

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:)
)
PATRIOT COAL CORPORATION, *et al.*,) Chapter 11
) Case No. 12-51502
) (Jointly Administered)
Debtors.)

**FIRST MONTHLY FEE STATEMENT OF CARMODY MACDONALD P.C. FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF PATRIOT COAL CORPORATION, ET AL. FROM
DECEMBER 3, 2012 THROUGH AND INCLUDING DECEMBER 31, 2012**

Name of Applicant: Carmody MacDonald P.C.

Authorized to provide professional services to: Official Committee of Unsecured Creditors

Date of Retention: January 28, 2013 Order Authorizing Retention of Carmody MacDonald P.C., Nunc Pro Tunc to December 3, 2012 [ECF. No. 2382]

Period for which compensation and reimbursement is sought: December 3, 2012 – December 31, 2012

Amount of compensation requested: \$39,230.50

Amount of expense reimbursement requested: \$500.00

In accordance with the Order to Establish Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, dated August 2, 2012 (the “**Interim Compensation Order**”), Carmody MacDonald P.C. (“**Carmody MacDonald**”), counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) of the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”), hereby submits this First Monthly Fee Statement (the “**Fee Statement**”), seeking compensation and reimbursement of expenses for the period of December 3, 2012 through and including December 31, 2012 (the “**First Monthly Period**”). By this Fee Statement, Carmody MacDonald seeks payment of: \$31,884.40, which is equal to (i) eighty percent of the total amount of compensation sought for actual and necessary professional services rendered during the First Monthly Period (which is \$31,384.40) and (ii) reimbursement of \$500.00, which is equal to one hundred percent of its actual and necessary expenses incurred in connection with such services.

Services Rendered and Disbursements Incurred

1. Attached hereto as **Exhibit A** is a summary of the services rendered and compensation sought, by project category, for the First Monthly Period.
2. Attached hereto as **Exhibit B** is a billing summary of Carmody MacDonald professionals and paraprofessionals by individual, setting forth the (i) name and title of each individual who performed services during the First Monthly Period, (ii) aggregate time expended by each such individual, (iii) hourly billing rate for each such individual at Carmody MacDonald’s current billing rates, (iv) the amount of fees earned by each Carmody MacDonald professional and paraprofessional, (v) year of bar admission for each attorney, and (vi) area of concentration for each attorney.

The blended hourly billing rate of Carmody MacDonald attorney's during the First Monthly Period is approximately \$317.14.

3. Attached hereto as **Exhibit C** is a summary of reimbursement sought by expense type for all expenses for the First Monthly Period incurred in connection with the performance of professional services.

4. Attached hereto as **Exhibit D** is an itemized record of all expenses for the First Monthly Period incurred in connection with the performance of professional services.

5. Attached hereto as **Exhibit E** are itemized time records of Carmody MacDonald professionals and paraprofessionals.

Total Fees and Expenses Sought for the First Monthly Period

6. The total amounts sought for fees for services rendered and reimbursement of expenses incurred for the First Monthly Period are as follows:

Total Fees for the First Monthly Period	\$39,230.50
Total Disbursements for the First Monthly Period	\$ 500.00
TOTAL	\$39,730.50

7. Pursuant to the Interim Compensation Order, Carmody MacDonald seeks payment of \$31,884.40, which is equal to (i) 80% of Carmody MacDonald's total fees for services rendered during the First Monthly Period and (ii) 100% of the total disbursements incurred during the First Monthly Period.

80% of Total Fees for the First Monthly Period	\$31,384.40
100% of Total Disbursements for the First Monthly Period	\$ 500.00
TOTAL	\$31,884.40

Notice and Objection Procedures

8. No trustee or examiner has been appointed in these Chapter 11 Cases. Pursuant to the Interim Compensation Order, notice of this Fee Statement has been served upon: (i) the

Debtors, Patriot Coal Corporation, 13212 Olive Boulevard, Suite 400, St. Louis, MO 63141, Attn: Jacquelyn A. Jones; (ii) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017, Attn: Marshall S. Huebner and Brian M. Resnick; (iii) Bryan Cave LLP, One Metropolitan Square, 211 N. Broadway, Suite 3600, St. Louis, MO 63102, Attn: Lloyd A. Palans and Brian C. Walsh; (iv) Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036, Attn: Adam C. Rogoff and Gregory G. Plotko; (v) the Office of the United States Trustee for the Eastern District of Missouri, 111 S. 10th Street, 4th Floor, St. Louis, MO 63102, Attn: Leonora Long; and (iv) attorneys for the administrative agent for the Debtors' post petition lenders, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Marcia Goldstein and Joseph Smolinsky, and (b) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019, Attn: Margot B. Schonholtz and Ana Alfonso, (collectively, the "**Notice Parties**"). Carmody MacDonald submits that no other or further notice need be provided.

9. Pursuant to the Interim Compensation Order, objections to this Fee Statement, if any, must be served upon the Notice Parties, including Carmody MacDonald, no later than February 6, 2013 (the "**Review Deadline**"), setting forth the nature of the objection and the specific amount of fees or expenses at issue.

10. If no objections to the Fee Statement are received on or before the Review Deadline, the Debtors will pay Carmody MacDonald: (i) 80% of Carmody MacDonald's total fees for services rendered during the First Monthly Period and (ii) 100% of the total disbursements incurred during the First Monthly Period.

11. To the extent an objection to the Fee Statement is received on or before the Review Deadline, the Debtors will withhold payment of that portion of the Fee Statement to

which the objection is directed and will promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing.

Dated: January 31, 2013
St. Louis, Missouri

CARMODY MACDONALD P.C.

/s/ Gregory D. Willard

Gregory D. Willard, MO30192
Angela L. Schisler, MO56768
John D. McAnnar, MO61636
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*Local Counsel to the Official Committee of
Unsecured Creditors*

EXHIBIT A

Summary of Time by Category

<u>Matter Number</u>	<u>Description</u>	<u>Hours</u>	<u>Fees</u>
12059.0	CASE ADMINISTRATION	15.70	\$ 4,964.00
12059.8	CLAIMS ADMINISTRATION / REPORTING	2.70	\$ 985.50
12059.13	GENERAL MOTIONS	23.30	\$ 7,510.50
12059.14	MEETINGS & COMMUNICATIONS WITH DEBTORS	11.80	\$ 4,307.00
12059.15	COMMITTEE MEETINGS / COMMUNICATIONS	18.10	\$ 5,671.50
12059.17	RETENTIONS / OTHER PROFESSIONAL APPLICATIONS	50.70	\$15,281.00
12059.20	BUSINESS OPERATIONS	1.40	\$ 511.00
	TOTAL	123.70	\$39,230.50

EXHIBIT B

Summary of Professionals

<u>Attorney/Professional Name</u>	<u>Department/Position at Carmody MacDonald</u>	<u>Year Admitted</u>	<u>Hourly Billing Rate</u>	<u>Total Worked Hours</u>	<u>Total Compensation Requested</u>
Gregory D. Willard	Corporate Restructuring & Bankruptcy Partner	1980	\$365.00	50.70	\$18,505.50
Angela L. Schisler	Corporate Restructuring & Bankruptcy Associate	2005	\$295.00	55.00	\$16,225.00
John D. McAnnar	Corporate Restructuring & Bankruptcy Associate	2009	\$250.00	18.00	\$ 4,500.00
TOTAL				123.70	\$39,230.50

EXHIBIT C

Summary of Expenses

<u>Description</u>	<u>Amount</u>
Pro Hac Vice Filing Fees	\$500.00
TOTAL	\$500.00

EXHIBIT D

Expense Detail

EXPENSES

<u>Date</u>	<u>Task</u>	<u>Description</u>	
12/18/2012		Filing fee for Pro Hac Vice - O'Neill.	\$ 100.00
12/18/2012		Filing fee for Pro Hac Vice - Mayer.	\$ 100.00
12/18/2012		Filing fee for Pro Hac Vice - Rogoff.	\$ 100.00
12/20/2012		Filing fee for Pro Hac Vice - Plotko.	\$ 100.00
12/20/2012		Filing fee for Pro Hac Vice - Yerramalli.	\$ 100.00

Total Expenses: \$ 500.00

EXHIBIT E

Time Detail

12059.0 Re: Case Administration

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/3/2012	JDM	Conference regarding EDMo administration of transferred case and imminent matters for processing.	.80	\$ 200.00
12/3/2012	ALS	Meeting regarding background and action items relating to EDMo case administration overall appointment as Counsel.	.80	\$ 236.00
12/3/2012	ALS	Research Case Management Orders/Standing Orders for conforming claims(1.6); review local rulers regarding same for conforming claims (.6).	2.20	\$ 649.00
12/3/2012	GDW	Telephone conference with Debtors' counsel on status of transfer and commencement in EDMo, tentative hearing in SDNY, possible proposal of EDMo conference and related matters (.1); telephone conference with US Trustee Office regarding transfer and related matters (.1); preparations for and telephone conference with Kramer Levin to review and coordinate pending legal issues, case management order, Committee review items and related matters; follow-up to three action items from call regarding same (2.2).	2.40	\$ 876.00
12/4/2012	JDM	Work on case administration documents.	.20	\$ 50.00
12/4/2012	JDM	Review series of communications from various parties regarding upcoming meeting of Creditors Committee.	.30	\$ 75.00
12/4/2012	ALS	Continue research of Standing Orders and conformed E.D.Mo. changes (.3); research and analysis [straddle] rule in 8th Circuit (.8).	1.10	\$ 324.50
12/5/2012	JDM	Review communications from Conflicts Counsel and interested parties on case administration matters.	.50	\$ 125.00
12/6/2012	JDM	Review and conference call regarding committee meeting.	.20	\$ 50.00
12/6/2012	JDM	Research and analyze EDMo 503 precedent and legal issues.	1.50	\$ 375.00
12/14/2012	GDW	Telephone conference with Committee counsel and advisors on several case administration matters (.3); telephone conference with US Trustee office regarding transfer matters and schedule (.1).	.40	\$ 146.00
12/20/2012	GDW	Preparations for and telephone conference with Committee professionals to discuss and coordinate transfer matters to EDMo (.3); follow-up analysis on Case Management Order revisions on docketing and informational submissions to court (.6).	.90	\$ 328.50
12/21/2012	ALS	Review pleadings filed (.2); circulate same to Kramer Levin attorneys (.2); communications, preparations, and filings with Court regarding activating CM/ECF distributions (.7).	1.10	\$ 324.50
12/27/2012	GDW	Review and prepare comments to transition document for revised Case Management Order in EDMo, and review and analysis of prior EDMo Standing Orders regarding conforming current CMO to EDMo precedent and Judge Surratt-States' prior procedures.	1.30	\$ 474.50
12/28/2012	GDW	Work on proposed modifications to current Case management Order per suggestions from debtors and need for additional changes per EDMo Local Rules (.6).	.60	\$ 219.00
12/28/2012	GDW	Review issues and prepare comments to proposed revisions to revised	.80	\$ 292.00

	omnibus order.		
12/28/2012	GDW	Review and prepare two documents for filing on behalf of Committee for monthly notices.	.40 \$ 146.00
12/28/2012	GDW	Review reporting documents regarding quarterly filings and telephone call to U.S. Trustee Office regarding same and continued applicability.	.20 \$ 73.00
		Total Hours:	<u>15.70</u>

Total Fees: \$ 4,964.00

12059.8 Re: *Claims Administration/Reporting*

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/4/2012	GDW	Work on legal issues relating to bifurcated claims priority and EDMo precedent and analysis of standards per same.	2.70	\$ 985.50
			Total Hours: <u>2.70</u>	
				Total Fees: <u><u>\$ 985.50</u></u>

12059.13 Re: General Motions

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/7/2012	JDM	Research witnesses precedent in the Eastern District of Missouri.	.50	\$ 125.00
12/7/2012	GDW	Telephone conference with company and advisors regarding pending Motion and proposed settlement, diligence and analysis.	.50	\$ 182.50
12/11/2012	JDM	Draft, gather data, and revise Pro Hac Vice Motions and proposed orders for several out-of-state attorneys and review current requirements for same.	2.50	\$ 625.00
12/11/2012	JDM	Draft and revise Entry of Appearance and Request for Notice.	.20	\$ 50.00
12/11/2012	JDM	Preparation of several matters for filing.	1.20	\$ 300.00
12/17/2012	JDM	Draft and revise Pro Hac Vice Motions.	.70	\$ 175.00
12/17/2012	GDW	Drafting and research on motion and Declaration for EDMo filing upon transfer (2.6).	2.60	\$ 949.00
12/18/2012	GDW	Drafting and revisions to filing on behalf of Committee upon transfer to EDMo (1.7); final preparations, analysis of reports and data, and revisions to draft Declaration and transmittal of same for review and US Trustee review (3.2).	4.90	\$ 1,788.50
12/19/2012	GDW	Telephone conferences with Kramer Levin regarding transition matters with EDMo Clerk's Office and timing of same for smooth transition of upcoming filings; work on revisions of those corresponding draft motions to be filed in EDMo (1.4).	1.40	\$ 511.00
12/20/2012	JDM	Draft and revise additional Pro Hac Vice Motions.	.50	\$ 125.00
12/20/2012	ALS	Finalize factual components of Pro Hac Vices for Kramer Levin attorneys (1.2); travel to and file hard copy documents at U.S. Bankruptcy Court Clerk's Office ED MO (1); circulate filed copies of same to Kramer Levin (.2).	2.40	\$ 708.00
12/20/2012	GDW	Final revisions and preparation of motions for filing with U.S. Bankruptcy Court Eastern District of Missouri and conference regarding paper filing of same (.8).	.80	\$ 292.00
12/21/2012	ALS	Prepare, finalize and file documents with Court.	2.60	\$ 767.00
12/21/2012	GDW	Work on and coordinate clerk's office requirements as to EDMo filings for Committee and service procedures in light of prior procedures in SDNY; update action items regarding same (1.7); review and provide comments to draft applications with respect to EDMo procedures and practice (.8).	2.50	\$ 912.50
Total Hours:			<u>23.30</u>	
Total Fees:				<u><u>\$ 7,510.50</u></u>

12059.14 Re: Meetings and Communications with Debtors

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/1/2012	GDW	Telephone conference with counsel for Debtors on transfer matters and related issues; follow-up on timing and logistics for transfer and coordinating pending matters (1.1).	1.10	\$ 401.50
12/4/2012	GDW	Preparations for and telephone conference with Debtors' professional on matters to be discussed and reviewed with management tomorrow and related matters; follow work on venue change transition matters for same (3.2).	3.20	\$ 1,168.00
12/5/2012	GDW	Preparations for and series of related teleconference meetings with Debtors' management and advisors and Committee on numerous business and legal matters.	5.80	\$ 2,117.00
12/19/2012	GDW	Telephone conference with professionals regarding Committee meeting presentations and tasks;(3) meeting with Creditors Committee via teleconference on variety of case matters (1.4).	1.70	\$ 620.50
Total Hours:			<u>11.80</u>	
Total Fees:				<u><u>\$ 4,307.00</u></u>

12059.15 Re: *Committee Meetings/Communications*

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
11/30/2012	GDW	Preparation for and telephone conference with Kramer Levin on venue transfer matters and logistics for transfer to EDMo, pending matters, and related action items; follow-up work on transfer, timing, and coordination action items [Pre - 12/3/12; not billed to estate].	[2.70]	No Charge
12/3/2012	ALS	Participate in Committee Meeting telephone conference on Fund matters and Claims.	1.50	\$ 442.50
12/4/2012	ALS	Participate in Debtors/Committee Professionals' Meeting telephone conference on 1974 Fund.	2.20	\$ 649.00
12/5/2012	ALS	Creditors' Committee telephone conference meeting with Debtors and their professionals to address Debtors' Business Plan and Update for Unsecured Creditors' Committee.	3.00	\$ 885.00
12/7/2012	JDM	Review documents for meeting and related email communications as to Committee.	.40	\$ 100.00
12/7/2012	ALS	Participate in professionals status update call (1.0); Participate in unsecured creditors' committee call (.8); Participate in call regarding comments received to declaration of disinterestedness of financial advisors and follow up on same (1.2).	3.00	\$ 885.00
12/7/2012	GDW	Preparations for and telephone conference with Committee professionals to review matters for Committee meeting this afternoon and related matters(.9); follow-up on two EDMo action items for same relating to pending matters (.8); telephone conference with Kramer Levin regarding EDMo court procedures (.1); research and follow-up as to process and effect of current CMO (.7); review and update materials for Committee on EDMo issues (.7); participate in Committee meeting (1.1).	4.30	\$ 1,569.50
12/10/2012	ALS	Participate in telephone conference with Creditor's Committee regarding Surety Agreement and Order.	.70	\$ 206.50
12/13/2012	ALS	Review and analyze summary of pleadings recently filed and distributed as to EDMo matters.	.30	\$ 88.50
12/13/2012	GDW	Telephone conference with committee member counsel on EDMo matters (.3).	.30	\$ 109.50
12/19/2012	ALS	Preparations, review of data and participate in telephone conference with professionals of Committee regarding numerous matters.	.50	\$ 147.50
12/19/2012	ALS	Telephone Committee meeting on numerous matters.	1.50	\$ 442.50
12/31/2012	GDW	Telephone conference regarding Committee review of application and follow-up work for implementing same.	.40	\$ 146.00
Total Hours:			<u>18.10</u>	
				Total Fees: <u><u>\$ 5,671.50</u></u>

12059.17 Re: Retentions/Other Professional Fee Applications

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/3/2012	ALS	Begin preparation of portions of Declaration by initial analysis of interested party associations.	1.30	\$ 383.50
12/3/2012	GDW	Work on outline and sections of application, affidavit and related materials for retention, including review and analysis of information received for same (1.4); review prior orders and documents relating to same (.2).	1.60	\$ 584.00
12/4/2012	JDM	Draft Application to Employ Carmody MacDonald.	.90	\$ 225.00
12/5/2012	JDM	Draft and revise Application to Employ Carmody MacDonald.	2.00	\$ 500.00
12/5/2012	ALS	Continue analysis of interested party relationships with Carmody MacDonald and preparation of sections of Disclosure regarding same.	1.30	\$ 383.50
12/6/2012	JDM	Draft and revise application and draft affidavit to employ and proposed order.	5.40	\$ 1,350.00
12/6/2012	ALS	Analysis of conflict check database and searches.	.80	\$ 236.00
12/6/2012	ALS	Continue preparation of sections of Declaration regarding disinterestedness and analyze data for same.	3.30	\$ 973.50
12/6/2012	GDW	Drafting and revisions of documents for retention transitions upon venue change effectiveness and research data for same.	1.10	\$ 401.50
12/7/2012	ALS	Continue preparation of Declaration of Gregory D. Willard regarding disinterestedness and analyze data for same.	5.60	\$ 1,652.00
12/7/2012	GDW	Drafting and revisions to sections of retention materials (1.8) ; telephone conference with US Trustee on advisor retention and resolving remaining terms of those retention (.3); telephone conference with US Trustee on second advisor retention (.1); work on remaining terms of those retention matters (.8).	3.00	\$ 1,095.00
12/10/2012	JDM	Draft and revise retention application affidavit and order.	.20	\$ 50.00
12/10/2012	ALS	Continue work on data for Declaration.	.90	\$ 265.50
12/14/2012	ALS	Continue preparation of Declaration regarding disinterestedness.	1.20	\$ 354.00
12/17/2012	ALS	Continue analysis of data and work on Application, Declaration and Order.	4.20	\$ 1,239.00
12/18/2012	ALS	Review Order to Establish Procedures comparison of SD NY and ED MO precedents.	1.30	\$ 383.50
12/19/2012	ALS	Review CMO and procedure and rules regarding submitting EDMo applications for those of the Committee.	1.30	\$ 383.50
12/19/2012	ALS	Investigate, review and provide summary of relationship as to interested party for US Trustee.	.80	\$ 236.00
12/19/2012	ALS	Prepare and work on additional data per request of US Trustee.	.60	\$ 177.00
12/20/2012	ALS	Continue work on transition procedures regarding monthly reports and fee applications (.8); telephone conference with Kramer Levin, Mesrirow Financial Consulting and Houlihan Lokey regarding submission of same (.6).	1.40	\$ 413.00

12/21/2012	ALS	Telephone conferences with A. Amiot, Mesirow Financial, and S. Blank, Kramer Levin, regarding applications and items need for submission (.5); prepare and send ED MO materials to A. Amiot (.2).	.70	\$ 206.50
12/21/2012	GDW	Follow-up work on information for various professionals as to questions for EDMo procedures and logistics and transmittal of same (1.2).	1.20	\$ 438.00
12/27/2012	ALS	Telephone conferences with S. Blank at Kramer Levin regarding applications of Kramer Levin and Mesirow (.2); attention to email correspondence from A. Rogoff as to invoices of Kramer Levin and Mesirow (.1); review (i) the first invoice of Mesirow Financial Consulting, LLC for July 24-November 30, 2012, and (ii) Kramer Levin's November invoice (.6); review, analyze and provide comments to proposed changes to Application and Order (.4).	1.30	\$ 383.50
12/27/2012	ALS	Review email correspondence regarding Committee member's quarterly certification and Debtors' November Monthly Operating Report and associated documents.	.60	\$ 177.00
12/28/2012	ALS	Review, finalize and file Monthly Fee and Expense Reports for other professionals.	1.30	\$ 383.50
12/28/2012	ALS	Review and provide comments to revised Application and proposed Order.	.20	\$ 59.00
12/28/2012	GDW	Drafting and revisions to application and proposed form of order and finalize same for approval (1.1).	1.10	\$ 401.50
12/31/2012	ALS	Continue preparation, conform all data, finalize and file Application to Employ and Willard.	4.00	\$ 1,180.00
12/31/2012	GDW	Final drafting and revisions of retention and application materials for filing (1.6); prepare submission of final set (.5).	2.10	\$ 766.50

Total Hours: 50.70

Total Fees: \$ 15,281.00

12059.20 Re: Business Operations

<u>FEES</u>				
<u>Date</u>	<u>Tmkpr</u>	<u>Narrative</u>	<u>Hours</u>	<u>Amount</u>
12/3/2012	GDW	Preparations for and telephone conference with Committee advisors on pending requests from Debtors on business operations, and related matters; follow-up analysis of EDMo issues regarding same and setting parameters for go forward reporting and explanations (1.4).	1.40	\$ 511.00
			Total Hours:	<u>1.40</u>
			Total Fees:	<u><u>\$ 511.00</u></u>