

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

Oct 10, 2013

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

In re

PATRIOT COAL CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 12-51502-659

(Jointly Administered)

**DEBTORS' MOTION TO SHORTEN THE NOTICE PERIOD FOR THE
HEARING ON THE DEBTORS' DISCLOSURE STATEMENT**

Patriot Coal Corporation and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the “**Debtors**”), hereby file this motion (the “**Motion to Shorten**”), by and through their undersigned counsel, pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and 11 U.S.C. § 105(a), to shorten the notice period for the hearing on the *Disclosure Statement for Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* (the “**Disclosure Statement**”), filed with respect to the *Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* (the “**First Amended Plan**”), each filed contemporaneously with this Motion to Shorten, and requiring that any objections to the Disclosure Statement be filed and served in accordance with the Case Management Order (as defined below) no later than October 30, 2013 at 4:00 p.m. (prevailing Central Time) (the “**Objection Deadline**”).

¹ The Debtors are the entities listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

BACKGROUND AND JURISDICTION

1. On July 9, 2012 (the “**Petition Date**”), each Debtor other than Brody Mining, LLC and Patriot Ventures LLC (collectively, the “**Initial Debtors**”) commenced with the United States Bankruptcy Court for the Southern District of New York (the “**SDNY Bankruptcy Court**”) a voluntary case under chapter 11 of the Bankruptcy Code. On December 19, 2012, the SDNY Bankruptcy Court entered an order transferring the Initial Debtors’ chapter 11 cases to this Court (the “**Transfer Order**”) [ECF No. 1789].² Subsequently, Brody Mining, LLC and Patriot Ventures LLC (together, the “**New Debtors**”) each commenced its chapter 11 case by filing a petition for voluntary relief with this Court on September 23, 2013. The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Initial Debtors’ cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and the Joint Administration Order entered on July 10, 2012 [ECF No. 30], and the New Debtors’ cases are being jointly administered with the Debtors’ cases pursuant to Bankruptcy Rule 1015(b) and the *Order Directing Joint Administration of Chapter 11 Cases* entered by this Court on September 27, 2013 in each of the New Debtors’ chapter 11 cases.

2. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and may be heard and determined by this Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

² Pursuant to the Transfer Order, all orders previously entered in these chapter 11 cases remain in full force and effect in accordance with their terms notwithstanding the transfer of venue.

BASIS FOR RELIEF

3. Bankruptcy Rule 2002(b) provides, in relevant part, that a debtor shall give “all creditors . . . not less than 28 days’ notice by mail of the time fixed . . . for filing objections and the hearing to consider approval of a disclosure statement.” Bankruptcy Rule 9006(c), however, further provides that “when an act is required to be done at or within a specified time by these rules . . . the court for cause shown may in its discretion with or without motion or notice order the period reduced.” Bankruptcy Rule 9006(c)(2) specifies certain time periods that may not be reduced, but the periods related to disclosure statement hearings and related objections, as governed by Bankruptcy Rule 2002(b), are not among those so restricted. *See In re Holland*, 85 B.R. 735 (Bankr. W.D. Tex. 1988) (discussing interplay of Bankruptcy Rules 2002(b) and 9006 and shortening notice period for hearing on adequacy of debtor’s disclosure statement to 15 days); *see also In re Landmark Plaza Ltd. P’ship*, 167 B.R. 752 (Bankr. D. Conn. 1994) (approving shortened notice periods for hearing on adequacy of creditor’s disclosure statement and rival plan to 24 days from the date motion requesting same was filed.)

4. On September 6, 2013, the Debtors filed the *Joint Chapter 11 Plan of Reorganization* (the “**Initial Plan**”). Following the filing of the Initial Plan, the Debtors continued to engage in discussions with potential investors regarding a potential transaction that would provide hundreds of millions of dollars of emergence financing for the Estates.³ The Debtors also continued their negotiations with the UMWA, Arch Coal, Inc. and Peabody Energy Corporation in an attempt to reach global settlements with these

³ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the First Amended Plan.

parties and resolve the risks and uncertainties created by the parties' ongoing litigation, provide necessary liquidity to the Debtors, and provide funding to the UMWA VEBA. As described more fully in the Disclosure Statement, the results of these extensive efforts are reflected in (i) a commitment by certain funds and accounts managed and/or advised by Knighthood Capital Management, LLC to backstop two rights offerings, (ii) a global settlement among the Debtors, the UMWA and Peabody and (iii) a global settlement between the Debtors and Arch. The foregoing transactions are the cornerstones of the First Amended Plan, which the Debtors believe provides substantially greater value to the Estates and a more expeditious emergence from chapter 11 than any other alternative.

5. The Court has scheduled a hearing to approve the Disclosure Statement on November 6, 2013, and the Debtors believe that delaying the hearing on the Disclosure Statement to a later date would cause undue delay and jeopardize the Debtors' ability to emerge from chapter 11. The Debtors negotiated the terms of the rights offerings described above up until the filing of the Disclosure Statement and believe that it would have been impracticable to have filed the Disclosure Statement at an earlier time so as to provide the full twenty-eight (28) days' notice of the Objection Deadline.

6. Shortening the objection period in respect of the Disclosure Statement to not less than twenty-one (21) days will help to limit the Debtors' time remaining in chapter 11 and maximize the value of their estates. For these reasons, cause exists to shorten the notice period regarding the Disclosure Statement.

7. The Debtors submit that no party in interest in these cases will be prejudiced by shortening the otherwise applicable objection period. Under the scheduling proposed by the Debtors, parties will still be given twenty-one (21) days to file objections

to the Disclosure Statement, and the hearing will be twenty-eight (28) days after the Disclosure Statement is filed. Accordingly, cause exists to grant the expedited relief requested herein.

NOTICE

8. Consistent with the Court's Order Establishing Certain Notice, Case Management and Administrative Procedures [ECF No. 3361], the Debtors will serve notice of this motion on the Core Parties. All parties who have requested electronic notice of filings in these cases through the Court's ECF system will automatically receive notice of this Motion through the ECF system no later than the day after its filing with the Court. A copy of this Motion to Shorten and any order approving it will also be made available on the Debtors' Case Information Website (located at www.patriotcaseinfo.com).

WHEREFORE, for the reasons set forth above, the Debtors respectfully request an order approving this Motion to Shorten.

Dated: October 9, 2013
New York, New York

Respectfully submitted,

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SCHEDULE 1
(Debtor Entities)

1. Affinity Mining Company
2. Apogee Coal Company, LLC
3. Appalachia Mine Services, LLC
4. Beaver Dam Coal Company, LLC
5. Big Eagle, LLC
6. Big Eagle Rail, LLC
7. Black Stallion Coal Company, LLC
8. Black Walnut Coal Company
9. Bluegrass Mine Services, LLC
10. Brody Mining, LLC
11. Brook Trout Coal, LLC
12. Catenary Coal Company, LLC
13. Central States Coal Reserves of Kentucky, LLC
14. Charles Coal Company, LLC
15. Cleaton Coal Company
16. Coal Clean LLC
17. Coal Properties, LLC
18. Coal Reserve Holding Limited Liability Company No. 2
19. Colony Bay Coal Company
20. Cook Mountain Coal Company, LLC
21. Corydon Resources LLC
22. Coventry Mining Services, LLC
23. Coyote Coal Company LLC
24. Cub Branch Coal Company LLC
25. Dakota LLC
26. Day LLC
27. Dixon Mining Company, LLC
28. Dodge Hill Holding JV, LLC
29. Dodge Hill Mining Company, LLC
30. Dodge Hill of Kentucky, LLC
31. EACC Camps, Inc.
32. Eastern Associated Coal, LLC
33. Eastern Coal Company, LLC
34. Eastern Royalty, LLC
35. Emerald Processing, L.L.C.
36. Gateway Eagle Coal Company, LLC
37. Grand Eagle Mining, LLC
38. Heritage Coal Company LLC
39. Highland Mining Company, LLC
40. Hillside Mining Company
41. Hobet Mining, LLC
42. Indian Hill Company LLC
43. Infinity Coal Sales, LLC
44. Interior Holdings, LLC
45. IO Coal LLC
46. Jarrell's Branch Coal Company
47. Jupiter Holdings LLC
48. Kanawha Eagle Coal, LLC
49. Kanawha River Ventures I, LLC
50. Kanawha River Ventures II, LLC
51. Kanawha River Ventures III, LLC
52. KE Ventures LLC
53. Little Creek LLC
54. Logan Fork Coal Company
55. Magnum Coal Company LLC
56. Magnum Coal Sales LLC
57. Martinka Coal Company, LLC
58. Midland Trail Energy LLC
59. Midwest Coal Resources II, LLC
60. Mountain View Coal Company, LLC
61. New Trout Coal Holdings II, LLC
62. Newtown Energy, Inc.
63. North Page Coal Corp.
64. Ohio County Coal Company, LLC
65. Panther LLC
66. Patriot Beaver Dam Holdings, LLC
67. Patriot Coal Company, L.P.
68. Patriot Coal Corporation
69. Patriot Coal Sales LLC
70. Patriot Coal Services LLC
71. Patriot Leasing Company LLC
72. Patriot Midwest Holdings, LLC
73. Patriot Reserve Holdings, LLC
74. Patriot Trading LLC
75. Patriot Ventures LLC
76. PCX Enterprises, Inc.
77. Pine Ridge Coal Company, LLC
78. Pond Creek Land Resources, LLC
79. Pond Fork Processing LLC
80. Remington Holdings LLC
81. Remington II LLC
82. Remington LLC
83. Rivers Edge Mining, Inc.
84. Robin Land Company, LLC
85. Sentry Mining, LLC
86. Snowberry Land Company
87. Speed Mining LLC
88. Sterling Smokeless Coal Company, LLC
89. TC Sales Company, LLC
90. The Presidents Energy Company LLC
91. Thunderhill Coal LLC
92. Trout Coal Holdings, LLC
93. Union County Coal Co., LLC
94. Viper LLC
95. Weatherby Processing LLC
96. Wildcat Energy LLC
97. Wildcat, LLC
98. Will Scarlet Properties LLC
99. Winchester LLC
100. Winifrede Dock Limited Liability Company
101. Yankeetown Dock, LLC