

DAVIS POLK & WARDWELL LLP  
450 Lexington Avenue  
New York, New York 10017  
Telephone: (212) 450-4000  
Facsimile: (212) 607-7983  
Marshall S. Huebner  
Damian S. Schaible  
Brian M. Resnick  
Michelle M. McGreal

*Proposed Counsel to the Debtors  
and Debtors in Possession*

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

**In re:**

**PATRIOT COAL CORPORATION, *et al.*,**

**Debtors.<sup>1</sup>**

**Chapter 11**

**Case No. 12-[ ] (\_\_\_)**

**(Jointly Administered)**

**DEBTORS' FIRST OMNIBUS MOTION FOR AN ORDER APPROVING  
PROCEDURES FOR (i) THE REJECTION OF CERTAIN AGREEMENTS  
EFFECTIVE AS OF THE PETITION DATE AND (ii) THE  
ABANDONMENT OF CERTAIN EXCESS LEASED EQUIPMENT**

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

**Relief Requested**

1. By this motion (the “**Motion**”), the Debtors seek an order in the form attached hereto as Exhibit A (the “**Order**”) approving procedures (i) to reject, pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006, the JMAC

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

Agreement, the American Freedom Agreement, the American Patriot Agreement and the Equipment Leases (each as defined below and as listed in Annex 1 to Exhibit B attached hereto) (collectively, the “**Agreements**”),<sup>2</sup> with such rejections to take effect as of the Petition Date, and (ii) to abandon, pursuant to section 554(a) of the Bankruptcy Code and Bankruptcy Rule 6007, the Excess Leased Equipment (as defined below).

### **Background and Jurisdiction**

2. On July 9, 2012 (the “**Petition Date**”), each Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. Contemporaneously herewith, the Debtors have filed a motion requesting joint administration of their chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

4. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the Declaration of Mark N. Schroeder, Patriot Coal Corporation’s Senior Vice President and Chief Financial Officer, which is incorporated herein by reference.

5. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and may

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<sup>2</sup> Due to confidentiality concerns, the Debtors have not attached copies of the Agreements to this Motion. However, upon request, the Debtors will provide copies of these Agreements to the Court, the U.S. Trustee and the advisors to any official committee of unsecured creditors appointed in these chapter 11 cases.

be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

**Basis for Relief**

6. **The JMAC Agreement.** The Debtors hereby seek to reject the letter of confirmation dated October 4, 2011 (the “**JMAC Agreement**”) between Patriot Coal Sales LLC and JMAC Leasing Inc. (“**JMAC**”). Pursuant to the JMAC Agreement, JMAC supplies steam coal to Patriot Coal Sales LLC at a specified price. The Debtors have determined that the contract price under the JMAC Agreement is substantially above current market price and that the Debtors can source coal on more economical terms pursuant to other contracts or the Debtors' mining operations. The Debtors estimate that rejection of the JMAC Agreement would save their estates approximately \$3.6 million.

7. **The American Freedom Agreement.** The Debtors hereby seek to reject the Consulting Agreement dated November 1, 2009 (the “**American Freedom Agreement**”) between Patriot Coal Corporation and American Freedom Innovations, LLC (“**American Freedom**”). Pursuant to the American Freedom Agreement, Patriot Coal Corporation retained American Freedom to provide consulting and lobbying services. The Debtors have determined, in the sound exercise of their business judgment, that the services provided pursuant to the American Freedom Agreement are no longer necessary, and rejecting the American Freedom Agreement would allow Debtors to avoid accruing ongoing payment obligations. Accordingly, the Debtors seek to reject the American Freedom Agreement to relieve the Debtors’ estates of an unnecessary burden and save approximately \$7 million in total.

8. **The American Patriot Agreement.** The Debtors hereby seek to reject the Joint Project Development and Funding Agreement dated November 1, 2009 (the “**American Patriot Agreement**”) between Patriot Coal Corporation and American Patriot Energy, LLC (“**AmPat**”). Pursuant to the American Patriot Agreement, the parties agreed to evaluate and, if appropriate, jointly undertake various energy-related ventures and other commercial opportunities. The Debtors have determined, in their business judgment, that undertaking such ventures no longer fits into the Debtors’ business plans. The American Patriot Agreement therefore provides no ongoing benefit to the Debtors’ estate. Accordingly, the Debtors seek to reject the American Patriot Agreement to relieve the Debtors’ estates of an unnecessary agreement.

9. **Equipment Leases.** The Debtors hereby seek to reject those certain equipment lease agreements entered into, at various times, by Patriot Leasing Company LLC and various lessors (as set forth in Annex 1 to Exhibit B attached hereto, collectively, the “**Equipment Leases**”), pursuant to which Patriot Leasing Company leases certain mining equipment (the “**Excess Leased Equipment**”). The Excess Leased Equipment is situated in idle mining facilities and/or is no longer being used by the Debtors, and would be burdensome to continue to lease and maintain. The Debtors estimate that the savings from rejecting the Equipment Leases would exceed \$5 million.

#### **Procedures**

10. The Debtors request that the Court approve the following procedures (the “**Procedures**”) regarding the Agreements and the Excess Leased Equipment that are the subject of this Motion.

**A. Notice and Opportunity to be Heard**

11. Contemporaneously herewith, the Debtors have served a notice (the “**Notice**”) substantially in the form of Exhibit B attached hereto via facsimile or overnight delivery service on the counterparties to the Agreements identified on Annex 1 to Exhibit B and any other parties requiring notice under the terms of the respective Agreements (collectively, the “**Counterparties**”) setting forth the Debtors’ intent to reject the Agreements and, as applicable, abandon the Excess Leased Equipment. As the Debtors filed this Motion on the Petition Date, they were unable to give the Counterparties prior notice pursuant to Bankruptcy Rules 6006, 6007 and 9014 and Local Bankruptcy Rules 6006-1 and 6007-1.

12. The Notice includes, *inter alia*, the following information, as applicable: (i) the identity of Counterparties, (ii) a description of the Agreements and (iii) if applicable, the location and a description of the Excess Leased Equipment.

13. To satisfy the notice and hearing requirements of the Bankruptcy Rules, the Debtors respectfully request that this Court enter the Order approving the Procedures set forth herein.

14. Within three business days of the entry of the Order, the Debtors shall serve a copy of the Order and this Motion on (a) the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”), (b) those creditors holding the five largest secured claims against the Debtors’ estates on a consolidated basis, (c) those creditors holding the 50 largest unsecured claims against the Debtors’ estates on a consolidated basis, (d) attorneys for the administrative agents for the Debtors’ proposed postpetition lenders, (e) the Internal Revenue Service, (f) the Securities and Exchange

Commission, (g) the United States Environmental Protection Agency, (h) the United States Attorney's Office for the Southern District of New York and (i) the Counterparties.

15. The Debtors request that the deadline to file an objection (“**Objection**”) to the Motion shall be 4:00 p.m. (prevailing Eastern Time) on the date that is 10 days after the entry of the Order (the “**Objection Deadline**”). An Objection shall be considered timely only if, on or prior to the Objection Deadline, it is (a) filed with the Court and (b) served upon and actually received by (i) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Elisabetta G. Gasparini and Paul K. Schwartzberg, (ii) proposed counsel to the Debtors, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Brian M. Resnick, (iii) attorneys for the administrative agents for the Debtors' proposed postpetition lenders, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Marcia Goldstein and Joseph Smolinsky, and Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019, Attn: Margot B. Schonholtz and Ana Alfonso and (iv) attorneys for any official committee of unsecured creditors then appointed in these cases.

16. Unless otherwise ordered by the Court, a reply to an Objection may be filed with the Court and served on or before 12:00 p.m. (prevailing Eastern Time) on the day that is at least two days before the date of the applicable hearing.

17. As to the rejection of any Agreement or the abandonment of any item of Excess Leased Equipment to which no Objections are timely filed, served, and received as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court an order approving the rejection of such Agreement and/or (as applicable) the

abandonment of such Excess Leased Equipment *nunc pro tunc* to the Petition Date, which order shall be submitted and may be entered with no further notice or opportunity to be heard afforded any party. If an Objection is timely and properly filed with respect to an Agreement or any item of Excess Leased Equipment, a hearing will be held only with respect to such Agreement or item of Excess Leased Equipment at a date and time to be established by the Court. The filing of such an Objection will not delay the entry of an order approving the rejection of any Agreement or the abandonment of any item of Excess Leased Equipment as to which no Objection has been filed.

**B. Filing Proofs of Claim**

18. The Debtors propose that any claims arising out of the rejections or abandonments discussed herein must timely be filed in accordance with any order pursuant to Bankruptcy Rule 3003(c) establishing a deadline by which prepetition general unsecured claims must be filed. Any claim not timely filed will be irrevocably barred.

**Retrieval of Excess Leased Equipment**

19. The Debtors have provided information on the Notice that will assist the relevant Counterparties in retrieving the Excess Leased Equipment. The Counterparties must remove such Excess Leased Equipment from the location designated in the applicable exhibit. If a Counterparty does not retrieve or otherwise take control of the Excess Leased Equipment within 15 days of the Petition Date, the Debtors request that such Counterparty be responsible to the Debtors for the subsequent costs of, and all risks attendant to, storing such equipment and for other attendant costs as determined by the Debtors, including the cost of insuring the relevant Excess Leased Equipment. If a Counterparty does not remove its Excess Leased Equipment or make timely payments for

storage and other costs, the Debtors may file a motion to compel removal of the Excess Leased Equipment and/or payment to the Debtors of storage and other attendant costs, including, without limitation, all legal fees.

**Debtors' Further Actions to Implement Procedures**

20. The Debtors submit that the proposed Procedures are reasonable, in the best interests of the estates and should be approved by this Court. Accordingly, the Debtors seek authorization to execute and deliver all instruments and documents and take any additional actions as are necessary or appropriate to implement and effectuate the rejection or abandonment contemplated herein.

**Rejection of the Agreements  
Is Supported By the Debtors' Business Judgment  
and Should Be Approved By the Court**

21. Section 365(a) of the Bankruptcy Code provides, in pertinent part, that a debtor in possession, "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a); *see also*; *NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 521 (1984); *In re Lavigne*, 114 F.3d 379, 386 (2d Cir. 1997). "[T]he purpose behind allowing the assumption or rejection of executory contracts is to permit the trustee or debtor-in-possession to use valuable property of the estate and to 'renounce title to and abandon burdensome property.'" *In re Orion Pictures Corp.*, 4 F.3d 1095, 1098 (2d Cir. 1993).

22. Courts defer to a debtor's business judgment in rejecting an executory contract or unexpired lease and, upon finding that a debtor has exercised its sound business judgment, regularly approve the rejection under section 365(a) of the Bankruptcy Code. *See Bildisco & Bildisco*, 465 U.S. at 523 (recognizing the "business

judgment” standard used to approve rejection of executory contracts); *In re Old Carco LLC*, 406 B.R. 180, 188 (Bankr. S.D.N.Y. 2009) (same); *In re Penn Traffic Co.*, 524 F.3d 373, 383 (2d Cir. 2008) (same); *In re Klein Sleep Products, Inc.*, 78 F.3d 18, 25 (2d Cir. 1996) (same); *In re Minges*, 602 F.2d 38, 42–43 (2d Cir. 1979) (same); *In re Balco Equities Ltd.*, 323 B.R. 85, 98–99 (Bankr. S.D.N.Y. 2005) (same); *In re G Survivor Corp.*, 171 B.R. 755, 757 (Bankr. S.D.N.Y. 1994) (approving rejection of license by debtor because such rejection satisfied the “business judgment” test); *In re Child World, Inc.*, 142 B.R. 87, 89 (Bankr. S.D.N.Y. 1992) (stating that a debtor may assume or reject an unexpired lease under § 365(a) in the exercise of its “business judgment”).

23. The Procedures also reduce the Debtors’ obligations with respect to Excess Leased Equipment that is no longer used by the Debtors, would be burdensome to continue to maintain, and the Debtors interest in the property is of inconsequential value to their estates. The Debtors submit that the abandonment of the Excess Leased Equipment satisfies the standard set forth in section 554(a) of the Bankruptcy Code. Section 554(a) provides that a debtor in possession may abandon, subject to Court approval, “property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” By the plain terms of the statute, therefore, before authorizing abandonment of property, the Court must find either that the property is burdensome to the estate or the property is both of inconsequential value and inconsequential benefit to the estate. *See, e.g., Midlantic Nat’l Bank v. N.J. Dep’t of Env’tl. Prot.*, 474 U.S. 494, 497, *reh’g denied*, 475 U.S. 1091 (1986).

24. The Agreements either provide no ongoing benefit to the Debtors’ estates or provide benefits that are substantially less than the corresponding costs. Rejecting the

Agreements and abandoning the Excess Leased Equipment will save the Debtors millions of dollars and, for all the reasons set forth herein, is clearly beneficial to the Debtors' estates and creditors. Additionally, the Debtors have determined that the Excess Leased Equipment is no longer needed to support the Debtors' operations and, accordingly, is no longer being utilized by the Debtors. The Debtors and their financial advisors have thoroughly considered the available alternatives to rejection of the Agreements and abandonment of the Excess Leased Equipment and believe that the relief requested herein is most likely to maximize the value of the estates. In light of the foregoing, the Debtors respectfully request that the Court approve rejection of the Agreements pursuant to section 365(a) of the Bankruptcy Code and abandonment of the Excess Leased Equipment pursuant to section 554(a) of the Bankruptcy Code in the manner requested herein as a sound exercise of their business judgment.

25. The Debtors submit that the Procedures satisfy Bankruptcy Rules 6006 and 9014 and Local Bankruptcy Rule 6006-1 by providing the counterparties with a notice and an opportunity to object and be heard at a hearing. *See, e.g., In re Drexel Burnham Lambert*, 160 B.R. 729 (S.D.N.Y. 1993) (granting interested parties an opportunity to present objections satisfies due process); *In re Colorado Mountain Cellars, Inc.*, 226 B.R. 244, 246 (D. Colo. 1998) (noting that a hearing is not required to satisfy Bankruptcy Rule 9014). Furthermore, the proposed notice procedures protect the due process rights of the parties in interest without unnecessarily exposing the Debtors' estates to unwarranted administrative expenses.

26. Bankruptcy Rule 6007 allows the Court discretion to limit notice and the time for filing objections to any abandonment of property. The Debtors submit that

requiring notice of abandonment of Excess Leased Equipment be given to all creditors and indenture trustees would be unnecessarily expensive, time consuming, and would not provide any useful purpose. Furthermore, the Debtors submit that any reduction of time to file an objection to abandonment will not prejudice the rights of any party in interest. Accordingly, the Debtors request the Court limit notice under Bankruptcy Rule 6007 to the parties in interest set forth herein and limit the time for filing objections as set forth herein.

27. Local Bankruptcy Rule 6007-1 requires that a notice of a proposed abandonment describe the property to be abandoned, state the reason for the proposed abandonment, and identify the entity to whom the property is proposed to be abandoned. The Debtors submit that the description herein of the Excess Leased Equipment, coupled with the information to be provided in the Notice, satisfy such requirements.

#### **Notice**

28. No trustee, examiner or creditors' committee has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion on (a) the Office of the United States Trustee for the Southern District of New York, (b) those creditors holding the five largest secured claims against the Debtors' estates on a consolidated basis, (c) those creditors holding the 50 largest unsecured claims against the Debtors' estates on a consolidated basis, (d) attorneys for the administrative agents for the Debtors' proposed postpetition lenders, (e) the Internal Revenue Service, (f) the Securities and Exchange Commission, (g) the United States Environmental Protection Agency and (h) the United States Attorney's Office for the Southern District of New York. In addition, the Debtors have served the Notice on the Counterparties.

**No Previous Request**

29. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

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

Dated: New York, New York  
July 9, 2012

By: /s/ Damian S. Schaible  
Marshall S. Huebner  
Damian S. Schaible  
Brian M. Resnick  
Michelle M. McGreal

DAVIS POLK & WARDWELL LLP  
450 Lexington Avenue  
New York, New York 10017  
Telephone: (212) 450-4000  
Facsimile: (212) 607-7983

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**SCHEDULE 1**  
(Debtor Entities)

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

**EXHIBIT A**

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

**In re:**

**PATRIOT COAL CORPORATION, *et al.*,**

**Debtors.<sup>1</sup>**

**Chapter 11**

**Case No. 12-[ ] (\_\_\_)**

**(Jointly Administered)**

**NOTICE OF INTENT TO REJECT CERTAIN EXECUTORY CONTRACTS**

PLEASE TAKE NOTICE, that on July 9, 2012 (the “**Petition Date**”), Patriot Coal Corporation and certain of its affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), filed chapter 11 petitions commencing chapter 11 cases under the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Court**”).

PLEASE TAKE FURTHER NOTICE that, contemporaneously with the service of this Notice, the Debtors filed the Debtors’ Motion for an Order Pursuant to Sections 365 and 554 of the Bankruptcy Code and Bankruptcy Rules 6006, 6007 and 9014 Approving Procedures for (i) the Rejection of Certain Agreements Effective as of the Petition Date and (ii) the Abandonment of Certain Excess Leased Equipment (the “**Motion**”)<sup>2</sup> seeking an Order approving Procedures for the rejection of certain executory contracts and the abandonment of certain excess leased equipment. The proposed Procedures would enable the Debtors to reject the Agreements and abandon the Excess Leased Equipment described in the Motion without further notice effective as of the Petition Date.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Motion, the above-captioned Debtors hereby provide notice of their intent to reject the Agreements and abandon the Excess Leased Equipment referenced in Annex 1 hereto.

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<sup>1</sup> The Debtors are the entities listed on Schedule 1 attached to the Motion. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

<sup>2</sup> Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Order. A copy of the Motion is available free of charge on the Debtors’ case information website ([www.PatriotCaseInfo.com](http://www.PatriotCaseInfo.com)).

PLEASE TAKE FURTHER NOTICE that, upon entry of the Order granting the relief sought in the Motion, the Procedures set forth in the Motion for the rejection of the Agreements and the abandonment of the Excess Leased Equipment listed therein shall be effective as of the Petition Date. If any affected Counterparty wishes to object to the rejection of an Agreement to which it is a party, or to the abandonment of any item of Excess Leased Equipment in which it has an interest, such affected Counterparty must file and serve such objection in accordance with the terms set forth in the Order. Any objection filed in connection with a rejection or abandonment thereunder shall be heard by the Court at a date and time to be established by the Court. However, there will be no hearing for any Agreement or item of Excess Leased Equipment for which no timely objection is received. If, after a hearing, the disputed rejection or abandonment is approved by the Court, any Agreement or Excess Leased Equipment subject to the overruled or withdrawn Objection will be rejected or abandoned, as applicable, as of the Petition Date.

Dated: New York, New York  
July 9, 2012

By: \_\_\_\_\_

Marshall S. Huebner  
Damian S. Schaible  
Brian M. Resnick  
Michelle M. McGreal

DAVIS POLK & WARDWELL LLP  
450 Lexington Avenue  
New York, New York 10017  
Telephone: (212) 450-4000  
Facsimile: (212) 607-7983

*Proposed Counsel to the Debtors  
and Debtors in Possession*

**Annex 1**

<b>NON-LEASE AGREEMENTS</b>					
<b>COUNTERPARTY</b>	<b>DEBTOR</b>	<b>TYPE</b>	<b>DATE OF CONTRACT</b>	<b>EQUIPMENT DESCRIPTION &amp; SERIAL NO.</b>	<b>REJECTION EFFECTIVE DATE</b>
<b>American Freedom Innovations, LLC</b> PO Box 5669 Evansville, IN, 47715 Attn: CEO	PATRIOT COAL CORPORATION	Consulting Agreement	11/1/2009	N/A	Petition Date
<b>American Patriot Energy, LLC</b> PO Box 5669 Evansville, IN, 47715 Attn: CEO	PATRIOT COAL CORPORATION	Joint Project Agreement	11/1/2009	N/A	Petition Date
<b>JMAC Leasing, Inc.</b> Chris Dickerson PO Box 726 Ceredo, WV 25507	PATRIOT COAL SALES, LLC	Coal Purchase Agreement	10/4/2011	N/A	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
Bank of the West Suzanne Weaver 844 West Pampa Mesa, AZ 85210	PATRIOT LEASING COMPANY LLC	Equipment Lease	8/15/2009	<p><b>Description:</b> Big Mountain #16 - Joy 12CM27 Continuous Miner</p> <p><b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075</p> <p><b>Serial No:</b> JM5354A</p>	Petition Date
Bank of the West Suzanne Weaver 844 West Pampa Mesa, AZ 85210	PATRIOT LEASING COMPANY LLC	Equipment Lease	8/15/2009	<p><b>Description:</b> Blue Creek #1 - Shuttle Car</p> <p><b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075</p> <p><b>Serial No:</b> PM0201</p>	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
Bank of the West Suzanne Weaver 844 West Pampa Mesa, AZ 85210	PATRIOT LEASING COMPANY LLC	Equipment Lease	8/15/2009	<b>Description:</b> Blue Creek #1 - Shuttle Car  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> PM0202	Petition Date
Bank of the West Suzanne Weaver 844 West Pampa Mesa, AZ 85210	PATRIOT LEASING COMPANY LLC	Equipment Lease	8/15/2009	<b>Description:</b> Blue Creek #1 - Shuttle Car  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> PM0203	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>CapitalSource Bank</b> David Heidt 30 South Wacker Drive Chicago, IL 60606	PATRIOT LEASING COMPANY LLC	Equipment Lease	3/1/2011	<b>Description:</b> Lower Dorothy - Fletcher Mobile Roof Support  <b>Location:</b> Metal Craft 2982 Richwood Rd. Fenwick, WV 26202  <b>Serial No:</b> 2010950, 201951, 2010952, 2010953	Petition Date
<b>CapitalSource Bank</b> David Heidt 30 South Wacker Drive Chicago, IL 60606	PATRIOT LEASING COMPANY LLC	Equipment Lease	6/1/2011	<b>Description:</b> Big Mountain #16 - Joy 12CM27 - 11EKJ  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> JM6465	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>CapitalSource Bank</b> David Heidt 30 South Wacker Drive Chicago, IL 60606	PATRIOT LEASING COMPANY LLC	Equipment Lease	3/1/2011	<b>Description:</b> Gateway Eagle Mine - Lonadox Ram Car 816E  <b>Location:</b> Caterpillar 222 Industrial Park Dr. Pearisburg, VA, 24134  <b>Serial No:</b> 816-1149 formerly 413938	Petition Date
<b>CapitalSource Bank</b> David Heidt 30 South Wacker Drive Chicago, IL 60606	PATRIOT LEASING COMPANY LLC	Equipment Lease	3/1/2011	<b>Description:</b> Gateway Eagle Mine - Lonadox Ram Car 816E  <b>Location:</b> Caterpillar 222 Industrial Park Dr Pearisburg, VA, 24134  <b>Serial No:</b> 816-1150 formerly 413940	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Fifth Third Leasing Co.</b> Gerald Whitfield, VP 38 Fountain Square Plaza MD10904A Cincinnati, OH 45263	PATRIOT LEASING COMPANY LLC	Equipment Lease	6/12/2008	<b>Description:</b> Freedom U/G - Power Center 1800KVA  <b>Location:</b> Freedom Mine 19050 Hwy 1078 S. Henderson, KY 42420  <b>Serial No:</b> U3502	Petition Date
<b>Fifth Third Leasing Co.</b> Gerald Whitfield, VP 38 Fountain Square Plaza MD10904A Cincinnati, OH 45263	PATRIOT LEASING COMPANY LLC	Equipment Lease	12/15/2008	<b>Description:</b> Hill Fork - Atlas Copco DML Blasthole Drill  <b>Location:</b> Hill Fork Mine Lower Hewitt Rd. Madison, WV 25130  <b>Serial No:</b> 8884	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Fifth Third Leasing Co.</b> Gerald Whitfield, VP 38 Fountain Square Plaza MD10904A Cincinnati, OH 45263	PATRIOT LEASING COMPANY LLC	Equipment Lease	7/7/2008	<b>Description:</b> Dodge Hill - Joy 21SC04-64E3 Shuttle Car  <b>Location:</b> Dodge Hill 435 Davis Mine Rd. Sturgis, KY 42459  <b>Serial No:</b> ET17673	Petition Date
<b>Fifth Third Leasing Co.</b> Gerald Whitfield, VP 38 Fountain Square Plaza MD10904A Cincinnati, OH 45263	PATRIOT LEASING COMPANY LLC	Equipment Lease	7/7/2008	<b>Description:</b> Dodge Hill - Joy 21SC04-64E3 Shuttle Car  <b>Location:</b> Dodge Hill 435 Davis Mine Rd. Sturgis, KY 42459  <b>Serial No:</b> ET17674	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Komatsu Financial LP</b> Jimmy Joseph 1701 W. Golf Rd. Ste. 300 Rolling Meadows, IL 60008	PATRIOT LEASING COMPANY LLC	Equipment Lease	2/1/2009	<b>Description:</b> Hill Fork - Komatsu HD 1500-7 Rock Truck  <b>Location:</b> Hill Fork Mine Lower Hewitt Rd. Madison, WV 25130  <b>Serial No:</b> A30079	Petition Date
<b>Komatsu Financial LP</b> Jimmy Joseph 1701 W. Golf Rd. Ste. 300 Rolling Meadows, IL 60008	PATRIOT LEASING COMPANY LLC	Equipment Lease	2/1/2009	<b>Description:</b> Hill Fork - Komatsu HD 1500-7 Rock Truck  <b>Location:</b> Hill Fork Mine Lower Hewitt Rd. Madison, WV 25130  <b>Serial No:</b> A30080	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Komatsu Financial LP</b> Jimmy Joseph 1701 W. Golf Rd. Ste. 300 Rolling Meadows, IL 60008	PATRIOT LEASING COMPANY LLC	Equipment Lease	2/1/2009	<b>Description:</b> Hill Fork - Komatsu HD 1500-7 Rock Truck  <b>Location:</b> Hill Fork Mine Lower Hewitt Rd. Madison, WV 25130  <b>Serial No:</b> A30085	Petition Date
<b>Somerset Capital Group, LTD.</b> Yolanda Delaney / Evan Bokor Merritt Corporate Woods 612 Wheelers Farms Rd. Milford, CT 06461	PATRIOT LEASING COMPANY LLC	Equipment Lease	5/15/2009	<b>Description:</b> Pine Ridge - Getman 7090 Personnel & Eqp Carrier  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> GETTP0014B	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Somerset Capital Group, LTD.</b> Yolanda Delaney / Evan Bokor Merritt Corporate Woods 612 Wheelers Farms Rd. Milford, CT 06461	PATRIOT LEASING COMPANY LLC	Equipment Lease	5/15/2009	<b>Description:</b> Pine Ridge - Getman 7090 Personnel & Eqp Carrier  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> GETTP0015B	Petition Date
<b>Somerset Capital Group, LTD.</b> Yolanda Delaney / Evan Bokor Merritt Corporate Woods 612 Wheelers Farms Rd. Milford, CT 06461	PATRIOT LEASING COMPANY LLC	Equipment Lease	5/15/2009	<b>Description:</b> Pine Ridge - Getman 7090 Personnel & Eqp Carrier  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> GETTP0016B	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>Somerset Capital Group, LTD.</b> Yolanda Delaney / Evan Bokor Merritt Corporate Woods 612 Wheelers Farms Rd. Milford, CT 06461	PATRIOT LEASING COMPANY LLC	Equipment Lease	5/15/2009	<b>Description:</b> Pine Ridge - Getman 7090 Personnel & Eqp Carrier  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> GETTP0017B	Petition Date
<b>Somerset Capital Group, LTD.</b> Yolanda Delaney / Evan Bokor Merritt Corporate Woods 612 Wheelers Farms Rd. Milford, CT 06461	PATRIOT LEASING COMPANY LLC	Equipment Lease	5/15/2009	<b>Description:</b> Catenary Storage - Joy 14CM15  <b>Location:</b> Catenary Storage 100 Toms Fork Rd. Eskdale, WV 25075  <b>Serial No:</b> JM3470	Petition Date

EQUIPMENT LEASES					
COUNTERPARTY	DEBTOR	TYPE	DATE OF CONTRACT	EQUIPMENT DESCRIPTION & SERIAL NO.	REJECTION EFFECTIVE DATE
<b>United Leasing, Inc.</b> Martha Ahlers 3700 Morgan Ave. Evansville, IN 47715	PATRIOT LEASING COMPANY LLC	Equipment Lease	7/15/2011	<b>Description:</b> Freedom U/G -Coalage Eqp Hauler  <b>Location:</b> Freedom Mine 19050 Hwy 1078 S. Henderson, KY 42420  <b>Serial No:</b> BTV-004	Petition Date