

Sullivan, Mountjoy, Stainback & Miller, P.S.C.
Michael A. Fiorella
100 St. Ann Street
P.O. Box 727
Owensboro, KY 42302-0727
Telephone (270) 926-4000
Direct Dial (270) 691-1605
Fax (270) 691-1637

and

KLESTADT & WINTERS, LLP
Patrick J. Orr
570 Seventh Avenue, 17th Floor
New York, New York 10018
(212) 972-3000

Counsel to Industrial Service and Electronics, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----	:	
In re:	:	Chapter 11
	:	
PATRIOT COAL CORPORATION, <i>et al.</i> ,	:	Case No. 12-12900 (SCC)
	:	
Debtor.	:	Jointly Administered
-----	:	

**OBJECTION TO DEBTORS' RECLAMATION REPORT
AS TO DEMAND BY INDUSTRIAL SERVICE AND ELECTRONICS, INC.**

Industrial Service and Electronics, Inc. ("IS&E") made a reclamation demand on each of Black Stallion Coal Company, LLC, Dodge Hill Mining Company, LLC, Highland Mining Company, LLC, Kanawha Eagle Coal, LLC, and Remington, LLC ("Debtors"). Attached to each demand were one or more invoices which specifically identified the goods subject to reclamation. Attached hereto as Exhibit "A" is a summary of the identifications contained in the invoices.

Debtors filed a Reclamation Report and Notice of Objection Procedures [Doc. No. 1651] (the “Notice”). The Reclamation Report attached to the Notice asserts that IS&E’s reclamation claims are invalid solely on the ground that the goods subject to the claims were “Consumed or Not Identifiable”. As defined in the Notice, the term “Consumed or Not Identifiable” means:

. . . the goods relating to those amounts were not identifiable or were not in the Debtors’ possession at the time of the Reclamation Demand Among the reasons that the goods might be “Goods Consumed or Not Identifiable” are that: (i) the goods were consumed, transformed or disposed of prior to receipt of the relevant Reclamation Demand, (ii) the goods were delivered to a third party and were not in the Debtors’ possession at the time of the receipt of the relevant Reclamation Demand and (iii) the goods were commingled with like goods from other vendors and therefore were not identifiable.

IS&E objects to the Reclamation Report as it relates to the reclamation claims of IS&E. In support of this Objection, IS&E states that (i) none of the goods delivered to Debtors were of a type capable of being consumed or transformed or of losing their identity through commingling; (ii) the goods were delivered to Debtors and not to any third party; and (iii) disposition of the goods prior to receipt of IS&E’s reclamation demand is unlikely because the goods were so recently delivered and constituted equipment or parts necessary to Debtors’ mining operations.

Based upon the foregoing, IS&E requests that its reclamation claims be deemed valid and be afforded the treatment provided by applicable law in accordance with the orders of this Court.

Dated: New York, New York
December 18, 2012

Respectfully submitted,

Sullivan, Mountjoy, Stainback & Miller, P.S.C.
Michael A. Fiorella
100 St. Ann Street
P.O. Box 727
Owensboro, KY 42302-0727
Telephone (270) 926-4000
Direct Dial (270) 691-1605
Fax (270) 691-1637

and

KLESTADT & WINTERS, LLP

By: /s/Patrick J. Orr
Patrick J. Orr
570 Seventh Avenue, 17th Floor
New York, New York 10018
T: (212) 972-3000
F: (212) 972-3000

EXHIBIT A TO OBJECTION OF INDUSTRIAL SERVICE AND ELECTRONICS, INC.

BLACK STALLION COAL COMPANY

Total Owed \$1,027.48

011074	6/4/2012	Pressure Switch Kit	\$670.74
		Shipping & Handling	\$14.50
011096	6/18/2012	2 Inch "Y" Strainer	\$157.20
		Shipping & Handling	\$18.50
011103	6/26/2012	Heavy Duty "Y" Strainer Screen	\$81.00
		Controller Transformer	\$71.04
		Shipping & Handling	\$14.50

DODGE HILL MINING COMPANY, LLC

Total Owed \$11,504.44

011104	6/28/2012	Motor 40 HP 480V	\$4,745.00
		Pump Internal	\$5,144.00
		Flange Gasket	\$95.00
		Packing Gland Kit	\$175.00
		Shipping & Handling	\$195.00
011107	6/29/2012	Bypass Relief Valve	\$859.04
		Shipping & Handling	\$14.50
011109	7/5/2012	2" Heavy Duty Check Valve	\$262.40
		Shipping & Handling	\$14.50

HIGHLAND MINING COMPANY, LLC

Total Owed \$4,925.71

011089	6/9/2012	Repair and Return ST-1000 Series 40HP	
		Booster water pump Serial# ST-1016	\$4,775.71
		Shipping & Handling	\$150.00

KANAWHA EAGLE COAL, LLC

Total Owed \$43,695.00

011092	5/4/2012	(Shipped 6/14/2012) ISE Dual 30 HP VFD	
		Water Booster Pump; Serial#: ST-1150	\$42,500.00
		Shipping & Handling	\$1,195.00

REMINGTON, LLC

Total Owed \$1,097

011046	5/4/2012	(Shipped 5/9/2012)	
		Nowata Filters	\$552.00
		Post for Water Filter Housing	\$423.44
		Bolt and Washer Combo for ISE M3-2	\$81.72
		Shipping & Handling	\$39.50