installments of such Monthly Fee payable in advance on each monthly anniversary of the Effective Date;
- (ii) a DIP financing fee (the "DIP Financing Fee") of 0.5% of the total facility size of any DIP financing arranged by Blackstone, payable upon funding of such a facility;

- (iii) an equity financing fee (the "Equity Raise Fee") of 4.0% of total gross proceeds received from any equity financing arranged by Blackstone during the term of this A&R Engagement Letter, payable upon consummation;
- (iv) an additional fee (the "Restructuring Fee") equal to \$6,500,000, payable in cash, upon the consummation of the Restructuring; provided, however, that 50% of any Equity Raise Fee shall be credited against the Restructuring Fee. Except as otherwise provided herein, a Restructuring shall be deemed to have been consummated upon (a) the binding execution and effectiveness of all necessary waivers, consents, amendments or restructuring agreements between the Company and its creditors involving the compromise of the face amount of the Obligations or the conversion of all or substantially all of the Obligations into alternative securities, including equity, in the case of an out-of-court restructuring; or b) the execution, confirmation, consummation and effectiveness of a Plan of Reorganization pursuant to an order of the Bankruptcy Court, in the case of an in-court restructuring; and
- (v) reimbursement of all actual, reasonable and documented out-of-pocket expenses incurred during this engagement, including, but not limited to, travel and lodging, direct identifiable data processing, document production, publishing services and communication charges, courier services, working meals, reasonable fees and expenses of Blackstone's counsel (not to exceed \$75,000 except (i) as provided in the A&R Indemnification Agreement (as defined below) and/or (ii) in the event that, as a result of or in connection with Blackstone's engagement for the Company, Blackstone becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial) and other necessary expenditures, payable upon rendition of invoices setting forth in reasonable detail the nature and amount of such expenses. In connection therewith the Company shall pay Blackstone on the Effective Date and maintain thereafter a \$25,000 expense advance for which Blackstone shall account upon termination of this A&R Engagement Letter.

In the event that the Company is or becomes a debtor under Chapter 11 of the Bankruptcy Code, the Company shall use its best efforts to promptly apply to the bankruptcy court having jurisdiction over the Chapter 11 case or cases (the "Bankruptcy Court") for the approval pursuant to sections 327 and 328 of the Bankruptcy Code of (A) this A&R Engagement Letter, including the attached indemnification agreement, and (B) Blackstone's retention by the Company under the terms of this A&R Engagement Letter and subject to the standard of review provided in section 328(a) of the Bankruptcy Code and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply Blackstone with a draft of such application and any proposed order authorizing Blackstone's retention sufficiently in advance of the filing of such application and proposed order to enable Blackstone to review and comment thereon. Blackstone shall have no obligation to provide any services under this A&R

Engagement Letter in the event that the Company becomes a debtor under the Bankruptcy Code unless Blackstone's retention under the terms of this A&R Engagement Letter is approved under section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which order is reasonably acceptable to Blackstone in all respects. Blackstone acknowledges that in the event that the Bankruptcy Court approves its retention by the Company, Blackstone's fees and expenses shall be subject to the jurisdiction and approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders. In the event that the Company becomes a debtor under the Bankruptcy Code and Blackstone's engagement hereunder is approved by the Bankruptcy Court, the Company shall pay all fees and expenses of Blackstone hereunder as promptly as practicable in accordance with the terms hereof. Prior to commencing a Chapter 11 case, the Company shall pay all invoiced amounts to Blackstone in immediately available funds by wire transfer.

With respect to Blackstone's retention under sections 327 and 328 of the Bankruptcy Code, the Company acknowledges and agrees that Blackstone's restructuring expertise as well as its capital markets knowledge, financing skills and mergers and acquisitions capabilities, some or all of which may be required by the Company during the term of Blackstone's engagement hereunder, were important factors in determining the amount of the various fees set forth herein, and that the ultimate benefit to the Company of Blackstone's services hereunder could not be measured merely by reference to the number of hours to be expended by Blackstone's professionals in the performance of such services. The Company also acknowledges and agrees that the various fees set forth herein have been agreed upon by the parties in anticipation that a substantial commitment of professional time and effort will be required of Blackstone and its professionals hereunder over the life of the engagement, and in light of the fact that such commitment may foreclose other opportunities for Blackstone and that the actual time and commitment required of Blackstone and its professionals to perform its services hereunder may vary substantially from week to week or month to month, creating "peak load" issues for the firm. In addition, given the numerous issues which Blackstone may be required to address in the performance of its services hereunder, Blackstone's commitment to the variable level of time and effort necessary to address all such issues as they arise, and the market prices for Blackstone's services for engagements of this nature in an out-of-court context, the Company agrees that the fee arrangements hereunder (including the Monthly Fee, DIP Financing Fee, Equity Raise Fee and Restructuring Fee) are reasonable under the standards set forth in 11 U.S.C. Section 328(a).

The advisory services and compensation arrangement set forth in this A&R Engagement Letter do not encompass other investment banking services or transactions that may be undertaken by Blackstone at the request of the Company, including the arranging of debt or equity capital (except as provided above), providing mergers and acquisitions advice, issuing fairness opinions or any other specific services not set forth in this A&R Engagement Letter. The terms and conditions of any such investment banking services, including compensation arrangements, would be set forth in a separate written agreement between Blackstone and the appropriate party.

Except as contemplated by the terms hereof or as required by applicable law or legal process, for a period of three years from the termination of this A&R Engagement Letter, Blackstone shall keep confidential all non-public information provided to it by or at the request of the Company, and shall not disclose such information to any third party or to any of its employees or advisors except to those persons who have a need to know such information in connection with Blackstone's performance of its responsibilities hereunder and who are advised of the confidential nature of the information and who agree to keep such information confidential.

The Company will furnish or cause to be furnished to Blackstone such information as Blackstone reasonably believes to be necessary to its assignment (all such information so furnished being the "Information"). The Company recognizes and confirms that Blackstone (a) will use and rely primarily on the Information and on information available from generally recognized public sources in performing the services contemplated by this A&R Engagement Letter without having independently verified the same, (b) does not assume responsibility for the accuracy or completeness of the Information and such other information, (c) is entitled to rely upon the Information without independent verification, and (d) will not make an appraisal of any assets in connection with its assignment. Subject to Blackstone's compliance with all applicable laws, within 30 days after written request by the Company following the termination of this A&R Engagement Letter, Blackstone shall return or destroy, at the direction of the Company, all Information received from the Company during the course of its engagement and, in the case of destruction, Blackstone shall certify that all Information has been so destroyed.

In the event that the Information belonging to the Company is stored electronically on Blackstone's computer systems, Blackstone shall not be liable for any damages resulting from unauthorized access, misuse or alteration of such information by persons not acting on its behalf, provided that Blackstone exercises the same degree of care in protecting the confidentiality of, and in preventing unauthorized access to, the Company's information that it exercises with regard to its own most sensitive proprietary information.

Except as required by applicable law, regulation or legal process (on the advice of the Company's counsel or otherwise), any advice to be provided by Blackstone under this A&R Engagement Letter shall not be disclosed publicly or made available to third parties (other than the Company's other professional advisors) without the prior consent of Blackstone. All services, advice and information and reports provided by Blackstone to the Company in connection with this assignment shall be for the sole benefit of the Company and shall not be relied upon by any other person.

The Company acknowledges and agrees that Blackstone will provide its financial advice exclusively to the members of the Board of Directors and senior management of the Company and not to the Company's shareholders or other constituencies. The Board of Directors and senior management will make all decisions for the Company regarding whether and how the Company will pursue a Restructuring and on what terms and by what process. In so doing, the Board of Directors and senior management will also obtain the advice of the Company's legal, tax and

other business advisors and consider such other factors which they consider appropriate before exercising their independent business judgment in respect of a Restructuring. Blackstone shall act as an independent contractor and any duties of Blackstone arising out of its engagement pursuant to this A&R Engagement Letter shall be owed solely to the Company.

In consideration of Blackstone's agreement to provide investment banking services to the Company in connection with this A&R Engagement Letter, it is agreed that the Company will indemnify Blackstone and its agents, representatives, members and employees. A copy of our standard form of indemnification agreement is attached to this A&R Engagement Letter as Attachment A (the "A&R Indemnification Agreement").

In the event that, as a result of or in connection with Blackstone's engagement for the Company, Blackstone becomes involved in any legal proceeding or investigation or is required by government regulation, subpoena or other legal process to produce documents, or to make its current or former personnel available as witnesses at deposition or trial, subject to court approval in the event that the Company becomes a debtor under the Bankruptcy Code and Blackstone's engagement hereunder is approved by the Bankruptcy Court, the Company will reimburse Blackstone for the actual, reasonable and documented fees and expenses of its counsel incurred in responding to such a request; *provided*, however, that in no event shall the Company be obligated to pay the fees and expenses of more than one counsel related to such request. Nothing in this paragraph shall affect in any way the Company's obligations pursuant to the separate indemnification agreement attached hereto.

Blackstone's engagement hereunder may be terminated upon 30 days' written notice without cause by either the Company or Blackstone; termination for cause by either party will occur forthwith. Notwithstanding the foregoing, (a) the provisions relating to the payment of fees and expenses accrued through the date of termination, the status of Blackstone as an independent contractor and the limitation as to whom Blackstone shall owe any duties will survive any such termination, (b) any such termination shall not affect the Company's obligations under the A&R Indemnification Agreement or Blackstone's confidentiality obligations hereunder, and (c) Blackstone shall be entitled to the Restructuring Fee in the event that a Restructuring is consummated at any time prior to the expiration of 12 months following the termination of this A&R Engagement Letter; *provided*, however, in the event that Blackstone terminates its engagement or is terminated for cause, Blackstone shall not be entitled to any Restructuring Fee. For the purpose of this paragraph, "cause" shall include gross negligence, fraud, willful misconduct, bad faith or a material breach of the terms of this A&R Engagement Letter by Blackstone.

The Company does not appear on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control of the United States Department of the Treasury, nor is it a prohibited party according to other U.S. government regulatory or enforcement agencies.

Notwithstanding anything to the contrary provided elsewhere herein, none of the provisions of this A&R Engagement Letter shall in any way limit the activities of The Blackstone Group L.P. and its affiliates in their businesses distinct from the restructuring advisory business of The Blackstone Group L.P., provided that the Information is not made available to representatives of The Blackstone Group L.P. and its affiliates who are not directly involved in the restructuring advisory business of The Blackstone Group L.P. Should the Information be made available to a representative of The Blackstone Group L.P. and its affiliates who is not involved in restructuring advisory business of The Blackstone Group L.P., such representative shall be bound by this A&R Engagement Letter in accordance with its terms. Subject to the confidentiality provisions above, Blackstone represents (a) that, in the event that the Company is or becomes a debtor under Chapter 11 of the Bankruptcy Code, it intends to disclose, as required by the applicable Court, the provision of services it has performed or is performing for any past or present client and (b) that, while this A&R Engagement Letter is in effect and for a six-month period following its termination, Blackstone will not represent any other client in any effort to purchase or exercise control over equity, debt or assets of the Company or in any effort to collect any debt from the Company, except with the approval of the Company.

This A&R Engagement Letter (including the A&R Indemnification Agreement) embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof. If any provision of this A&R Engagement Letter is determined to be invalid or unenforceable in any respect, such determination will not affect the Agreement in any other respect, which will remain in full force and effect. No waiver, amendment or other modification of this A&R Engagement Letter shall be effective unless in writing and signed by each party to be bound thereby. This A&R Engagement Letter shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that state.

The Company hereby agrees that any action or proceeding brought by the Company against Blackstone based hereon or arising out of Blackstone's engagement hereunder, shall be brought and maintained by the Company exclusively in the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York; provided, if the Company commences a Chapter 11 case, all legal proceedings pertaining to this engagement arising after such case is commenced may be brought in the Bankruptcy Court handling such case. The Company irrevocably submits to the jurisdiction of the courts of the State of New York located in the City and County of New York and the United States District Court for the Southern District of New York and appellate courts from any thereof for the purpose of any action or proceeding based hereon or arising out of Blackstone's engagement hereunder and irrevocably agrees to be bound by any judgment rendered thereby in connection with such action or proceedings. The Company hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter may have to the laying of venue of any such action or proceeding brought in any such court

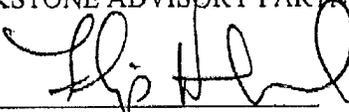
referred to above and any claim that such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same.

[Signature page follows]

Please confirm that the foregoing correctly sets forth our agreement by signing and returning to Blackstone the duplicate copy of this A&R Engagement Letter and the A&R Indemnification Agreement.

Very truly yours,

BLACKSTONE ADVISORY PARTNERS L.P.

By: 

Name: Flip Huffard

Title: Senior Managing Director

Accepted and Agreed to as
of the date first written above:

PATRIOT COAL CORPORATION

By: 

Name: Mark Schroeder

Title: Senior Vice President - Chief Financial Officer

ATTACHMENT A

August 21, 2012

Blackstone Advisory Partners L.P.
345 Park Avenue
New York, NY 10154

AMENDED AND RESTATED INDEMNIFICATION AGREEMENT

Ladies and Gentlemen:

This amended and restated letter (“A&R Indemnification Agreement”) will confirm that we have engaged Blackstone Advisory Partners L.P. (“Blackstone”) to advise and assist us in connection with the matters referred to in our letter of agreement dated as of August 21, 2012 (the “A&R Engagement Letter”). This A&R Indemnification Agreement amends and restates, in its entirety, the indemnification agreement between the Company and Blackstone dated June 22, 2012. In consideration of your agreement to act on our behalf in connection with such matters, we agree to indemnify and hold harmless you and your affiliates and your and their respective partners (both general and limited), members, officers, directors, employees and agents and each other person, if any, controlling you or any of your affiliates (you and each such other person being an “Indemnified Party”) from and against any losses, claims, damages, expenses and liabilities whatsoever, whether they be joint or several, related to, arising out of or in connection with the engagement under the engagement letter between the Company and Blackstone dated June 22, 2012 and the engagement under the A&R Engagement Letter (together, the “Engagements”) and will reimburse each Indemnified Party for all actual, reasonable and documented out of pocket expenses (including actual, reasonable and documented fees, expenses and disbursements of counsel) as they are incurred in connection with investigating, preparing, pursuing, defending or assisting in the defense of any action, claim, suit, investigation or proceeding related to, arising out of or in connection with the Engagements, or this A&R Indemnification Agreement, whether or not pending or threatened, whether or not any Indemnified Party is a party, whether or not resulting in any liability and whether or not such action, claim, suit, investigation or proceeding is initiated or brought by us. We will not, however, be liable under the foregoing indemnification provision for any losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined by a court of competent jurisdiction to have resulted from the gross negligence, bad faith, willful misconduct or fraud of Blackstone. We also agree that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to us or our owners, parents,

affiliates, security holders or creditors for or in connection with the Engagements except for any such liability for losses, claims, damages or liabilities incurred by us that are finally judicially determined by a court of competent jurisdiction to have resulted from the gross negligence, bad faith, willful misconduct or fraud of Blackstone.

If the indemnification provided for in the preceding paragraph is for any reason unavailable to an Indemnified Party in respect of any losses, claims, damages or liabilities referred to herein, then, in lieu of indemnifying such Indemnified Party hereunder, we shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (and expenses relating thereto) (i) in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by you, on the one hand, and us, on the other hand, from the Engagements or (ii) if and only if the allocation provided by clause (i) above is for any reason not available, in such proportion as is appropriate to reflect not only the relative benefits referred to in such clause (i) but also the relative fault of each of you and us, as well as any other relevant equitable considerations; provided, however, to the extent permitted by applicable law, in no event shall your aggregate contribution to the amount paid or payable exceed the aggregate amount of fees actually received by you under the A&R Engagement Letter. For the purposes of this A&R Indemnification Agreement, the relative benefits to us and you of the Engagements shall be deemed to be in the same proportion as (a) the total value paid or contemplated to be paid or received or contemplated to be received by us, our security holders and our creditors in the transaction or transactions that are subject to the Engagements, whether or not any such transaction is consummated, bears to (b) the fees paid or to be paid to Blackstone under the A&R Engagement Letter (excluding any amounts paid as reimbursement of expenses).

Neither party to this A&R Indemnification Agreement will, without the prior written consent of the other party (which consent will not be unreasonably withheld), settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (a "Judgment"), whether or not we or any Indemnified Party are an actual or potential party to such claim, action, suit or proceeding. In the event that either party seeks to settle or compromise or consent to the entry of any Judgment, such settlement, compromise or consent (i) shall include an unconditional release of the other parties hereunder from all liability arising out of such claim, action, suit or proceeding, (ii) shall not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of the other parties hereunder, and (iii) shall not impose any continuing obligations or restrictions on the other parties hereunder.

Promptly after receipt by an Indemnified Party of notice of any complaint or the commencement of any action or proceeding with respect to which indemnification is being sought hereunder, such person will notify us in writing of such complaint or of the commencement of such action or proceeding, but failure to so notify us will not relieve us from any liability which we may have hereunder or otherwise, except to the extent that such failure materially prejudices our rights. If we so elect or are requested by such Indemnified Party, we

will assume the defense of such action or proceeding, including the employment of counsel reasonably satisfactory to Blackstone and the payment of the fees and disbursements of such counsel.

In the event, however, such Indemnified Party reasonably determines in its judgment that having common counsel would present such counsel with a conflict of interest or if we fail to assume the defense of the action or proceeding in a timely manner, then such Indemnified Party may employ separate counsel reasonably satisfactory to us to represent or defend it in any such action or proceeding and we will pay the fees and disbursements of such counsel; provided, however, that in no event will we be required to pay any fees and disbursements of more than one separate counsel for all Indemnified Parties in any jurisdiction in any single action or proceeding. In any action or proceeding the defense of which we assume, the Indemnified Party will have the right to participate in such litigation and to retain its own counsel at such Indemnified Party's own expense.

The foregoing reimbursement, indemnity and contribution obligations of the Company under this A&R Indemnification Agreement shall be in addition to any rights that an Indemnified Party may have at common law or otherwise, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company and such Indemnified Party.

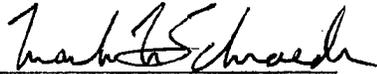
The provisions of this A&R Indemnification Agreement shall apply to the Engagements and any written modification of the Engagements and shall remain in full force and effect regardless of any termination or the completion of your services under the A&R Engagement Letter.

This A&R Indemnification Agreement and the A&R Engagement Letter shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts executed in and to be performed in that state.

[Signature page follows]

Very truly yours,

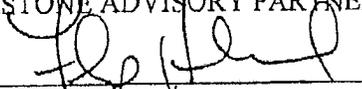
PATRIOT COAL CORPORATION

By: 

Name: Mark Schroeder
Title: Senior Vice President -
Chief Financial Officer

Accepted and Agreed
to as of the date first
written above:

BLACKSTONE ADVISORY PARTNERS L.P.

By: 

Name: Flip Huffard
Title: Senior Managing Director

APPENDIX C

Biographies of Blackstone Professionals

- **Timothy Coleman.** Mr. Coleman is a Senior Managing Director and Head of the Restructuring & Reorganization Group. Mr. Coleman also serves as a member of Blackstone's Executive Committee. Since joining Blackstone in 1992, Mr. Coleman has worked on a variety of restructuring and reorganization assignments for companies, creditor groups, special committees of corporate boards, corporate parents of troubled companies and acquirers of distressed assets. Mr. Coleman's most notable assignments include Adelphia, AMBAC, Asian Art Museum, AT&T (in the restructurings of AT&T Canada, Alestra, AT&T Broadband and Excite@Home), Barneys New York, Bear Stearns Asset Management, Bidermann Industries USA, Inc., Cable & Wireless Holdings, Camelot Music, Inc., CellNet Data Systems Inc., Credit-Based Asset Servicing and Securitization LLC ("C-BASS"), Criimi Mae, Delta Air Lines, Edison Brothers Stores, Inc., Ermis Maritime Shipping, Financial Guaranty Insurance Company ("FGIC"), FLAG Telecom, Ford, Geneva Steel Company, Guangdong Enterprises, Harnischfeger Industries, Harrah's Jazz Company, ILFC, Koll Real Estate, Los Angeles Dodgers, Mirant Corp., Mohegan Sun, Molten Metal Technology, Inc., RCN, R.H. Macy & Co., Stratosphere Corporation, Supercanal Holding, S.A., Travelport, Vencor, Inc., Williams Communications, Xerox Corporation and XL Capital. The International Financing Review recognized Mr. Coleman's efforts in the restructurings of C-BASS and Ford Motor Company by naming the transactions the Restructuring of the Year in 2008 and 2009, respectively. Mr. Coleman was named Global Investment Banker of the Year in 2011 by the Turnaround Atlas Awards. Before joining Blackstone, Mr. Coleman was a Vice President at Citibank N.A. for twelve years, where he divided his time between corporate restructuring, real estate restructuring, and loan syndications. Mr. Coleman is a frequent guest lecturer at Columbia University. He is a member of the inMotion Board of Directors, the Teach for America New York Board of Directors, the Board of Leaders of the Marshall School of Business at the University of Southern California and the Yale-New Haven Children's Hospital Council. Mr. Coleman received a BA from the University of California at Santa Barbara and an MBA from the University of Southern California.
- **Paul Huffard.** Mr. Huffard is a Senior Managing Director in the Restructuring & Reorganization Group. Since joining Blackstone in 1995, Mr. Huffard has worked on a variety of restructuring and reorganization assignments for companies, creditor groups, corporate parents of troubled companies, and acquirers of distressed assets. These assignments include LA Dodgers, Lee Enterprises, Houghton Mifflin Harcourt, Princeton Review, Homer City, Tribune Companies, Flying J, Minneapolis Star Tribune, Winn-Dixie Stores, Fleming Companies, New World Pasta, Adelphia, Dade Behring, The LTV Corporation, and Harnischfeger Industries. Mr. Huffard has provided expert witness testimony in numerous bankruptcy cases on valuation and capital structure issues and is a frequent public speaker on restructuring topics. Before joining Blackstone, Mr. Huffard worked at Hellmold Associates, Inc., and Smith Barney, Harris Upham & Co., Inc. Mr. Huffard received a B.A. from Harvard College and an M.B.A. from the Kellogg Graduate School of Management at Northwestern University.
- **Mark Buschmann.** Mr. Buschmann is a Managing Director in the Restructuring & Reorganization Group. Since joining Blackstone in 2001, Mr. Buschmann has worked on restructuring activities involving Alestra, Angiotech, Excite@Home, Cable & Wireless America, Delta Air Lines, Levitz Furniture, Mattress Discounters, IAP Worldwide Services, Nortek, Nybron Flooring International, Philadelphia Newspapers, Russell-Stanley Holdings, Six Flags,

Taro Pharmaceutical Industries, Tribune Company, Twin River and Williams Communications. Before joining Blackstone, Mr. Buschmann worked in the Financial Institutions Group of Salomon Smith Barney where he executed various mergers and acquisitions and financing assignments. Mr. Buschmann received a BA in Economics and German Literature from Dartmouth College and an MBA with a concentration in Finance from The Kellogg School of Management at Northwestern University.

- **Adam Schlesinger.** Mr. Schlesinger is an Associate in the Restructuring & Reorganization Group. Since joining Blackstone, Mr. Schlesinger has worked on several transactions in various industries. Before joining Blackstone in 2010, Mr. Schlesinger worked as an Associate at Clarion Capital Partners, where he was involved in the sourcing, evaluation and execution of growth equity and leveraged buyout investments in a variety of industries. Prior to Clarion, Mr. Schlesinger was an Analyst at Bear, Stearns & Co. Inc. in the Technology, Media & Telecom group. Mr. Schlesinger received a BS in Economics and a BA in Philosophy from the University of Pennsylvania, where he graduated cum laude, and an MBA in Finance from The Wharton School of the University of Pennsylvania.

APPENDIX D

Blackstone Advisory Partners L.P.

November 6, 2012

Ms. Jacquelyn A. Jones
Patriot Coal Corporation
12312 Olive Boulevard
Suite 400
St. Louis, MO 63141

Monthly Fee pro-rated for the period of July 9, 2012 through July 31, 2012:	\$	129,838.71
Monthly Fee for the period of August 1, 2012 through August 31, 2012:		175,000.00
Monthly Fee for the period of September 1, 2012 through September 30, 2012		175,000.00
DIP Financing Fee:		4,010,000.00

Out-of-pocket expenses processed for the period through September 30, 2012:⁽¹⁾

Airfare	2,591.58	
Ground Transportation	1,496.04	
Communications	205.20	
Meals	5,107.42	
Lodging	166.88	
Document Production	2,791.90	
Research	97.95	
Publishing Services	1,911.00	14,367.97
		<hr/>
Less: Credit ⁽²⁾		(52,500.00)
		<hr/>
Total Amount Due	\$	4,451,706.68

JP Morgan Chase
One Chase Manhattan Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: Blackstone Advisory Partners L.P.
Accounts Receivable Dept. 16th Floor
Account # 066-287472

Invoice Number: 5240-T

⁽¹⁾ Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

⁽²⁾ See paragraphs 9 and 10 of Blackstone's first interim fee application for the period of July 9, 2012 through September 30, 2012.

Blackstone Advisory Partners L.P.
345 Park Avenue
New York, NY 10154
212 583-5000

Patriot Coal Corporation
Summary of Expenses Processed
Through September 30, 2012
Invoice Number: 5240-T

	GL Detail	Total
	Sep-12	Expenses
Airfare	\$ 2,591.58	\$ 2,591.58
Ground Transportation - Car Service - Elite	719.83	719.83
Ground Transportation - Local Travel	762.21	762.21
Ground Transportation - Out-Of-Town Travel	14.00	14.00
Communications - Teleconferencing	205.20	205.20
Meals with Clients	3,965.60	3,965.60
Employee Meals	1,141.82	1,141.82
Lodging	166.88	166.88
Document Production	2,791.90	2,791.90
Internal Research	63.00	63.00
External Research - Online Database	34.95	34.95
Publishing Services	1,911.00	1,911.00
Total Expenses	\$ 14,367.97	\$ 14,367.97
	Airfare	\$ 2,591.58
	Ground Transportation	1,496.04
	Communications	205.20
	Meals	5,107.42
	Lodging	166.88
	Document Production	2,791.90
	Research	97.95
	Publishing Services	1,911.00
	Total Expenses	\$ 14,367.97

Patriot Coal Corporation
Detail of Expenses Processed
Through September 30, 2012
Invoice Number: 5240-T

<u>Airfare</u>		
Huffard (travel agency fee for booking coach class flight to Queens, NY from Charleston, WV on 08/29/12)	08/28/12	20.00
Huffard (one-way coach class flight to Queens, NY from Charleston, WV)	08/29/12	974.48
Buschmann (travel agency fee for booking of one-way flight to Charleston, WV from Queens, NY on 07/19/12)	07/18/12	20.00
Buschmann (one-way coach class flight to Charleston, WV from Queens, NY)	07/19/12	760.60
Buschmann (travel agency fee for booking of one-way flight to Charleston, WV from Queens, NY on 08/27/12)	08/23/12	20.00
Buschmann (one-way coach class flight to Charleston, WV from Queens, NY)	08/27/12	796.50
	Subtotal - Airfare	2,591.58
<u>Ground Transportation - Car Service - Elite</u>		
Buschmann (car to LaGuardia Airport in Queens, NY from home)	07/19/12	55.33
Buschmann (car home from airport in White Plains, NY)	07/20/12	136.61
Buschmann (car home from LaGuardia Airport in Queens, NY)	08/02/12	81.38
Buschmann (car to LaGuardia Airport in Queens, NY from client meeting in New York, NY)	08/02/12	55.33
Chawla (late night document delivery to M. Buschmann's residence in New York, NY)	07/18/12	56.10
Schlesinger (car home from Blackstone after working late)	07/09/12	50.34
Schlesinger (car home from Blackstone after working late)	07/12/12	43.13
Schlesinger (car home from Blackstone after working late)	07/16/12	50.34
Schlesinger (car home from Blackstone after working late)	07/24/12	50.23
Schlesinger (car home from Blackstone after working late)	07/26/12	47.57
Schlesinger (car home from Blackstone after working late)	07/31/12	50.34
Schlesinger (car home from Blackstone after working late)	08/06/12	43.13
	Subtotal - Ground Transportation - Car Service - Elite	719.83
<u>Ground Transportation - Local Travel</u>		
Buschmann (weeknight taxi home from Blackstone after working late)	07/10/12	20.50
Buschmann (taxi to client meeting in New York, NY from Blackstone)	07/17/12	9.96
Buschmann (weeknight taxi home from Blackstone after working late)	07/17/12	11.25
Buschmann (weeknight taxi home from Blackstone after working late)	07/18/12	22.62
Buschmann (weeknight taxi home from Blackstone after working late)	07/19/12	14.40
Buschmann (weeknight taxi home from Blackstone after working late)	07/31/12	9.37
Buschmann (weeknight taxi home from Blackstone after working late)	08/01/12	10.87
Buschmann (weeknight taxi home from Blackstone after working late)	08/02/12	9.87
Buschmann (weeknight taxi home from Blackstone after working late)	08/02/12	25.00
Buschmann (weekend taxi home from Blackstone)	08/05/12	9.62
Buschmann (weekend taxi to Blackstone from home)	08/05/12	12.07
Buschmann (weeknight taxi home from Blackstone after working late)	08/07/12	12.00
Buschmann (weeknight taxi home from Blackstone after working late)	08/13/12	11.88
Buschmann (weekend taxi home from Blackstone)	08/19/12	8.75
Buschmann (weekend taxi to Blackstone from home)	08/19/12	20.00
Buschmann (weeknight taxi home from Blackstone after working late)	08/23/12	10.35
Buschmann (weekend taxi home from Blackstone)	08/26/12	9.12
Buschmann (weekend taxi to Blackstone from home)	08/26/12	10.62
Schlesinger (weeknight taxi home from Blackstone after working late)	07/10/12	20.30
Mitschrich (weekend taxi home from Blackstone)	07/28/12	12.26
Mitschrich (weekend taxi for return travel to Blackstone)	07/29/12	7.94
Mitschrich (weekend taxi home from Blackstone)	07/29/12	6.60
Mitschrich (weeknight taxi home from Blackstone after working late)	07/30/12	6.98
Mitschrich (weeknight taxi home from Blackstone after working late)	07/31/12	6.50
Mitschrich (weeknight taxi home from Blackstone after working late)	08/02/12	6.60
Mitschrich (weeknight taxi home from Blackstone after working late)	08/03/12	9.50
Mitschrich (weekend taxi to Blackstone from home)	08/05/12	6.38
Mitschrich (weeknight taxi home from Blackstone after working late)	08/07/12	7.56
Silverman (weeknight taxi home from Blackstone after working late)	07/09/12	9.30
Silverman (weeknight taxi home from Blackstone after working late)	07/10/12	9.50
Silverman (weeknight taxi home from Blackstone after working late)	07/11/12	12.50
Silverman (weeknight taxi home from Blackstone after working late)	07/12/12	8.90
Silverman (weekend taxi to Blackstone from home)	07/14/12	12.80
Silverman (weekend taxi home from Blackstone)	07/15/12	19.70
Silverman (weekend taxi to Blackstone from home)	07/15/12	6.00
Silverman (weeknight taxi home from Blackstone after working late)	07/17/12	8.90
Silverman (weeknight taxi home from Blackstone after working late)	07/18/12	19.94
Silverman (weeknight taxi home from Blackstone after working late)	07/19/12	11.70
Silverman (weekend taxi home from Blackstone)	07/21/12	10.00
Silverman (weekend taxi to Blackstone from home)	07/21/12	7.00
Silverman (weeknight taxi home from Blackstone after working late)	07/23/12	11.30
Silverman (weeknight taxi home from Blackstone after working late)	07/24/12	7.70
Silverman (weeknight taxi home from Blackstone after working late)	07/25/12	11.40
Silverman (weeknight taxi home from Blackstone after working late)	07/26/12	8.50
Silverman (weeknight taxi home from Blackstone after working late)	07/27/12	13.32
Silverman (weekend taxi home from Blackstone)	07/28/12	7.20
Silverman (weekend taxi home from Blackstone)	07/29/12	8.00
Silverman (weekend taxi to Blackstone from home)	07/29/12	12.00
Silverman (weeknight taxi home from Blackstone after working late)	07/31/12	22.92
Silverman (weeknight taxi home from Blackstone after working late)	08/01/12	17.70
Silverman (weekend taxi home from Blackstone)	08/04/12	8.40
Silverman (weeknight taxi home from Blackstone after working late)	08/06/12	16.20
Silverman (weeknight taxi home from Blackstone after working late)	08/07/12	20.90
Silverman (weeknight taxi home from Blackstone after working late)	08/08/12	19.56
Silverman (weeknight taxi home from Blackstone after working late)	08/09/12	23.30
Silverman (weekend taxi home from Blackstone)	08/11/12	8.62
Silverman (weekend taxi home from Blackstone)	08/12/12	11.76

Patriot Coal Corporation
Detail of Expenses Processed
Through September 30, 2012
Invoice Number: 5240-T

Silverman (weekend taxi to Blackstone from home)	08/12/12	7.44	
Silverman (weeknight taxi home from Blackstone after working late)	08/13/12	23.88	
Silverman (weeknight taxi home from Blackstone after working late)	08/14/12	19.46	
Silverman (weeknight taxi home from Blackstone after working late)	08/15/12	17.54	
	Subtotal - Ground Transportation - Local Travel		762.21
Ground Transportation - Out-Of-Town Travel			
Huffard (taxi to client site from airport in Charleston, WV)	07/19/12	14.00	
	Subtotal - Ground Transportation - Out-Of-Town Travel		14.00
Communications - Teleconferencing			
Buschmann	07/09/12	7.78	
Buschmann	07/16/12	13.70	
Buschmann	07/17/12	5.80	
Buschmann	07/18/12	9.80	
Buschmann	08/24/12	55.06	
Schlesinger	07/14/12	2.82	
Schlesinger	07/15/12	1.50	
Schlesinger	07/16/12	2.60	
Schlesinger	07/20/12	22.22	
Schlesinger	08/24/12	83.92	
	Subtotal - Communications - Teleconferencing		205.20
Meals with Clients			
Buschmann (client dinner with P. Huffard & M. Buschmann, & 15 members of client management team in New York, NY)	08/15/12	3,965.60	
	Subtotal - Meals with Clients		3,965.60
Employee Meals			
Buschmann (weeknight working dinner meal @ Blackstone while working late)	07/10/12	16.49	
Buschmann (weeknight working dinner meal @ Blackstone while working late)	07/16/12	20.00	
Buschmann (weeknight working dinner meal @ Blackstone while working late)	07/30/12	18.91	
Buschmann (weeknight working dinner meal @ Blackstone while working late)	08/20/12	13.34	
Buschmann (weeknight working dinner meal @ Blackstone while working late)	08/22/12	20.00	
Chawla (weeknight working dinner meal @ Blackstone while working late)	07/18/12	20.00	
Chawla (weeknight working dinner meal @ Blackstone while working late)	07/19/12	20.00	
Chawla (weeknight working dinner meal @ Blackstone while working late)	07/24/12	20.00	
Chawla (weeknight working dinner meal @ Blackstone while working late)	08/01/12	20.00	
Huffard (working meal while traveling)	08/28/12	20.00	
Huffard (working meal while traveling)	08/29/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	07/19/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	07/27/12	20.00	
Mitschrich (weekend working dinner meal @ Blackstone while working late)	07/28/12	20.00	
Mitschrich (weekend working breakfast meal @ Blackstone)	07/29/12	2.79	
Mitschrich (weekend working lunch meal @ Blackstone)	07/29/12	20.00	
Mitschrich (weekend working dinner meal @ Blackstone)	07/29/12	7.35	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	07/31/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	08/02/12	20.00	
Mitschrich (weekend working breakfast meal @ Blackstone)	08/05/12	4.44	
Mitschrich (weekend working lunch meal @ Blackstone)	08/05/12	20.00	
Mitschrich (weekend working dinner meal @ Blackstone)	08/05/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	08/06/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	08/07/12	20.00	
Mitschrich (weeknight working dinner meal @ Blackstone while working late)	08/22/12	20.00	
Mitschrich (working meal while traveling)	08/29/12	20.00	
Schlesinger (3 weeknight working dinner meals @ Blackstone while working late for A. Schlesinger, V. Chawla & E. Silverman)	07/09/12	60.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/10/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/11/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/13/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/16/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/18/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/19/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/25/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/26/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/27/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	07/31/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	08/03/12	20.00	
Schlesinger (weeknight working dinner meal @ Blackstone while working late)	08/22/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/09/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/10/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/11/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/16/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/17/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/18/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/19/12	20.00	
Silverman (weekend working dinner meal @ Blackstone)	07/21/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/24/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/25/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/26/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	07/31/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/01/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/02/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/06/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/07/12	20.00	

Patriot Coal Corporation
Detail of Expenses Processed
Through September 30, 2012
Invoice Number: 5240-T

Silverman (weeknight working dinner meal @ Blackstone while working late)	08/08/12	20.00	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/15/12	18.50	
Silverman (weeknight working dinner meal @ Blackstone while working late)	08/16/12	20.00	
	Subtotal - Employee Meals	<hr/>	1,141.82
Lodging			
Huffard (1 day hotel stay on Charleston, WV)	08/28/12 - 08/29/12	166.88	
	Subtotal - Lodging	<hr/>	166.88
Document Production			
Chawla (375 black & white photocopies calculated @ a rate of \$0.10 per page)	07/18/12	37.50	
Chawla (170 color photocopies calculated @ a rate of \$0.20 per page)	07/23/12	34.00	
Mitschrich (1,398 black & white photocopies calculated @ a rate of \$0.10 per page)	07/29/12 - 08/03/12	139.80	
Mitschrich (136 color photocopies calculated @ a rate of \$0.20 per page)	07/31/12	27.20	
Mitschrich (470 black & white photocopies calculated @ a rate of \$0.10 per page)	08/10/12	47.00	
Mitschrich (3,770 color photocopies calculated @ a rate of \$0.20 per page)	08/14/12 - 08/15/12	754.00	
Mitschrich (1,053 black & white photocopies calculated @ a rate of \$0.10 per page)	08/16/12 - 08/17/12	105.30	
Mitschrich (25 color photocopies calculated @ a rate of \$0.20 per page)	08/20/12 - 08/23/12	5.00	
Mitschrich (4 color photocopies calculated @ a rate of \$0.20 per page)	08/29/12	0.80	
Mitschrich (64 color photocopies calculated @ a rate of \$0.20 per page)	09/07/12	12.80	
Mitschrich (31 color photocopies calculated @ a rate of \$0.20 per page)	09/11/12 - 09/13/12	6.20	
Silverman (9,205 black & white photocopies calculated @ a rate of \$0.10 per page)	07/10/12 - 07/11/12	920.50	
Silverman (1,243 color photocopies calculated @ a rate of \$0.20 per page)	07/26/12 - 07/27/12	248.60	
Silverman (43 color photocopies calculated @ a rate of \$0.20 per page)	07/31/12 - 08/03/12	8.60	
Silverman (529 color photocopies calculated @ a rate of \$0.20 per page)	08/06/12 - 08/10/12	105.80	
Silverman (1,694 color photocopies calculated @ a rate of \$0.20 per page)	08/14/12 - 08/16/12	338.80	
	Subtotal - Document Production	<hr/>	2,791.90
Internal Research			
Mitschrich (online data research)	08/01/12	63.00	
	Subtotal - Internal Research	<hr/>	63.00
External Research - Online Database			
Huffard (online data research)	07/31/12	34.95	
	Subtotal - External Research - Online Database	<hr/>	34.95
Publishing Services			
Chawla (preparation of presentation materials for meetings)	07/23/12 - 07/26/12	617.17	
Silverman (preparation of presentation materials for meetings)	07/27/12 - 07/28/12	413.00	
Silverman (preparation of presentation materials for meetings)	07/31/12 - 08/02/12	880.83	
	Subtotal - Publishing Services	<hr/>	1,911.00
	Total Expenses	<hr/> <hr/>	\$ 14,367.97

APPENDIX E

BLACKSTONE ADVISORY PARTNERS L.P.
SUMMARY OF HOURS FOR THE PERIOD OF
JULY 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Title	Hours
Timothy Coleman	Senior Managing Director	8.0
Paul Huffard	Senior Managing Director	207.5
Mark Buschmann	Managing Director	320.0
Adam Schlesinger	Associate	524.0
Eli Silverman	Associate	407.0
Vik Chawla	Analyst	154.0
Zach Mitschrich	Analyst	622.5
	Total	<u>2,243.0</u>

BLACKSTONE ADVISORY PARTNERS L.P.
SUMMARY OF HOURS FOR THE PERIOD OF
JULY 1, 2012 THROUGH JULY 31, 2012

Professional	Title	Hours
Timothy Coleman	Senior Managing Director	8.0
Paul Huffard	Senior Managing Director	58.5
Mark Buschmann	Managing Director	94.5
Adam Schlesinger	Associate	157.0
Eli Silverman	Associate	240.0
Vik Chawla	Analyst	154.0
Zach Mitschrich	Analyst	20.0
	Total	<u><u>732.0</u></u>

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/11/12	1.5	Asset Disposition	- Contact log creation
Eli Silverman	07/11/12	1.5	Asset Disposition	- Contact log creation
Vik Chawla	07/11/12	2.5	Asset Disposition	- Contact log creation
Adam Schlesinger	07/13/12	1.0	Asset Disposition	- Contact log entries and review
Eli Silverman	07/13/12	1.0	Asset Disposition	- Contact log entries and review
		<u>7.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/11/12	1.0	Business Analysis	- Calls re coal supply contracts
Adam Schlesinger	07/11/12	4.5	Business Analysis	- Prepare/review business analysis re sales contracts
Eli Silverman	07/11/12	1.0	Business Analysis	- Calls re coal supply contracts
Eli Silverman	07/11/12	6.0	Business Analysis	- Prepare/review business analysis re sales contracts
Mark Buschmann	07/11/12	1.0	Business Analysis	- Calls re coal supply contracts
Mark Buschmann	07/11/12	2.0	Business Analysis	- Prepare/review business analysis re sales contracts
Paul Huffard	07/11/12	1.0	Business Analysis	- Calls re coal supply contracts
Paul Huffard	07/11/12	1.0	Business Analysis	- Prepare/review business analysis re sales contracts
Vik Chawla	07/11/12	1.0	Business Analysis	- Calls re coal supply contracts
Vik Chawla	07/11/12	6.0	Business Analysis	- Prepare/review business analysis re sales contracts
Adam Schlesinger	07/13/12	2.0	Business Analysis	- Calls re coal supply contracts
Adam Schlesinger	07/13/12	2.5	Business Analysis	- Prepare analyses of business units
Eli Silverman	07/13/12	2.0	Business Analysis	- Calls re coal supply contracts
Eli Silverman	07/13/12	6.0	Business Analysis	- Prepare analyses of business units
Vik Chawla	07/13/12	2.0	Business Analysis	- Calls re coal supply contracts
Vik Chawla	07/13/12	4.0	Business Analysis	- Prepare analyses of business units
Adam Schlesinger	07/16/12	1.5	Business Analysis	- Calls re coal supply contracts
Eli Silverman	07/16/12	1.5	Business Analysis	- Calls re coal supply contracts
Mark Buschmann	07/16/12	1.5	Business Analysis	- Calls re coal supply contracts
Paul Huffard	07/16/12	1.5	Business Analysis	- Calls re coal supply contracts
Vik Chawla	07/16/12	1.5	Business Analysis	- Calls re coal supply contracts
Adam Schlesinger	07/17/12	2.0	Business Analysis	- Prepare/review financial analysis for management
Eli Silverman	07/17/12	8.5	Business Analysis	- Prepare/review financial analysis for management
Mark Buschmann	07/17/12	0.5	Business Analysis	- Prepare/review financial analysis for management
Paul Huffard	07/17/12	0.5	Business Analysis	- Prepare/review financial analysis for management

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Vik Chawla	07/17/12	7.5	Business Analysis	- Prepare/review financial analysis for management
Mark Buschmann	07/18/12	1.5	Business Analysis	- Preparation for meetings with management in Charleston
Paul Huffard	07/18/12	1.0	Business Analysis	- Preparation for meetings with management in Charleston
Adam Schlesinger	07/20/12	2.5	Business Analysis	- Prepare retiree medical cost
Eli Silverman	07/20/12	7.0	Business Analysis	- Prepare retiree medical cost
Mark Buschmann	07/20/12	10.0	Business Analysis	- Meetings with mgmt, DPW and APS in Charleston
Paul Huffard	07/20/12	1.0	Business Analysis	- Prepare retiree medical cost
Paul Huffard	07/20/12	10.0	Business Analysis	- Meetings with mgmt, DPW and APS in Charleston
Vik Chawla	07/20/12	8.0	Business Analysis	- Prepare retiree medical cost
Adam Schlesinger	07/22/12	1.0	Business Analysis	- Review financial analysis for management
Eli Silverman	07/22/12	3.0	Business Analysis	- Review financial analysis for management
Vik Chawla	07/22/12	5.0	Business Analysis	- Review financial analysis for management
Adam Schlesinger	07/23/12	3.0	Business Analysis	- Review financial analysis for management
Eli Silverman	07/23/12	4.0	Business Analysis	- Review financial analysis for management
Vik Chawla	07/23/12	4.0	Business Analysis	- Review financial analysis for management
Adam Schlesinger	07/24/12	4.0	Business Analysis	- Review retiree medical cost and related analyses
Eli Silverman	07/24/12	8.0	Business Analysis	- Review retiree medical cost and related analyses
Vik Chawla	07/24/12	13.0	Business Analysis	- Review retiree medical cost and related analyses
Adam Schlesinger	07/25/12	6.0	Business Analysis	- Prepare analyses of business units
Eli Silverman	07/25/12	7.5	Business Analysis	- Prepare analyses of business units
Adam Schlesinger	07/26/12	2.0	Business Analysis	- Prepare analyses of business units
Eli Silverman	07/26/12	5.5	Business Analysis	- Prepare analyses of business units
Adam Schlesinger	07/27/12	2.5	Business Analysis	- Prepare analyses of business units
Adam Schlesinger	07/27/12	3.0	Business Analysis	- Prepare committee materials
Eli Silverman	07/27/12	2.5	Business Analysis	- Prepare analyses of business units

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Eli Silverman	07/27/12	8.0	Business Analysis	- Prepare committee materials
Mark Buschmann	07/27/12	0.5	Business Analysis	- Prepare committee materials
		<u>193.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/09/12	13.0	Case Administration	- Preparation of Chapter 11 filing
Eli Silverman	07/09/12	11.5	Case Administration	- Preparation of Chapter 11 filing
Mark Buschmann	07/09/12	7.0	Case Administration	- Preparation of Chapter 11 filing
Paul Huffard	07/09/12	4.0	Case Administration	- Preparation of Chapter 11 filing
Paul Huffard	07/09/12	1.0	Case Administration	- Board call
Timothy Coleman	07/09/12	4.0	Case Administration	- Preparation of Chapter 11 filing
Adam Schlesinger	07/10/12	8.0	Case Administration	- Preparation for First Day hearing
Adam Schlesinger	07/10/12	2.0	Case Administration	- First Day Hearing
Eli Silverman	07/10/12	8.0	Case Administration	- Preparation for First Day hearing
Eli Silverman	07/10/12	2.0	Case Administration	- First Day Hearing
Mark Buschmann	07/10/12	8.0	Case Administration	- Preparation for First Day hearing
Mark Buschmann	07/10/12	2.0	Case Administration	- First Day Hearing
Paul Huffard	07/10/12	2.5	Case Administration	- Preparation for First Day hearing
Paul Huffard	07/10/12	2.0	Case Administration	- First Day Hearing
Timothy Coleman	07/10/12	2.0	Case Administration	- Preparation for First Day hearing
Timothy Coleman	07/10/12	2.0	Case Administration	- First Day Hearing
Adam Schlesinger	07/11/12	1.5	Case Administration	- Call re work streams and case management
Eli Silverman	07/11/12	1.5	Case Administration	- Call re work streams and case management
Mark Buschmann	07/11/12	1.5	Case Administration	- Call re work streams and case management
Paul Huffard	07/11/12	1.5	Case Administration	- Call re work streams and case management
Vik Chawla	07/11/12	1.5	Case Administration	- Call re work streams and case management
Adam Schlesinger	07/12/12	2.0	Case Administration	- Weekly update call
Eli Silverman	07/12/12	2.0	Case Administration	- Weekly update call
Mark Buschmann	07/12/12	2.0	Case Administration	- Weekly update call
Paul Huffard	07/12/12	2.0	Case Administration	- Weekly update call

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Vik Chawla	07/12/12	2.0	Case Administration	- Weekly update call
Adam Schlesinger	07/13/12	1.5	Case Administration	- Call re workstreams and case management
Eli Silverman	07/13/12	1.5	Case Administration	- Call re workstreams and case management
Mark Buschmann	07/13/12	1.5	Case Administration	- Call re workstreams and case management
Paul Huffard	07/13/12	1.5	Case Administration	- Call re workstreams and case management
Vik Chawla	07/13/12	1.5	Case Administration	- Call re workstreams and case management
Adam Schlesinger	07/23/12	1.5	Case Administration	- Call re workstreams
Eli Silverman	07/23/12	1.5	Case Administration	- Call re workstreams
Mark Buschmann	07/23/12	1.5	Case Administration	- Call re workstreams
Paul Huffard	07/23/12	1.5	Case Administration	- Call re workstreams
Vik Chawla	07/23/12	1.5	Case Administration	- Call re workstreams
Paul Huffard	07/25/12	1.0	Case Administration	- Update call with UCC advisors
		<u>112.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/12/12	9.0	Corporate Finance	- Cash flow forecast preparation/review
Eli Silverman	07/12/12	9.0	Corporate Finance	- Cash flow forecast preparation/review
Mark Buschmann	07/12/12	2.0	Corporate Finance	- Cash flow forecast preparation/review
Vik Chawla	07/12/12	10.5	Corporate Finance	- Cash flow forecast preparation/review
Adam Schlesinger	07/14/12	3.0	Corporate Finance	- Prepare analyses of business units
Eli Silverman	07/14/12	8.0	Corporate Finance	- Prepare analyses of business units
Vik Chawla	07/14/12	9.5	Corporate Finance	- Prepare analyses of business units
Adam Schlesinger	07/15/12	3.0	Corporate Finance	- Preparation liquidity analyses
Eli Silverman	07/15/12	7.5	Corporate Finance	- Preparation liquidity analyses
Vik Chawla	07/15/12	9.0	Corporate Finance	- Preparation liquidity analyses
Adam Schlesinger	07/17/12	3.0	Corporate Finance	- Preparation of DIP syndication materials
Adam Schlesinger	07/17/12	1.0	Corporate Finance	- Calls re DIP process
Eli Silverman	07/17/12	3.0	Corporate Finance	- Preparation of DIP syndication materials
Eli Silverman	07/17/12	1.0	Corporate Finance	- Calls re DIP process
Mark Buschmann	07/17/12	1.5	Corporate Finance	- Preparation of DIP syndication materials
Mark Buschmann	07/17/12	1.0	Corporate Finance	- Calls re DIP process
Paul Huffard	07/17/12	1.0	Corporate Finance	- Calls re DIP process
Vik Chawla	07/17/12	5.0	Corporate Finance	- Preparation of DIP syndication materials
Vik Chawla	07/17/12	1.0	Corporate Finance	- Calls re DIP process
Mark Buschmann	07/19/12	8.0	Corporate Finance	- Meetings with mgmt and APS in Charleston
Paul Huffard	07/19/12	8.0	Corporate Finance	- Meetings with mgmt and APS in Charleston
Adam Schlesinger	07/23/12	1.0	Corporate Finance	- Internal update call
Eli Silverman	07/23/12	1.0	Corporate Finance	- Internal update call
Mark Buschmann	07/23/12	1.0	Corporate Finance	- Internal update call

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Paul Huffard	07/23/12	1.0	Corporate Finance	- Internal update call
Vik Chawla	07/23/12	1.0	Corporate Finance	- Internal update call
		<u>109.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Paul Huffard	07/17/12	1.5	Employee Benefits/Pensions	- Call re: UMWA
		<u>1.5</u>		
		<u><u>1.5</u></u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/12/12	1.0	Fee/Employment Applications	- Preparation of retention materials
Eli Silverman	07/12/12	4.0	Fee/Employment Applications	- Preparation of retention materials
Mark Buschmann	07/12/12	2.0	Fee/Employment Applications	- Preparation of retention materials
Vik Chawla	07/12/12	2.5	Fee/Employment Applications	- Preparation of retention materials
Mark Buschmann	07/19/12	1.0	Fee/Employment Applications	- Preparation of retention materials
		10.5		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/09/12	5.0	Financing	- Calls re DIP documentation
Eli Silverman	07/09/12	5.0	Financing	- Calls re DIP documentation
Mark Buschmann	07/09/12	5.0	Financing	- Calls re DIP documentation
Adam Schlesinger	07/16/12	1.5	Financing	- Calls re DIP process/syndication
Adam Schlesinger	07/16/12	3.0	Financing	- Preparation of DIP syndication materials
Eli Silverman	07/16/12	1.5	Financing	- Calls re DIP process/syndication
Eli Silverman	07/16/12	5.5	Financing	- Preparation of DIP syndication materials
Mark Buschmann	07/16/12	1.5	Financing	- Calls re DIP process/syndication
Mark Buschmann	07/16/12	2.0	Financing	- Preparation of DIP syndication materials
Paul Huffard	07/16/12	1.5	Financing	- Calls re DIP process/syndication
Vik Chawla	07/16/12	1.5	Financing	- Calls re DIP process/syndication
Vik Chawla	07/16/12	6.0	Financing	- Preparation of DIP syndication materials
Adam Schlesinger	07/18/12	3.0	Financing	- Calls re DIP process
Adam Schlesinger	07/18/12	4.0	Financing	- Preparation/review of DIP syndication materials
Eli Silverman	07/18/12	3.0	Financing	- Calls re DIP process
Eli Silverman	07/18/12	4.0	Financing	- Preparation/review of DIP syndication materials
Mark Buschmann	07/18/12	3.0	Financing	- Calls re DIP process
Mark Buschmann	07/18/12	0.5	Financing	- Preparation/review of DIP syndication materials
Paul Huffard	07/18/12	3.0	Financing	- Calls re DIP process
Vik Chawla	07/18/12	3.0	Financing	- Calls re DIP process
Vik Chawla	07/18/12	6.0	Financing	- Preparation/review of DIP syndication materials
Adam Schlesinger	07/19/12	3.0	Financing	- Preparation of DIP syndication materials
Eli Silverman	07/19/12	3.0	Financing	- Preparation of DIP syndication materials
Mark Buschmann	07/19/12	0.5	Financing	- Preparation of DIP syndication materials

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Vik Chawla	07/19/12	4.0	Financing	- Preparation of DIP syndication materials
Adam Schlesinger	07/23/12	1.5	Financing	- Calls re DIP process
Eli Silverman	07/23/12	1.5	Financing	- Calls re DIP process
Mark Buschmann	07/23/12	1.5	Financing	- Calls re DIP process
Vik Chawla	07/23/12	1.5	Financing	- Calls re DIP process
Adam Schlesinger	07/24/12	8.0	Financing	- DIP syndication meetings
Eli Silverman	07/24/12	4.0	Financing	- DIP syndication meetings
Adam Schlesinger	07/31/12	1.0	Financing	- Call re DIP syndication
Eli Silverman	07/31/12	1.0	Financing	- Call re DIP syndication
Mark Buschmann	07/31/12	1.0	Financing	- Call re DIP syndication
Paul Huffard	07/31/12	1.0	Financing	- Call re DIP syndication
Zach Mitschrich	07/31/12	1.0	Financing	- Call re DIP syndication
		102.0		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/16/12	2.0	Meetings of Creditors	- Preparation of committee materials
Eli Silverman	07/16/12	6.0	Meetings of Creditors	- Preparation of committee materials
Mark Buschmann	07/16/12	2.0	Meetings of Creditors	- Preparation of committee materials
Vik Chawla	07/16/12	5.5	Meetings of Creditors	- Preparation of committee materials
Adam Schlesinger	07/17/12	1.0	Meetings of Creditors	- Prepare/review committee materials
Eli Silverman	07/17/12	1.0	Meetings of Creditors	- Prepare/review committee materials
Mark Buschmann	07/17/12	1.0	Meetings of Creditors	- Prepare/review committee materials
Paul Huffard	07/17/12	0.5	Meetings of Creditors	- Prepare/review committee materials
Vik Chawla	07/17/12	3.0	Meetings of Creditors	- Prepare/review committee materials
Adam Schlesinger	07/18/12	3.0	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/18/12	7.0	Meetings of Creditors	- Prepare committee materials
Mark Buschmann	07/18/12	3.0	Meetings of Creditors	- Creditors Committee Formation meeting
Mark Buschmann	07/18/12	2.0	Meetings of Creditors	- Prepare committee materials
Vik Chawla	07/18/12	8.0	Meetings of Creditors	- Prepare committee materials
Adam Schlesinger	07/19/12	3.0	Meetings of Creditors	- Prepare/review committee materials
Eli Silverman	07/19/12	10.5	Meetings of Creditors	- Prepare/review committee materials
Mark Buschmann	07/19/12	0.5	Meetings of Creditors	- Prepare/review committee materials
Paul Huffard	07/19/12	1.0	Meetings of Creditors	- Prepare/review committee materials
Vik Chawla	07/19/12	11.0	Meetings of Creditors	- Prepare/review committee materials
Eli Silverman	07/21/12	3.5	Meetings of Creditors	- Prepare committee materials
Vik Chawla	07/21/12	5.0	Meetings of Creditors	- Prepare committee materials
Adam Schlesinger	07/25/12	3.0	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/25/12	8.0	Meetings of Creditors	- Prepare committee materials
Adam Schlesinger	07/26/12	3.0	Meetings of Creditors	- Prepare committee materials

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	07/26/12	4.0	Meetings of Creditors	- Committee advisor's meeting
Eli Silverman	07/26/12	4.0	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/26/12	4.0	Meetings of Creditors	- Committee advisor's meeting
Paul Huffard	07/26/12	4.0	Meetings of Creditors	- Committee advisor's meeting
Adam Schlesinger	07/27/12	1.0	Meetings of Creditors	- Call with committee advisors
Eli Silverman	07/27/12	1.0	Meetings of Creditors	- Call with committee advisors
Mark Buschmann	07/27/12	1.0	Meetings of Creditors	- Call with committee advisors
Paul Huffard	07/27/12	1.0	Meetings of Creditors	- Call with committee advisors
Adam Schlesinger	07/28/12	1.0	Meetings of Creditors	- Call with committee advisors
Adam Schlesinger	07/28/12	1.0	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/28/12	1.0	Meetings of Creditors	- Call with committee advisors
Eli Silverman	07/28/12	9.0	Meetings of Creditors	- Prepare committee materials
Mark Buschmann	07/28/12	0.5	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/29/12	4.0	Meetings of Creditors	- Prepare committee materials
Adam Schlesinger	07/30/12	2.5	Meetings of Creditors	- Prepare committee materials
Adam Schlesinger	07/30/12	4.5	Meetings of Creditors	- Preparation of presentation materials for UCC
Eli Silverman	07/30/12	4.5	Meetings of Creditors	- Prepare committee materials
Eli Silverman	07/30/12	4.5	Meetings of Creditors	- Preparation of presentation materials for UCC
Mark Buschmann	07/30/12	2.5	Meetings of Creditors	- Prepare committee materials
Mark Buschmann	07/30/12	3.0	Meetings of Creditors	- Preparation of presentation materials for UCC
Paul Huffard	07/30/12	1.0	Meetings of Creditors	- Preparation of presentation materials for UCC
Zach Mitschrich	07/30/12	6.0	Meetings of Creditors	- Preparation of presentation materials for UCC
Adam Schlesinger	07/31/12	1.0	Meetings of Creditors	- Call re UCC diligence requests
Adam Schlesinger	07/31/12	6.5	Meetings of Creditors	- Preparation of presentation materials for UCC

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

JULY 1, 2012 THROUGH JULY 1, 2012

Professional	Date	Hours	Project Category	Explanation
Eli Silverman	07/31/12	1.0	Meetings of Creditors	- Call re UCC diligence requests
Eli Silverman	07/31/12	8.0	Meetings of Creditors	- Preparation of presentation materials for UCC
Mark Buschmann	07/31/12	1.0	Meetings of Creditors	- Call re UCC diligence requests
Mark Buschmann	07/31/12	6.0	Meetings of Creditors	- Preparation of presentation materials for UCC
Paul Huffard	07/31/12	1.0	Meetings of Creditors	- Call re UCC diligence requests
Zach Mitschrich	07/31/12	1.0	Meetings of Creditors	- Call re UCC diligence requests
Zach Mitschrich	07/31/12	12.0	Meetings of Creditors	- Preparation of presentation materials for UCC
		196.0		

BLACKSTONE ADVISORY PARTNERS L.P.
SUMMARY OF HOURS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Title	Hours
Paul Huffard	Senior Managing Director	60.0
Mark Buschmann	Managing Director	102.0
Adam Schlesinger	Associate	203.5
Eli Silverman	Associate	167.0
Zach Mitschrich	Analyst	332.0
	Total	<u>864.5</u>

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/01/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/02/12	1.0	Asset Analysis and Recovery	- Internal meeting to review legal entity analysis
Eli Silverman	08/02/12	1.0	Asset Analysis and Recovery	- Internal meeting to review legal entity analysis
Mark Buschmann	08/02/12	1.0	Asset Analysis and Recovery	- Internal meeting to review legal entity analysis
Paul Huffard	08/02/12	1.0	Asset Analysis and Recovery	- Internal meeting to review legal entity analysis
Zach Mitschrich	08/02/12	1.0	Asset Analysis and Recovery	- Internal meeting to review legal entity analysis
Adam Schlesinger	08/04/12	5.0	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/05/12	10.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/05/12	7.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/06/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/06/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/06/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/07/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/07/12	1.5	Asset Analysis and Recovery	- Call with regarding Legal Entities
Eli Silverman	08/07/12	1.5	Asset Analysis and Recovery	- Call with regarding Legal Entities
Mark Buschmann	08/07/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/07/12	1.5	Asset Analysis and Recovery	- Call with regarding Legal Entities
Paul Huffard	08/07/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/07/12	1.5	Asset Analysis and Recovery	- Call with regarding Legal Entities
Zach Mitschrich	08/07/12	1.5	Asset Analysis and Recovery	- Call with regarding Legal Entities
Adam Schlesinger	08/08/12	3.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/09/12	1.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Eli Silverman	08/09/12	4.5	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/09/12	1.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Mark Buschmann	08/09/12	1.5	Asset Analysis and Recovery	- Call regarding Legal Entities

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Paul Huffard	08/09/12	1.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Zach Mitschrich	08/09/12	5.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/09/12	1.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Eli Silverman	08/12/12	7.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/12/12	7.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/13/12	5.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/13/12	2.0	Asset Analysis and Recovery	- Call regarding Leased Reserves
Eli Silverman	08/13/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/13/12	2.0	Asset Analysis and Recovery	- Call regarding Leased Reserves
Mark Buschmann	08/13/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/13/12	2.0	Asset Analysis and Recovery	- Call regarding Leased Reserves
Paul Huffard	08/13/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/13/12	6.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/13/12	2.0	Asset Analysis and Recovery	- Call regarding Leased Reserves
Adam Schlesinger	08/14/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/14/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/14/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/14/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/14/12	5.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/15/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Eli Silverman	08/15/12	3.0	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/15/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/15/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/15/12	5.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/16/12	4.0	Asset Analysis and Recovery	- Legal entity analysis

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Eli Silverman	08/16/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/16/12	3.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/17/12	4.0	Asset Analysis and Recovery	- Assets and liabilities review
Mark Buschmann	08/17/12	1.5	Asset Analysis and Recovery	- Assets and liabilities review
Paul Huffard	08/17/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/17/12	1.0	Asset Analysis and Recovery	- Assets and liabilities review
Zach Mitschrich	08/17/12	10.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/18/12	4.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/19/12	10.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/20/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/20/12	2.0	Asset Analysis and Recovery	- Asset and Liability review
Mark Buschmann	08/20/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/20/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/20/12	16.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/21/12	2.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/21/12	2.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Mark Buschmann	08/21/12	2.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Zach Mitschrich	08/21/12	8.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/21/12	2.5	Asset Analysis and Recovery	- Call regarding Legal Entities
Adam Schlesinger	08/22/12	5.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/22/12	13.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/23/12	7.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/23/12	2.0	Asset Analysis and Recovery	- Call with regarding legal entities
Mark Buschmann	08/23/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/23/12	2.0	Asset Analysis and Recovery	- Call with regarding legal entities

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Paul Huffard	08/23/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/23/12	8.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/23/12	2.0	Asset Analysis and Recovery	- Call with regarding legal entities
Adam Schlesinger	08/24/12	2.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/24/12	12.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/25/12	2.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/25/12	3.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/26/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/26/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	08/26/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/27/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/27/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/30/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/30/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/30/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	08/31/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	08/31/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	08/31/12	1.5	Asset Analysis and Recovery	- Legal entity analysis
		293.5		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/01/12	0.5	Business Analysis	- Call with Management
Eli Silverman	08/01/12	0.5	Business Analysis	- Call with Management
Mark Buschmann	08/01/12	0.5	Business Analysis	- Call with Management
Zach Mitschrich	08/01/12	0.5	Business Analysis	- Call with Management
Adam Schlesinger	08/05/12	1.0	Business Analysis	- Review of financial projections
Mark Buschmann	08/05/12	0.5	Business Analysis	- Review of financial projections
Adam Schlesinger	08/07/12	6.0	Business Analysis	- Due diligence for committees
Eli Silverman	08/07/12	9.0	Business Analysis	- Due diligence for committees
Zach Mitschrich	08/07/12	9.0	Business Analysis	- Due diligence for committees
Adam Schlesinger	08/13/12	1.0	Business Analysis	- Review of second day motions
Eli Silverman	08/13/12	2.0	Business Analysis	- Call re Second Day Motions
Eli Silverman	08/13/12	1.0	Business Analysis	- Call re: contracts
Mark Buschmann	08/13/12	1.0	Business Analysis	- Review of second day motions
Mark Buschmann	08/13/12	2.0	Business Analysis	- Call re Second Day Motions
Mark Buschmann	08/13/12	1.0	Business Analysis	- Call re: contracts
Paul Huffard	08/13/12	1.0	Business Analysis	- Review of second day motions
Paul Huffard	08/13/12	1.0	Business Analysis	- Call re: contracts
Zach Mitschrich	08/13/12	2.0	Business Analysis	- Call re Second Day Motions
Adam Schlesinger	08/18/12	3.0	Business Analysis	- Due diligence for committees
Adam Schlesinger	08/19/12	1.5	Business Analysis	- Due diligence for committees
Mark Buschmann	08/20/12	0.5	Business Analysis	- Prepare DIP arranger and UCC diligence materials re potential settlements
Adam Schlesinger	08/22/12	2.0	Business Analysis	- UCC Due diligence call
Mark Buschmann	08/22/12	2.0	Business Analysis	- UCC Due diligence call
Paul Huffard	08/22/12	2.0	Business Analysis	- UCC Due diligence call

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Zach Mitschrich	08/22/12	2.0	Business Analysis	- UCC Due diligence call
Mark Buschmann	08/27/12	8.0	Business Analysis	- Due diligence mine tour in WV
Zach Mitschrich	08/27/12	8.0	Business Analysis	- Due diligence mine tour in WV
Adam Schlesinger	08/28/12	1.0	Business Analysis	- Contract analysis
Adam Schlesinger	08/28/12	1.0	Business Analysis	- Call re settlement discussions
Mark Buschmann	08/28/12	11.0	Business Analysis	- Due diligence meetings in Charleston
Zach Mitschrich	08/28/12	11.0	Business Analysis	- Due diligence meetings in Charleston
Zach Mitschrich	08/28/12	5.0	Business Analysis	- Contract analysis
Adam Schlesinger	08/29/12	1.0	Business Analysis	- Due diligence for committees
Paul Huffard	08/29/12	7.0	Business Analysis	- Due diligence meetings in Charleston
Zach Mitschrich	08/29/12	7.0	Business Analysis	- Due diligence meetings in Charleston
Zach Mitschrich	08/29/12	5.0	Business Analysis	- Contract analysis
Adam Schlesinger	08/30/12	1.0	Business Analysis	- Due diligence for committees
Mark Buschmann	08/30/12	3.0	Business Analysis	- Calls for UCC Diligence
Zach Mitschrich	08/30/12	6.0	Business Analysis	- Contract analysis
Zach Mitschrich	08/30/12	3.0	Business Analysis	- Calls for UCC Diligence
Zach Mitschrich	08/31/12	4.5	Business Analysis	- Contract analysis
		135.0		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/02/12	2.0	Case Administration	- Call re case process and workstreams
Eli Silverman	08/02/12	2.0	Case Administration	- Call re case process and workstreams
Mark Buschmann	08/02/12	2.0	Case Administration	- Call re case process and workstreams
Paul Huffard	08/02/12	2.0	Case Administration	- Call re case process and workstreams
Zach Mitschrich	08/02/12	2.0	Case Administration	- Call re case process and workstreams
Adam Schlesinger	08/03/12	1.5	Case Administration	- Weekly update call
Eli Silverman	08/03/12	1.5	Case Administration	- Weekly update call
Mark Buschmann	08/03/12	1.5	Case Administration	- Weekly update call
Paul Huffard	08/03/12	1.5	Case Administration	- Weekly update call
Zach Mitschrich	08/03/12	1.5	Case Administration	- Weekly update call
Adam Schlesinger	08/06/12	2.0	Case Administration	- Calls re workstreams and process
Eli Silverman	08/06/12	2.0	Case Administration	- Calls re workstreams and process
Mark Buschmann	08/06/12	2.0	Case Administration	- Calls re workstreams and process
Paul Huffard	08/06/12	2.0	Case Administration	- Calls re workstreams and process
Zach Mitschrich	08/06/12	2.0	Case Administration	- Calls re workstreams and process
Adam Schlesinger	08/07/12	1.5	Case Administration	- Weekly update call
Eli Silverman	08/07/12	1.5	Case Administration	- Weekly update call
Mark Buschmann	08/07/12	1.5	Case Administration	- Weekly update call
Paul Huffard	08/07/12	1.5	Case Administration	- Weekly update call
Zach Mitschrich	08/07/12	1.5	Case Administration	- Weekly update call
Adam Schlesinger	08/09/12	1.5	Case Administration	- Weekly update call
Adam Schlesinger	08/09/12	1.0	Case Administration	- Call regarding Motions
Eli Silverman	08/09/12	1.5	Case Administration	- Weekly update call
Eli Silverman	08/09/12	1.0	Case Administration	- Call regarding Motions

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	08/09/12	1.5	Case Administration	- Weekly update call
Mark Buschmann	08/09/12	1.0	Case Administration	- Call regarding Motions
Paul Huffard	08/09/12	1.5	Case Administration	- Weekly update call
Zach Mitschrich	08/09/12	1.5	Case Administration	- Weekly update call
Zach Mitschrich	08/09/12	1.0	Case Administration	- Call regarding Motions
Adam Schlesinger	08/13/12	2.5	Case Administration	- Call re Asset and Liabilities, Schedules
Eli Silverman	08/13/12	2.5	Case Administration	- Call re Asset and Liabilities, Schedules
Mark Buschmann	08/13/12	2.5	Case Administration	- Call re Asset and Liabilities, Schedules
Zach Mitschrich	08/13/12	2.5	Case Administration	- Call re Asset and Liabilities, Schedules
Adam Schlesinger	08/17/12	1.0	Case Administration	- Weekly update call
Mark Buschmann	08/17/12	1.0	Case Administration	- Weekly update call
Paul Huffard	08/17/12	1.0	Case Administration	- Weekly update call
Zach Mitschrich	08/17/12	1.0	Case Administration	- Weekly update call
Adam Schlesinger	08/20/12	1.0	Case Administration	- Call with Management re due diligence requests
Mark Buschmann	08/20/12	1.0	Case Administration	- Call with Management re due diligence requests
Paul Huffard	08/20/12	1.0	Case Administration	- Call with Management re due diligence requests
Adam Schlesinger	08/21/12	3.0	Case Administration	- Team meeting
Mark Buschmann	08/21/12	3.0	Case Administration	- Team meeting
Paul Huffard	08/21/12	3.0	Case Administration	- Team meeting
Zach Mitschrich	08/21/12	3.0	Case Administration	- Team meeting
Mark Buschmann	08/30/12	0.5	Case Administration	- Review of monthly reporting package
		76.0		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Eli Silverman	08/06/12	8.0	Corporate Finance	- Financial modeling
Zach Mitschrich	08/06/12	9.0	Corporate Finance	- Financial modeling
Zach Mitschrich	08/30/12	6.0	Corporate Finance	- Business modeling
Zach Mitschrich	08/31/12	6.0	Corporate Finance	- Business modeling
		<u>29.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/24/12	1.5	Employee Benefits/Pensions	- Call regarding UMWA Data Room
Mark Buschmann	08/24/12	1.5	Employee Benefits/Pensions	- Call regarding UMWA Data Room
Zach Mitschrich	08/24/12	1.5	Employee Benefits/Pensions	- Call regarding UMWA Data Room
Mark Buschmann	08/31/12	1.0	Employee Benefits/Pensions	- Call regarding UMWA Data Room
Zach Mitschrich	08/31/12	1.0	Employee Benefits/Pensions	- Call regarding UMWA Data Room
		<u>6.5</u>		

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012**

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	08/17/12	0.5 <hr/> 0.5 <hr/> <hr/>	Fee/Employment Applications	- Review of BX retention order

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/05/12	0.5	Financing	- Call with DIP lender
Adam Schlesinger	08/21/12	1.0	Financing	- Update calls
Mark Buschmann	08/21/12	1.0	Financing	- Update calls
Paul Huffard	08/21/12	1.0	Financing	- Update calls
Zach Mitschrich	08/21/12	1.0	Financing	- Update calls
		<u>4.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	08/22/12	1.5	Litigation Consulting	- Review of motions re venue
Paul Huffard	08/22/12	2.5	Litigation Consulting	- Review of motions re venue
Adam Schlesinger	08/30/12	0.5	Litigation Consulting	- Call re Equity Committee motion
Mark Buschmann	08/30/12	1.0	Litigation Consulting	- Call re Equity Committee motion
Paul Huffard	08/30/12	1.0	Litigation Consulting	- Call re Equity Committee motion
		<u>6.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/01/12	7.0	Meetings of Creditors	- Preparation of due diligence for committee
Eli Silverman	08/01/12	10.0	Meetings of Creditors	- Preparation of due diligence for committee
Mark Buschmann	08/01/12	0.5	Meetings of Creditors	- Preparation of due diligence for committee
Zach Mitschrich	08/01/12	6.0	Meetings of Creditors	- Preparation of due diligence for committee
Adam Schlesinger	08/02/12	6.0	Meetings of Creditors	- Preparation of due diligence for committee
Eli Silverman	08/02/12	7.0	Meetings of Creditors	- Preparation of due diligence for committee
Mark Buschmann	08/02/12	1.0	Meetings of Creditors	- Preparation of due diligence for committee
Zach Mitschrich	08/02/12	10.0	Meetings of Creditors	- Preparation of due diligence for committee
Adam Schlesinger	08/03/12	4.5	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/03/12	11.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/03/12	2.0	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/03/12	10.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/06/12	8.0	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/06/12	4.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/06/12	0.5	Meetings of Creditors	- Due diligence for committees
Paul Huffard	08/06/12	0.5	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/06/12	3.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/08/12	7.0	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/08/12	11.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/08/12	0.5	Meetings of Creditors	- Due diligence for committees
Paul Huffard	08/08/12	0.5	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/08/12	10.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/09/12	6.5	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/09/12	6.0	Meetings of Creditors	- Due diligence for committees

BLACKSTONE ADVISORY PARTNERS L.P.
 HOURLY DETAILS FOR THE PERIOD OF
 AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Zach Mitschrich	08/09/12	8.5	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/10/12	4.5	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/10/12	2.0	Meetings of Creditors	- Call to discuss draft UCC Presentation
Eli Silverman	08/10/12	9.5	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/10/12	2.0	Meetings of Creditors	- Call to discuss draft UCC Presentation
Mark Buschmann	08/10/12	2.0	Meetings of Creditors	- Call to discuss draft UCC Presentation
Paul Huffard	08/10/12	2.0	Meetings of Creditors	- Call to discuss draft UCC Presentation
Zach Mitschrich	08/10/12	11.5	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/10/12	2.0	Meetings of Creditors	- Call to discuss draft UCC Presentation
Adam Schlesinger	08/11/12	5.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/11/12	1.0	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/11/12	6.0	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/11/12	1.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/11/12	0.5	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/11/12	1.0	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/11/12	5.0	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/11/12	1.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/12/12	2.5	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/13/12	2.5	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/13/12	4.5	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/13/12	3.5	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/14/12	8.5	Meetings of Creditors	- Due diligence for committees
Eli Silverman	08/14/12	5.0	Meetings of Creditors	- Due diligence for committees
Zach Mitschrich	08/14/12	3.0	Meetings of Creditors	- Due diligence for committees

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
AUGUST 1, 2012 THROUGH AUGUST 31, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/15/12	3.0	Meetings of Creditors	- Meeting to prepare for UCC meeting at DPW
Adam Schlesinger	08/15/12	3.0	Meetings of Creditors	- Dinner with certain members of UCC
Eli Silverman	08/15/12	3.0	Meetings of Creditors	- Meeting to prepare for UCC meeting at DPW
Eli Silverman	08/15/12	5.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/15/12	3.0	Meetings of Creditors	- Meeting to prepare for UCC meeting at DPW
Mark Buschmann	08/15/12	3.0	Meetings of Creditors	- Dinner with certain members of UCC
Paul Huffard	08/15/12	3.0	Meetings of Creditors	- Meeting to prepare for UCC meeting at DPW
Paul Huffard	08/15/12	3.0	Meetings of Creditors	- Dinner with certain members of UCC
Zach Mitschrich	08/15/12	3.0	Meetings of Creditors	- Meeting to prepare for UCC meeting at DPW
Zach Mitschrich	08/15/12	4.5	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/16/12	7.0	Meetings of Creditors	- Preliminary Meeting and UCC Meeting
Eli Silverman	08/16/12	7.0	Meetings of Creditors	- Preliminary Meeting and UCC Meeting
Mark Buschmann	08/16/12	7.0	Meetings of Creditors	- Preliminary Meeting and UCC Meeting
Paul Huffard	08/16/12	7.0	Meetings of Creditors	- Preliminary Meeting and UCC Meeting
Zach Mitschrich	08/16/12	7.0	Meetings of Creditors	- Preliminary Meeting and UCC Meeting
Adam Schlesinger	08/17/12	2.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/17/12	1.0	Meetings of Creditors	- call with HL re due diligence
Adam Schlesinger	08/21/12	1.0	Meetings of Creditors	- Update calls
Mark Buschmann	08/21/12	1.0	Meetings of Creditors	- Update calls
Zach Mitschrich	08/21/12	1.0	Meetings of Creditors	- Update calls
Adam Schlesinger	08/22/12	3.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/22/12	3.0	Meetings of Creditors	- Due diligence for committees
Adam Schlesinger	08/23/12	3.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/23/12	1.5	Meetings of Creditors	- Due diligence for committees

**BLACKSTONE ADVISORY PARTNERS L.P.
 HOURLY DETAILS FOR THE PERIOD OF
 AUGUST 1, 2012 THROUGH AUGUST 31, 2012**

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	08/31/12	1.0	Meetings of Creditors	- Due diligence for committees
Mark Buschmann	08/31/12	0.5	Meetings of Creditors	- Due diligence for committees
		<u>313.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
SUMMARY OF HOURS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Title	Hours
Paul Huffard	Senior Managing Director	89.0
Mark Buschmann	Managing Director	123.5
Adam Schlesinger	Associate	163.5
Zach Mitschrich	Analyst	270.5
	Total	<u><u>646.5</u></u>

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/01/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/01/12	5.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/02/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/02/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/03/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	09/03/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/03/12	5.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/05/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/05/12	3.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/06/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/06/12	1.0	Asset Analysis and Recovery	- Call with management re entity analysis
Mark Buschmann	09/06/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Mark Buschmann	09/06/12	1.0	Asset Analysis and Recovery	- Call with management re entity analysis
Paul Huffard	09/06/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/06/12	9.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/09/12	3.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/09/12	7.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/11/12	1.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/11/12	3.0	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/13/12	3.5	Asset Analysis and Recovery	- Legal entity analysis
Paul Huffard	09/13/12	0.5	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/13/12	7.5	Asset Analysis and Recovery	- Legal entity analysis
Adam Schlesinger	09/14/12	1.0	Asset Analysis and Recovery	- Legal entity analysis and review
Mark Buschmann	09/14/12	0.5	Asset Analysis and Recovery	- Legal entity analysis and review
Zach Mitschrich	09/14/12	5.0	Asset Analysis and Recovery	- Legal entity analysis and review

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/18/12	2.0	Asset Analysis and Recovery	- Legal entity analysis
Zach Mitschrich	09/18/12	4.0	Asset Analysis and Recovery	- Legal entity analysis
		<u>78.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	09/06/12	0.5 <hr/> 0.5 <hr/>	Asset Disposition	- Follow up on indication of interest and log

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/02/12	0.5	Business Analysis	- Call re: UCC Due Diligence
Zach Mitschrich	09/02/12	0.5	Business Analysis	- Call re: UCC Due Diligence
Mark Buschmann	09/17/12	12.0	Business Analysis	- Meetings in St Louis re business plan
Paul Huffard	09/17/12	12.0	Business Analysis	- Meetings in St Louis re business plan
Mark Buschmann	09/18/12	12.0	Business Analysis	- Meetings in St Louis re business plan
Paul Huffard	09/18/12	12.0	Business Analysis	- Meetings in St Louis re business plan
Mark Buschmann	09/19/12	4.0	Business Analysis	- Board Meeting (via phone)
Paul Huffard	09/19/12	4.0	Business Analysis	- Board Meeting (via phone)
Adam Schlesinger	09/21/12	1.0	Business Analysis	- Preparation of materials re Arch rejection
Mark Buschmann	09/21/12	1.0	Business Analysis	- Preparation of materials re Arch rejection
Zach Mitschrich	09/21/12	1.0	Business Analysis	- Preparation of materials re Arch rejection
Adam Schlesinger	09/24/12	1.0	Business Analysis	- Contract analysis
Adam Schlesinger	09/24/12	0.5	Business Analysis	- Call re Arch rejection
Mark Buschmann	09/24/12	1.0	Business Analysis	- Contract analysis
Mark Buschmann	09/24/12	0.5	Business Analysis	- Call re Arch rejection
Paul Huffard	09/24/12	0.5	Business Analysis	- Contract analysis
Zach Mitschrich	09/24/12	1.0	Business Analysis	- Contract analysis
Zach Mitschrich	09/24/12	0.5	Business Analysis	- Call re Arch rejection
Adam Schlesinger	09/25/12	1.0	Business Analysis	- Contract analysis
Zach Mitschrich	09/25/12	2.0	Business Analysis	- Contract analysis
		68.0		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/17/12	1.0	Business Operations	- Call re: Operational Changes
Zach Mitschrich	09/17/12	1.0	Business Operations	- Call re: Operational Changes
		<u>2.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	09/04/12	5.0	Case Administration	- Meetings in St Louis
Paul Huffard	09/04/12	5.0	Case Administration	- Meetings in St Louis
Adam Schlesinger	09/05/12	8.0	Case Administration	- Meetings in St Louis (in person and on phone)
Mark Buschmann	09/05/12	12.0	Case Administration	- Meetings in St Louis (in person and on phone)
Paul Huffard	09/05/12	12.0	Case Administration	- Meetings in St Louis (in person and on phone)
Zach Mitschrich	09/05/12	8.0	Case Administration	- Meetings in St Louis (in person and on phone)
Adam Schlesinger	09/13/12	0.5	Case Administration	- Call with Co re retiree medical expenses
Mark Buschmann	09/13/12	0.5	Case Administration	- Call with Co re retiree medical expenses
Mark Buschmann	09/13/12	1.0	Case Administration	- Call with DIP agents re Bluegrass rejections
Mark Buschmann	09/13/12	0.5	Case Administration	- Review of due diligence materials sent by HL
Zach Mitschrich	09/13/12	0.5	Case Administration	- Call with Co re retiree medical expenses
Adam Schlesinger	09/14/12	0.5	Case Administration	- Review of press release
Adam Schlesinger	09/14/12	1.0	Case Administration	- Weekly update call
Mark Buschmann	09/14/12	0.5	Case Administration	- Review of press release
Mark Buschmann	09/14/12	1.0	Case Administration	- Weekly update call
Paul Huffard	09/14/12	0.5	Case Administration	- Review of press release
Paul Huffard	09/14/12	1.0	Case Administration	- Weekly update call
Zach Mitschrich	09/14/12	1.0	Case Administration	- Weekly update call
Adam Schlesinger	09/20/12	1.0	Case Administration	- Update call
Mark Buschmann	09/20/12	1.0	Case Administration	- Update call
Paul Huffard	09/20/12	1.0	Case Administration	- Update call
Adam Schlesinger	09/21/12	1.0	Case Administration	- Weekly update call
Mark Buschmann	09/21/12	1.0	Case Administration	- Weekly update call
Paul Huffard	09/21/12	1.0	Case Administration	- Weekly update call
Zach Mitschrich	09/21/12	1.0	Case Administration	- Weekly update call

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/27/12	1.0	Case Administration	- Call re: Financial Modeling and responsibilities
Mark Buschmann	09/27/12	1.0	Case Administration	- Call re: Financial Modeling and responsibilities
		<u>67.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Zach Mitschrich	09/02/12	2.0	Corporate Finance	- Financial modeling
Adam Schlesinger	09/03/12	0.5	Corporate Finance	- Financial modeling
Zach Mitschrich	09/03/12	2.5	Corporate Finance	- Financial modeling
Adam Schlesinger	09/04/12	8.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/04/12	12.0	Corporate Finance	- Financial modeling
Adam Schlesinger	09/10/12	2.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/10/12	5.5	Corporate Finance	- Financial modeling
Adam Schlesinger	09/13/12	0.5	Corporate Finance	- Call re: Settlements Analysis
Zach Mitschrich	09/13/12	0.5	Corporate Finance	- Call re: Settlements Analysis
Adam Schlesinger	09/17/12	1.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/17/12	6.5	Corporate Finance	- Financial modeling
Adam Schlesinger	09/18/12	3.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/18/12	6.0	Corporate Finance	- Financial modeling
Adam Schlesinger	09/24/12	1.5	Corporate Finance	- Complex Cash flow analysis
Mark Buschmann	09/24/12	1.0	Corporate Finance	- Complex Cash flow analysis
Zach Mitschrich	09/24/12	2.0	Corporate Finance	- Complex Cash flow analysis
Adam Schlesinger	09/25/12	2.0	Corporate Finance	- Complex ash flow analysis
Adam Schlesinger	09/25/12	5.0	Corporate Finance	- Financial modeling
Mark Buschmann	09/25/12	0.5	Corporate Finance	- Complex ash flow analysis
Zach Mitschrich	09/25/12	4.0	Corporate Finance	- Complex ash flow analysis
Zach Mitschrich	09/25/12	5.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/26/12	8.0	Corporate Finance	- Financial modeling
Adam Schlesinger	09/28/12	3.0	Corporate Finance	- Financial modeling
Zach Mitschrich	09/28/12	1.5	Corporate Finance	- Financial modeling
Adam Schlesinger	09/30/12	1.0	Corporate Finance	- Financial modeling

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Zach Mitschrich	09/30/12	4.5	Corporate Finance	- Financial modeling
		<u>89.0</u>		
		<u><u>89.0</u></u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	09/26/12	1.0	Data Analysis	- Review of comparable incentive plans
Zach Mitschrich	09/26/12	3.0	Data Analysis	- Review of comparable incentive plans
		<u>4.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/07/12	7.0	Employee Benefits/Pensions	- Pension and healthcare analysis
Adam Schlesinger	09/07/12	0.5	Employee Benefits/Pensions	- Call re: Pension Analysis
Adam Schlesinger	09/07/12	0.5	Employee Benefits/Pensions	- Call re: OPEB Valuation
Mark Buschmann	09/07/12	4.0	Employee Benefits/Pensions	- Pension and healthcare analysis
Mark Buschmann	09/07/12	0.5	Employee Benefits/Pensions	- Call re: Pension Analysis
Mark Buschmann	09/07/12	0.5	Employee Benefits/Pensions	- Call re: OPEB Valuation
Paul Huffard	09/07/12	1.0	Employee Benefits/Pensions	- Pension and healthcare analysis
Paul Huffard	09/07/12	0.5	Employee Benefits/Pensions	- Call re: Pension Analysis
Zach Mitschrich	09/07/12	9.5	Employee Benefits/Pensions	- Pension and healthcare analysis
Zach Mitschrich	09/07/12	0.5	Employee Benefits/Pensions	- Call re: Pension Analysis
Zach Mitschrich	09/07/12	0.5	Employee Benefits/Pensions	- Call re: OPEB Valuation
Adam Schlesinger	09/10/12	4.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/10/12	2.0	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/10/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/10/12	8.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/11/12	3.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/11/12	11.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/12/12	1.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/14/12	3.0	Employee Benefits/Pensions	- Pension analysis preparation and review
Adam Schlesinger	09/14/12	2.0	Employee Benefits/Pensions	- Review of draft proposal
Mark Buschmann	09/14/12	3.0	Employee Benefits/Pensions	- Pension analysis preparation and review
Mark Buschmann	09/14/12	0.5	Employee Benefits/Pensions	- Review of draft proposal
Paul Huffard	09/14/12	2.0	Employee Benefits/Pensions	- Pension analysis preparation and review
Zach Mitschrich	09/14/12	4.5	Employee Benefits/Pensions	- Pension analysis preparation and review

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/15/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/15/12	4.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/16/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/16/12	2.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/17/12	4.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/17/12	6.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/18/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/18/12	1.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/19/12	4.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/19/12	1.5	Employee Benefits/Pensions	- Pension analysis review
Mark Buschmann	09/19/12	0.5	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/19/12	0.5	Employee Benefits/Pensions	- Pension analysis review
Zach Mitschrich	09/19/12	6.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/20/12	3.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/20/12	3.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/20/12	2.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/20/12	2.0	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/20/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/20/12	3.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/20/12	7.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/21/12	4.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/21/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/21/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/21/12	7.0	Employee Benefits/Pensions	- Pension analysis

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Zach Mitschrich	09/21/12	1.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/22/12	4.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/23/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/23/12	7.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/24/12	4.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/24/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/24/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/24/12	0.5	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/24/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/24/12	9.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/25/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/25/12	1.0	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/25/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/25/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/26/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/26/12	3.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/27/12	1.0	Employee Benefits/Pensions	- Call re: POR, Pension Proposals and Financial Analyses
Adam Schlesinger	09/27/12	1.0	Employee Benefits/Pensions	- Pension analysis
Mark Buschmann	09/27/12	5.0	Employee Benefits/Pensions	- Call re: POR, Pension Proposals and Financial Analyses
Mark Buschmann	09/27/12	0.5	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/27/12	5.0	Employee Benefits/Pensions	- Call re: POR, Pension Proposals and Financial Analyses
Zach Mitschrich	09/27/12	2.5	Employee Benefits/Pensions	- Call re: POR, Pension Proposals and Financial Analyses
Zach Mitschrich	09/27/12	1.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/28/12	7.0	Employee Benefits/Pensions	- Pension analysis

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	09/28/12	3.0	Employee Benefits/Pensions	- Pension analysis
Paul Huffard	09/28/12	1.0	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/28/12	9.0	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/29/12	1.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/29/12	5.5	Employee Benefits/Pensions	- Pension analysis
Adam Schlesinger	09/30/12	0.5	Employee Benefits/Pensions	- Pension analysis
Zach Mitschrich	09/30/12	1.5	Employee Benefits/Pensions	- Pension analysis
		<u>219.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Mark Buschmann	09/19/12	0.5	Financing	- Call with FTI re Bluegrass rejections
Adam Schlesinger	09/20/12	0.5	Financing	- Call with FTI re Arch
Adam Schlesinger	09/20/12	1.0	Financing	- Update call re employment changes
Mark Buschmann	09/20/12	0.5	Financing	- Call with FTI re Arch
Mark Buschmann	09/20/12	1.0	Financing	- Update call re employment changes
		<u>3.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/11/12	5.0	Litigation Consulting	- Venue hearing
Mark Buschmann	09/11/12	5.0	Litigation Consulting	- Venue hearing
Paul Huffard	09/11/12	7.0	Litigation Consulting	- Venue hearing
Mark Buschmann	09/12/12	1.0	Litigation Consulting	- Venue hearing (in person and by phone)
Paul Huffard	09/12/12	12.0	Litigation Consulting	- Venue hearing (in person and by phone)
Mark Buschmann	09/14/12	1.0	Litigation Consulting	- Call re selenium litigation
Paul Huffard	09/14/12	1.0	Litigation Consulting	- Call re selenium litigation
Adam Schlesinger	09/19/12	1.0	Litigation Consulting	- Review of letter to equity holders
Mark Buschmann	09/19/12	0.5	Litigation Consulting	- Review of letter to equity holders
Zach Mitschrich	09/19/12	1.0	Litigation Consulting	- Review of letter to equity holders
		<u>34.5</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/21/12	1.0	Meetings of Creditors	- Update call re employment changes
Mark Buschmann	09/21/12	1.0	Meetings of Creditors	- Update call re employment changes
Adam Schlesinger	09/25/12	0.5	Meetings of Creditors	- Review of diligence materials for Houlihan
Adam Schlesinger	09/25/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
Mark Buschmann	09/25/12	0.5	Meetings of Creditors	- Review of diligence materials for Houlihan
Mark Buschmann	09/25/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
Paul Huffard	09/25/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
Zach Mitschrich	09/25/12	1.0	Meetings of Creditors	- Review of diligence materials for Houlihan
Zach Mitschrich	09/25/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
Mark Buschmann	09/26/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
Paul Huffard	09/26/12	1.0	Meetings of Creditors	- Call re: Contract Rejection Analysis
		10.0		

BLACKSTONE ADVISORY PARTNERS L.P.

HOURLY DETAILS FOR THE PERIOD OF

SEPTEMBER 1, 2012 THROUGH SEPTEMBER 30, 2012

Professional	Date	Hours	Project Category	Explanation
Adam Schlesinger	09/07/12	0.5	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Mark Buschmann	09/07/12	0.5	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Paul Huffard	09/07/12	0.5	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Zach Mitschrich	09/07/12	0.5	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Adam Schlesinger	09/10/12	3.0	Plan and Disclosure Statement	- Preparation of materials for mtg re reorg analysis
Mark Buschmann	09/10/12	3.0	Plan and Disclosure Statement	- Preparation of materials for mtg re reorg analysis
Adam Schlesinger	09/12/12	12.0	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Mark Buschmann	09/12/12	12.0	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Zach Mitschrich	09/12/12	12.0	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Adam Schlesinger	09/13/12	6.5	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Mark Buschmann	09/13/12	6.5	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Paul Huffard	09/13/12	3.0	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Zach Mitschrich	09/13/12	6.5	Plan and Disclosure Statement	- Reorg analysis and planning meeting
Paul Huffard	09/17/12	1.0	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Zach Mitschrich	09/17/12	1.0	Plan and Disclosure Statement	- Call re: Reorg Structural Planning
Zach Mitschrich	09/19/12	1.0	Plan and Disclosure Statement	- Reorg analysis
		69.5		