

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

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

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

Hearing Date: July 23, 2013
Related to Docket No. 4181

**STIPULATION AND ORDER REGARDING
DISALLOWANCE OF CLAIMS OF HAWTHORN BANK**

Patriot Coal Corporation and its subsidiaries that are debtors in these jointly-administered cases (collectively, the “Debtors”) and Hawthorn Bank (the “Lender”) hereby stipulate and agree as follows.

1. On June 20, 2013, the Debtors filed their Fifth Omnibus Objection to Claims (Wrong Debtor or Otherwise Inconsistent with Books and Records) [Docket No. 4181] (the “Objection”). Capitalized terms not defined herein have the meanings set forth in the Objection.

2. In the Objection, the Debtors proposed to disallow Claim Nos. 26, 27, 28, 30, 31, and 3965 (GCG Claim Nos. 22, 23, 24, 26, 27, and 3988), which were filed by the Lender (the “Lender Claims”), on the ground that the underlying obligations were owed to Somerset Capital Group, Ltd. (the “Lessor”).

3. The Lender has a security interest in, and a collateral assignment of, certain leases and associated schedules between the Lessor and the Debtors, as well as the equipment leased thereunder.

4. The Lessor has filed proofs of claim in these cases relating to the transactions underlying the Lender Claims (collectively, the “Lessor Claims”).

5. The Lessor is not presently in default of its obligations to the Lender, and thus the Lender does not presently have a right to payment by, or a claim (as defined in Section 101(5) of the Bankruptcy Code) against, the Debtors.

6. The Objection is SUSTAINED as to the Lender Claims. Nothing in this Stipulation affects any other claims referenced in the Objection or the Lessor Claims.

7. Notwithstanding the foregoing, if and to the extent that the Lender exercises remedies against the Lessor in connection with the transactions underlying the Lender Claims and thereby obtains a right to payment by the Debtors, and the Lender is unable to cause the Lessor Claims to be assigned to the Lender, the Lender shall have the right to file one or more proofs of claim for the then-current amounts owed by the Debtors to the Lender (the "Re-filed Claims"). The Re-filed Claims shall be deemed timely notwithstanding the passage of the deadline for filing proofs of claim pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(3). The Lender shall not oppose the disallowance of the Lessor Claims if and to the extent that it files Re-filed Claims.

8. The parties reserve their respective rights with respect to the validity and amount of the Lessor Claims and any Re-filed Claims.


KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: August 21, 2013
St. Louis, Missouri
jjh

STIPULATED AND AGREED TO
THIS 2nd DAY OF AUGUST, 2013:

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