

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

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

**Chapter 11
Case No. 12-51502-659
(Jointly Administered)**

Re: ECF No. 1919

**APPLICATION OF THE SALARIED RETIREE COMMITTEE FOR
ORDER AUTHORIZING AND APPROVING THE RETENTION OF
STAHL COWEN CROWLEY ADDIS LLC AS COUNSEL**

The official Salaried Retiree Committee (the “Retiree Committee”) of Debtors, Patriot Coal, and certain affiliates (collectively, the “Debtors”)¹ hereby applies to this Court for entry of

¹ Affinity Mining Company; Apogee Coal Company, LLC; Appalachia Mine Services, LLC; Beaver Dam Coal Company, LLC; Big Eagle, LLC; Big Eagle Rail, LLC; Black Stallion Coal Company, LLC; Black Walnut Coal Company; Bluegrass Mine Services, LLC; Brook Trout Coal, LLC; Catenary Coal Company, LLC; Central States Coal Reserves of Kentucky, LLC; Charles Coal Company, LLC; Cleaton Coal Company; Coal Clean LLC; Coal Properties, LLC; Coal Reserve Holding Limited Liability Company No. 2; Colony Bay Coal Company; Cook Mountain Coal Company, LLC; Corydon Resources LLC; Coventry Mining Services, LLC; Coyote Coal Company LLC; Cub Branch Coal Company LLC; Dakota LLC; Day LLC; Dixon Mining Company, LLC; Dodge Hill Holding JV, LLC; Dodge Hill Mining Company, LLC; Dodge Hill of Kentucky, LLC; EACC Camps, Inc.; Eastern Associated Coal, LLC; Eastern Coal Company, LLC; Eastern Royalty, LLC; Emerald Processing, L.L.C.; Gateway Eagle Coal Company, LLC; Grand Eagle Mining, LLC; Heritage Coal Company LLC; Highland Mining Company, LLC; Hillside Mining Company; Hobet Mining, LLC; Indian Hill Company LLC; Infinity Coal Sales, LLC; Interior Holdings, LLC; IO Coal LLC; Jarrell’s Branch Coal Company; Jupiter Holdings LLC; Kanawha Eagle Coal, LLC; Kanawha River Ventures I, LLC; Kanawha River Ventures II, LLC; Kanawha River Ventures III, LLC; KE Ventures, LLC; Little Creek LLC; Logan Fork Coal Company; Magnum Coal Company LLC; Magnum Coal Sales LLC; Martinka Coal Company, LLC; Midland Trail Energy LLC; Midwest Coal Resources II, LLC; Mountain View Coal Company, LLC; New Trout Coal Holdings II, LLC; Newtown Energy, Inc.; North Page Coal Corp.; Ohio County Coal Company, LLC; Panther LLC; Patriot Beaver Dam Holdings, LLC; Patriot Coal Company, L.P.; Patriot Coal Corporation; Patriot Coal Sales LLC; Patriot Coal Services LLC; Patriot Leasing Company LLC; Patriot Midwest Holdings, LLC; Patriot Reserve Holdings, LLC; Patriot Trading LLC; PCX Enterprises, Inc.;

an Order authorizing and approving retention of the law firm of Stahl Cowen Crowley Addis LLC (“SCCA”) as counsel for the Retiree Committee with respect to all matters arising under these chapter 11 proceedings, *nunc pro tunc*, to January 4, 2013, pursuant to sections 328(a), 1103(a) & 1114(b)(2) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of this Application, the Retiree Committee relies on the Declaration of Jon D. Cohen (the “Cohen Declaration”) attached hereto and incorporated herein as Exhibit A. In further support of this Application, the Retiree Committee respectfully states as follows:

Background

1. On July 9, 2012, Patriot Coal and substantially all of its wholly owned subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the Bankruptcy Court for the Southern District of New York. On November 27, 2012, an Order was entered transferring the Chapter 11 proceedings to this Court. .

2. Along with its first-day filings, Debtors filed a Motion for an Order Authorizing: (i) Debtors to (a) pay prepetition wages, salaries, employee benefits and other compensation, and (b) maintain employee benefits programs and pay related administrative obligations; (ii) employees and retirees to proceed with outstanding workers' compensation claims; and (iii) financial institutions to honor and process related checks and transfers filed. These pleadings acknowledge certain retiree benefit obligations, including but not limited to health care insurance

Pine Ridge Coal Company, LLC; Pond Creek Land Resources, LLC; Pond Fork Processing LLC; Remington Holdings LLC; Remington II LLC; Remington LLC; Rivers Edge Mining, Inc.; Robin Land Company, LLC; Sentry Mining, LLC; Snowberry Land Company; Speed Mining LLC; Sterling Smokeless Coal Company, LLC; TC Sales Company, LLC; The Presidents Energy Company LLC; Thunderhill Coal LLC; Trout Coal Holdings, LLC; Union County Coal Co., LLC; Viper LLC; Weatherby Processing LLC; Wildcat Energy LLC; Wildcat, LLC; Will Scarlet Properties LLC; Winchester LLC; Winifrede Dock Limited Liability Company; Yankeetown Dock, LLC.

benefits for the Retirees. (See Docket Nos. 9).² In that Motion, Debtors requested permission to continue payment of retiree benefits, including but not limited to union and salaried retiree benefits.

3. Thereafter, on or about December 17, 2012, Debtors sent a mass mailing to approximately six hundred to eight hundred (600 - 800) salaried (i.e. non-union) retiree households informing said retirees that Debtors would be seeking to unilaterally terminate their retiree benefits. (Attached as Exhibit B is an accurate copy of said letter).

4. On January 8, 2013, SCCA caused a Motion To Appoint Official Retiree Committee Pursuant to 11 U.S.C. §1114(d) to be filed on behalf of salaried retiree Harold R. Race and all other similarly situated Non-Union retirees. (Motion to Appoint Retiree Committee)³ [Docket No. 1919].

5. By and through the Motion to Appoint Retiree Committee, Movants sought to: (a) form a Retiree Committee to protect the rights of all affected retirees and (b) to seek administrative claim status with respect to all amounts of monies owed by Debtors to retirees arising out of certain quarterly payments to be made to a retiree settlement fund.

6. Shortly after filing the Motion to Appoint Retiree Committee, Debtors counsel started to engage SCCA in an active dialog regarding the substance of the Motion. Debtors counsel initially asserted that based upon its belief that Debtors had the right of unilateral termination, that no Retiree Committee would be required by law in this case. After several

² "The Debtors offer several health and welfare benefit plans (collectively, the "**Health and Welfare Plans**") for represented and non-represented employees, certain former employees and *certain retirees* (the "**Retirees**"), including coverage for medical, medical premium and expense reimbursement, prescription, dental, vision, life, short-term and long-term disability, accidental death and dismemberment, health flexible spending accounts and dependent care flexible spending accounts, business travel and accident insurance and employee assistance programs (collectively, the "**Health and Welfare Plan Obligations**"). [Docket No. 9, par. 13]

³ Stahl Cowen was initially retained on January 4, 2013.

weeks of negotiations, which included the cooperation of the office of the U.S. Trustee, a complex Agreed Order was negotiated between Movants' counsel and the Debtors. This process included input and cooperation with the Unsecured Creditor's Committee.

7. During this timeframe too, SCCA was contacted by nearly one-hundred retirees seeking active involvement in the case, providing information to dispute unilateral termination and/or requesting to serve on the Retiree Committee. SCCA obtained background information relating to each of the aforementioned retirees toward the ends of compiling a list of retiree candidates of varied educational backgrounds, ages, retiree plan participation, and other relevant background which was passed along to the U.S. Trustee's office. Retirees who contacted SCCA were also requested to search for historical benefit plan documents. SCCA then collected and started cataloging such documents.

8. The heavily negotiated Agreed Order with Debtors was filed on February 12, 2013 and was presented by Movants and Debtors on February 26, 2013 [Docket No. 2818]. This Court entered the Agreed Order on February 27, 2013. [Docket No. 3004]. A copy of the Agreed Order is attached as Exhibit C hereto.

9. By and through the office of the U.S. Trustee, seven (7) retirees were selected to serve on the official Retiree Committee. [Docket No. 3007]

10. During its first organizational meeting, the newly formed Retiree Committee voted to engage SCCA, officially modifying SCCA's scope of engagement from all affected retirees to the Official Retiree Committee, *nun pro tunc* to January 4, 2013. A copy of its Retention Letter is attached hereto as Exhibit D hereto.

11. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

Relief Requested

12. The Retiree Committee seeks to retain and employ SCCA as its legal counsel in these cases pursuant to sections 328(a), 1103(a) and 1114(b)(2) of the Bankruptcy Code and SCCA's retention is requested to be *nunc pro tunc* to January 4, 2013, because that was the date that SCCA initiated efforts to cause the Retiree Committee to be formed (on behalf of Harold R. Racer and on behalf of all affected retirees) and initiated legal actions to have any amounts owed to the affected retirees to be afforded claim status and initiated actions (in response to assertions made by Debtors) to locate materials and prepare to demonstrate that the retiree benefits at issue are vested and not subject to unilateral termination under Section 363 of the Bankruptcy Code.

13. The Retiree Committee further decided to utilize SCCA for its legal counsel due to SCCA's significant experience in assisting in the creation of and in representing Retiree Committees in Chapter 11 bankruptcies, including the Retiree Committees in the Hayes Lemmerz Int'l, FV Steel (Keystone), Internet Company, Wagner Castings Corp., Dana Corporation, PTC Alliance, Inc., and Delphi Corporation, Visteon, Bell Bowe + Howell Company bankruptcies.

14. SCCA also has significant experience representing debtors, other creditors and creditor groups in Chapter 11 proceedings. Moreover, SCCA has broad experience in complex commercial litigation, employee benefits, tax, labor, employment and general corporate law. For all of these reasons, the Retiree Committee believes that SCCA is more than sufficiently qualified to represent its interests in these proceedings.

Services to be Rendered

15. The initial scope of SCCA's services will be governed by the scope of Agreed Order and Section 1114 in general (See Exhibit C hereto). The Agreed Order, in summary,

provides that the scope of the Retiree Committee will initially be limited to addressing whether the salaried retiree benefits sought to be terminated by Debtors are vested benefits. (Id.) Pursuant to the Agreed Order, the scope of the Retiree Committee will expand to the full spectrum of Section 1114 activities if: (a) this Court finds that some or all retiree benefits at issue are vested and (b) if the Debtors then continue to seek modification or termination of same. (Id.)

16. Accordingly, SCCA will engage in all activities required by the Retiree Committee, including but not limited to:

- a. Counseling the Retiree Committee with respect to understanding the bankruptcy process, advising the Retiree Committee members with respect to their fiduciary duties;
- b. Assisting in Retiree Committee communications with the affected retiree constituency and maintenance of a website to provide information to same;
- c. Taking actions to obtain information and discovery with respect to the retiree benefits sought to be modified or terminated by Debtors;
- d. Investigation of all historical plan documents and presentation of plans to retirees;
- e. Research and drafting of pleadings and other matters attendant to the expected motions regarding the retiree benefits at issue;
- f. Court appearances with respect to matters attendant to this case;
- g. Analysis of any proposals made by the Debtors and assistance in any counteroffers to such proposals;
- h. Efforts to keep the Retiree Committee apprised with respect to the status of the case at all times and with respect to any developments therein;

- i. Efforts to address any rulings or findings made by this Court with respect to the retiree benefits at issue, including the potential of appeal(s) from adverse rulings (if any);
- j. Preparation of all necessary motions, answers, orders, reports and other legal papers in connection with the Retiree Committee's interests in the bankruptcy;
- k. Assisting the Retiree Committee in evaluating and/or implementing mechanisms to mitigate the impact of any reduction of retiree benefits;
- l. Submission of all necessary retention and compensation filings for the professionals retained by the Retiree Committee, which could also include Local Counsel in Missouri;
- m. Review of docket and later filings by other parties to the extent matters may relate or impact retiree benefit issues; and
- n. Any and all other advice, activities, and/or action that may be required by or requested by the Retiree Committee consistent with its scope and obligations.

17. In addition to the above noted activities, if and to the extent that the scope of the Retiree Committee is enlarged, consistent with the Agreed Order or otherwise as modified or ordered by this Court, SCCA will further engage in:

- a. Investigation of the financial condition of the Debtors,
- b. Review and consideration of necessary equitable considerations arising under Section 1114 of the Bankruptcy Code,
- c. Analysis of any proposals made by the Debtors pursuant to Section 1114 of the Bankruptcy Code and assistance in any counteroffers to such proposals;

- d. Negotiation, discovery and/or litigation with respect to the rights and interests of the Retiree Committee in the event that a voluntary resolution is not reached, including but not limited to defense against any appeals of any Court order affecting retiree benefits and/or relating to Section 1114.
- e. Working with other professionals retained by the Retiree Committee, such as financial and/or actuarial professionals; and
- f. Representation of the interests of the Retiree Committee in any and all matters otherwise necessary to protect its interests and/or otherwise relating to, arising from or required by Section 1114 of the Bankruptcy Code.

Professional Compensation

18. Consistent with the terms of its engagement letter, SCCA intends to apply for compensation for professional services rendered in connection with its representation of the Retiree Committee, subject to this Court's approval and in compliance with applicable provisions of the Bankruptcy Code, the Local Bankruptcy Rules of the Eastern District of Missouri, the Agreed Order (attached as Exhibit C) and Orders of this Court relating to the payment of professional fees and reimbursement of actual, necessary fees and expenses that SCCA, Retiree Committee members (and/or other professionals hired by the Retiree Committee, if any) incur in the scope of representing the Retiree Committee.⁴ The range of SCCA's hourly rates for its attorneys and legal assistants is as follows:

⁴ SCCA may also directly reimburse members of the Retiree Committee for expenses they incur as a result of their duties on the Retiree Committee with SCCA subsequently seeking reimbursement of those same expenses by and through SCCA's application for fees and expenses. Such Retiree Committee member expenses will be separately and fully described in any such SCCA applications filed. This accommodation is done to avoid any undue prejudice and/or hardship on the volunteer retirees who serve on the Retiree Committee and in recognition that expense reimbursements for travel and the like may otherwise not be repaid to the retirees (absent this practice) until several months after they incur such expenses.

Partners: \$430 - \$560 per hour

Associates \$255 - \$370 per hour

Legal Assistants/Paralegals \$120 - \$200 per hour

SCCA's hourly billing rates are subject to periodic adjustments to reflect economic and other conditions. These rates are set at a level designed to fairly compensate SCCA for the work of its attorneys and paralegals, and to cover fixed and routine overhead expenses.

19. It is SCCA's policy to charge its clients for actual expenses incurred in connection with its representation. The expenses charged by SCCA to its clients include, among other things, postage, package delivery, transcript/court reporting costs, telephone charges when utilizing third party conference call facilitators, internal photocopying at a rate of \$.10 per page when copies exceed 200 pages per month, secretarial or paralegal overtime as required by law, outside copy service costs, travel expenses (including transportation and lodging), expenses for "working meals," and any expenses required for computerized research.

Disinterestedness of Professionals

20. SCCA is not owed any money by the Debtors pre-petition and represents no interest adverse to the Retiree Committee or its affected members individually. Based on its investigation, SCCA has no connection with the Debtors, the creditors or any other party-in-interest; and SCCA does not hold or represent any interest adverse to the Retiree Committee and SCCA is a "disinterested person" within the meaning of 101(14) of the Bankruptcy Code, unless as disclosed in Exhibit A.

21. SCCA has not entered into any agreements to share any compensation that it may be awarded herein, except as provided by under 14 USC § 504(b).

Prior Request

22. No prior request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Retiree Committee respectfully requests that this Court enter an order authorizing (a) the retention of Stahl Cowen Crowley Addis LLC on behalf of the Retiree Committee *nunc pro tunc* to January 4, 2013 (b) the payment and reimbursement of SCCA's fees and disbursements, subject to interim and final allowance thereof in accordance with sections 330 and 331 of the Bankruptcy Code or as otherwise ordered by the Court, and (c) granting such other and further relief as may be just and proper.

Dated: March 22, 2013

OFFICIAL COMMITTEE OF SALARIED RETIREES

/s/ Thomas H. Riske
By: _____
Robert E. Eggmann, Bar #37374
Thomas H. Riske, Bar #61838
DESAI EGGMANN MASON LLC
7733 Forsyth Boulevard, Suite 2075
St. Louis, MO 63105
314-881-0800 (Telephone)
314-881-0820 (Fax)
reggmann@demlawllc.com
triske@demlawllc.com

-AND -

Jon D. Cohen, Esq. *Pro Hac Vice*
Shelly A. DeRousse
STAHL COWEN CROWLEY ADDIS LLC
55 West Monroe Street, Suite 1200
Chicago, Illinois 60603
(312) 641-0060
(312) 641-6959 facsimile
jcohen@stahlcowen.com

EXHIBIT A

JON COHEN DECLARATION

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

In Re: Patriot Coal Corporation, *et al.*)
) Chapter 11
) Case No. 12-51502
Debtors¹.)
)
)

**DECLARATION OF JON COHEN PURSUANT
TO FED. R. BANKR. P. 2014 IN SUPPORT OF APPLICATION OF THE RETIREE
COMMITTEE FOR ORDER AUTHORIZING AND APPROVING THE RETENTION
OF STAHL COWEN CROWLEY ADDIS LLC AS COUNSEL**

¹ Affinity Mining Company; Apogee Coal Company, LLC; Appalachia Mine Services, LLC; Beaver Dam Coal Company, LLC; Big Eagle, LLC; Big Eagle Rail, LLC; Black Stallion Coal Company, LLC; Black Walnut Coal Company; Bluegrass Mine Services, LLC; Brook Trout Coal, LLC; Catenary Coal Company, LLC; Central States Coal Reserves of Kentucky, LLC; Charles Coal Company, LLC; Cleaton Coal Company; Coal Clean LLC; Coal Properties, LLC; Coal Reserve Holding Limited Liability Company No. 2; Colony Bay Coal Company; Cook Mountain Coal Company, LLC; Corydon Resources LLC; Coventry Mining Services, LLC; Coyote Coal Company LLC; Cub Branch Coal Company LLC; Dakota LLC; Day LLC; Dixon Mining Company, LLC; Dodge Hill Holding JV, LLC; Dodge Hill Mining Company, LLC; Dodge Hill of Kentucky, LLC; EACC Camps, Inc.; Eastern Associated Coal, LLC; Eastern Coal Company, LLC; Eastern Royalty, LLC; Emerald Processing, L.L.C.; Gateway Eagle Coal Company, LLC; Grand Eagle Mining, LLC; Heritage Coal Company LLC; Highland Mining Company, LLC; Hillside Mining Company; Hobet Mining, LLC; Indian Hill Company LLC; Infinity Coal Sales, LLC; Interior Holdings, LLC; IO Coal LLC; Jarrell’s Branch Coal Company; Jupiter Holdings LLC; Kanawha Eagle Coal, LLC; Kanawha River Ventures I, LLC; Kanawha River Ventures II, LLC; Kanawha River Ventures III, LLC; KE Ventures, LLC; Little Creek LLC; Logan Fork Coal Company; Magnum Coal Company LLC; Magnum Coal Sales LLC; Martinka Coal Company, LLC; Midland Trail Energy LLC; Midwest Coal Resources II, LLC; Mountain View Coal Company, LLC; New Trout Coal Holdings II, LLC; Newtown Energy, Inc.; North Page Coal Corp.; Ohio County Coal Company, LLC; Panther LLC; Patriot Beaver Dam Holdings, LLC; Patriot Coal Company, L.P.; Patriot Coal Corporation; Patriot Coal Sales LLC; Patriot Coal Services LLC; Patriot Leasing Company LLC; Patriot Midwest Holdings, LLC; Patriot Reserve Holdings, LLC; Patriot Trading LLC; PCX Enterprises, Inc.; Pine Ridge Coal Company, LLC; Pond Creek Land Resources, LLC; Pond Fork Processing LLC; Remington Holdings LLC; Remington II LLC; Remington LLC; Rivers Edge Mining, Inc.; Robin Land Company, LLC; Sentry Mining, LLC; Snowberry Land Company; Speed Mining LLC; Sterling Smokeless Coal Company, LLC; TC Sales Company, LLC; The Presidents Energy Company LLC; Thunderhill Coal LLC; Trout Coal Holdings, LLC; Union County Coal Co., LLC; Viper LLC; Weatherby Processing LLC; Wildcat Energy LLC; Wildcat, LLC; Will Scarlet Properties LLC; Winchester LLC; Winifrede Dock Limited Liability Company; Yankeetown Dock, LLC.

COUNTY OF COOK)
) ss:
STATE OF ILLINOIS)

Jon D. Cohen, being duly sworn, deposes and says as follows:

1. I am a partner in the law firm of Stahl Cowen Crowley Addis, LLC (“SCCA” or the “Firm”). I am authorized to make this Declaration (the “Cohen Declaration”) on behalf of SCCA. This Affidavit is submitted pursuant to Fed. R. Bankr. P. 2014(a) and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of Missouri in support of the *Application of the Retiree Committee for Order Authorizing and Approving the Retention of Stahl Cowen Crowley Addis LLC as Counsel* (the “Application”). Unless otherwise stated herein, I have personal knowledge of the facts set forth herein.

Disinterestedness of Professionals

2. In preparing this Declaration, I relied upon certain procedures to ensure compliance with the Bankruptcy Code and Bankruptcy Rules relating to the retention of professionals. Toward these ends, a conflict search was conducted, as described herein with respect to the entities and persons identified in Exhibit 1 herein.² As reflected in greater detail below, to the best of my knowledge, neither I, the Firm, nor any partner or associate thereof has any connection with the above-captioned debtors (the “Debtors”), Debtors’ officers, benefit plans, the creditors or any parties-in-interest, their respective attorneys, the United States Trustee or any person employed in the Office of the United States Trustee, except as disclosed and described in Exhibit 2 hereto. With respect to any connections noted, SCCA has located no conflicts that would otherwise prevent it from zealously representing the Retiree Committee.

² This list was provided by the Debtors to aid in SCCA’s search for potential conflicts.

3. SCCA has informed the Retiree Committee of the connections reflected in Exhibit 2 and the Retiree Committee has no objections or concerns based thereon. SCCA submits that it does not and will not represent any other entity that has an adverse interest to the Retiree Committee.

4. In preparing this Declaration, I caused a search to be conducted of SCCA's conflict check system utilizing a list of Debtors, Debtor affiliates, directors and officers, material shareholders, attorneys, professionals, financial advisors, significant financial institutions (other than ordinary-course banking relationships), significant landlords, lessors, unions, letter of credit, surety-bond providers and beneficiaries, significant taxing authorities, regulatory agencies, parties to significant litigation, significant suppliers, shippers, warehouseman, customers, and vendors, the 50 largest unsecured creditors and the members of the Official Committee of Unsecured Creditors, utilities, indenture trustees, professionals representing any of the foregoing in relation to the Debtors' case and other parties that have entered appearances in these cases.

5. Additionally, I sent an email to every attorney in SCCA to request any knowledge or information about SCCA in relation to the Debtors, the U.S. Trustee, persons employed by the Office of the United States Trustee and the Judges in this District.

6. The conflict system utilized by SCCA consists of a database regularly maintained and updated daily in the ordinary course of SCCA's business. The conflict database reflects the identity of persons and/or entities that SCCA represents or has represented, is or has been adverse to and/or otherwise materially associated with any litigation or transaction where SCCA was legal counsel. The conflict system utilized for this purpose is regularly used by SCCA with respect to all conflict checks conducted in the ordinary course of its business.

7. SCCA may appear in unrelated cases, proceedings and/or transactions involving many different attorneys, accountants, financial consultants and investment bankers, some of which now or may in the future represent the Debtors, creditors or parties in interest in these cases.

8. Because of the large size of this bankruptcy case and its complexity, SCCA may potentially represent some entities that have some connection with the Debtors that were not disclosed to SCCA or discovered by SCCA. In the event that any new information comes to light in the future with respect to same, SCCA will timely bring it to this Court's attention.

9. SCCA is not a creditor, equity holder or insider of Debtors. No member of SCCA has ever been a director, officer or employee of the Debtors.

10. To the best of my knowledge, neither SCCA nor its members have any interest materially adverse to the Retiree Committee and/or its constituent Committee members.

11. Based on all investigations made, SCCA does not hold or represent an "interest adverse" in connection with these chapter 11 cases as prescribed by section 1103(b) of the Bankruptcy Code, and SCCA is a "disinterested person" as defined by section 101(14) of the Bankruptcy Code. With respect to the entities listed on Exhibit 2 hereto, fees collected from the parties and/or work associated with same did not compromise more than 1% of SCCA's revenue in the years 2011 or 2012.

Professional Compensation

12. Subject to Court approval under section 330(a) of the Bankruptcy Code, compensation will be payable to SCCA on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by the Firm.

13. The Firm's hourly rates are set at a level designed to fairly compensate the Firm for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses.

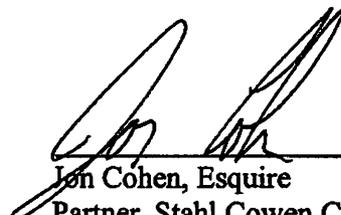
Hourly rates vary with the experience and seniority of the individuals assigned and may be adjusted by the Firm from time to time. Effective January 1, 2013, SCCA's customary hourly rates (subject to change from year to year) are as follows:

Partners:	\$430 - \$560 per hour
Associates	\$255 - \$370 per hour
Legal Assistants/Paralegals	\$120 - \$200 per hour

14. It is SCCA's policy to charge its clients in all areas of practice for all expenses incurred in connection with the clients' case. The expenses routinely charged to clients include, among other things, photocopying, witness fees, travel expenses, certain secretarial and other overtime expenses, filing and recording fees, long distance telephone calls, postage, express mail and messenger charges, computerized legal research charges and other computer services, expenses for working meals and telecopier charges. The Firm will charge for these expenses in a manner and at rates consistent with charges made generally to its other clients.

15. No promises have been received by the Firm or by any partner or associate thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code. The Firm has no agreement with any other entity to share with such entity any compensation received by the Firm in connection with these chapter 11 cases.

Date: March 19, 2013



 Jon Cohen, Esquire
 Partner, Stahl Cowen Crowley Addis LLC

Sworn to and subscribed before me this 19 day of March, 2013



 Notary Public



Exhibit 1 to Cohen Declaration

Potential Parties Searched

Debtors

BBH, Inc.
BCC Software, Inc.
Bowe Bell + Howell Company
Bowe Bell + Howell Holdings, Inc.
Bowe Bell + Howell International Ltd.
Bowe Bell + Howell Postal Systems Company
Bowe Systec, Inc.

Non-Debtor Affiliates

Bowe Bell + Howell Company
Bell + Howell International Acquisition Co. LTD
Bowe Bell + Howell Postal Systems
Bowe Bell + Howell Scanners, L.L.C.

Officers and Directors

Bialowons, Oliver
Burgman, Jon
Eady, H. Blake
Gerckens, Claus, Dr.
Gomes, Michael
Gruber, Jeff
Hahn, Wilfred
Hunt, Russel
Isles, Marvin
Kolson, Ralf
Kudrus, Heiner
Lien, Chris
Lombard, John
Mann, Jim
Marton, George
McGrath, William
Meyer, Michael
Nichols, Michael
Nippel, Harald, Dr.
Quesnelle, Wayne
Runstrom, Erik
Runstrom, K. Jon
Schmidt, Gerhard
Spitzig, Roger
Swift, Michael

Tarascio, John
Taylor, Joseph
Tolomei, Vic
Wendlandt, Klaus
Wilhelm, Michael
Wojdyla, Richard

Lenders and Affiliates

1888 Fund, Ltd.
AIB Debt Management Limited
Bank of America, N.A.
Contrado BBH Funding, LLC
Copper River CLO Ltd.
Denali Capital CLO IV, Ltd.
Denali Capital CLO VI, Ltd.
Denali Capital CLO VII, Ltd.
Fifth Third Bank
General Electric Capital Corporation (as Syndication Agent)
Green Lane CLO Ltd.
Harris N.A.
Kennecott Funding Ltd.
Landmark CDO Limited
Landmark II CDO Limited
Landmark III CDO Limited
Landmark IV CDO Limited
Landmark VII CDO Ltd.
LfcQ LLC
M&I Marshall & Isley Bank
Magma CDO Ltd.
National City Bank
RZB Finance LLC
Sargas CLO II Ltd.

Stalking Horse Purchaser

Versa Capital Management, Inc.

Operating Partner

AEG / Access Value Investor

Equity Holders

BBH, Inc.
Bowe Bell + Howell Company
Bowe Bell + Howell Holding, Inc.
Bowe Systec AG

Top 20 Creditors

American Express
Arrow Electronics
Bowe Cardtec GMBH
Bowe Systec GmbH
Bowe Systec Vertriebs- und Service GmbH
Britech Inc.
Buskro Ltd.
Choice Precision Machine Inc.
Dell Financial Services LP
Henderson Industries
MEP Technologies
Parascript LLC
Pension Benefit Guaranty Corporation
PNC Equipment Finance
Remcal Products Corp.
SEFAS Innovation Inc.
Sherlock Systems Inc.
United Van Lines
VI Manufacturing

Insurers

AGCS Marine Ins. Co.
American Guarantee & Liability Insurance Co.
CNA
Hartford Fire Insurance Co.
Houston Casualty Company
Illinois National Insurance Co.
Liberty International Underwriters
Marsh USA
Twin City Fire Insurance Co.
Zurich American Insurance Co.
Zurich Insurance Group

Utility Providers

Allied Waste Services
AT&T
AT&T Internet Services
Atmos Energy
Atria Networks
Bell
Bell Aliant
Bell Canada
Bell Conferencing Inc.
Century Link

Charter Communications
Cincinnati Bell Telephone
Comcast Cable
Constellation NewEnergy, Inc.
DirecTV
Duke Power
Earthlink Inc.
Enbridge
Energetix
Frontier
Frontier Telephone of Rochester
Juscon Corp.
Monroe County Water Authority
MTS Allstream Inc.
Nicor Gas
Oneconnect Services Inc.
Powerstream
PP&L, Inc.
PPL Electric Utilities
PSNC Energy
Qwest
Raritan Valley Disposal
RGE
Rogers
Shaw Cable
SkyTel
Suburban Disposal
Telepage
Telus
Time Warner Cable
Time Warner Telecom
Tulip Cleaning Services
UGI Energy Services
UGI Utilities
Union Gas
Verizon
Verizon Conferencing
Verizon Wireless
Via Disposal Service
Waste Management
Xcel Energy

Professionals

Crowe Horwath
Focus Management Group
FTI Consulting

Gordon Brothers
Kirkland & Ellis LLP
Lazard Middle Market
McDermott Will & Emery LLP
Mercer LLC
Osier, Hoskin & Harcourt LLP
PricewaterhouseCoopers LLP
Richards, Layton & Finger, P.A.
Torys, LLP
Pachulski Stang Ziehl & Jones LLP

Parties Added to 2002 List Since Petition Date

Archer & Greiner, P.C.
Automotive Rentals, Inc.
Blakeley & Blakeley LLP
Brown & Cormery, LLP
Capehart & Scatchard, P.A.
Capgemini North America, Inc.
CTVF 1-IL IM 02, LLC
Cross Company d/b/a Cross Automation
Curtin & Heefner LLP
Delaware Division of Revenue
Delaware Division of Unemployment Insurance
Delaware Secretary of State
Delaware Secretary of Treasury
Elliott Greenleaf
Fox, Hefter, Swibel, Levin & Carroll, LLP
Garden City Group, Inc., The
Golenbock Eiseman Assor Bell & Peskoe
Harris County
Holland & Hart LLP
Ikon Office Solutions
Illinois Attorney General, Office of
Internal Revenue Service
Jackson Walker L.L.P.
Linebarger Goggan Blair & Sampson, LLP
Magnozzi & Kye, LLP
Ministry of the Attorney General (Ontario, Canada)
Missouri Attorney General, Office of
Missouri Department of Revenue
Morris James LLP
New York Attorney General, Office of
North Carolina Attorney General, Office of
Northwood RTC LLC
Office of the United States Trustee
Oklahoma County Treasurer

Pennsylvania Attorney General, Office of
Reed Smith LLP
Smith, Katzenstein & Jenkins LLP
Texas Attorney General, Office of
TW Telecom Inc.
United States Attorney for the District of Delaware, Office of the
United States Attorney for the District of Maryland, Office of the
United States Attorney for the Eastern District of Pennsylvania, Office of the
United States Attorney for the Middle District of North Carolina, Office of the
United States Attorney for the Northern District of Illinois, Office of the
United States Attorney for the Northern District of Texas, Office of the
United States Attorney for the Western District of New York, Office of the
United States Attorney for the Western District of Wisconsin, Office of the
United States Department of Justice
Wessex Technology Opto-Electronic Products Ltd.
Wiley Rein LLP
Wisconsin Attorney General, Office of
Young Conaway Stargatt & Taylor, LLP

Exhibit 2 to Cohen Declaration

Identified Parties

Searched Party	Description of Contact with Searched Party
Illinois Office of Attorney General	SCCA currently represents and has in the past represented the Illinois Office of Attorney General, in matters entirely unrelated to Debtors and these bankruptcy cases. SCCA will not represent the Illinois Office of Attorney General with respect to any matters related to these bankruptcy cases.
Bank of America	SCCA currently represents and has in the past represented Bank of America, in matters entirely unrelated to the Debtors and these bankruptcy cases. SCCA will not represent Bank of America with respect to any matters related to these bankruptcy cases.
Fifth Third Bank	SCCA has, in the past, represented Fifth Third Bank, in matters entirely unrelated to the Debtors and these bankruptcy cases with respect to drafting loan documents and loan workouts and . SCCA will not represent Fifth Third Bank with respect to any matters related to these bankruptcy cases.
CNA Insurance	SCCA currently represents and has in the past represented the Illinois Office of Attorney General, in matters entirely unrelated to Debtors and these bankruptcy cases. SCCA will not represent the Illinois Office of Attorney General with respect to any matters related to these bankruptcy cases.

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

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

**Chapter 11
Case No. 12-51502-659
(Jointly Administered)**

Re: ECF No. 1919

EXHIBIT B TO RETENTION APPLICATION



Patriot Coal Corporation
12312 Olive Boulevard
St. Louis, Missouri 63141
www.patriotcoal.com

December 17, 2012



1

Dear [Redacted]

Since filing for reorganization under Chapter 11 of the Bankruptcy Code on July 9th, Patriot has been making difficult decisions to help ensure the company's future viability.

Every aspect of Patriot's cost structure is being analyzed to decrease our expenditures. As part of this process, Patriot's management team reviewed the range of wages and benefits for both employees and retirees. Based on this analysis, it is clear that Patriot's labor and retiree benefit costs have risen to levels that simply cannot be sustained with the challenges facing the company and the coal industry.

In order to restore itself to viability, Patriot intends to file with the Bankruptcy Court motions seeking approval to discontinue substantially all healthcare benefits and modify life insurance benefits for salaried and non-represented retirees. This includes benefits related to non-union retiree healthcare programs.

It is Patriot's intent to discontinue or modify these programs 60 days after receiving Court approval. If you are receiving this letter, you will be impacted by this planned change. You will be receiving a copy of the motion to discontinue or modify the programs once it is filed with the Court.

Until the Court approves these actions, you will continue to receive benefits under your current program, contingent on payment of monthly premiums through your current payment method. As you are aware, every year Patriot reviews the contribution levels for retiree medical benefits. Based on claims experience for the program in which you are enrolled, your 2013 monthly contribution will be \$158.67.

If you have any questions, please contact the Patriot Restructuring Hotline at 877-600-6531.

Sincerely,

A handwritten signature in black ink, appearing to read "MJL".

Michael J. Luna
Vice President – Human Resources & Employee Services

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

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

**Chapter 11
Case No. 12-51502-659
(Jointly Administered)**

Re: ECF No. 1919

EXHIBIT C TO RETENTION APPLICATION

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.¹

**Chapter 11
Case No. 12-51502-659
(Jointly Administered)**

**Re: ECF No. 1919
Hearing: February 26, 2013**

**ORDER DIRECTING APPOINTMENT OF COMMITTEE
OF RETIRED EMPLOYEES PURSUANT TO 11 U.S.C. § 1114**

WHEREAS, the Debtors have informed certain salaried and hourly non-represented retirees that the Debtors intend to file with the Bankruptcy Court for the Eastern District of Missouri (the “Bankruptcy Court”) one or more motions seeking approval to discontinue or modify certain retiree healthcare and life insurance benefits (the “Covered Benefits”)² for salaried and hourly non-represented retirees (collectively, with their respective spouses, surviving spouses and dependents, as applicable, the “Covered Retirees”); and

WHEREAS, the Debtors believe that they have the right to discontinue or modify the Covered Benefits based on an asserted right of unilateral termination, subject to approval of the Bankruptcy Court pursuant to 11 U.S.C. § 363; and

¹ 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.

² The Covered Benefits are all healthcare and life insurance benefits offered under the plans listed on Schedule 2 attached hereto.

WHEREAS, there is currently pending a Motion to Appoint Official Retiree Committee Pursuant to 11 U.S.C. § 1114 [ECF No. 1919] (the “**Racer Motion**”) filed by Harold Racer (the “**Movant**”) on behalf of himself and certain other Covered Retirees alleging that 11 U.S.C. §1114 mandates the creation of an official retiree committee notwithstanding any assertion of unilateral termination rights held by the Debtors; and

WHEREAS, to avoid the time, expense and uncertainty of litigation over the predicate issue as to whether an official retiree committee is required to be appointed, the Debtors and the Movant have agreed (in consultation with the Office of the U.S. Trustee and the Official Committee of Unsecured Creditors (the “**UCC**”)) to seek the appointment of an official retiree committee on the terms and conditions set forth below; and

WHEREAS, the Court has jurisdiction to grant the relief provided herein pursuant to 28 U.S.C. § 1334 and Local Rule 9.01(B)(1) of the United States District Court for the Eastern District of Missouri; and consideration of this Order is a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b)(2); and due and proper notice of the proposed Order has been provided in accordance with the Order Establishing Certain Notice, Case Management and Administrative Procedures entered in these cases on October 18, 2012 [ECF No. 1386] (as may be amended, the “**Case Management Order**”); and it appears that no other or further notice need be provided; and the relief requested in the Motion is in the best interests of the Debtors and their estates, creditors, and other parties in interest; and the legal and factual bases set forth herein establish just cause for the relief granted herein:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT

1. An official retiree committee (the “**Retiree Committee**”) shall be appointed pursuant to the Court’s discretionary determination under section 1114(d) of the Bankruptcy Code that it is otherwise appropriate to appoint a committee of retired employees. The Retiree Committee shall have all rights powers and duties set forth in section 1114(b)(2) of the Bankruptcy Code, subject to the limitations reflected in this Order.

2. The scope of the Retiree Committee (and its counsel) shall be limited to addressing the Debtors’ factual and legal assertions with respect to the Debtors’ purported right, under contract and applicable non-bankruptcy law, of unilateral termination with respect to some or all of the Covered Benefits.

(a) The Debtors shall provide counsel to the Retiree Committee and the UCC to the extent permitted by applicable law, as soon as reasonably practicable after selection of such counsel by the Retiree Committee, with:

- i. all plan and other historical non-privileged documents evidencing or describing the terms of any and all Covered Benefits sought to be modified or terminated by the Debtors that, to the best of their knowledge after exercising commercially reasonable diligence, are in the Debtors’ possession; and
- ii. contact information for all Covered Retirees.

(b) The Debtors shall timely respond to reasonable discovery requests made by the Retiree Committee (so long as limited by the aforementioned scope of inquiry) at any time following the constitution of the Retiree Committee

(irrespective of whether or not the 363 Motion (as defined below) has been filed), subject to any rights the Debtors may have to contest or limit such discovery under applicable law and rules. The discovery requests may include interrogatories, requests to admit, requests to produce and depositions. Copies of all discovery requests shall promptly be provided to the UCC. Except to the extent prohibited by applicable law, the parties shall also promptly provide to the UCC copies of all discovery responses. The UCC agrees to coordinate with the producing party to minimize any undue expense or inconvenience of such production.

- (c) Based upon the scope of the Retiree Committee activities, counsel fees and expenses for such activities (including one primary counsel and, if necessary, one local counsel) shall be capped at \$250,000, subject to modification by the Bankruptcy Court upon good cause shown if the 363 Motion (as defined below) is not heard by April 23, 2013 (unless such matter is not heard by such date due to the Retiree Committee's request for adjournment).
- i. The Retiree Committee's counsel shall be required to comply with the substantive and procedural compensation requirements of the Bankruptcy Code and any applicable orders entered in the Debtors' Chapter 11 cases.
 - ii. The Retiree Committee and its counsel shall not retain any professionals other than counsel unless and until the limitations and restrictions set forth in this Order are lifted in accordance with paragraph 6 below.

iii. GCG, Inc. (“GCG”), the Debtors’ claims and noticing agent, shall mail, at the Debtors’ expense, any letters from the Retiree Committee (or its counsel) to Covered Retirees, upon reasonable request, with a copy of the contents of any letters to counsel to the UCC.

3. The United States Trustee shall appoint the Retiree Committee within seven (7) business days after the later of (i) entry of this Order and (ii) the provision by the Debtors to the U.S. Trustee of the contact information of the Covered Retirees, or as soon thereafter as reasonably practicable.

4. Unless the Debtors determine not to discontinue or modify any Covered Benefits, the Debtors shall file and serve on all parties required by the Case Management Order, including the Retiree Committee and all Covered Retirees, a motion under 11 U.S.C. § 363(b) of the Bankruptcy Code to approve the discontinuance or modification of some or all of the Covered Benefits (the “**363 Motion**”).

5. The 363 Motion shall be heard on April 23, 2013, or such later date as may be ordered by the Bankruptcy Court or agreed among the Debtors, the Retiree Committee and the U.S. Trustee (in consultation with the UCC and subject to the Bankruptcy Court’s availability), for the Bankruptcy Court to determine whether some or all of the Covered Benefits sought to be discontinued or modified by the Debtors are subject to the Debtors’ asserted right of unilateral termination (such benefits, the “**Amendable Benefits**”), and, if so, whether the 363 Motion should be granted with respect to such Amendable Benefits.

6. If the Bankruptcy Court determines (or if determined by mutual agreement of the Debtors (after consultation with the UCC and the agents to the Debtors’ post-

petition lenders) and the Retiree Committee) that some or all of the Covered Benefits sought to be terminated by the Debtors are not subject to unilateral termination (such benefits, the "Non-Amendable Benefits"), then, within seven days after the Bankruptcy Court's ruling on the 363 Motion with respect to Amendable Benefits, the Debtors (after consultation with the UCC and the agents to the Debtors' post-petition lenders) shall file and serve on all parties required by the Case Management Order, including the Retiree Committee and all applicable Covered Retirees, a notice stating whether they will seek to discontinue or modify any Non-Amendable Benefits at such time. If such notice indicates that the Debtors determine to seek to discontinue or modify any Non-Amendable Benefits, the Debtors and the Retiree Committee shall proceed under section 1114 of the Bankruptcy Code, and the scope of the Retiree Committee shall be expanded to the fullest extent provided under section 1114 of the Bankruptcy Code except as otherwise ordered by the Bankruptcy Court, without the limits of scope or fee limitations described above (other than limits otherwise applicable to any professional fees and expenses submitted on behalf of an official committee appointed under section 1114 of the Bankruptcy Code); *provided, however*, that the U.S. Trustee shall modify the membership of the Retiree Committee in light of the Non-Amendable Benefits sought to be terminated to the extent it deems appropriate in its sole discretion. Nothing herein or in such notice shall preclude the Debtors from seeking to discontinue or modify any Non-Amendable Benefits pursuant to section 1114 of the Bankruptcy Code at any time during the Debtors' bankruptcy cases.

7. The Debtors agree that if and to the extent any Covered Benefits are deemed subject to unilateral termination, and the Bankruptcy Court approves such

termination under 11 U.S.C. § 363(b), the applicable Covered Retirees will receive an unsecured claim approximating the value of the terminated Covered Benefits that, but for such termination, would be due to be paid during the course of the Debtors' Chapter 11 cases, or in such other amount as may be agreed between the Debtors and the Retiree Committee (in consultation with the UCC and subject to the approval of the Bankruptcy Court).

8. Unless and until the Bankruptcy Court orders otherwise, the Debtors shall not discontinue or modify any Covered Benefits during the Debtors' Chapter 11 cases.

9. Notwithstanding any Federal Rule of Bankruptcy Procedure to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.


KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: February 27, 2013
St. Louis, Missouri
jjh

Order prepared by:
Marshall S. Huebner
Elliot Moskowitz
Brian M. Resnick
Michelle M. McGreal
DAVIS POLK & WARDWELL LLP
450 Lexington Avenue
New York, New York 10017

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

SCHEDULE 2

(Plans under which Covered Benefits are offered)³

1. Medical Premium Reimbursement Allowance
2. Retiree Choice Accounts
3. Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees
4. Patriot Medical Benefit Plan for Legacy Magnum Retirees
5. Eastern Associated Coal Corporation Medical, Dental and Life Insurance Benefits
6. Eastern Associated Coal Corporation Medical, Dental and Life Insurance Benefits for Salaried Employees Receiving Disability Benefits under the Eastern Gas and Fuel Associates Long-Term Disability Plan and Eligible Spouses of EACC Employees
7. Diamond Shamrock Retirees Benefit Plan
8. Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force
9. Catastrophic Retiree Medical Plan
10. Amherst Coal Company Employee Benefit Plan for Salaried Employees

³ The Debtors currently intend to seek approval of the Bankruptcy Court to (1) discontinue all healthcare benefits offered under the plans listed as numbers 1 – 10 and (2) modify the life insurance benefits that are provided to each participant in such plans who currently is eligible for such benefits in an amount that exceeds \$30,000 by reducing such amount to \$30,000. In the event that the Debtors seek approval to discontinue or modify any healthcare and life insurance benefits for salaried and hourly non-represented retirees that are not provided under the plans listed above, such benefits shall be deemed "Covered Benefits" and shall be governed by this Order. Nothing in this Order (including the list of plans set forth on this Schedule 2) shall be deemed to preclude the Retiree Committee from seeking discovery on any plans not included in this Schedule 2, and the Debtors' rights to object to such discovery under applicable discovery law and rules is expressly preserved.

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

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

**Chapter 11
Case No. 12-51502-659
(Jointly Administered)**

Re: ECF No. 1919

EXHIBIT D TO RETENTION APPLICATION



JON D. COHEN
Direct: 312.377.4565
Direct Fax: 312.423.8156
jcohen@stahlcowen.com

March 7, 2013

VIA ELECTRONIC MAIL

Elizabeth Wills
Chairperson, Salaried Retiree Committee
3742 Coal River Road
Arnett, WV 25007-9412

**Re: Patriot Coal Salaried Retiree Committee Legal Engagement
Case No. 12-51502**

Dear Ms. Wills and Other Committee Members:

Stahl Cowen Crowley Addis LLC ("SCCA") is honored to have been retained by the Patriot Coal Salaried Retiree Committee (the "Retiree Committee") in the Chapter 11 bankruptcy cases of Patriot Coal and its affiliated debtors (collectively "Patriot Coal"). While the Retiree Committee has elected to retain SCCA as its legal counsel, this letter will formally set out the terms of our representation and shall be filed with the Bankruptcy Court.

1. **Scope.** SCCA shall represent the Retiree Committee with respect to all legal matters arising under 11 U.S.C. § 1114 of the Bankruptcy Code. The Retiree Committee recognizes that SCCA was initially retained by Harold Racers and all other similarly affected retirees on January 4, 2013, and caused a motion to be filed to have a retiree committee recognized. The Retiree Committee is further aware that SCCA subsequently engaged in several weeks of negotiations with Patriot Coal and cooperated with the Office of the U.S. Trustee toward the ends of having an Agreed Order entered in the Patriot Coal Chapter 11 so that a Retiree Committee would be recognized and appointed. The Retiree Committee is further aware that since January 4, 2013, SCCA has been working with the affected Patriot Coal retirees to obtain historical Patriot Coal retiree benefit plan information and identification of potential witnesses for use by the Retiree Committee. Some of these efforts by SCCA, moreover, involved retirees later appointed by the Office of the U.S. Trustee to serve on the Retiree Committee. Said aforementioned efforts of SCCA constituted a material basis for selecting SCCA as the Retiree Committee's legal counsel and SCCA will provide access to all documents, information and legal analysis garnered from said efforts by SCCA. The Retiree Committee thus deems its representation by SCCA to be *nunc pro tunc* as of January 4, 2013.
2. **Personnel.** Jon Cohen will be your primary contact at SCCA, but other lawyers and legal support staff will be involved, to the extent necessary, to represent the Retiree Committee in the best and most efficient manner. Of course, all staffing remains subject to the Retiree



Committee's continuing review and approval, and SCCA will keep the Retiree Committee informed of the professionals working on the matter as necessary and practicable. Communication is the foundation of any successful professional relationship. We expect that the Retiree Committee members will contact us without hesitation if there are any questions or concerns that arise during the course of our representation of the Retiree Committee.

3. **Compensation.** SCCA shall not seek any compensation or recovery of costs directly from the Retiree Committee, its members or from the affected retirees in the Patriot Coal Chapter 11 case. Rather, pursuant to the Bankruptcy Code, Patriot Coal shall be responsible for the payment of the fees and expenses of professionals retained by the Retiree Committee, as provided for in the Bankruptcy Code, the Agreed Order entered on February 27, 2013 and/or as modified by the Bankruptcy Court. SCCA's fees and expenses will be paid after formal approval by the Bankruptcy Court of the Eastern District of Missouri, Eastern Division. SCCA will submit its billing statements to Patriot Coal, the United States Trustee and certain other parties in the bankruptcy in accordance with sections 330 and 331 of the Bankruptcy Code, 11 U.S.C. §§ 330-331. SCCA also will file fee applications for interim and final allowance of fees and expenses in accordance with the Bankruptcy Code as appropriate. SCCA's fees are based on the time devoted by each lawyer or other professionals involved in the engagement and the hourly billing rates assigned to each such person. We will record our time in tenth-hour increments, consistent with the guidelines applicable to the compensation of professionals retained in the bankruptcy cases. Currently, hourly rates for our lawyers who are likely to be working on this matter range from \$430-\$560 for partners, \$255-370 for associates and \$120-\$200 for paralegals and legal assistants. Our hourly rates are revised periodically, generally at the end of a calendar year, and we reserve the right to revise them during the course of our representation of the Retiree Committee if overall rate adjustments are made by SCCA.

4. **Conflicts of Interest.** We have run a comprehensive conflict check for all known parties in the Patriot Coal bankruptcy. At the present time, there is no information known to us that would indicate a potential conflict of interest between the Retiree Committee and any of our existing clients that would prevent SCCA from zealously and ethically representing the Retiree Committee. In the unlikely event that any such conflict were to arise in the future and/or if SCCA otherwise becomes aware of such a conflict existing, we will address it immediately with the Retiree Committee, the Bankruptcy Court and all other parties entitled to such notice.

5. **Procedures upon Termination of Representation.** Unless previously terminated, our representation of the Retiree Committee will terminate upon the dissolution of the Retiree Committee pursuant to the terms of a confirmed plan of reorganization or by separate order of the Bankruptcy Court. All files pertaining to the matter, including lawyer work product and administrative records, as well as document copies, will be retained by SCCA in accordance with our document retention policy. Subject to our obligations under the bar requirements applicable in Illinois, we reserve the right to destroy or otherwise dispose of any documents or other materials, including electronic versions, retained by us after the termination of the engagement.

6. **Acceptance.** If this letter meets with the Retiree Committee's approval and accurately reflects the scope, terms and conditions of this engagement, please execute a copy as Chairperson of the Retiree Committee and return a copy to my attention.



Once again, thank you for selecting our firm to represent the Retiree Committee in this matter.

Very truly yours,

STAHL COWEN CROWLEY
ADDIS, LLC

Jon D. Cohen

cc: Patriot Coal Salaried Retiree Committee

I, Elizabeth Wills, not personally but in my capacity as the elected Chairperson of the Patriot Coal Salaried Retiree Committee, acknowledge that this letter accurately reflects the scope, terms and conditions of the engagement of Stahl Cowen Crowley Addis LLC as counsel to the Patriot Coal Salaried Retiree Committee and that my execution and delivery of this letter has been duly authorized by the Patriot Coal Salaried Retiree Committee.

Signature:

Elizabeth Wills

Dated:

3/11/13