

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

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

**SECOND 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
JANUARY 1, 2013 THROUGH AND INCLUDING JANUARY 31, 2013**

Name of Applicant: Carmody MacDonald P.C.

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

Date of Retention: As of December 3, 2012 [Docket No. 2382]

Period for which compensation and reimbursement is sought: January 1, 2013 – January 31, 2013

Amount of compensation requested: \$22,982.00

Amount of expense reimbursement requested: \$0.00

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-in-possession (collectively, the “**Debtors**”), hereby submits this Second Monthly Fee Statement (the “**Fee Statement**”), seeking compensation and reimbursement of expenses for the period of January 1, 2013 through and including January 31, 2013 (the “**Second Monthly Period**”). By this Fee Statement, Carmody MacDonald seeks payment of: \$18,385.60, which is equal to eighty percent of the total amount of compensation sought for actual and necessary professional services rendered during the Second Monthly Period. No reimbursement of expenses is requested in connection with such services.

Services Rendered and Disbursements Incurred

1. Attached as **Exhibit A** is a summary of the services rendered and compensation sought, by project category, for the Second Monthly Period.
2. Attached as **Exhibit B** is a billing summary of Carmody MacDonald professionals by individual, setting forth the (i) name and title of each individual who performed services during the Second 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, (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 Second Monthly Period is approximately \$336.98.

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

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

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

Total Fees and Expenses Sought for the Second Monthly Period

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

Total Fees for the Second Monthly Period	\$22,982.00
Total Disbursements for the Second Monthly Period	\$ 0.00
TOTAL	\$22,982.00

7. Pursuant to the Interim Compensation Order, Carmody MacDonald seeks payment of \$18,385.60, which is equal to (i) 80% of Carmody MacDonald's total fees for services rendered during the Second Monthly Period and (ii) 100% of the total disbursements incurred during the Second Monthly Period.

80% of Total Fees for the Second Monthly Period	\$18,385.60
100% of Total Disbursements for the Second Monthly Period	\$ 0.00
TOTAL	\$18,385.60

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 March 7, 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 80% of Carmody MacDonald's total fees for services rendered during the Second 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: February 20, 2013
St. Louis, Missouri

CARMODY MACDONALD P.C.

/s/ Gregory D. Willard

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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	11.40	\$ 3,783.00
12059.1	HEARINGS	6.10	\$ 2,226.50
12059.4	PENSION / OPEB / LABOR ISSUES	4.30	\$ 1,401.50
12059.8	CLAIMS ADMINISTRATION / REPORTING	2.70	\$ 985.50
12059.13	GENERAL MOTIONS	8.10	\$ 2,837.50
12059.15	COMMITTEE MEETINGS / COMMUNICATIONS	18.60	\$ 6,138.00
12059.17	RETENTIONS / OTHER PROFESSIONAL APPLICATIONS	7.30	\$ 2,265.50
12059.18	CARMODY MACDONALD MONTHLY FEE STATEMENTS	4.50	\$ 1,446.50
12059.20	BUSINESS OPERATIONS	5.20	\$ 1,898.00
	TOTAL	68.20	\$22,982.00

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	40.90	\$14,928.50
Angela L. Schisler	Corporate Restructuring & Bankruptcy Associate	2005	\$295.00	27.30	\$ 8,053.50
TOTAL				68.20	\$22,982.00

EXHIBIT C

Summary of Expenses

<u>Description</u>	<u>Amount</u>
None this Time Period	\$0.00
TOTAL	\$0.00

EXHIBIT D

Expense Detail

None this Time Period

EXHIBIT E

Time Detail

12059.0 Re: Case Administration

Date	Tmkpr	Narrative	Hours	Amount
1/10/2013	GDW	Review and prepare suggestions to draft case management procedures from debtors and telephone conference with Kramer Levin regarding same.	0.70	\$ 255.50
1/11/2013	GDW	Preparations for and telephone conference with Committee advisors regarding pending matters, action items, and allocation of responsibilities (.9); research and analysis of EDMo and in-circuit precedent on two legal issues to be considered by Committee (1.6); telephone conference with debtors' counsel regarding status of their contemplated timetable for same (.1).	2.60	\$ 949.00
1/14/2013	ALS	Review Committee documents for filing and CM/ECF Notice.	0.20	\$ 59.00
1/14/2013	GDW	Final revisions to Declaration and proposed order and review of process for same.	0.60	\$ 219.00
1/15/2013	ALS	Update ECF for additional Kramer Levin attorneys to CM/ECF Notices for case (.2); review documents filed and update docket via CM/ECF (.8).	1.00	\$ 295.00
1/15/2013	GDW	Telephone calls with Kramer Levin as to proposed revisions to Case Management Order and follow-up analysis of EDMo precedents and past practice as to proposed revisions.	1.30	\$ 474.50
1/16/2013	GDW	Review debtors' proposed revisions to amended order on hearings, agenda letters, and related matters (.2); telephone conferences with debtors' counsel and with Kramer Levin regarding same and draft proposed compromise (.6).	0.80	\$ 292.00
1/28/2013	ALS	Prepare matters for 1/29/13 hearing at U.S. Bankruptcy Court.	1.20	\$ 354.00
1/29/2013	ALS	Prepare for and attend hearing at U.S. Bankruptcy Court and post-hearing discussion with Court, debtors and U.S. Trustee on Case Management Order.	3.00	\$ 885.00
Total Hours:			<u>11.40</u>	
Total Fees:				<u>\$ 3,783.00</u>

12059.1 Re: Hearings

Date	Tmkpr	Narrative	Hours	Amount
1/23/2013	GDW	Review and prepare matters for upcoming Status Conference, including matters for U.S. Trustee, and telephone conference with Kramer Levin to coordinate same (.8).	0.80	\$ 292.00
1/28/2013	GDW	Review motions and prepare for hearings tomorrow before U.S. Bankruptcy Judge Surratt-States.	1.30	\$ 474.50
1/29/2013	GDW	Final preparations for and representation of Committee at hearings before U.S. Bankruptcy Judge Surratt-States, and then attend post-hearing conference with Court, company counsel and U.S. Trustee regarding modifications to draft Case Management Order (2.4); follow-up telephone conferences with Kramer Levin attorneys to coordinate and assign out action items from hearing and upcoming matters; work on two action items (.7).	3.10	\$ 1,131.50
1/30/2013	GDW	Telephone call from U.S. Bankruptcy Court regarding upcoming court dates and notices; follow-up as to notices and timing regarding same and update documents per announcements.	0.90	\$ 328.50

Total Hours: 6.10

Total Fees: \$ 2,226.50

12059.4 Re: Pension/OPEB/Labor Issues

Date	Tmkpr	Narrative	Hours	Amount
1/8/2013	ALS	Research and analysis regarding standard in the 8th Circuit and particularly the EDMo with respect to proposed payments (.8); telephone conference with A. Yerramalli regarding same and outline of issues as to proposal (1.0); research EDMo cases regarding Chapter 11 cases that included proposed payments (.6).	2.40	\$ 708.00
1/10/2013	GDW	Review and analysis of Debtors' proposed unilateral steps and related issues (1.5); analysis of in-circuit precedent regarding same and documents as to same (.4).	1.90	\$ 693.50

Total Hours: 4.30

Total Fees: \$ 1,401.50

12059.8 Re: Claims Administration/Reporting

Date	Tmkpr	Narrative	Hours	Amount
1/3/2013	GDW	Review and prepare proposed changes to revised draft claims procedures and requirements and telephone conference with Kramer Levin regarding same.	0.90	\$ 328.50
1/4/2013	GDW	Further drafting and work on claims processing protocol, EDMo Local Rules considerations, and suggested revisions (1.4); update suggested revisions as to same (.3).	1.70	\$ 620.50
1/8/2013	GDW	Telephone call from Kramer Levin on EDMo Local Rules and custom on procedural matters.	0.10	\$ 36.50

Total Hours: 2.70

Total Fees: \$ 985.50

12059.13 Re: General Motions

Date	Tmkpr	Narrative	Hours	Amount
1/21/2013	GDW	Research on [CONFIDENTIAL - PRIVILEGED], debtors' anticipated response, and substantive and procedural considerations as to resulting claims and corresponding costs based on circuit precedent and anticipated motions by debtors.	3.30	\$ 1,204.50
1/22/2013	GDW	Telephone conference regarding debtors' proposal for intermediate resolution of pending motion and research EDMo and circuit precedent as to same and alternative approaches for Committee consideration.	0.90	\$ 328.50
1/22/2013	ALS	Review, finalize and file the Amended Verified 2019 Statement.	0.30	\$ 88.50
1/22/2013	ALS	Work on matters filed and CM/ECF Notice.	0.60	\$ 177.00
1/23/2013	ALS	Further work on documents filed and CM/ECF Notice.	0.80	\$ 236.00
1/31/2013	GDW	Continued analysis and research of EDMo and related precedents on [CONFIDENTIAL-PRIVILEGED] legal questions and procedure likely to be required by Court (2.2).	2.20	\$ 803.00

Total Hours: 8.10

Total Fees: \$ 2,837.50

12059.15 Re: Committee Meetings/Communications

Date	Tmkpr	Narrative	Hours	Amount
1/2/2013	GDW	Review and research of materials for Committee consideration regarding upcoming matters to be presented to U.S. Bankruptcy Judge Suratt-States on (i) claims processing, (ii) tier levels, and (iii) Rule 9019 elements per Local EDMo Rules (1.9); prepare comments and follow-up items regarding same (.7).	2.60	\$ 949.00
1/4/2013	GDW	Preparation for and telephone conference with Committee professionals to review pending matters and prepare for full Committee meeting.	0.50	\$ 182.50
1/4/2013	ALS	Telephone conference with Committee professionals regarding agenda items for upcoming call with Committee.	0.50	\$ 147.50
1/8/2013	GDW	Preparations for and teleconference meeting with Creditors Committee on several issues and presentations.	1.70	\$ 620.50
1/8/2013	ALS	Review materials for Professionals call and Committee teleconference, including liquidity update (.1), memo on motions and recommendations regarding Debtor's establish claims settlement procedures (.4), website information proposal (.1), and final report in connection with analysis of the Debtors' proposed payments (.3); participate in Professionals call to prepare for Committee teleconference (.3); participate in Committee teleconference (1).	2.20	\$ 649.00
1/18/2013	ALS	Prepare for and participate in Committee professional's telephone meeting to review ongoing matters.	0.70	\$ 206.50
1/18/2013	GDW	Preparations for and telephone conference with Committee professionals regarding upcoming Committee meeting, action items, and issues for follow-up; work on follow-up materials for meeting.	0.70	\$ 255.50
1/21/2013	ALS	Research assigned action items from telephone conference with Committee.	1.70	\$ 501.50
1/22/2013	ALS	Preparations, review of data and participate in teleconference Committee meeting regarding numerous matters (2); work on updated Case Management Order (.6).	2.60	\$ 767.00
1/22/2013	GDW	Preparations for Committee telephone conference meeting and presentations (.4); telephone conference meeting of Creditors Committee on topics and issues and then work on follow-up work matters for hearing next week before U.S. Bankruptcy Judge Surratt-States (1.8).	2.20	\$ 803.00
1/23/2013	GDW	Telephone conference with U.S. Bankruptcy Court regarding upcoming Status Conference and gather and provide follow-up information for Court (.4).	0.40	\$ 146.00
1/25/2013	ALS	Participate in professionals conference call on several matters.	0.80	\$ 236.00
1/25/2013	GDW	Follow-up analysis and work on action items from Committee professionals teleconference for upcoming hearings before U.S. Bankruptcy Judge Surratt-States, including Case Management Order modifications and additional change to proposed order per EDMo precedent.	1.20	\$ 438.00

1/28/2013 ALS	Correspondence regarding various Committee issues, disclosures and tomorrow's hearing.	0.60	\$	177.00
1/30/2013 ALS	Finalize and file Kramer Levin's Second Supplemental Declaration.	0.20	\$	59.00

Total Hours: 18.60

Total Fees: \$ 6,138.00

12059.17 Re: Retentions/Other Professional Fee Applications

Date	Tmkpr	Narrative	Hours	Amount
1/9/2013	ALS	Review and file Houlihan Lokey Capital, Inc. Monthly Fee Statement.	0.30	\$ 88.50
1/9/2013	GDW	Review Committee professional's materials for monthly filing.	0.20	\$ 73.00
1/14/2013	ALS	Research and finalize a proposed order to Court (.8); prepare Declaration of No Objections (.6); further revise the proposed order per current Case Management Order (.4).	1.80	\$ 531.00
1/15/2013	ALS	Finalize and file Declaration with Court.	0.60	\$ 177.00
1/16/2013	ALS	Review and file Fee Statement for November and December for Epiq Bankruptcy Solutions, LLC.	0.20	\$ 59.00
1/16/2013	ALS	Prepare final documents and correspondence with proposed order in connection with the Application for Retention and Employment of Carmody MacDonald P.C. as local counsel to the Official Committee of Unsecured Creditors of Patriot Coal Corporation.	0.60	\$ 177.00
1/16/2013	GDW	Review and finalize changes for filings with U.S. Bankruptcy Court for other professionals (.2); revise and finalize No Objection submission for final disposition (.4).	0.60	\$ 219.00
1/22/2013	ALS	Review, finalize and file Monthly Fee Statement of Mesirow Financial Consulting, LLC and Cole, Schotz, Meisel, Forman & Leonard, P.A.	0.60	\$ 177.00
1/25/2013	ALS	Finalize and file Kramer Levin's Monthly Fee Statement.	0.20	\$ 59.00
1/31/2013	ALS	Prepare and revisions to First Supplemental Declaration Supplemental Statement Pursuant to Bankruptcy Code 2014.	1.40	\$ 413.00
1/31/2013	GDW	Drafting and revisions to supplemental filing and conference regarding same (.8).	0.80	\$ 292.00
Total Hours:			<u>7.30</u>	
Total Fees:				<u><u>\$ 2,265.50</u></u>

12059.18 Re: Carmody MacDonald Monthly Fee Statements

Date	Tmkpr	Narrative	Hours	Amount
1/18/2013	ALS	Review and prepare First Monthly Statement of Carmody MacDonald P.C. per Case Management Order.	0.70	\$ 206.50
1/21/2013	ALS	Continue conforming all data for Monthly Statement.	1.30	\$ 383.50
1/31/2013	ALS	Update and finalize Monthly Statement per Case Management Order.	0.80	\$ 236.00
1/31/2013	GDW	Analysis, revisions for privilege/redactions and final preparations of Carmody MacDonald statement (1.7).	1.70	\$ 620.50

Total Hours: 4.50

Total Fees: \$ 1,446.50

12059.20 Re: Business Operations

Date	Tmkpr	Narrative	Hours	Amount
1/30/2013	GDW	Work on research and analysis legal issues and EDMo precedents as to [PRIVILEGED - REDACTED] under consideration and procedural issues relating to same (3.3).	3.30	\$ 1,204.50
1/31/2013	GDW	Additional research and analysis on [PRIVILEGED - REDACTED] precedents and procedural issues in EDMo.	1.90	\$ 693.50

Total Hours: 5.20

Total Fees: \$ 1,898.00