

**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)**

**STIPULATION AND AGREED ORDER BETWEEN  
PATRIOT COAL SALES LLC AND RWE TRADING AMERICAS INC.**

This Stipulation and Agreed Order (this “**Stipulation**”) is entered into by and between Patriot Coal Sales LLC (“**Patriot**”) and RWE Trading Americas Inc. (“**RWE**”) (Patriot and RWE being each a “**Party**,” and together the “**Parties**”) with respect to the following:

**RECITALS:**

A. On July 9, 2012 (the “**Commencement Date**”), Patriot and certain of its affiliates (collectively, the “**Debtors**”) each commenced with this Court a voluntary case under chapter 11 of title 11, United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. The Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

C. The Parties submit this stipulation seeking Court approval of their Letter Agreement, dated July 27, 2012 (the “**Agreement**”) with respect to the sale and delivery of a specified net tonnage of CSX rail coal for a total amount of less than \$125 million as an

agreement entered into in the ordinary course of the Debtors' business. The term of the Agreement is from July 24, 2012 through December 31, 2012 and provides for a delivery schedule of a specified amount of net tons per month as mutually agreed. The Agreement replaces and supersedes the prior agreement dated June 14, 2011 between the Parties, with a transaction date of June 9, 2011 (the "**Prior Agreement**"). The effectiveness of the Agreement is subject to and conditioned upon approval by the Court by August 15, 2012. If the Court enters an order denying approval of the Agreement or if Patriot fails to obtain an order from the Court approving the Agreement by August 15, 2012, then, among other things, the Agreement and the terms thereof shall be rendered null and void *ab initio*.

D. The Debtors believe that (a) the Agreement is a Tier 1 Coal Sale Contract as such term is used in the Interim Order Authorizing the Debtors to (i) Enter Into and Perform Under Coal Sale Contracts in the Ordinary Course of Business and (ii) Establish Certain Procedures with Respect Thereto, dated July 16, 2012 (Docket No. 89) (the "**Order**"), and (b) the Debtors may enter into the Agreement in their sole discretion and in the ordinary course of business. However, the Parties, in accordance with the terms of the Agreement and out of an abundance of caution, submit this Stipulation to the Court for approval.

**STIPULATION:**

**NOW, THEREFORE**, it is hereby stipulated and agreed by and between the Parties, through their undersigned counsel:

1. The Debtors are authorized to enter into the Agreement pursuant to the Order and in the ordinary course of business.
2. The Agreement replaces and supersedes the Prior Agreement. The Agreement shall govern the rights and obligations of the parties thereto.

3. This Stipulation may not be modified other than by both (a) a signed writing executed by the Parties hereto and (b) order of the Court.

4. Each person who executes this Stipulation on behalf of a Party hereto represents that he or she is duly authorized to execute this Stipulation on behalf of such Party.

5. This Stipulation shall be governed by, and construed and enforced in accordance with the laws of the State of New York, without giving effect to the principles of conflict of laws thereof.

6. The Court shall retain exclusive jurisdiction to interpret, implement and enforce the provisions of this Stipulation (but not the Agreement).

7. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Evidence of execution of this Stipulation may be exchanged by fax or by electronic transmission of a scanned copy of the signature pages or by exchange of an originally signed document, each of which shall be as fully binding on the party as a signed original.

**[Signatures on following page]**

Dated: New York, New York  
July 31, 2012

By: /s/ Amelia T.R. Starr

By: /s/ Veerle Roovers

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*Attorneys for RWE Trading Americas  
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*Attorneys for the Debtors and Debtors in  
Possession*

**IT IS SO-ORDERED:**

August 9, 2012  
New York, New York

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