

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

In re

PATRIOT COAL CORPORATION, *et al.*,

Debtors.

Chapter 11

Case No. 12-51502-659

(Jointly Administered)

**APPLICATION FOR EXPANSION OF EMPLOYMENT DUFF & PHELPS, LLC TO  
INCLUDE NEW DEBTORS; DISCLOSURE OF COMPENSATION OF VALUATION  
SERVICES PROVIDERS FOR THE DEBTORS; SECOND SUPPLEMENTAL  
DECLARATION OF EDWARD LEE IN SUPPORT OF APPLICATION OF THE  
DEBTORS TO EMPLOY AND RETAIN DUFF & PHELPS, LLC AS VALUATION  
SERVICES PROVIDER FOR THE DEBTORS**

I, Edward Lee, hereby declare under penalty of perjury:

1. I am a Managing Director in the financial services firm of Duff & Phelps, LLC (“**Duff & Phelps**”). I am duly authorized to make this second supplemental declaration (the “**Second Supplemental Declaration**”) on behalf of Duff & Phelps.

2. I submit this Second Supplemental Declaration, pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014 and Local Rule 2014, in further support of the *Application of the Debtors for Authority to Employ and Retain Duff & Phelps, LLC as Valuation Services Provider for the Debtors Effective July 11, 2013* [Docket No. 4428] (the “**Application**”).<sup>1</sup> This Second Supplemental Declaration updates and supplements the Declaration of Edward Lee dated July 31, 2013 that was contained in the Application and the Supplemental Declaration of Edward Lee dated August 7, 2013 (the “**Prior Declarations**”).

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings set forth in the Application.

3. Unless otherwise stated in this Supplemental Declaration, I have personal knowledge of the facts set forth herein and, if called as a witness, I would testify thereto.

4. Since the filing of Prior Declarations, Duff & Phelps has been engaged by Brody Mining, LLC and Patriot Ventures LLC (the "New Debtors"), which commenced Chapter 11 cases on September 23, 2013 (the "New Debtors' Petition Date"). In connection with that engagement, I have caused to be conducted a search of Duff & Phelps' conflict-check system in respect of a list provided to me by the Debtors of the principal parties in interest in the New Debtors Chapter 11 cases, which are listed on Exhibit A hereto. Duff & Phelps' conflict-check system is described in further detail in my declaration that was attached to the Application.

5. The search described above revealed the connections found in Exhibit B.

6. To the best of my knowledge, information, and belief, neither Duff & Phelps nor any professional associated with Duff & Phelps:

(a) is a creditor, an equity security holder, or an insider of the New Debtors;

(b) is or has been, within two years before the New Debtors' Petition Date, a director, officer, or employee of the New Debtors; or

(c) has an interest materially adverse to the interest of the New Debtors' estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in the New Debtors, or for any other reason.

7. Duff & Phelps did not receive any compensation within one year before the filing of the New Debtors' cases that was specifically related to services rendered or to be rendered in contemplation of or in connection with the New Debtors' cases. However, certain payments received by Duff & Phelps from the other Debtors in accordance with the regular compensation procedures established in the Debtors' cases may have related generally to services rendered in

connection with the preparation of papers in advance of the commencement of the New Debtors' cases. To the extent that Duff & Phelps had accrued fees and expenses relating to such services as of the New Debtors' Petition Date, Duff & Phelps considers them to be obligations of the other Debtors, which, in their capacity as owners and affiliates of the New Debtors, requested Duff & Phelps to provide such services.

8. There is no agreement of any nature as to the sharing of any compensation to be paid to Duff & Phelps, other than sharing among the professionals of Duff & Phelps. No promises have been received by Duff & Phelps nor any professional thereof as to compensation in connection with these cases, other than in accordance with the provisions of the Bankruptcy Code.

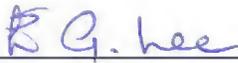
9. Except as disclosed in Exhibit B, I do not believe that there is any other connection (as such term is used in Federal Rule of Bankruptcy Procedure 2014(a)) between Duff & Phelps and the New Debtors, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed by the Office of the United States Trustee.

10. On behalf of Duff & Phelps, I request that the Court's Order Authorizing the Employment of Duff & Phelps, LLC as Valuation Services Provider for the Debtors [Docket No. 4499] be modified to include Duff & Phelps' representation of the New Debtors.

11. The facts in this Declaration are stated to the best of my knowledge, information, and belief, my personal knowledge of Duff & Phelps' practices and representation of the Debtors, information learned from my review of relevant documents and/or information supplied to me by other members and employees of Duff & Phelps and the results of searches of Duff &

Phelps' conflict-check database, which system is described in greater detail in the Prior  
Declarations.

I declare under penalty of perjury that the foregoing is true and correct to the best of my  
knowledge, information, and belief, and that this Declaration was executed on October 8<sup>th</sup>, 2013.

  
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Edward Lee

**EXHIBIT A**

**Principal Parties in Interest**

**New Debtors**

Brody Mining, LLC  
Patriot Ventures LLC

**Officers and Directors**

Charles A. Ebetino, Jr.  
Jacquelyn A. Jones  
Robert L. Mead

**Subsidiaries**

Rhino Eastern JV Holding Company LLC  
WWMV JV Holding Company LLC

**Former Officers, Directors, and Affiliates**

Joseph W. Bean  
The Brody Trust  
Anthony Cline  
Clayton Cline  
John E. Lushefski  
Danny Robinette  
Brian Rowe  
Mark N. Schroeder

**Secured Creditors**

Bank of America, N.A.  
Citibank, N.A.

**Largest Unsecured Creditors**

Analabs, Inc.  
Industrial Design Products, Inc.  
Mine Safety & Health Administration  
United Bank, Inc.  
Wilmington Trust Company

**Former Joint-Venture Parties**

American Patriot Mining, LLC  
Ralph L. Ballard, III  
Shawn P. George  
Andrew A. Payne, III  
James K.T. Payne  
Rhino Eastern LLC  
Rhino Energy WV LLC  
RWMV, LLC  
White Stallion Coal LLC  
WWMV, LLC

**Significant Taxing Authorities**

Internal Revenue Service  
State of West Virginia

[Note: the highlighted parties are included in the most recent list of parties in interest compiled by Davis Polk and may have been searched already by professionals]

**EXHIBIT B**

Conflict Check Results

Duff & Phelps has active engagements with the following entities (or a related entity):

<b>Party Name</b>	<b>Role in Case</b>
Citibank, N.A. Internal Revenue Service	Secured Creditors Significant Taxing Authorities

Duff and Phelps has recent (within the last 3 years) client relationships with the following entities (or a related entity):

<b>Party Name</b>	<b>Role in Case</b>
Bank of America, N.A.	Secured Creditors
Citibank, N.A.	Secured Creditors
Wilmington Trust Company	Largest Unsecured Creditors
Internal Revenue Service	Significant Taxing Authorities