

Hearing Date: September 11, 2012 at 1:30 p.m. EST
Objection Deadline: September 7, 2012 at 4:00 p.m. EST

**COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.**

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Michael D. Warner, Esq. (Admitted *Pro Hac Vice*)

Michael D. Sirota, Esq.

*Proposed Conflicts Counsel for the Official Committee
of Unsecured Creditors of Patriot Coal Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**NOTICE OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF PATRIOT COAL CORPORATION, *ET AL.*, FOR ORDER
AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION
OF COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A. AS ITS
CONFLICTS COUNSEL, EFFECTIVE AUGUST 16, 2012**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On August 28, 2012, the Official Committee of Unsecured Creditors (the "Committee") of the above captioned debtors and debtors-in-possession filed: (i) the attached Application for an Order authorizing and approving the Committee's employment and retention of Cole, Schotz, Meisel, Forman & Leonard, P.A. as its Conflicts Counsel, effective August 16, 2012 (the "Application"); and (ii) the Declaration of Michael D. Warner, Esq. in support of the Application.

2. A hearing (the "Hearing") to consider the Application shall be held before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, in Room 621 of the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004, on **September 11, 2012 at 1:30 p.m.** (prevailing Eastern time).

3. Any objections to the Application must be made in writing, filed with the Court (with a copy to Chambers) and served in accordance with the *Order Establishing Certain Notice, Case Management and Administrative Procedures*, entered on July 16, 2012 [Docket No. 84] (the

“Case Management Order”), so as to be received no later than **September 7, 2012 at 4:00 p.m.** (prevailing Eastern time) (the “Objection Deadline”).

4. If no objections to the Application are timely filed and served on or before the Objection Deadline, the Committee may submit to the Bankruptcy Court an Order substantially in the form of the proposed Order submitted with the Application for the Court’s consideration.

5. A copy of the Application can be obtained or viewed for a fee via PACER at www.pacer.gov or (without charge) on the Debtors’ restructuring website at www.patriotcaseinformation.com.

Dated: August 28, 2012

COLE, SCHOTZ, MEISEL, FORMAN &
LEONARD, P.A., *Proposed Conflicts Counsel to
the Official Committee of Unsecured Creditors of
Patriot Coal Corporation, et al.*

/s/Michael D. Warner
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**UNITED STATES BANKRUPTCY COURT
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In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
OF PATRIOT COAL CORPORATION, *ET AL.*, FOR ORDER AUTHORIZING
AND APPROVING THE EMPLOYMENT AND RETENTION OF COLE,
SCHOTZ, MEISEL, FORMAN & LEONARD, P.A. AS ITS CONFLICTS
COUNSEL EFFECTIVE AUGUST 16, 2012**

The duly-appointed Official Committee of Unsecured Creditors (the “Committee”) for the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) hereby applies for an order, pursuant to Section 1103 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 2014-1 of the Local Rules of Bankruptcy Procedure of the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), authorizing and approving the Committee’s employment and retention of Cole, Schotz, Meisel, Forman & Leonard, P.A. (“Cole Schotz” or the “Firm”) as conflicts counsel for the Committee, effective August 16, 2012, in connection with the above-captioned Chapter 11 cases (“Chapter 11 Cases”).

In support of this Application, the Committee relies on the Declaration of Michael D. Warner, Esq., dated August 28, 2012 (the "Warner Declaration"), attached as "**Exhibit A**". In further support of this Application, the Committee respectfully represents as follows:

BACKGROUND

1. On July 9, 2012, (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and their properties as debtors-in-possession. No trustee or examiner has been appointed in these cases.

2. On July 18, 2012, the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), pursuant to Section 1102 of the Bankruptcy Code, appointed the Committee to represent the interests of all unsecured creditors in these Chapter 11 Cases. The Members of the Committee are: (1) Wilmington Trust Company; (2) U.S. Bank National Association; (3) United Mine Workers of America; (4) United Mine Workers of America 1974 Pension Plan and Trust; (5) Gulf Coast Capital Partners, LLC; (6) Cecil Walker Machinery; and (7) American Electric Power.

3. Following its appointment, the Committee met and decided on July 18, 2012, that it wished to employ Kramer Levin Naftalis & Frankel, LLP ("Kramer Levin") as its bankruptcy counsel to advise and represent the Committee in these Chapter 11 Cases. As discussed herein, however, Kramer Levin is aware of certain conflicts of interest in its representation of the Committee in these Chapter 11 Cases and may become aware of subsequent actual or potential conflicts in the course of its representation.

4. Accordingly, on August 16, 2012, the Committee conducted a meeting, attended by a majority of its members, at which the Committee decided to retain Cole Schotz to handle

matters that are not appropriately handled by Kramer Levin because of actual or potential conflict of interest issues.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). As of this date, venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

6. This Application is made by the Committee for an order, pursuant to Section 1103 of the Bankruptcy Code, Bankruptcy Rule 2014 and Local Rule 2014, authorizing and approving the Committee's retention and employment of Cole Schotz as its conflicts counsel, effective August 16, 2012.

COLE SCHOTZ'S QUALIFICATIONS AND SERVICES TO BE PROVIDED

7. The Committee has selected Cole Schotz as its conflicts counsel. Kramer Levin and Cole Schotz will coordinate their efforts and function to ensure that the legal services provided by each firm to the Committee are not duplicative.

8. The Committee has selected Cole Schotz as its conflicts counsel because of Cole Schotz's considerable experience in business reorganizations and in other areas of law applicable to these Chapter 11 Cases, including significant representations of official committees of Unsecured Creditors, engagements as conflicts counsel and expansive experience in creditors' rights investigation and litigation. *See, e.g.,* In re Federated Sports & Gaming, Inc. and Federated Heartland, Inc., Case No. 12-3521 (Bankr. D. Md. 2012); In re Game Trading Technologies f/k/a City Language Exchange, Case No. 12-11519 (Bankr. D. Md. 2012); In re AMR Corp., et al., Case No. 11-15463 (Bankr. S.D.N.Y. 2011) (Counsel to Committee Member,

Hewlett Packard Company); In re Brown Publishing, Case No 10-73295 (Bankr. E.D.N.Y. 2010) (Committee Counsel); In re TMG Liquidation Company, et al., f/k/a The Merit Group, Case No. 03-13156 (Bankr. D.S.C. 2009); In re Drug Fair, Inc., Case No. 09-10897 (Bankr. D. Del. 2009); In re Linens Holding Co., et al., Case No. 08-10832 (Bankr. D. Del. 2008); In re OneTravel Holdings, Case No. 06-70085 (Bankr. S.D. Tex. 2006) (Committee Counsel); In re Northwest Airlines Case No. 05-17930 (Bankr. S.D.N.Y. 2005) (Counsel to Committee Member, LSG SkyChefs); In re Asarco, LLC, et al., Case No. 05-21207 (Bankr. S.D. Tex. 2005) (Counsel to Court Appointed Examiner, Michael D. Warner); In re Delphi Corp., et al., Case No. 05-44481 (Bankr. S.D. NY. 2005) (Conflicts Counsel to Committee); In re US Airways, Case No. 04-13819 (Bankr. E.D. Va. 2004) (Counsel to Committee Member, Electronic Data Systems N/K/A Hewlett Packard Company); In re Bayou Steel, Case No. 03-30816 (Bankr. N.D. Tex. 2003) (Committee Counsel); In re Georgetown Steel, Case No. 03-13156 (Bankr. S.C. 2003) (Committee Counsel); In re Orion Refinery, Case No. 03-11483 (Bankr. D. Del. 2003) (Committee Counsel); In re enivid, Inc., Case No. 03-11472 (Bankr. Mass. 2003) (Committee Counsel); In re Tokheim Corp., Case No. 02-13437 (Bankr. DE. 2002) (Committee Counsel); In re Ferranti Steel & Aluminum, Inc., Case No. 02-30297 (Bankr. D.N.J. 2002); In re Bethlehem Steel, Case No. 01-15288 (Bankr. S.D.N.Y. 2001) (Counsel to Committee Member, Electronic Data Systems N/K/A Hewlett Packard Company); In re Lucerne Products, Inc., Case No. 98-50531 (Bankr. N.D. Ohio 1998) (Committee Counsel); In re Jayhawk Acceptance Corp., Case No. 97-31261 (Bankr. N.D. Tex. 1997) (Committee Counsel); In re Neostar Retail Group, Inc., Case No. 96-36648 (Bankr. N.D. Tex. 1996) (Counsel to Ad Hoc Equity Committee); In re Hiuka Steel, Case No. 95-27964 (Bankr. C.D. Cal. 1995) (Committee Counsel).¹

¹ Some of the foregoing matters were handled by Michael D. Warner, as a member of Warner Stevens, LLP, prior to his becoming a member of Cole Schotz.

9. Accordingly, the Committee believes Cole Schotz is duly qualified to represent the Committee as conflicts counsel. Furthermore, the Committee believes that the services of Cole Schotz are necessary and essential to the Committee's performance of its duties.

10. The Committee expects that Cole Schotz will work closely with Kramer Levin and the Committee in these Chapter 11 Cases. Where the Committee will be potentially or actually adverse to clients of Kramer Levin in these Chapter 11 Cases, the Committee expects that Cole Schotz will be notified immediately and will represent the Committee and its interests in such matters.

11. The professional services that the Committee anticipates Cole Schotz will render may include assisting, advising and representing the Committee with respect to the following matters, where Kramer Levin may not be able to act because of an actual or potential conflict:

- a. The preparation on behalf of the Committee of any necessary applications, motions, memoranda, orders, reports and other legal papers;
- b. Appearances in Court and at statutory meetings of creditors to represent the interests of the Committee;
- c. Investigating, as the Committee may desire, among other things, the assets, liabilities, financial condition and operating issues concerning the Debtors as may be relevant to the Chapter 11 Cases;
- d. Such communication with the Committee's constituents and others as the Committee may consider desirable in furtherance of its responsibilities; and,
- e. The performance of all of the Committee's duties and powers under the Bankruptcy Code and the Bankruptcy Rules and the performance of such other services as are in the interests of those represented by the Committee.

12. The foregoing services are generally the type of services that Cole Schotz may be requested to perform. The Committee expects and understands that the services to be performed

by Cole Schotz will be carefully coordinated with the Committee and Kramer Levin to ensure the most efficient representation of the Committee and to avoid duplicating professional services.

13. Where Kramer Levin, or the Committee's other counsel, to the extent retained, determines that an actual or potential conflict of interest exists, and that such matters should appropriately be handled by Cole Schotz, Cole Schotz shall provide timely disclosures identifying such matters. The timeliness of a disclosure pursuant to the foregoing will be assessed based on the facts and circumstances of each particular matter, including whether disclosure would reveal privileged information or hinder or compromise Cole Schotz's ability to discharge its duties and perform its responsibilities with respect to representing the Committee in these Chapter 11 Cases. Timeliness shall be as soon as is reasonably practicable under the circumstances.

14. Should the Committee prior to confirmation of a plan of reorganization seek to expand the role of Cole Schotz beyond conflicts matters (for example, matters where the Committee, Kramer Levin, or other counsel to the Committee may determine that the use of Cole Schotz is more cost effective or where the Committee, Kramer Levin or other counsel to the Committee otherwise specifically ask Cole Schotz to act), Cole Schotz will file with this Court a notice of expanded role, including a description of such expanded services, and serve such notice and description on (a) the U.S. Trustee, (b) the Debtors, and (c) any other official Committee(s) appointed in these Chapter 11 Cases. All parties shall have seven (7) days from the date of such notice to object to such expanded role.

PROFESSIONAL COMPENSATION

15. Cole Schotz has indicated its willingness to serve as conflicts counsel to the Committee and to receive compensation and reimbursement in accordance with its standard

billing practices for services rendered and expenses incurred on behalf of the Committee, in accordance with the provisions of Sections 330 and 331 of the Bankruptcy Code or as otherwise ordered by the Court. Cole Schotz's billing practices and rates are summarized below and are consistent with those generally governing Cole Schotz's representation of its other clients.

16. The Committee understands that Cole Schotz intends to apply for compensation for professional services rendered in the Chapter 11 Cases, subject to the Court's approval and in compliance with the Bankruptcy Code, Bankruptcy Rules and Local Rules, the Guidelines of the Office of the United States Trustee and the Local Standing Order Establishing Procedures For Monthly Compensation and Reimbursement of Expenses of Professionals [M-412, December 21, 2010].

17. The principal Cole Schotz attorneys expected to represent the Committee in this matter and their current hourly rates are: Member Michael D. Warner (\$620 per hour), Member Michael D. Sirota (\$775 per hour), Member Stuart Komrower (\$625 per hour), and Associate Jill B. Bienstock (\$275 per hour). In addition, other attorneys and paralegals may, from time to time, provide services to the Committee in connection with these Chapter 11 Cases. The range of Cole Schotz's hourly rates for its attorneys and paralegals is as follows:

Members and Special Counsel	\$325 - \$775 per hour
Associates	\$210 - \$385 per hour
Paralegals	\$160 - \$245 per hour

The hourly rates set forth above are the Cole Schotz's standard hourly rates for work of this nature. These rates are set at a level designed to compensate fairly the Firm for the work of its attorneys and paralegals. Cole Schotz's hourly rates are subject to periodic adjustment from time to time in accordance with the Cole Schotz's established billing practices and procedures. The

Committee is aware that the Cole Schotz's rates will be adjusted in September, 2012 and Cole Schotz has represented that it will provide its updated billing rates to the Committee and file a supplemental declaration with the Court, to the extent of any changes.

18. In addition to the hourly rates set forth above, the Committee understands that it is Cole Schotz's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, telephone and telecopier (outgoing only) toll and other charges, mail and express mail charges, special or hand delivery charges, photocopying charges at the rate of 10¢ per page, charges for mailing supplies (including, without limitation, envelopes and labels) provided by Cole Schotz to outside copying services for use in mass mailings, travel expenses, computerized research, and transcription costs. Cole Schotz will charge the estates for these expenses in a manner and at rates consistent with charges made generally to Cole Schotz's other clients and the Local Bankruptcy Rules. Moreover, these rates are comparable if not less than those charged by attorneys of similar experience and expertise for engagements of similar scope and complexity to these Chapter 11 Cases.

19. The Committee submits that such rates are reasonable and should be approved by the Court subject to a determination of the amount to be paid to Cole Schotz in accordance with the Bankruptcy Rules, Local Rules and Orders of the Court.

DISINTERESTEDNESS OF PROFESSIONALS

20. The Committee believes that, based upon the circumstances more fully described in the Warner Declaration, Cole Schotz does not hold or represent an interest that is adverse in connection with these Chapter 11 Cases regarding the matters upon which Cole Schotz is to be retained. More specifically, as to those entities identified by Kramer Levin as potential conflicts

for Kramer Levin, such entities are not conflicts for Cole Schotz. Therefore, to the best of the Committee's knowledge and based upon the Warner Declaration, Cole Schotz is a "disinterested person" within the meaning of Section 101(14) of the Bankruptcy Code and Cole Schotz does not represent an entity having an adverse interest in this case as required under Section 1103 of the Bankruptcy Code given the scope of Cole Schotz's retention.

21. Based upon all of the foregoing, the Committee believes that the employment of Cole Schotz as conflicts counsel to the Committee is appropriate and in the best interest of the Committee, the Debtors' respective estates, the Debtors' respective creditors and other parties-in-interest.

NOTICE

22. In accordance with the Order Establishing Certain Notice, Case Management and Administrative Procedures [Docket No. 84] (the "Case Management Order"), notice of this Application has been given to all parties listed on the Service List (as defined in the Case Management Order). The Committee submits that such notice is sufficient and that no other or further notice of the relief requested in this Application is required.

WHEREFORE, the Committee respectfully requests that the Court enter an order authorizing and approving (i) the Committee's retention of Cole Schotz as its conflicts counsel, effective August 16, 2012, (ii) the payment and reimbursement of Cole Schotz'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 (iii) granting such other and further relief as may be just and proper.

Dated: August 28, 2012

Respectfully submitted,

THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF PATRIOT COAL
CORPORATION, *ET AL.*

By: /s/ Steven Cimalore
Steven Cimalore, on behalf of Wilmington Trust
Company, Chairperson of The Official Committee
of Unsecured Creditors of Patriot Coal Corporation,
et al.

EXHIBIT A

Warner Declaration

**COLE, SCHOTZ, MEISEL,
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**DECLARATION OF MICHAEL D. WARNER, ESQ. IN SUPPORT OF
THE APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF PATRIOT COAL CORPORATION, *ET AL.*, FOR ORDER
AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION
OF COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A. AS ITS
CONFLICTS COUNSEL, EFFECTIVE AUGUST 16, 2012**

I, MICHAEL D. WARNER, ESQ., pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am an attorney at law and a Member of the law firm of Cole, Schotz, Meisel, Forman & Leonard, P.A. ("Cole Schotz" or the "Firm"), which maintains offices for the practice of law at 900 Third Avenue, 16th Floor, New York, New York 10022. The Firm also maintains offices in Hackensack, New Jersey; Wilmington, Delaware; Baltimore, Maryland; and Fort Worth, Texas. My *pro hac vice* application was granted for the above-captioned cases and I am an attorney in good standing admitted to practice before, among others, the State Bars of California and Texas, the Northern, Eastern, Southern and Western District Courts of Texas, the

Central, Eastern and Northern Districts of California, the Fifth and Ninth Circuit Courts of Appeal and the United States Supreme Court.

2. This Declaration is submitted in support of the *Application of the Official Committee of Unsecured Creditors of Patriot Coal Corporation, et al.* (the “Committee”) for *Order Authorizing and Approving the Employment and Retention of Cole Schotz as its Conflicts Counsel, Effective August 16, 2012* (the “Application”), pursuant to Section 1103 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016 and Local Rules 2014-1 and 2016-1.¹

3. Unless otherwise stated in this Declaration, the facts set forth are personally known to me and, if called as a witness, I could and would testify thereto.

4. In preparing this Declaration, I used a set of procedures developed by Cole Schotz to ensure full compliance with the requirements of the Bankruptcy Code, Bankruptcy Rules and Local Rules regarding the retention of professionals by debtors or committees (generally, the “Retention Procedures”). Pursuant to the Retention Procedures, and under my direction and supervision, Cole Schotz performed a conflict of interest search to identify any actual or potential conflicts of interest. The Retention Procedures included:

- (a) Counsel to the Committee, Kramer Levin, provided Cole Schotz with a list of the following entities (collectively, the “Parties in Interest List”): (i) the Debtors and non-debtor affiliates and subsidiaries, (ii) the current and recent officers and directors of the Debtors (including non-executive officers and general managers of the Debtors’ subsidiaries), (iii) the affiliations of the officers and directors, (iv) the five (5) largest secured creditors of the Debtors, (v) the fifty (50) largest unsecured creditors, (vi) business partners, (vii) professionals and financial advisors, (viii) financial institutions, (ix) equipment lessors, (x) landlords and lessors, (xi) five (5%) percent and greater shareholders and beneficial owners; (xii) unions, (xiii) surety bond providers and beneficiaries, (xiv) taxing authorities, (xv) regulators, (xvi) suppliers shippers, warehouseman, customers and vendors, (xvii) parties to litigation, (xviii) insurers, (xix) the Office of the United States Trustee for the Districts of New York, Connecticut and Vermont (Region 2), (xx) utilities, and (xxi) professionals retained by the foregoing. A copy of the Parties in Interest List is attached as “**Exhibit 1.**”

¹ Capitalized terms used but not otherwise defined shall have the meanings ascribed to them in the Application.

- (b) Cole Schotz maintains a data base of current and former clients and related information that has been collected (the “Data Base”). Cole Schotz then:
 - (i) searched the Data Base for those entities which Cole Schotz billed during the past five (5) years (the “Client List”); and
 - (ii) circulated, via e-mail, to every attorney of the Firm, the Parties in Interest List to solicit potential conflicts or connections that might not be uncovered through the Data Base.
- (c) Cole Schotz then compared the names of the entities identified in the Parties in Interest List with the names in its Data Base, the Client List and the responses from the attorney e-mail solicitation to identify potential matches, and to determine whether those matches are current clients and, if so, identify the Cole Schotz personnel responsible for such matters.
- (d) Based on the results of those searches and by making general and, when applicable, specific inquiries of Cole Schotz personnel, insofar as I have been able to ascertain after diligent inquiry, neither I, nor Cole Schotz, nor any member or associate of the firm has any connection with the Parties in Interest List except as described below:

Former Clients – No Conflict to Being Adverse

- (i) Kramer Levin identified Computershare as an attorney, professional or financial advisor to the Debtors and an entity Kramer Levin has identified as a potential conflict with. Computershare, Inc. f/k/a Equiserve is a former client of the Firm. The Firm represented Computershare in Maryland state court litigation adverse to Asbury-Solomons, Inc., which was wholly unrelated to these Chapter 11 Cases. The last date work was performed for Computershare was August, 2010. Based upon the foregoing, the Firm knows of no impediment to being adverse to Computershare in these Chapter 11 Cases.
- (ii) UBS is identified as an attorney, professional or financial advisor of the Debtors. UBS Real Estate Securities (“URES”) is a former real estate client of the Firm. The last date that the Firm performed work URES was 2007 and it was for matters wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to URES in these Chapter 11 Cases.
- (iii) Wilmington Trust Company (“Wilmington”) is identified as a member of the Committee and as one of the top fifty (50) unsecured creditors. Wilmington is a former real estate client of the Firm. The last date that the Firm performed work for Wilmington was 2008 and such work was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to Wilmington in these Chapter 11 Cases.

- (iv) Comerica Bank (“Comerica”) is identified as a financial institution. The Firm previously acted as local counsel to Comerica in a loan transaction but the Firm presently has no active matters with Comerica Bank and the last date that work was performed for Comerica was February, 2008. Such work was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to Comerica in these Chapter 11 Cases.
- (v) Duke Realty is identified as a landlord. Duke Realty Limited Partnership (“DR”) is a former client of the Firm and work was last performed for DR in April, 2010. The work related to defending Duke Realty in an adversary bankruptcy proceeding initiated by the Liquidating Trustee of The Delta Financial Liquidating Trust, filed in the United States Bankruptcy Court for the District of Delaware. The representation has concluded was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to DR in these Chapter 11 Cases.
- (vi) Northwestern Mutual is identified as a bondholder. The Firm previously represented a group of bondholders in the now-closed bankruptcy case of EPV Solar, Inc. (“EPV”), filed in the United States Bankruptcy Court for the District of New Jersey. The Firm’s records indicate that Northwestern Mutual succeeded as a bondholder to EPV. The Firm’s representation of the bondholder group concluded in 2010 and was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to Northwestern Mutual in these Chapter 11 Cases.
- (vii) CNA Insurance and Solaris Health / CNA Healthpro (collectively, “CNA”) are identified as surety insurers. CNA is a former client of the Firm and while the Firm previously represented CNA in litigation matters, the Firm has not performed work for CNA since 2007 and the work performed was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to CNA in these Chapter 11 Cases.
- (viii) Michael P. Johnson is identified as an officer or director of the Debtors. The Firm discloses Mr. Johnson was a contact for a former client. The Firm concluded its representation of the former client in 2009 and such work in any event was wholly unrelated to these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to Mr. Johnson in these Chapter 11 Cases.
- (ix) John R. Jones is identified as an officer or director of the Debtors. Mr. Jones is the director of a former client of the Firm. The last date the Firm performed work for this former client was September 2010 and such work was wholly unrelated to these Chapter 11 Cases. Based upon

the foregoing, the Firm knows of no impediment to being adverse to Mr. Jones in these Chapter 11 Cases.

- (x) Rockwood Partners (“RP”) is identified as a surety insurer. To the extent it is the same entity, RP is a former client of the Firm and the corporate transactional work performed by the Firm was wholly unrelated to these Chapter 11 Cases. The Firm last performed work for RP in 2005. Based upon the foregoing, the Firm knows of no impediment to being adverse to RP in these Chapter 11 Cases.
- (xi) Caremark RX is identified as a supplier. Caremark RX (“CR”) is a former client of the Firm. The work performed by the Firm involved environmental transactional work, which is wholly unrelated to these Chapter 11 Cases. The last date the Firm performed work for CR was December 2006. Based upon the foregoing, the Firm knows of no impediment to being adverse to CR in these Chapter 11 Cases. Based upon the foregoing, the Firm knows of no impediment to being adverse to CR in these Chapter 11 Cases.
- (xii) Blue Cross Blue Shield (“Blue Cross”) is identified as a supplier. Blue Cross is a former client of the Firm. The work performed by the Firm involved corporate transactional work wholly unrelated to these Chapter 11 Cases. The last date the Firm performed work for Blue Cross was March 2008. Based upon the foregoing, the Firm knows of no impediment to being adverse to Blue Cross in these Chapter 11 Cases.
- (xiii) Gerdau Ameristeel (“Ameristeel”) is identified as a supplier. To the extent it is a related entity, a former client of the Firm is Gerdau Acominas (“Acominas”), a South American company. The Firm no longer represents Acominas and the work performed for Acominas related to environmental compliance obligations in New Jersey, wholly unrelated to these Chapter 11 Cases. The last date the Firm performed work for Acominas was February 2009. Based upon the foregoing, the Firm knows of no impediment to being adverse to Ameristeel in these Chapter 11 Cases.

Current Clients – Permissible to Be Adverse

- (i) Kramer Levin identified AES Eastern Energy as a potentially adverse party. Presently, AES Eastern Energy, L.P. (“AES”) is a chapter 11 debtor in a bankruptcy case pending before the United States Bankruptcy Court for the District of Delaware. In that bankruptcy case, which is wholly unrelated to these Chapter 11 Cases, Cole Schotz is bankruptcy counsel to an affiliate of AES, AES NY Equity, LLC. As AES is not a client of the Firm, the Firm does not perceive any conflict from its representation of the Committee in this matter adverse to AES.

- (ii) Verizon is identified as one of the Debtors' utilities. The Firm represents Verizon Communications, Inc. and certain affiliates ("Verizon"), in connection with the sale, leasing and subleasing of surplus owned real estate (landlord side) and the leasing of office and retail space (tenant side) completely unrelated to these Chapter 11 Cases. Pursuant to the Firm's written engagement letter with Verizon dated December 3, 2010 (the "Verizon Agreement"), Verizon recognized that the Firm has an active insolvency practice and, therefore, Verizon acknowledged and agreed to the following: (i) the fact that Verizon may be a creditor or may hold some interest adverse to a debtor in a restructuring case will not disqualify the Firm from representing parties in a particular case; and (ii) to the extent Verizon is a creditor or holds an adverse interest to a client of the Firm, Verizon waives any existing and future conflict of interest. Under the Verizon Agreement, the Firm agreed that in the event a client wishes to assert a direct claim against Verizon (such as a suit for a preference claim), Cole Schotz will not represent that client in asserting such claim absent Verizon's written consent. Therefore, unless Verizon agrees in writing to a conflict waiver, the Firm will ask that Kramer Levin handle the matter. The revenue generated from Verizon is less than 0.5% of the Firm's annual revenue.
- (iii) RLI Insurance is identified as one of the entities that the Debtors' directors are affiliated with. The Firm currently represents RLI Corp., an affiliate of RLI Insurance, in New York state court litigation adverse to Salvatore A. DiCristo and Montique E. DiCristo which is wholly unrelated to these Chapter 11 Cases. Revenue generated from such representation is less than 0.0006% of the Firm's annual revenue.
- (iv) Liberty International Underwriters is identified as a surety insurer. Related entity Liberty Mutual ("LM") is a current client of the Firm. The work performed by the Firm relates to construction, insurance and indemnity and is wholly unrelated to these Chapter 11 Cases. The revenue derived from representing LM is 0.005% of the Firm's annual revenue.

5. In light of the extensive number of creditors and other parties-in-interest in these Chapter 11 Cases, neither I nor Cole Schotz are able to conclusively identify all potential relationships. To the extent Cole Schotz discovers any facts bearing on the matters described herein during the period of Cole Schotz's retention, Cole Schotz will amend and supplement the information contained in this Declaration to disclose such facts.

6. Cole Schotz does not believe that any of the foregoing results from the search of the Parties in Interest List have or will affect the Firm's representation of the Committee as conflicts counsel in these Chapter 11 Cases. To the extent the representation of any of the foregoing noted parties (or any parties identified by the Firm going forward) creates a future conflict in the Firm's representation of the Committee as conflicts counsel, Kramer Levin will handle such matters.

7. Cole Schotz does not and will not represent any other parties in these Chapter 11 Cases other than the Committee. Without obtaining appropriate waivers, if necessary, Cole Schotz will not represent the Committee in a lawsuit, adversary proceeding or contested matter against any current clients.

8. Based on Cole Schotz's review, the Firm (a) does not hold or represent any interest adverse in connection with the Chapter 11 Cases, and (b) is a "disinterested person" within the meaning of Section 101(14) of the Bankruptcy Code, as to those entities and matters identified by Kramer Levin as entities it has potential conflicts in being adverse to.

9. The services to be rendered include all those services set forth in the Application.

10. Cole Schotz is willing to serve as conflicts counsel to the Committee and to receive compensation and reimbursement in accordance with its standard billing practices for services rendered and expenses incurred on behalf of the Committee, in accordance with the provisions of Sections 330 and 331 of the Bankruptcy Code or as otherwise ordered by the Court. Cole Schotz's billing practices and rates are summarized below and are consistent with those generally governing Cole Schotz's representation of its other clients.

11. Cole Schotz will submit to the Court detailed statements setting forth the services rendered for and on behalf of the Committee as conflicts counsel in accordance with the Retention Procedures.

12. The principal Cole Schotz attorneys expected to represent the Committee in this matter and their current hourly rates are: Member Michael D. Warner (\$620 per hour), Member Michael D. Sirota (\$775 per hour), Member Stuart Komrower (\$625 per hour), and Associate Jill B. Bienstock (\$275 per hour). In addition, other attorneys and paralegals may, from time to time, provide services to the Committee in connection with these Chapter 11 Cases. The range of Cole Schotz's hourly rates for its attorneys and paralegals is as follows:

Members and Special Counsel	\$325 - \$775 per hour
Associates	\$210 - \$385 per hour
Paralegals	\$160 - \$245 per hour

The hourly rates set forth above are the Firm's standard hourly rates for work of this nature. These rates are set at a level designed to compensate fairly the Firm for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. Cole Schotz's hourly rates are subject to periodic adjustment from time to time in accordance with the Firm's established billing practices and procedures and such rates are next adjusted in September, 2012. To the extent any of the foregoing rates change, Cole Schotz will inform the Committee and file a supplemental declaration with the Court.

13. In addition to the hourly rates set forth above, it is Cole Schotz's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, telephone and telecopier (outgoing only) toll and other charges, mail and express mail charges, special or hand delivery

charges, photocopying charges at the rate of 10¢ per page, charges for mailing supplies (including, without limitation, envelopes and labels) provided by Cole Schotz to outside copying services for use in mass mailings, travel expenses, computerized research, and transcription costs. Cole Schotz will charge the estates for these expenses in a manner and at rates consistent with charges made generally to Cole Schotz's other clients and the Local Rules.

14. The rates charged by Cole Schotz are comparable if not less than those charged by attorneys of similar experience and expertise for engagements of similar scope and complexity to these Chapter 11 Cases.

15. Neither Cole Schotz, nor any member, counsel, or associate thereof, has shared, or agreed to share (a) compensation it has received or may receive in these Chapter 11 Cases with another party or person, other than with the members, counsel, and associates of Cole Schotz, or (b) any compensation another person or party has received or may receive in these Chapter 11 Cases. No promises have been made or received by Cole Schotz, or by any member, counsel, or associate thereof, as to compensation in connection with these Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code. The proposed engagement of Cole Schotz is not prohibited by Bankruptcy Rule 5002.

I hereby certify that the above statements made by me are true and accurate. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Date: August 28, 2012

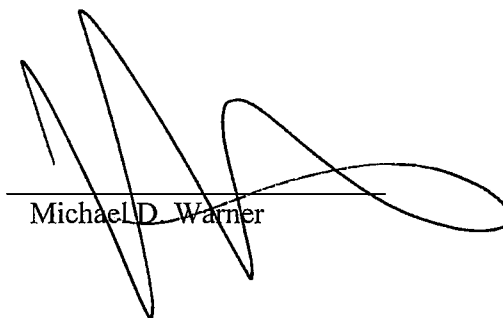

Michael D. Warner

EXHIBIT 1

(To The Warner Declaration)

Parties In Interest List

PATRIOT COAL: PARTIES IN INTEREST

Officers and Directors (2009 to Present)
(includes non-executive officers and
general managers of subsidiaries)

Adorjan, J. Joe
Bean, Joseph W.
Bennett, Robert W.
Brandt, Philip A.
Brown, B. R.
Day, Michael D.
Ebetino, Charles A.
Engelhardt, Irl F.
Hartsog, Kent E.
Hatfield, Bennett K.
Hudson, Terry G.
Johnson, Michael P.
Jones, Jacquelyn A.
Jones, John R.
Longoria, Janeice M.
Lucha, Dale F.
Lushefski, John E.
Magro, James N.
Mead, Robert L.
Millburg, Lawrence J.
Scharf, Michael M.
Schnapp, Paul A.
Schroeder, Mark N.
Viets, Robert O.

Affiliations of Directors (Board
Memberships, Charitable Organizations,
etc.)

Adven Capital
Bates Sales Company
Beaucoup Farms LLC
Buffalo Wild Wings, Inc.
CenterPoint Energy, Inc.
Delta Trust & Bank
Engelhardt Family Foundation
Foundation for Pinckneyville, Illinois
Freedom Group, Inc.
Friends of KWMU
Galveston Bay Foundation
Greater Houston Partnership
Gulf Coast Health Services Steering
Committee
Healthcare Service Corporation
Heritage Society

The Hungary-Missouri Educational Partnership
Illinois Rural Heritage Museum
J&A Group
MD Anderson Services Corporation
Ogden, Gibson, Broocks, Longoria & Hall L.L.P.
Oklahoma Conference for Community & Justice
Phillips Theological Seminary
Port of Houston Authority
QuikTrip Corporation
Ranken Technical College
Remington Arms Company, Inc.
Renewable Energy Group, Inc.
The Rumson Country Day School
RLI Corp.
Saint Louis University
Texas Medical Center
Tiger Woods Foundation
UTIMCO
White Walnut Farms LLC

Debtor

Patriot Coal Corporation

Subsidiaries

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
Newtown Energy, Inc.
New Trout Coal Holdings II, LLC
North Page Coal Corp.
Ohio County Coal Company, LLC
Panther LLC
Patriot Beaver Dam Holdings, LLC
Patriot Coal Company, L.P.
Patriot Coal Receivables (SPV), Ltd.
Patriot Coal Sales LLC
Patriot Coal Services LLC
Patriot Leasing Company LLC
Patriot Midwest Holdings, LLC
Patriot Reserve Holdings, LLC
Patriot Trading LLC
Patriot Ventures 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
Rhino Eastern LLC
Rivers Edge Mining, Inc.
Robin Land Company, LLC
Sentry Mining, LLC
Snowberry Land Company
Speed Mining LLC
Squaw Creek Coal Company
Sterling Smokeless Coal Company, LLC
TC Sales Company, LLC
Tecumseh Coal Corporation
The Presidents Energy Company LLC
Thunderhill Coal LLC
Trout Coal Holdings, LLC
Union County Coal Co., LLC
Viper LLC
Weatherby Processing LLC
White Stallion Coal, LLC
Wildcat, LLC
Wildcat Energy LLC
Will Scarlet Properties LLC
Winchester LLC
Winifrede Dock Limited Liability Company
WWMV, LLC
Yankeetown Dock, LLC

***Five Percent and Greater Shareholders and
Beneficial Owners (as of March 15, 2012)***

BlackRock, Inc.
State Street Corporation
The Vanguard Group, Inc.

Significant Business Partners

American Patriot Mining, LLC
RWMV, LLC
Rhino Energy WV LLC

See Significant Suppliers, Shippers,
Warehousemen, Customers and Vendors for list of
agents.

***Attorneys, Professionals and Financial
Advisors (Including Accountants and
Investment Banks)***

Allen Guthrie & Thomas
AlixPartners
Arnold & Porter, LLP
American Stock Transfer & Trust Company,
LLC
AST Fund Solutions, LLC
Banc of America Securities LLC
Bank of America Corporation
Barclays Capital Inc.
Boehl, Stopher & Graves
Bowen Engineering Corp.
Bowles Rice McDavid Graff & Love LLP
Broadridge Financial Solutions, Inc.
Buchanan, Ingersoll & Rooney
Bryan Cave, LLP
CH2M Hill Engineers
Citibank, National Association
Citigroup CIB
Citigroup Global Markets, Inc.
Computershare
Davis Polk & Wardwell LLP
Depository Trust and Clearing Corporation
Dinsmore & Shohl LLP
Duff & Phelps Corporation
Ernst & Young LLP
Equity Methods
FBR Capital Markets & Co.
Ferreri & Fogle
Fifth Third Securities, Inc.
Flaherty, Sensabaugh & Bonasso
GCG Inc.
Georgeson Inc.
Gordon Law Offices, PSC
Greenberg & Traurig
Greensfelder, Hemker & Gale, P.C.
Husch Blackwell
IBM
Jackson Kelly PLLC
Kohn, Shands, Elbert, Gianoulakis & Giljum,
LLP
KPMG LLP
Lewis Glasser Casey & Rollins, PLLC
Mercer
Merrill Lynch
Milliman
Morris, Nichols, Arsht & Tunnell LLP
Natixis Securities Americas LLC

Neal, Gerber & Eisenberg LLP
Ogletree Deakins
Oliver Wyman
PNC Capital Markets, LLC
Protiviti
Robinson & McElwee, PLLC
RR Donnelly
Sandberg Phoenix & Von Gontard P.C.
Santander Investment Securities, Inc.
SG Americas Securities, LLC
Shuman, McCuskey & Slicer, PLLC
Smith Moore Leatherwood LLP
SNR Denton
Sorling, Northrup, Hanna, Cullen & Cochran, Ltd.
Steptoe & Johnson, PLLC
Summit Strategies Group
The Blackstone Group LP
Thompson Coburn
Towers Watson
UBS Investment Bank
Veritas Consulting/Richard Verheij
WebFilings
White & Risse
Wilmington Trust Company
Zenon Environmental Corp d/b/a GE Water
Ziemer, Stayman, Weitzel & Shoulders, LLP

***Significant Financial Institutions (Including
Administrative Agents, Lenders and Equipment
Financing)***

Bank of America, N.A.
Bank of Oklahoma, N.A.
Barclays Bank PLC
Caterpillar Financial Services Corp.
Citigroup Global Markets Inc.
Citicorp North America, Inc.
Comerica
Fifth Third Bank
M&I Bank (Southwest Bank of St Louis)
Natixis, New York Branch
PNC Bank
Raymond James Bank
RZB Bank
Societe Generale (SocGen)
Sovereign Bank
The Private Bank
UBS
United Overseas Bank

Significant Equipment Lessors

AmerCable Incorporated
BancorpSouth Equipment Finance
Bank of America Leasing
Bank of the West
Black Equipment Co, Inc.
BMO Harris Equipment Finance
California First National Bank
Capitalsource Bank
Caterpillar Financial Services Corporation
Cecil I. Walker Machinery Co.
CitiCapital Commercial Leasing Corporation
DBT America Inc.
The Fifth Third Leasing Company
First National Capital Corp.
Fifth Third Bank
First Utah Bank
Flagstar Bank, FSBGelco Corporation DBA
GE Fleet Services
General Electric Capital Corporation
Gibbs Technology Leasing
Hawthorn Bank
The Huntington National Bank
ICON Investments
ICON Magnum, LLC
Joy Technologies Inc.
Key Equipment Finance Inc.
Komatsu Financial Limited Partnership
Macquarie Corporate and Asset Funding, Inc.
Mazuma Capital Corp
Merrill Lynch Capital
Mitel Leasing, Inc.
Motion Industries, Inc.
Nations Fund I, Inc.
PEC Equipment Company, LLC (Peabody)
People's Capital and Leasing Corp.
Prime Alliance Bank
RBS Asset Finance, Inc.
Relco Finance, Inc.
Renaissance Capital Alliance
Republic Bank, Inc.
Rish Equipment Company
Ritchie Bros. Auctioneers (America) Inc.
Rudd Equipment Company
SG Equipment Finance USA Corp
Siemens Financial Services, Inc.
Somerset Capital Group, LTD
United Leasing, Inc.

Wire Rope Industries Ltd.

Significant Landlords and Lessors

ACIN
Alcoa Fuels, Inc.
Alderson Heirs
Allegheny Land
Ark Land KH
Berwind Land Company
BGK –Integrated TIC Management, LLC
Black King
Blue Eagle
Boone East
Boone East Development
CC Dickinson Testamentary Trust
Central WV Energy
Chesapeake Mining
Cole & Crane
Courtney Co.
David Olliver, Agent
Donald Greenwell
Duke Realty
Elk Run
Federal Coal
Gerald Greenwell
Greenbrier Land Co.
Hoover
Hoover LaFollette
Horse Creek Coal Land Co.
Horse Creek Land and Mining
Imperial Coal Company
Jackson Vinson
James M. Greenwell
Johnny Royster
Kay-Ford-JamesLawson Heirs
Lewis Heirs
Little Coal Land Co.
LRPB
LRPB KE
Mariam Peak
Midwest Coal Reserves of Ky., LLC
Miller-Gilman
Mohler Lumber
Mounts & Dannheiser, LLC
Pardee
Payne Gallatin
Penn Virginia f/k/a Penn Virginia Operating Co., LLC
Pocahontas Land
Potter Family, LLC

Potter Grandchildren, LLC
Quincy Center
Rowland Land
Shepard Boone
William H. Shields
Shonk
So. Appalachian
Southern Dickinson
Southern Land Co.
SRIR (Pocahontas Land)
Tennessee Valley Authority
Tommy Long
Ward Heirs
Westvarendrag
WPP LLC

Unions

United Mine Workers of America
Bituminous Coal Operators' Association

Bondholders

Cetus
Pinebridge
Northwestern Mutual
Nuveen
Third Point
Smith Barney
Claren Road
Goldman Sachs

***Letter of Credit and Surety Bond Providers
and Beneficiaries***

Department of Labor
Peabody Energy Corp.

Surety Issuers

ACE American Insurance Company
American Casualty Company of Reading,
Pennsylvania
Aspen American Insurance Company
Aspen Specialty Insurance Company
Argonaut Insurance Company
Chubb Group of Insurance Companies
Chubb Surety
CNA Surety
Continental Casualty Company
Bond Safeguard
Federal Insurance Company

Firemen's Insurance Company of Newark, New
Jersey
HCC Surety Group
Indemnity Insurance Company of North America
Indemnity National Insurance Company
Insurance Company of North America
Lexon
Liberty
National Fire Insurance Company of Hartford
Pacific Employers Insurance Company
Rockwood
St. Paul/Seaboard
St. Paul Fire & Marine
Surety Bonding Company of America
The Continental Insurance Company
Travelers Casualty and Surety Company of
America
US Specialty
Universal Surety Company of America
Westchester Fire Insurance Company
Western Surety Company

Surety Obligees

Henderson County, Kentucky
Illinois Department of Mines and Minerals
Indiana State Agency
Kentucky Dept. for Natural Resources: Division
of Mine Reclamation & Enforcement
Kentucky State Agency
Missouri State Agency
Ohio Department of Natural Resources;
Reclamation Division
West Virginia Department of Natural Resources
West Virginia, Department of Transportation
West Virginia Division of Environmental
Protection
West Virginia State Agency
WV Hwy

Letters of Credit Providers

Bank of America
Fifth Third Bank
PNC

Letters of Credit Beneficiaries

Arch Coal, Inc.
Argonaut Insurance Co
Bond Safeguard/LEXON
CAT Financial Svcs
Clerk of Ct, US Dist Ct for WV
Commonwealth of KY

Commonwealth of PA
Federal Ins Co/CHUBB
First Surety Corp
ILL Workers Comp
Indemnity Natl Ins Co
Ins Commissioner of WV
Kenergy Corp
National Fire Insurance
National Union Fire Ins
Norfolk Southern
Old Republic Insurance
Travelers Casualty
UMWA 1992 Benefit Plan
US Surety Co
Western Surety C.N.A.

Significant Taxing Authorities

Internal Revenue Service
Boone County, WV
Clay County, WV
Commonwealth of Kentucky
Henderson County, KY
Lincoln County, WV
Logan County, WV
Kanawha County, WV
Monongalia County, WV
State of Illinois
State of Indiana
State of Missouri
State of Pennsylvania
State of West Virginia
Union County, KY

Regulatory Agencies (e.g., Department of Interior, Mine Safety Administration, OSHA, and State and Local Regulators)

Environmental Protection Agency
Illinois Department of Natural Resources
Illinois Environmental Protection Agency
Illinois Pollution Control Board
Kentucky Department for Environmental Protection
Kentucky Department for Natural Resources
Kentucky Office of Mine Safety and Licensing
Mine Safety and Health Administration
Occupational Safety and Health Administration
Office of Surface Mining Reclamation and Enforcement

Ohio Department of Natural Resources
Pennsylvania Department of Environmental Protection
U.S. Army Corps of Engineers
U.S. Bureau of Alcohol, Tobacco, and Firearms
U.S. Bureau of Land Management
U.S. Department of Interior
U.S. Department of Labor
West Virginia Department of Environmental Protection
West Virginia Office of Miners' Health Safety & Training

Parties to Significant Litigation

Bridgehouse Capital Limited
Bridgehouse Commodities Trading Limited
Environmental Protection Agency
Keystone Industries, LLC
Sierra Club
Sentrum Holdings Limited
State of Illinois; Illinois Attorney General's Office
State of West Virginia
Ohio Valley Environmental Coalition, Inc.
U.S. Attorney's Office
West Virginia Department of Environmental Protection
West Virginia Highlands Conservancy, Inc.

Significant Suppliers, Shippers, Warehousemen, Customers and Vendors

Alpha Coal Sales Co. LLC
American Electric Power Co., Inc
Anders Williams Resources, Inc.
Appalachian Power Co.
Bayer CropScience LP
Big Rivers Electric Corp.
Blue Cross Blue Shield
Bridgehouse Commodities Trading Limited
Brody Mining, LLC
Carbofer Representacoes Ltda.
Cardinal Operating Company
Caremark
Caterpillar Global Mining America
Cecil I. Walker Machinery Co.
Clay's Trucking
Coal Network Inc.
Constellation Energy Commodities
CSX Transportation, Inc.
Dan River Resources LLC

Dekoven Dock, Incorporated
Drummond Coal Sales, Inc.
DTE Energy Company
Duke Energy Carolinas LLC
Duke Energy Commercial Asset
Management
Duke Energy Kentucky, Inc.
E. On Ag
Eagle Valley, Inc.
East Kentucky Power Cooperative
Eastman Kodak Co.
EDF Trading North America, LLC/EDF
Trading Limited
Emerald International
GenOn Energy Management, LLC
Gerdau Acominas S.A.
Gulf Power Company
Home Oil & Gas
Hunter Trucking
IBM
ILVA Spa
Jennmar Corporation
JMAC Leasing Inc.
Joy Mining Machinery
Kanawha River Terminals, LLC
Kentucky Utilities Co.
Keystone Industries
Komsa Sarl
Long Branch Energy
Louisville Gas and Electric Comp
Magnum Coal Co.
Mercuria Energy Trading, Inc.
Middletown Coke Company, LLC
Mirant Energy Trading, LLC
Monk Mining
Mountain State Carbon, LLC
Neville Island Fuels Company, LLC
Nelson Brothers LLC
Norfolk Southern Railway Company
Owensboro Municipal Utilities
Peabody COALTRADE, LLC
Peabody Energy Corp.
Peabody Terminals, LLC
Penn Virginia Resource Partners, L.P.
Petroleum Products Inc.
Phillips Machine Service Inc.
PPL EnergyPlus, LLC
PPL Generation, LLC
PowerSouth Energy Cooperative
Production Adjustment
Progress Energy Carolinas, Inc.

Raleigh Mine & Industrial Supply
Reiss Viking Division
Relco Finance, Inc.
Rish Equipment
River Trading Company
RWE Trading Americas Inc.
Sandvik Mining and Construction
Selah Corp.
Shenango Inc.
Shinewarm Resources (HK) Group Limited
Southern Company
SunCoke Energy
Tata Steel UK Limited
ThyssenKrupp CSA Siderurgica
Trafigura AG
United Central Industrial Supply
USIMINAS
U.S. Steel Corp.
The Vanguard Group
Vanomet International AG
Veyance Industrial Services
Vitol, Inc.
Webster Trucking
White River Coal Sales, Inc.
Xcoal Energy & Resources
Zug Island Fuels, LLC

See also Significant Landlords and Lessors,
Significant Attorneys, Professionals and Financial
Advisors and Significant Equipment Lessors

Insurers

Brokers

Aon Risk
Marsh USA
Willis of Tennessee

Underwriters

ACE
AIG
Allied World Assurance Company
Allied World National Assurance Company
Arch Specialty
Argo QS
ARISE Inc.
Aspen Bermuda Ltd
Aspen Specialty Insurance Company
Aspen Insurance UK Limited
Axis Insurance (Bermuda) Ltd
Axis Insurance Company

Axis Surplus Insurance Company
Berkley
Chartis
Chubb
CNA
Endurance American Insurance Company
Hartford
Hiscox
Ironshore
Iron-Starr
HCC
Liberty International Underwriters
Liberty Mutual Insurance Europe Limited
MJB Consulting
RSUI
XL
XL UK
XL Specialty
Zurich

United States Trustee's Office

Office of the United States Trustee for the
Districts of New York, Connecticut &
Vermont
Abriano, Victor
Brooks, Catletha
Catapano, Maria
Choy, Danny A.
Crowder, Stephanie B.
Davis, Tracy Hope
Driscoll, Michael
Dub, Elizabeth C.
Felton, Marilyn
Fields, Myrna R.
Gasparini, Elisabetta
Golden, Susan
Khorodovsky, Nazar
Martin, Marylou
Martinez, Anna M.
Masumoto, Brian S.
Mendoza, Ercilia A.
Moroney, Mary V.
Morrissey, Richard C.
Nadkarni, Joseph
Nakano, Serene
Nguyen, Savitri
Porter, Carol A.
Riffkin, Linda A.
Schwartz, Andrea B.
Schwartzberg, Paul K.

Segreto, John
Sharp, Sylvester
Velez-Rivera, Andy
Weston, Jennifer L.
Zipes, Greg M.

Top Five Secured Creditors

BancorpSouth Equipment Finance
Bank of America
Bank of America Leasing
Bank of the West
BMO Harris Equipment Finance Company
Caterpillar Financial Services Corp.
Fifth Third Bank
Fifth Third Leasing Company
General Electric Capital Corp.
Key Equipment Finance Inc.
Komatsu Financial Limited Partnership.
People's Capital & Leasing Corp.
SG Equipment Finance
Siemens Financial Services
Somerset Capital Group, Ltd.
United Leasing, Inc.

Top 50 Unsecured Creditors

AFCO
Allegheny Power
Alley Trucking LLC
Alpha Natural Resources, Inc.
Americable Incorporated
American Electric Power
American Freedom Innovations LLC
Bank of the West
Bentley Badgett II and Linda Badgett
CapitalSource Bank
Caterpillar Global Mining
Cecil I. Walker Machinery Co.
Chisler Brothers Contracting LLC
Chisler Inc.
Coalfield Services Inc.
Cogar Manufacturing Inc.
CSX Transportation Inc.
Dayton Power & Light
Environmine Inc
Fifth Third Leasing Company
Flomin Coal Inc.
GE Capital TMS
I.B.M. Corp.
Industrial Supply Solutions Inc.
J. H. Fletcher & Co.

Jabo Supply Corp
Jennmar Corporation
JMAC Leasing Inc
Joy Mining Machinery
Komatsu Financial Limited Partnership
Logan Corp.
Longwall Associates, Inc.
Mine Equipment & Mill Supply Co.
Monk Mining Supply, Inc.
Nelson Brothers LLC
Penn Virginia Operating Co LLC
Phillips 66 Receivable
Powell Construction Co., Inc.
Raleigh Mine & Industrial
RBS Asset Finance, Inc.
Richard Whiting
Rish Equipment Co.
SGS North America Inc.
Shonk Land Company LLC
Somerset Capital Group, Ltd.
Suncrest Resources LC
United Central Industrial Supply
United Leasing, Inc.
U.S. Bank National Association
Wilmington Trust Company

Utilities

Allegheny Power
American Electric Power
Aquis Communications
AT&T
AT&T Mobility
AT&T Teleconference Services
Buffalo Creek PSD
City of Morganfield
City of Uniontown
Citynet, LLC
Clay-Battelle Public Service District
Dish Network
Dominion Hope
Eldon Gas Company
Fiberlink Communications Corp.
Frontier
Henderson County Water District
Huntington Technology Group Inc.
Kanawha Public Service District
Kenergy Corp.
Kentucky Utilities Co
Lumos Networks Inc
Monongahela Power Company

Mountaineer Gas
Ohio Valley Answering Service
Q Wireless LLC
Rea Energy Cooperative Inc
Republic Services
SouthEastern Illinois Electric
Suddenlink
Tangoe Inc
Telexmax Services
Time Warner Cable
Union County Water District
US Cellular
Valley Falls Public Service Dist
Verizon
Verizon North
Waste Management of WV, Inc.
West Penn Power Company
West Side Telecommunications
West Virginia American Water Co
Windstream

Notice of Appearance Parties

GE Energy and GE International
United States Steel Corporation
Hanson Aggregates Davon, LLC
Dickinson Properties Limited Partnership
Quincy Coal Company
Branch Banking & Trust Company
Union Pacific Railroad Company
Banc of America Leasing & Capital, LLC
Continental Crushing & Conveying, Inc.
UMWA 1993 Benefit Plan & Trust
UMWA Combined Benefit Fund
Icon Capital Corp.
Wayne Supply Company
Westchester Surplus Lines Insurance Company
Illinois Union Insurance Company
Hope Gas, Inc., d/b/a Dominion Hope
Bridgestone Americas Tire Operations, LLC
Patricia Willits, William G. Parrott, Jr., and the
PPW Royalty Trust
SITEX Corporation
Environmental Resources Management
Consulting Company, LLC
Security America, Inc.
Kanawha Scales & Systems, Inc.

*Professionals Representing Any of the Foregoing
in Relation to Patriot*

Cleary, Gottleib, Steen & Hamilton LLP

**PRIVILEGED & CONFIDENTIAL
ATTORNEY - CLIENT PRIVILEGE**

Latham & Watkins LLP
Ogletree, Deakins, Nash, Smoak & Stewart,
P.C.
Weil, Gotshal & Manges

Creditors' Committee Members

Wilmington Trust Company
U.S. National Bank Association, N.A.
United Mine Workers of America
UMWA 1974 Pension Plan and Trust
Gulf Coast Capital Partners, LLC
Cecil Walker Machinery
American Electric Power

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**ORDER AUTHORIZING AND APPROVING THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS' OF PATRIOT COAL CORPORATION, *ET AL.* TO
EMPLOY AND RETAIN COLE, SCHOTZ, MEISEL, FORMAN & LEONARD,
P.A. AS CONFLICTS COUNSEL, EFFECTIVE AUGUST 16, 2012**

Upon the application dated August 28, 2012, (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") for the above-captioned debtors and debtors in possession (collectively, the "Debtors") for an order authorizing and approving the Committee's employment and retention of Cole, Schotz, Meisel, Forman & Leonard, P.A. ("Cole Schotz") as its conflicts counsel in the Debtors' Chapter 11 Cases, pursuant to 11 U.S.C. § 1103 and Fed. R. Bankr. P. 2014; and the Court having considered the Application and the Declaration of Michael D. Warner, Esq., in support thereof (the "Declaration"); and the Court finding that it has jurisdiction over the matters raised in the Application pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having determined that this is a core proceeding pursuant to 28 U.S.C. § 157; and the Court being satisfied that Cole Schotz does not hold or represent any interest adverse to the Debtors, their estates or creditors; and the Court finding that Cole Schotz is a "disinterested" person within the meaning of Sections 327 and 101(14) of the Bankruptcy Code regarding the matters upon which Cole Schotz is being retained; and the Court being further satisfied that said employment would be in the best interests of the Committee, the Debtors' respective estates, their respective creditors and other parties-in-interest; and the Court

finding that proper and adequate notice of the Application has been provided and no other or further notice is required; and for other good cause shown

IT IS HEREBY ORDERED THAT:

1. The Application is granted to the extent provided herein.
2. To the extent that the Application or Declaration is inconsistent with this Order, the terms of this Order shall govern.
3. The Committee is authorized to retain Cole Schotz as its conflicts counsel effective as of August 16, 2012, pursuant to Bankruptcy Code § 1103, and as generally described in the Application and the Declaration, with respect to conflicts and other designated matters.
4. Cole Schotz shall be compensated for fees and reimbursed for reasonable and necessary expenses and will file interim and final fee applications for allowance of its compensation and expenses in accordance with the procedures set forth in 11 U.S.C. §§ 330 and 331, the Bankruptcy Rules, the Local Rules, the Amended Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2011, the Amended Guidelines for Fees and Disbursements of Professionals in the Southern District of New York, dated November 25, 2009, and the United States Trustee Fee Guidelines (collectively, the "Fee Guidelines") and the monthly compensation order, if any.
5. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation and/or interpretation of this Order.
6. Prior to any increases in Cole Schotz's rates, as set forth in paragraph 15 of the Application, Cole Schotz shall file a supplemental affidavit with the Court and provide ten (10) business days' notice to the Debtors, the United States Trustee and any official committee. The supplemental affidavit shall explain the basis for the requested rate increases in accordance with

Section 330(a)(3)(F) of the Bankruptcy Code and state whether the Committee has consented to the rate increase.

7. Cole Schotz shall use its best efforts to avoid inappropriate duplication of services provided by any of the Committee's other retained professionals in these Chapter 11 Cases.

8. Where Kramer Levin or the Committee's other counsel, to the extent retained, determines that an actual or potential conflict of interest exists, and that such matters should appropriately be handled by Cole Schotz, Cole Schotz shall provide timely disclosures identifying such matters. The timeliness of a disclosure pursuant to the foregoing will be assessed based on the facts and circumstances of each particular matter, including whether disclosure would reveal privileged information or hinder or compromise Cole Schotz's ability to discharge its duties and perform its responsibilities with respect to representing the Committee in these Chapter 11 Cases. Timeliness shall be as soon as is reasonably practicable under the circumstances.

9. Should the Committee prior to confirmation of a plan of reorganization seek to expand the role of Cole Schotz beyond conflicts matters (for example, matters where the Committee, Kramer Levin, or other counsel to the Committee may determine that the use of Cole Schotz is more cost effective or where the Committee, Kramer Levin or other counsel to the Committee otherwise specifically ask Cole Schotz to act), Cole Schotz will file with this Court a notice of expanded role, including a description of such expanded services, and serve such notice and description on (a) the U.S. Trustee, (b) the Debtors, and (c) any other official Committee(s) appointed in these Chapter 11 Cases. All parties shall have seven (7) days from the date of such notice to object to such expanded role.

10. Cole Schotz shall not withdraw as the Committee's counsel prior to the effective date of any chapter 11 plan confirmed in these chapter 11 cases without prior approval of the Court in accordance with Local Bankruptcy Rule 2090-1(e).

11. The terms and conditions of this Order shall be immediately effective and enforceable upon entry.

Dated: _____, 2012

THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE