

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)

Objection Deadline:

April 16, 2013 at 4:00 p.m.
(prevailing Central Time)

Hearing Date (if necessary):

April 23, 2013 at 10:00 a.m.
(prevailing Central Time)

Hearing Location:

Courtroom 7 North

**DECLARATION OF MICHAEL LUNA IN SUPPORT OF DEBTORS' MOTION FOR
AN ORDER AUTHORIZING THE MODIFICATION AND TERMINATION OF
CERTAIN NON-VESTED BENEFITS FOR NON-UNION RETIREE BENEFIT
PARTICIPANTS PURSUANT TO 11 U.S.C. §§ 105(a) AND 363(b)**

I, Michael Luna, under penalty of perjury, declare as follows:

1. I am the Vice President of Human Resources and Employee Services of Patriot Coal Corporation (“**Patriot**”) and have been employed by Patriot since November 21, 2011. In my current position, I am responsible for the administration of the Debtors’ global employee and retiree benefits plans and programs.

2. I submit this declaration in support of the Motion (the “**Motion**”)² of the Debtors for an order authorizing the Debtors to modify the Non-Union Retiree Life Insurance Benefits

¹ The Debtors are the entities listed on Schedule 1 attached to the Motion. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

² All capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

and terminate the Non-Union Retiree Medical Benefits, as set forth in the Motion, pursuant to section 363 of the Bankruptcy Code. Except as otherwise noted, the matters set forth herein are based upon my review of relevant documents, information provided to me or verified by employees working under my supervision or the Debtors' professional advisors, including Davis Polk & Wardwell LLP and Bryan Cave LLP, and my experience, knowledge and information concerning the Debtors' benefits plans and programs. If called upon to testify, I would testify competently to the facts set forth in this declaration.

Documentation of the Non-Union Retiree Benefits

3. The Debtors have conducted a thorough inventory of their employee and retiree benefit plan records in connection with the changes proposed by the Motion. To the best of my knowledge, the Plan Documents listed in Appendix A hereto represent all of the Plan Documents relevant to the Non-Union Retiree Benefits that could be located through a good faith search and due inquiry. True and correct copies of the Plan Documents listed in Appendix A have been or will be provided to the Court, the U.S. Trustee, counsel to the Non-Union Retiree Committee, counsel to the UCC and counsel to the administrative agents for the Debtors' postpetition lenders. In addition, true and correct copies of the Plan Documents listed in Appendix A will be made available at www.patriotcaseinfo.com/exhibits.php.

Previous Unilateral Modifications of the Non-Union Retiree Benefits

4. Certain of the Debtors have, from time to time in the past, unilaterally modified the Non-Union Retiree Benefits, including by annually increasing the annual premiums paid by Non-Union Retirees under the Patriot Salaried Retiree Medical Benefits for Legacy Peabody Energy Corporation Retirees, Patriot Medical Benefits Plan for Legacy Magnum Retirees, Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force and Catastrophic Retiree Medical Plan. Further, in 2010, certain of the Debtors

unilaterally imposed plan design modifications for the Patriot Medical Benefit Plan for Legacy Magnum Retirees and the Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees and reduced the retiree life insurance benefits provided under such plans. Similarly, in 2008, 2009 and 2010, certain of the Debtors changed the eligibility requirements for the Medical Premium Reimbursement Allowance Plan and the Patriot Medical Benefits Plan for Legacy Magnum Retirees.

5. None of the Debtors' unilateral modifications of the Non-Union Retiree Benefits prior to the Petition Date have been challenged or contested.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true
and correct.

Dated: April 2, 2013
St. Louis, Missouri

/s/ Michael Luna
Name: Michael Luna
Title: Vice President of Human Resources and
Employee Services

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Annex A: List of Plan Documents

Exhibit Number	Document
1.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Peabody Investment Corp. and Affiliates Welfare Benefit Plan, effective February 18, 2005
2.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Peabody Salaried Employee Guide to Medical Benefits, dated August 2006
3.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Peabody Salaried Employee Guide to Medical Benefits, dated July 2007
4.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Patriot Midwest Salaried Employee Guide to Medical Benefits, dated November 2007
5.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Patriot Salaried Employee Guide to Medical Benefits, dated November 2007
6.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Patriot Midwest Non-Represented Hourly Retiree Guide to Benefits After Retirement, dated January 2010
7.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Patriot Salaried and Non-Represented Hourly Retiree Guide: Catastrophic Medical and Prescription Drug Benefit Plan, dated January 2010
8.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Patriot Salaried Retiree Guide to Benefits After Retirement, dated January 2010
9.	Claims Procedures for the Welfare Benefit Plans Administered by Peabody Holding Company, Inc. for all Affiliates, effective January 1, 2003
10.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2003 Enrollment Guide
11.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2004 Enrollment Guide
12.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2005 Enrollment Guide
13.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2006 Enrollment Guide
14.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Midwest Region Salaried Employee 2006 Benefits Enrollment Guide
15.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – Appalachia Region 2007 Benefits Enrollment Guide
16.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2008 Dodge Hill Mining Co., LLC Hourly Employees Enrollment Guide
17.	Medical Premium Reimbursement Allowance and Catastrophic Retiree Medical Plan – 2008 Grand Eagle Mining/Ohio County Coal Company Hourly Employees Enrollment Guide
	Retiree Choice Accounts – Peabody Salaried Employee Guide to Medical Benefits, dated August 2006 – see Exhibit 2
	Retiree Choice Accounts – Peabody Salaried Employee Guide to Medical Benefits, dated July 2007 – see Exhibit 3

Exhibit Number	Document
	Retiree Choice Accounts – Patriot Midwest Salaried Employee Guide to Medical Benefits, dated November 2007 – see Exhibit 4
	Retiree Choice Accounts – Patriot Salaried Employee Guide to Medical Benefits, dated November 2007 – see Exhibit 5
18.	Retiree Choice Accounts – Patriot National Employee Guide to Medical Benefits, dated November 2007
	Retiree Choice Accounts – 2005 Enrollment Guide – see Exhibit 12
	Retiree Choice Accounts – 2006 Enrollment Guide – see Exhibit 13
	Retiree Choice Accounts – Midwest Region Salaried Employee Benefits 2006 Enrollment Guide – see Exhibit 14
	Retiree Choice Accounts – Appalachia Region 2007 Benefits Enrollment Guide – see Exhibit 15
19.	Retiree Choice Accounts – Appalachia Region Salaried Employees 2008 Enrollment Guide
20.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Group Life, Accidental Death & Dismemberment, Long Term Disability, Accident and Health and Major Medical Coverages, dated September 1976
21.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Group Health and Life Plan for Salaried Employees, dated March 9, 1989, for the plan effective June 1, 1985
22.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Group Health and Life Plan for Salaried Employees, dated March 1, 1990
23.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – The Key to Medical and Vision Benefits, dated January 1995
24.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – The Key to Medical Benefits, dated January 1997
25.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – The Key to Medical Benefits, dated April 2000
26.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Group Health and Life Plan for Salaried Employees, effective June 1, 1985, as amended and restated January 1, 1997
27.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Group Health and Life Plan for Salaried Employees, effective June 1, 1985, as restated January 1, 2001
	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Investment Corp. and Affiliates Welfare Benefit Plan, effective February 18, 2005 – see Exhibit 1
	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Salaried Employee Guide to Medical Benefits, dated August 2006 – see Exhibit 2
	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Peabody Salaried Employee Guide to Medical Benefits, dated July 2007 – see Exhibit 3
	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Midwest Salaried Employee Guide to Medical Benefits, dated November 2007 – see Exhibit 4

Exhibit Number	Document
	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Salaried Employee Guide to Medical Benefits, dated November 2007 – see Exhibit 5
28.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Your Guide to Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees, dated January 2010
	Claims Procedures for the Welfare Benefit Plans Administered by Peabody Holding Company, Inc. for all Affiliates, effective January 1, 2003 – see Exhibit 9
29.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – 2007 Medical Coverage News for Retired Employees
30.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Coal Corporation 2008 Medical Coverage News for Retired Employees
31.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Coal Corporation 2009 Medical Coverage News for Retired Employees
32.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Coal Corporation 2010 Medical Coverage News for Retired Employees
33.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Coal Corporation 2011 Enrollment for Retired Employees
34.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Patriot Coal Corporation 2012 Enrollment for Retired Employees
35.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Notification letter to West Virginia retirees, dated November 1995
36.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Notification letter to St. Louis and Midwest retirees, dated November 1995
37.	Patriot Salaried Retiree Medical Benefit Plan for Legacy Peabody Energy Corporation Retirees – Notification letter to disabled employees, dated December 1995
38.	Patriot Medical Plan for Legacy Magnum Retirees – Arch Mineral Corporation Health Care Plan, dated September 1990
39.	Patriot Medical Plan for Legacy Magnum Retirees – Arch Mineral Corporation Salaried Employees Health Care Plan, dated September 1990
40.	Patriot Medical Plan for Legacy Magnum Retirees – Health Care Plan for Full-Time Employees, dated December 1992
41.	Patriot Medical Plan for Legacy Magnum Retirees – Your Benefits in Retirement for Full-Time Employees, dated December 1992
42.	Patriot Medical Plan for Legacy Magnum Retirees – Benefits After Retirement, dated January 1998
43.	Patriot Medical Plan for Legacy Magnum Retirees – Benefits After Retirement, dated January 2001
44.	Patriot Medical Plan for Legacy Magnum Retirees – Benefits After Retirement, dated January 2004
45.	Patriot Medical Plan for Legacy Magnum Retirees – Magnum Coal Company and Subsidiaries or Affiliates Welfare Plan, as amended and restated effective January 1, 2007

Exhibit Number	Document
46.	Patriot Medical Plan for Legacy Magnum Retirees – Benefits After Retirement, dated January 2007
47.	Patriot Medical Plan for Legacy Magnum Retirees – Your Medical Benefits, dated January 2007
48.	Patriot Medical Plan for Legacy Magnum Retirees – Patriot Salaried and Non-Represented Hourly Retiree Guide to Benefits After Retirement for Legacy Magnum Retirees, dated January 2010
49.	Patriot Medical Plan for Legacy Magnum Retirees – Your Guide to Patriot Medical Benefit Plan for Legacy Magnum Retirees, dated January 2010
50.	Patriot Medical Plan for Legacy Magnum Retirees – Patriot Coal Corporation 2010 Medical Coverage News for Retired Employees
51.	Patriot Medical Plan for Legacy Magnum Retirees – Patriot Coal Corporation 2011 Enrollment for Retired Employees
52.	Patriot Medical Plan for Legacy Magnum Retirees – Patriot Coal Corporation 2012 Enrollment for Retired Employees
53.	Plan of Medical – Hospital Benefits for Retired Employees and Dependents, Coal Division, Eastern Gas and Fuel Associates, dated January 1, 1958
54.	Plan of Medical – Hospital Benefits for Retired Employees and Dependents, Eastern Associated Coal Corp., dated July 1966
55.	Eastern Associated Coal Corporation Medical, Dental and Life Insurance Benefits – Group Insurance Protection for Retired Employees of Eastern Associated Coal Corp. and Subsidiaries, dated 1973
56.	Eastern Associated Coal Corp. Medical, Dental and Life Insurance Benefits for Salaried Employees Retired Before March 1, 1990, dated August 1998
	Eastern Associated Coal Corporation Medical, Dental and Life Insurance Benefits – Peabody Investment Corp. and Affiliates Welfare Benefit Plan, effective February 18, 2005 – see Exhibit 1
57.	Eastern Associated Coal Corporation Medical, Dental and Life Insurance Benefits – Eastern Associated Coal Corp. Medical, Dental and Life Insurance Benefits for Salaried Employees Retired Before March 1, 1990, dated August 2004
	Claims Procedures for the Welfare Benefit Plans Administered by Peabody Holding Company, Inc. for all Affiliates, effective January 1, 2003 – see Exhibit 9
58.	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 – Eastern Associated Coal Corp. Health Care Plan, as amended through April 29, 1979
59.	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 – Eastern Associated Coal Corp. Health Care Plan, effective December 1, 1951, as amended through January 1, 1982
60.	Eastern Associated Coal Corp. Medical, Dental and Life Insurance Benefits for Salaried Employees Receiving Disability Benefits under the Eastern Gas and Fuel Associates Long-Term Disability Plan; Eligible Surviving Spouses of EACC Employees, dated August 1998

Exhibit Number	Document
	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 – Peabody Investment Corp. and Affiliates Welfare Benefit Plan, effective February 18, 2005 – see Exhibit 1
	Claims Procedures for the Welfare Benefit Plans Administered by Peabody Holding Company, Inc. for all Affiliates, effective January 1, 2003 – see Exhibit 9
61.	Diamond Shamrock Retirees Benefit Plan – Your Benefits in Retirement, dated January 1, 1987
62.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – The Key to Medical Benefits, dated December 1995
63.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – The Key to Medical Benefits, dated January 2000
64.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – Summary Plan Description of the March 1998 Retirement Bridge Program: Employees Affected by the Wells Business Unit Work Force Reduction, dated March 1998
65.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – Summary of material modification attached to January 2000 SPD
66.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – Patriot Coal Corporation 2010 Medical Coverage News for Retired Employees
67.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – Patriot Coal Corporation 2011 Enrollment for Retired Employees
68.	Catastrophic Group Health Plan for Salaried Employees Terminated Through a Reduction in Force – Patriot Coal Corporation 2012 Enrollment for Retired Employees
69.	Amherst Coal Company Employee Benefit Plan for Salaried Employees, effective June 1, 1982
	Retiree Life Insurance – Peabody Group Health and Life Plan for Salaried Employees, dated March 1, 1990 – see Exhibit 22
70.	Retiree Life Insurance – General American Life Insurance Company Certificate of Coverage for Peabody Holding Company, Inc., as of January 1, 1996
	Retiree Life Insurance – Peabody Group Health and Life Plan for Salaried Employees, effective June 1, 1985, as amended and restated January 1, 1997 – see Exhibit 26
	Retiree Life Insurance – Peabody Group Health and Life Plan for Salaried Employees, effective June 1, 1985, as restated January 1, 2001 – see Exhibit 27
71.	Retiree Life Insurance – The Key to Life and AD&D Benefits, dated January 1995
72.	Retiree Life Insurance – The Key to Life and AD&D Benefits, dated January 1997
73.	Retiree Life Insurance – The Key to Life and AD&D Benefits, dated September 2002
	Retiree Life Insurance – Peabody Investment Corp. and Affiliates Welfare Benefit Plan, effective February 18, 2005 – see Exhibit 1
74.	Retiree Life Insurance – Appalachia Salaried Employee Guide to Basic, Supplemental and Dependent Life and Basic AD&D Benefits, dated July 2007

Exhibit Number	Document
75.	Retiree Life Insurance – Peabody Salaried Employee Guide to Basic, Supplemental and Dependent Life and Basic AD&D Benefits, dated July 2007
76.	Retiree Life Insurance – Patriot Salaried Employee Guide to Life and AD&D Benefits, dated November 2007
77.	Retiree Life Insurance – Patriot Guide to Retiree Life Insurance Benefits, dated January 2009
	Retiree Life Insurance – Patriot Salaried Retiree Guide to Benefits After Retirement, dated January 2010 – see Exhibit 8
	Patriot Medical Plan for Legacy Magnum Retirees – Patriot Salaried and Non-Represented Hourly Retiree Guide to Benefits After Retirement for Legacy Magnum Retirees, dated January 2010 – see Exhibit 48
	Claims Procedures for the Welfare Benefit Plans Administered by Peabody Holding Company, Inc. for all Affiliates, effective January 1, 2003 – see Exhibit 9
78.	Retiree Life Insurance – 1997 Enrollment Guide
79.	Retiree Life Insurance – 2002 Enrollment Guide
	Retiree Life Insurance – 2003 Enrollment Guide – see Exhibit 10
	Retiree Life Insurance – 2004 Enrollment Guide – see Exhibit 11
	Retiree Life Insurance – 2005 Enrollment Guide – see Exhibit 12
	Retiree Life Insurance – 2006 Enrollment Guide – see Exhibit 13
	Retiree Life Insurance – Midwest Region Salaried Employee Benefits 2006 Enrollment Guide – see Exhibit 14
	Retiree Life Insurance – Appalachia Region 2007 Benefits Enrollment Guide – see Exhibit 15
	Retiree Life Insurance – Appalachia Region Salaried Employees 2008 Enrollment Guide – see Exhibit 19
80.	Retiree Life Insurance – 2009 Enrollment Guide
81.	Retiree Life Insurance – 2009 Dodge Hill Mining Co., LLC Hourly Employees Enrollment Guide
82.	Retiree Life Insurance – 2009 Grand Eagle Mining/Ohio County Coal Company Hourly Employees Enrollment Guide
	Retiree Life Insurance – Notification letter to West Virginia retirees, dated November 1995 – see Exhibit 35
	Retiree Life Insurance – Notification letter to St. Louis and Midwest retirees, dated November 1995 – see Exhibit 36
	Retiree Life Insurance – Notification letter to disabled employees, dated December 1995 – see Exhibit 37