

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

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In re: )  
 ) Chapter 11  
PATRIOT COAL CORPORATION, *et al.*, ) Case No. 12-51502-659  
 ) (Jointly Administered)  
 Debtors. )  
 ) Re: Docket No.4460  
 )  
 ) Hearing Date:  
 ) August 20, 2013 (10:00 a.m. CT)  
 )  
 )  
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**RESPONSE OF U.S. BANK NATIONAL ASSOCIATION, AS INDENTURE TRUSTEE, TO DEBTORS' MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. §§ 363(B), 1113, 1114(E) AND 105(A) AND FED. R. BANKR. P. 9019(A) AUTHORIZING ENTRY INTO NEW COLLECTIVE BARGAINING AGREEMENTS AND MEMORANDUM OF UNDERSTANDING WITH THE UNITED MINE WORKERS OF AMERICA**

U.S. Bank National Association, as indenture trustee (the "Trustee") with respect to the 3.25% Convertible Senior Notes due 2013 in the aggregate principal amount of \$200,000,000 (the "Notes"), issued pursuant to that certain Indenture, dated as of May 28, 2008, between Patriot Coal Corporation and the Trustee, in response to the Notice and Motion of the Debtors for Entry of an Order Pursuant to 11 U.S.C. §§ 363(b), 1113, 1114(e) and 105(a) and Fed. R. Bankr. P. 9019(a) Authorizing Entry Into New Collective Bargaining Agreements and Memorandum of Understanding with the United Mine Workers of America (the "**1113/1114 Settlement Motion**") respectfully states as follows:

**PRELIMINARY STATEMENT**

1. On March 14, 2013, the Debtors filed a Motion to Reject Collective Bargaining Agreements and to Modify Retiree Benefits Pursuant to 11 U.S.C. §§ 1113, 1114 of the Bankruptcy Code (the "**1113/1114 Motion**"). [ECF No. 3214]

2. On April 12, 2013, the Trustee filed a Limited Objection of U.S. Bank National Association, As Indenture Trustee, To Debtors' Motion To Reject Collective Bargaining Agreements And To Modify Retiree Benefits Pursuant To 11 U.S.C. §§ 1113, 1114 of the Bankruptcy Code (the "**Limited Objection**"). [ECF No. 3605] The Limited Objection and the statements made by counsel to the Trustee at the hearing on the 1113/1114 Motion expressly stated that the Trustee did not take a position on the 1113/1114 Motion, except to the extent the 1113/1114 Motion requested an order that would constitute a *sub rosa* plan of reorganization, including any binding decisions on the substantive consolidation or non-consolidation of the Debtors' estates or allowance or disallowance of intercompany claims.

3. The Trustee supports a consensual resolution of the 1113/1114 Motion as an effort that presumably will move these bankruptcy cases forward. However, the Trustee takes no position on the substance of the 1113/1114 Settlement Motion and the issues raised therein. The Trustee files this response to renew its consistent position that to the extent that any order on the relief requested in the 1113/1114 Settlement Motion should avoid directly or indirectly any ruling on the substantive consolidation or non-consolidation of the Debtors' estates or the allowance or disallowance of intercompany claims. Any such determinations should be made by this Court only after appropriate disclosure to and an opportunity to be heard from all creditors of these estates, including the holders of the Notes, under the safeguards of a confirmation process pursuant to sections 1125, 1126, 1129 and other applicable provisions of the Bankruptcy Code. Therefore, the Trustee respectfully requests that the Court refrain from entering any order on the 1113/1114 Settlement Motion that has a preclusive effect on the substantive consolidation or non-consolidation of the Debtors estates, the allowance or disallowance of intercompany claims,

or other plan of reorganization issues. With respect to all other issues raised in the 1113/1114 Settlement Motion, the Trustee takes no position.

Dated: August 16, 2013

/s/ Eric Lopez Schnabel  
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**CERTIFICATE OF SERVICE**

I certify that on August 16, 2013, I caused a copy of the foregoing pleading to be served through the Court's CM/ECF system on those parties receiving ECF notices in these proceedings.

/s/ Eric Lopez Schnabel  
Eric Lopez Schnabel  
(Admitted Pro Hac Vice)