

**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.)

**THIRD 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
FEBRUARY 1, 2013 THROUGH AND INCLUDING FEBRUARY 28, 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: February 1, 2013 – February 28, 2013

Amount of compensation requested: \$36,976.00

Amount of expense reimbursement requested: \$200.00

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 Third Monthly Fee Statement (the “**Fee Statement**”), seeking compensation and reimbursement of expenses for the period of February 1, 2013 through and including February 28, 2013 (the “**Third Monthly Period**”). By this Fee Statement, Carmody MacDonald seeks payment of: \$29,780.80, which is equal to (i) eighty percent of the total amount of compensation sought for actual and necessary professional services rendered during the Third Monthly Period (which is \$29,580.80) and (ii) reimbursement of \$200.00, 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 as **Exhibit A** is a summary of the services rendered and compensation sought, by project category, for the Third 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 Third 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 Third Monthly Period is approximately \$336.75.

3. Attached as **Exhibit C** is a summary of reimbursement sought by expense type for all expenses for the Third 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 Third 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 Third Monthly Period

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

Total Fees for the Third Monthly Period	\$ 36,976.00
Total Disbursements for the Third Monthly Period	\$ 200.00
TOTAL	\$ 37,176.00

7. Pursuant to the Interim Compensation Order, Carmody MacDonald seeks payment of \$29,780.80, which is equal to (i) 80% of Carmody MacDonald's total fees for services rendered during the Third Monthly Period and (ii) 100% of the total disbursements incurred during the Third Monthly Period.

80% of Total Fees for the Third Monthly Period	\$ 29,580.80
100% of Total Disbursements for the Third Monthly Period	\$ 200.00
TOTAL	\$ 29,780.80

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, via the Court's ECF system, 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 April 4, 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 Third Monthly Period and (ii) 100% of the total disbursements incurred during the Third 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: March 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	6.20	\$ 1,829.00
12059.1	HEARINGS	22.30	\$ 7,439.50
12059.4	PENSION / OPEB / LABOR ISSUES	1.60	\$ 584.00
12059.6	EXECUTORY CONTRACTS / LEASES	3.40	\$ 1,241.00
12059.8	CLAIMS ADMINISTRATION / REPORTING	2.10	\$ 766.50
12059.9	PLAN AND DISCLOSURE STATEMENT	6.70	\$ 2,445.50
12059.11	COMMITTEE INVESTIGATIONS / DILIGENCE	2.60	\$ 949.00
12059.13	GENERAL MOTIONS	20.70	\$ 7,114.50
12059.14	MEETINGS AND COMMUNICATIONS WITH DEBTORS	1.60	\$ 472.00
12059.15	COMMITTEE MEETINGS / COMMUNICATIONS	22.50	\$ 7,260.50
12059.17	RETENTIONS / OTHER PROFESSIONAL APPLICATIONS	9.70	\$ 3,218.50
12059.18	CARMODY MACDONALD MONTHLY FEE STATEMENTS	3.10	\$ 991.50
12059.20	BUSINESS OPERATIONS	7.30	\$ 2,664.50
TOTAL		109.80	\$36,976.00

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	65.50	\$23,907.50
Angela L. Schisler	Corporate Restructuring & Bankruptcy Associate	2005	\$295.00	44.30	\$13,068.50
TOTAL				109.80	\$36,976.00

EXHIBIT C

Summary of Expenses

<u>Description</u>	<u>Amount</u>
Pro Hac Vice Filing Fees	\$200.00
TOTAL	\$200.00

EXHIBIT D

Expense Detail

EXPENSES

<u>Date</u>	<u>Description</u>	
2/8/2013	Filing fee for Pro Hac Vice - Komrower	\$ 100.00
2/8/2013	Filing fee for Pro Hac Vice - Warner	\$ 100.00
	Total Expenses:	<u>\$ 200.00</u>

EXHIBIT E

Time Detail

12059.0 Re: Case Administration

Date	Tmkpr	Narrative	Hours	Amount
2/4/2013	ALS	Review specific documents filed via CM/ECF Notice and follow-up action on same.	1.80	\$ 531.00
2/7/2013	ALS	Prepare Pro Hac Vice for S. Komrower (.6); review and provide comments to Final Stipulation (.4).	1.00	\$ 295.00
2/8/2013	ALS	Finalize and file Pro Hac Vice of S. Komrower (.4); prepare and file Pro Hac Vice of M. Warner (.8); prepare and revise Notice of Final Stipulation (1.1); finalize and file Notice and Final Stipulation (.4); review documents filed via CM/ECF Notice and follow-up action on same (.7).	3.40	\$ 1,003.00
			Total Hours:	<u>6.20</u>
			Total Fees:	<u>\$ 1,829.00</u>

12059.1 Re: Hearings

Date	Tmkpr	Narrative	Hours	Amount
2/14/2013	GDW	Work on preparing procedural matters for upcoming hearing before U.S. Bankruptcy Judge Surratt-States and documents for same (.8); telephone conference with Kramer Levin regarding general EDMo local procedures on motion and notice requirements (.1); telephone conference with Debtors' counsel on status of amended Case Management Order and clerk of the court requested changes (.1).	1.00	\$ 365.00
2/18/2013	GDW	Review and analysis of matters related to Emergency Hearing Request and presentations to US Bankruptcy Judge Surratt-States and possible consensual alternatives (1.1); telephone calls to Court Clerk's staff as to pending requests and follow-up work on possible Committee position to parties' dispute and alternatives (1.3).	2.40	\$ 876.00
2/19/2013	GDW	Review materials in preparation for and participate in Chambers teleconference with U.S. Bankruptcy Judge Surratt-States on Debtors' Incentive Motion and Fund's Emergency Motion as to same (.3); follow-up telephone call with Debtors' counsel on adjourned date and following Omnibus Hearing (.1).	0.40	\$ 146.00
2/19/2013	ALS	Participate in telephonic hearing regarding Emergency Motion of the UMWA to extend time to respond to Debtor's CERP/AIP.	0.80	\$ 236.00
2/25/2013	ALS	Begin preparation for 2/26 Omnibus Hearing and prepare Notification to court regarding parties appearing (2.7); telephone conference with A. Wong regarding matters associated with 2/26 Omnibus Hearing (.2).	2.90	\$ 855.50
2/25/2013	GDW	Final preparations, including with clerk, for participants at hearing and related matters (.7); prepare and update materials for hearing tomorrow before U.S. Bankruptcy Judge Surratt-States at Omnibus Hearing and review final items on agenda for same (1.6); telephone conferences with Kramer Levin to coordinate hearing matters and memoranda (.3); review and finalize documents for hearing (.2).	2.80	\$ 1,022.00
2/26/2013	GDW	Preparations for and attend hearing before U.S. Bankruptcy Judge Surratt-States on several matters and then follow-up work to implement action items resulting from hearing.	5.70	\$ 2,080.50
2/26/2013	ALS	Prepare final hearing binders, materials, and final Committee position statements (1.9); prepare for and attend Omnibus Hearing.	6.30	\$ 1,858.50

Total Hours: 22.30

Total Fees: \$ 7,439.50

12059.4 Re: Pension/OPEB/Labor Issues

Date	Tmkpr	Narrative	Hours	Amount
2/21/2013	GDW	Analysis of two issues and work on procedural questions relating to Committee's position on proposal for 1114 committee and court filing regarding same.	1.60	\$ 584.00

Total Hours: 1.60

Total Fees: \$ 584.00

12059.6 Re: Executory Contracts/Leases

Date	Tmkpr	Narrative	Hours	Amount
2/21/2013	GDW	Analysis of lease assumption issues and caselaw in EDMo, including parallel precedent and caselaw, and telephone conference with Kramer Levin - all regarding Debtors' Pending Assumption Motion and positions for Committee to consider in light of same.	3.40	\$ 1,241.00
			Total Hours:	<u>3.40</u>
			Total Fees:	<u>\$ 1,241.00</u>

12059.8 Re: Claims Administration/Reporting

Date	Tmkpr	Narrative	Hours	Amount
2/8/2013	GDW	Review document on claims review and procedural matters (.2); drafting court filing for same (.6); finalize same and update for filing with U.S. Bankruptcy Court (.4).	1.20	\$ 438.00
2/26/2013	GDW	Follow-up on inquiries received from Creditors regarding EDMo Clerk's decision to re-docket claims and confusion in creditor community resulting from same.	0.90	\$ 328.50
			Total Hours:	<u>2.10</u>
			Total Fees:	<u>\$ 766.50</u>

12059.9 Re:Plan and Disclosure Statement

Date	Tmkpr	Narrative	Hours	Amount
2/28/2013	GDW	Telephone conference with Kramer Levin regarding legal issue relating to plan of reorganization (.1); research and analysis of [PRIVILEGED - REDACTED] standards and precedent in EDMo and 8th Circuit (5.9); analysis of factual assumptions and data regarding same (.7).	6.70	\$ 2,445.50
Total Hours:			<u>6.70</u>	
Total Fees:				<u><u>\$ 2,445.50</u></u>

12059.11 Re:Committee Investigations/Diligence

Date	Tmkpr	Narrative	Hours	Amount
2/7/2013	GDW	Telephone conference with SDNY Conflicts counsel for Committee on stipulation to be filed and timing, and review of EDMo docket for procedures with amended CMO (.4); review draft stipulation and provide suggestions for EDMo compliance and practice (.5).	0.90	\$ 328.50
2/24/2013	GDW	Review and analysis of [PRIVILEGED - REDACTED] related EDMo precedent legal issues and calculations, including alternatives (1.7).	1.70	\$ 620.50
			Total Hours:	<u>2.60</u>
			Total Fees:	<u>\$ 949.00</u>

12059.13 Re:General Motions

Date	Tmkpr	Narrative	Hours	Amount
2/11/2013	GDW	Telephone conference with Kramer Levin on pending 1102 Motion (.1); telephone conference with Brian Walsh regarding 1102 Motion, proposed schedule and related matters (.1); work on and legal research regarding procedural and substantive issues with respect to motion, including EDMo precedent and standards and similar prior request (2.9).	3.10	\$ 1,131.50
2/12/2013	ALS	Prepare Notice of Fourth Stipulation Regarding Final Order (.6); finalize and file Notice and Fourth Stipulation Regarding Final Order (.3).	0.30	\$ 88.50
2/12/2013	GDW	Further research and analysis of EDMo/intra-circuit precedent regarding 1102 Motion and possible consensual resolutions of same.	2.60	\$ 949.00
2/15/2013	GDW	Review Emergency Motion filed in respect of Debtors' pending motion (.3); research EDMo procedural considerations and rules in light of CMO (.7); telephone conference with Kramer Levin regarding same and next steps (.1); work on timing issues, possible Committee responses and related matters in light of pending 2/26 hearing date and requested discovery (1.4).	2.50	\$ 912.50
2/15/2013	ALS	Review and analyze UMWA Plans' Motion seeking on CERP/AIP motion.	0.60	\$ 177.00
2/17/2013	GDW	Drafting and revisions to responses to two motions filed by Debtors and research of EDMo precedent as to incentive motion (2.2).	2.20	\$ 803.00
2/18/2013	ALS	Review, analyze and provide comments to documents relating to Debtor's Motion to Implement Compensation Plans, including the Committee's proposed Statement (1.1); review, analyze and provide comments to documents relating to Motion to Appoint Official Retiree Committee, including Committee's proposed Statement (.6).	1.70	\$ 501.50
2/19/2013	GDW	Review documents from court on Emergency Motion hearing and review of underlying request and response (.6); telephone conference with Debtors' counsel regarding telephonic Chambers Conference on pending Emergency Motion (.1); telephone call with US Trustee regarding same (.1).	0.80	\$ 292.00
2/20/2013	ALS	Prepare Notice of Filing First Supplemental Declaration for M. Kehl (.5); finalize and file Notice and First Supplemental Declaration (.3).	0.80	\$ 236.00
2/21/2013	ALS	Work on matters filed and review Committee's summary of and recommendation for proposed stipulations.	2.20	\$ 649.00
2/22/2013	ALS	Finalize and file Statement of Support of Retiree Committee.	0.70	\$ 206.50
2/23/2013	GDW	Research and analysis of legal issues and EDMo precedent for responses to [CONFIDENTIAL - REDACTED] and arguments in opposition to (2.7); analysis of documents and factual information regarding same (.8).	3.20	\$ 1,168.00

Total Hours: 20.70

Total Fees: \$ 7,114.50

12059.14 Re:Meetings and Communications with Debtors

Date	Tmkpr	Narrative	Hours	Amount
2/4/2013	ALS	Prepare for, review materials, and attend teleconference meeting with Debtors regarding AIP/CERP.	1.60	\$ 472.00

Total Hours: 1.60

Total Fees: \$ 472.00

12059.15 Re:Committee Meetings/Communications

Date	Tmkpr	Narrative	Hours	Amount
2/1/2013	GDW	Preparation for and telephone conference meeting with Committee advisors to review pending matters and action items (.7).	0.70	\$ 255.50
2/1/2013	ALS	Prepare for and participate in Professional's pre-Committee telephone conference (.8); attention to follow-up research and action items assigned on telephone conference (.8).	1.60	\$ 472.00
2/5/2013	GDW	Preparations for Committee meeting and telephone conference with Committee advisors to coordinate presentations (.6); meeting of Committee, including participation by company and advisors, and implementation work on several matters and reports (2.1).	2.70	\$ 985.50
2/5/2013	ALS	Prepare for and participate in Professionals' call and Committee meeting, which included an update from the Debtor's on the CERP and AIP.	2.50	\$ 737.50
2/7/2013	GDW	Telephone conference with Committee advisors regarding post-Committee meeting discussion and proposal and matters relating to same; follow-up on two legal items as to same.	1.70	\$ 620.50
2/7/2013	ALS	Prepare for and participate in Committee professionals telephone conference regarding UMWA's proposal and additional matters.	1.50	\$ 442.50
2/12/2013	ALS	Review and analyze Proposed Settlement with Retiree Committee.	0.60	\$ 177.00
2/15/2013	GDW	Preparations for and teleconference meeting with Committee advisors to review pending matters, allocation of responsibilities, and related matters (.8).	0.80	\$ 292.00
2/18/2013	ALS	Prepare for Committee meeting by reviewing materials circulated and documents filed since last meeting.	1.40	\$ 413.00
2/19/2013	GDW	Preparations for and attend teleconference meeting of Official Creditors Committee and follow-up on action item for teleconference with court.	2.30	\$ 839.50
2/19/2013	ALS	Prepare for and participate in Committee meeting.	3.00	\$ 885.00
2/22/2013	GDW	Review materials and preparations for meeting of Committee Professionals on pending matters, action items, upcoming hearing before Judge Suratt-States, and related questions.	0.70	\$ 255.50
2/22/2013	ALS	Prepare for and attend Professionals telephone conference regarding various matters (1.5); coordinate with A. Wong regarding hearing and list of participants for Court (.3).	1.80	\$ 531.00
2/25/2013	ALS	Prepare for and participate in Professionals' telephone conference regarding proposals and related matters.	1.20	\$ 354.00
Total Hours:			22.50	
Total Fees:				\$ 7,260.50

12059.17 Re:Retentions/Other Professional Fee Applications

Date	Tmkpr	Narrative	Hours	Amount
2/4/2013	ALS	Prepare memo summarizing Monthly Fee and Interim Application Guidelines utilized by EDMo (.8); assist in document regarding same (.8).	1.60	\$ 472.00
2/6/2013	GDW	Work on matters for meeting next week on all estate professionals' fee process and reviews and research EDMo precedent as to components for same.	1.70	\$ 620.50
2/7/2013	GDW	Review and draft information for Pro Hac Vice for SDNY Committee Conflicts Counsel for EDMo appearance to conclude pending matters and telephone conference regarding same.	0.70	\$ 255.50
2/11/2013	GDW	Review draft Supplemental Declaration from Epiq for filing and conference regarding additional necessary information and processing (.6).	0.60	\$ 219.00
2/11/2013	ALS	Review of Epiq Supplemental Disclosure (.3); telephone conference with J. Katchadurian regarding same (.2).	0.50	\$ 147.50
2/13/2013	GDW	Preparations for and telephone conference with US Trustee (DC/StL), company counsel on administrative matters surrounding case professionals, 330/331 issues and monthly reviews and related matters.	0.90	\$ 328.50
2/18/2013	ALS	Finalize and file Monthly Statement of Houlihan Lokey Capital, Inc.	0.30	\$ 88.50
2/20/2013	GDW	Review and provide comments to filings for Committee professionals and conferences regarding same.	0.70	\$ 255.50
2/20/2013	ALS	Revise, finalize and file Cole Scholtz January 2013 Monthly Statement (.6); telephone conference with US Trustee's office regarding all filed monthly statements on behalf of the Committee (.2).	0.80	\$ 236.00
2/22/2013	GDW	Telephone conference with Kramer Levin regarding US Trustee's fee review committee proposal and EDMo precedent regarding similar review processes (.1); telephone conference with US Trustee representatives and company counsel on review committee (.4).	0.50	\$ 182.50
2/25/2013	ALS	Finalize and file Monthly Statement of Kramer Levin Naftalis & Frankel LLP, as counsel to the Official Committee of Unsecured Creditors for Services Rendered and Reimbursement of Expenses Incurred for the period of January 1, 2013 through January 31, 2013 (.3); finalize and file Monthly Statement of Members of the Official Committee of Unsecured Creditors for EXPENSES ONLY for the period of October 1, 2012 through December 31, 2012 (.3).	0.60	\$ 177.00
2/28/2013	ALS	Finalize and file Mesirow Financial Consulting, LLC's January 2013 Monthly Statement (.3); prepare binder for US Trustee containing all of the Committee's January 2013 Monthly Statements (.5)	0.80	\$ 236.00

Total Hours: 9.70

Total Fees: \$ 3,218.50

12059.18 Re:Carmody MacDonald Monthly Fee Statements

Date	Tmkpr	Narrative	Hours	Amount
2/1/2013	ALS	Finalize and file Carmody MacDonald's Monthly Statement for December 2012.	0.60	\$ 177.00
2/19/2013	GDW	Review and prepare Monthly Statement for compliance with court requirements and guidelines, including review of underlying matters for certain confidentiality matters.	1.10	\$ 401.50
2/20/2013	ALS	Review, revise, finalize and file Carmody MacDonald's January 2013 Monthly Statement (1.2); coordinate serving Carmody MacDonald's January 2013 Monthly Statement with Epiq (.2).	1.40	\$ 413.00
			Total Hours:	<u>3.10</u>
			Total Fees:	<u>\$ 991.50</u>

12059.20 Re:Business Operations

Date	Tmkpr	Narrative	Hours	Amount
2/1/2013	GDW	Research and analysis of EDMo precedent and intra-circuit on [CONFIDENTIAL - PRIVILEGED] standards and permissible components; analysis of proposals relating to same.	3.60	\$ 1,314.00
2/4/2013	GDW	Research and prepare EDMo factors relevant to Committee's consideration of company's proposed incentives (2.8).	2.80	\$ 1,022.00
2/4/2013	GDW	Preparations for and telephone conference with company advisors to review matters relating to incentives and related proposals, and follow-up on two EDMo questions for Committee meeting tomorrow.	0.90	\$ 328.50
			Total Hours:	<u>7.30</u>
			Total Fees:	<u>\$ 2,664.50</u>