

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re

PATRIOT COAL CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 12-51502-659

(Jointly Administered)

Re: Docket No. 4428, 4429

**ORDER AUTHORIZING THE EMPLOYMENT OF DUFF & PHELPS, LLC AS
VALUATION SERVICES PROVIDER FOR THE DEBTORS FOR THE DEBTORS
NUNC PRO TUNC TO JULY 11, 2013**

Upon the application (the “**Application**”)² of Patriot Coal Corporation and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the “**Debtors**”), pursuant to sections 327(a) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2014 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Eastern District of Missouri (the “**Local Rules**”), for authorization to employ and retain Duff & Phelps, LLC (“**Duff & Phelps**”) as valuation services provider for the Debtors *nunc pro tunc* to July 11, 2013 (the “**Effective Date**”) and to compensate Duff & Phelps, pursuant to the terms set forth in the Application; and upon the Declaration and Supplemental Declaration of Edward Lee submitted in support of the Application (collectively, the “**Declarations**”); and the Court being satisfied, based on the representations made in the Application and the Declarations, that, as required by section 327(a) of the Bankruptcy Code and

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

² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Application.

Bankruptcy Rule 5002, Duff & Phelps and its professionals neither hold nor represent any interest adverse to the Debtors or their estates; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Application and the requested relief being a core proceeding that the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided, and it appearing that no other or further notice need be provided; and the relief requested in the Application being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Application; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Application is approved, to the extent provided herein, as of the Effective Date; and it is further

ORDERED that the Motion to Expedite Hearing is Granted; and it is further

ORDERED that the Debtors are hereby authorized to employ and retain Duff & Phelps as valuation services provider in the Debtors' Chapter 11 cases as of the Effective Date, all as contemplated by the Application and on the terms provided in the Application and the Declarations; and it is further

ORDERED that Duff & Phelps is authorized to render the following professional services set forth in the Engagement Letters, including:

- a. the estimation of the Fair Value and remaining useful life of certain assets and liabilities for the purposes of fresh start accounting, as defined by the Engagement Letter; and

b. the estimation of i) the value of the PP&E and Mineral Interests (as defined in the Engagement Letter) assuming that each asset was to be liquidated individually through an orderly liquidation scenario and ii) the value of the PP&E Mineral Interests, Surface Land, and Inventory (as defined the Engagement Letter) assuming that each asset was to be liquidated individually through a distressed liquidation Scenario; and it is further

ORDERED that, for services rendered and reimbursement of expenses incurred from and after the Effective Date, Duff & Phelps shall be compensated and will file interim and final fee applications for the allowance of compensation in accordance with, sections 330 and 331 of the Bankruptcy Code, applicable Bankruptcy Rules, Local Rules, the United States Trustee Guidelines, the Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals entered on August 2, 2012 [ECF No. 262], and any applicable orders of this Court (collectively, the “**Fee Guidelines**”); and it is further

ORDERED that ten business days’ notice must be provided by Duff & Phelps to the Debtors, the United States Trustee and any official committee appointed in these Chapter 11 cases prior to any increases in the hourly rates set forth in the Declarations, and such notice must be filed with the Court; and it is further

ORDERED that, notwithstanding anything in the Engagement Letters or the Application to the contrary, any future amendment or modification to the Debtors’ engagement of Duff & Phelps shall take effect after fourteen (14) days’ notice of such proposed amendment or modification (signed by the Debtors and Duff & Phelps) filed and served in accordance with the Case Management Order. If no objection is properly filed and served in accordance with the Case Management Order within the fourteen (14)-day notice period, the proposed amendments or modifications shall take effect without any further notice, hearing or requirement for an order of the Court. If an objection is properly filed and served in accordance within the Case Management Order within the fourteen (14)-day notice period, the matter shall be scheduled for the next omnibus hearing date. Notwithstanding the foregoing, nothing in this order shall affect the Debtors’ ability to remove work from the scope of Duff & Phelps’ employment in its judgment; and it is further

ORDERED that Duff & Phelps shall use reasonable efforts to avoid any inappropriate duplication of services provided by any of the Debtors’ other retained professionals in these chapter 11 cases; and it is further

ORDERED that the relief granted herein shall be binding upon any Chapter 11 trustee appointed in any of these Chapter 11 cases, or upon any Chapter 7 trustee appointed in the event of a subsequent conversion of any of these Chapter 11 cases to cases under Chapter 7; and it is further

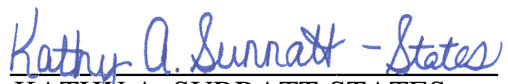
ORDERED that to the extent that there may be any inconsistency between the terms of the Application or the Declarations and this Order, the terms of this Order shall govern; and it is further

ORDERED that the Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order; and it is further

ORDERED that, notwithstanding the applicability of any Bankruptcy Rule or Local Rule, this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order; and it is further

ORDERED that proper, timely, adequate and sufficient notice of the Application has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, and no other or further notice of the Application or the entry of this Order shall be required.


KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

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

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