

**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: March 25, 2014

Hearing Time: 10:00 a.m. Central

Location: Courtroom 7-N, St. Louis

**REORGANIZED DEBTORS' OBJECTION TO
CLAIMS OF BRIDGESTONE AMERICAS TIRE OPERATIONS LLC**

Patriot Coal Corporation and its affiliates (the "Debtors" or the "Reorganized Debtors"), pursuant to 11 U.S.C. § 502 and Fed. R. Bankr. P. 3007, respectfully file this Objection to Claims of Bridgestone Americas Tire Operations LLC (the "Objection"). In support of this Objection, the Reorganized Debtors show the Court as follows:

Relief Requested

1. By this Objection, the Reorganized Debtors object to certain claims listed on Exhibit A attached hereto (the "Claims") because the Claims do not accurately reflect the amounts and priorities of the Debtors' remaining obligations to Bridgestone Americas Tire Operations LLC ("Bridgestone"). The Reorganized Debtors request entry of an order, pursuant to Section 502 of the Bankruptcy Code and Fed. R. Bankr. P. 3007, disallowing and/or modifying the Claims as indicated in the "Modified Amount and Classification" column of Exhibit A.

2. Exhibit A includes one item that is highlighted in gray. This Objection is not directed to that liability, which arises from a proof of claim filed by Bridgestone that was

satisfied upon the Debtors' assumption of an executory contract and payment of the associated cure amount. As provided in Section 9.8(b) of the Plan, this liability has been deemed disallowed in the claims register as having been paid. This item is not included within the defined term "Claims." It is included on Exhibit A for informational purposes only.

3. Any response to this Objection should include, among other things, (i) an appropriate caption, including the title and date of this Objection; (ii) the name of the claimant, both the EDMO and GCG claim numbers of the claim that the Reorganized Debtors are seeking to disallow, and a description of the basis for the amount claimed; (iii) a concise statement setting forth the reasons why the Court should not sustain this Objection, including, but not limited to, the specific factual and legal bases upon which the claimant relies in opposing this Objection; (iv) copies of any documentation and other evidence which the claimant will rely upon in opposing this Objection at a hearing; and (v) the name, address, telephone number and facsimile number of a person authorized to reconcile, settle or otherwise resolve the claim on the claimant's behalf. A claimant that cannot timely provide such documentation and other evidence should provide a detailed explanation as to why it is not possible to timely provide such documentation and other evidence.

Jurisdiction

4. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334. Venue of this proceeding is proper pursuant to 28 U.S.C. § 1409. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

5. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

6. Ninety-nine of the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code on July 9, 2012 in the United States Bankruptcy Court for the Southern District of New York.

7. On December 19, 2012, these Debtors' cases were transferred to the United States Bankruptcy Court for the Eastern District of Missouri [Dkt. No. 1789].

8. The bar date for filing proofs of claim against these Debtors was December 14, 2012 [Dkt. No. 1388].

9. On March 1, 2013, the Court entered its Order Establishing Procedures for Claims Objections [Dkt. No. 3021].

10. Debtors Brody Mining, LLC and Patriot Ventures LLC filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code on September 23, 2013 in this Court. The bar date for filing proofs of claim against these Debtors was October 24, 2013.

11. On December 17, 2013, the Court confirmed the Debtors' Fourth Amended Plan of Reorganization (the "Plan") [Dkt. No. 5169]. The Effective Date occurred on December 18, 2013.

Objection and Argument

12. The Reorganized Debtors object to the Claims identified on Exhibit A, incorporated herein by reference, because the Claims do not accurately reflect the Debtors' remaining obligations to Bridgestone.

13. The Reorganized Debtors have reviewed each of the obligations listed on Exhibit A in an effort to ascertain their validity. Following a review of their books and records relating

to the Claims, the Reorganized Debtors have determined that their unpaid liabilities to Bridgestone are as shown in the “Modified Amount and Classification” column of Exhibit A. In particular, these columns reflect the correct priority and amount (if any) owed with respect to each of the Claims.

14. Bridgestone filed all of the Claims as secured claims, alleging unspecified rights of setoff. The Reorganized Debtors are unaware of any amounts owed by Bridgestone to the Debtors that could give rise to setoff and thus request that the Claims be reclassified as general unsecured claims. *See* Declaration of Robert L. Mead, attached hereto as Exhibit B.

15. The Reorganized Debtors also request that E.D. Mo. Claim Nos. 201-1 and 204-1 (GCG Claim Nos. 197 and 200) be reduced, as shown on Exhibit A, to reflect the fact that portions of each of these Claims arose under an executory contract that was assumed (and the associated cure amount paid) upon confirmation of the Plan. The remaining amounts of these Claims do not relate to assumed executory contracts. *See id.*

16. In addition, the Reorganized Debtors request that E.D. Mo. Claim No. 205-1 (GCG Claim No. 201) be disallowed. This Claim has been asserted against Patriot Coal Corporation, which is liable only for obligations under the assumed executory contracts described above. Patriot Coal Corporation is not liable for the unpaid amounts owed to Bridgestone, which arise under separate agreements with Bridgestone’s GCR Tire Centers division that have not been assumed. *See id.* Because all amounts for which Patriot Coal Corporation is liable have been paid in full by the principal obligors, this Claim should be disallowed.

17. E.D. Mo. Claim No. 203-1 (GCG Claim No. 199) is one of the claims included in the Reorganized Debtors’ Twenty-Sixth Omnibus Objection to Claims [Dkt. No. 5201]. The

Reorganized Debtors will withdraw that objection as to that claim, without prejudice, so that all issues relating to Bridgestone may be addressed simultaneously.

WHEREFORE, the Reorganized Debtors respectfully request that this Court:

- (a) disallow and/or modify the Claims, as indicated on Exhibit A; and
- (b) grant such other and further relief as is just and proper.

Dated: February 21, 2014
St. Louis, Missouri

Respectfully submitted,
BRYAN CAVE LLP

/s/ Brian C. Walsh
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Local Counsel to the Reorganized Debtors

-and-

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Counsel to the Reorganized Debtors

Exhibit A

Objection to Claims

**Patriot Coal Corporation
12-51502 (KSS)**

Note: Claims on the exhibit are sorted in alphabetical order based on the creditor name as listed on proof of claim form.

| SEQ NO. | CLAIM(S) TO BE MODIFIED | | | MODIFIED AMOUNT AND CLASSIFICATION | |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------|--------------------------------------------------|--------------------------------------------|
| | NAME | GCG CLAIM NO. | ED MO CLAIM NO. | | |
| 1 | BRIDGESTONE AMERICAS TIRE OPERATIONS LLC ATTN N SUE VAN SANT PALMER 535 MARRIOTT DR NASHVILLE, TN 37214 Date Filed: 09/10/12 ED MO Date Filed: 02/25/13 Debtor: HOBET MINING, LLC | 197 | 201-1 | Secured: \$630,922.24 Unsecured: Unliquidated | Secured: \$0.00 Unsecured: \$158,744.61 |
| 2 | BRIDGESTONE AMERICAS TIRE OPERATIONS LLC ATTN N SUE VAN SANT PALMER 535 MARRIOTT DR NASHVILLE, TN 37214 Date Filed: 09/10/12 ED MO Date Filed: 02/25/13 Debtor: GRAND EAGLE MINING, LLC | 198 | 202-1 | Secured: \$11,431.00 Unsecured: Unliquidated | Secured: \$0.00 Unsecured: \$0.00 |
| 3 | BRIDGESTONE AMERICAS TIRE OPERATIONS LLC ATTN N SUE VAN SANT PALMER 535 MARRIOTT DR NASHVILLE, TN 37214 Date Filed: 09/10/12 ED MO Date Filed: 02/25/13 Debtor: EASTERN ASSOCIATED COAL, LLC | 199 | 203-1 | Secured: \$32,489.03 Unsecured: Unliquidated | Secured: \$0.00 Unsecured: \$32,489.03 |
| 4 | BRIDGESTONE AMERICAS TIRE OPERATIONS LLC ATTN N SUE VAN SANT PALMER 535 MARRIOTT DR NASHVILLE, TN 37214 Date Filed: 09/10/12 ED MO Date Filed: 02/25/13 Debtor: CATENARY COAL COMPANY, LLC | 200 | 204-1 | Secured: \$141,879.58 Unsecured: Unliquidated | Secured: \$0.00 Unsecured: \$15,601.33 |
| 5 | BRIDGESTONE AMERICAS TIRE OPERATIONS LLC ATTN N SUE VAN SANT PALMER 535 MARRIOTT DR NASHVILLE, TN 37214 Date Filed: 09/10/12 ED MO Date Filed: 02/25/13 Debtor: PATRIOT COAL CORPORATION | 201 | 205-1 | Secured: \$816,721.85 Unsecured: Unliquidated | Secured: \$0.00 Unsecured: \$0.00 |

EXHIBIT B

**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)

**DECLARATION OF ROBERT L. MEAD IN SUPPORT
OF REORGANIZED DEBTORS' OBJECTION TO CLAIMS
OF BRIDGESTONE AMERICAS TIRE OPERATIONS LLC**

Robert L. Mead declares, pursuant to 28 U.S.C. § 1746, to the best of his knowledge and based upon the documents available to him, as follows:

1. I am Vice President & Treasurer of Patriot Coal Corporation ("Patriot").
2. I, or my colleagues, have reviewed each of the liabilities identified on Exhibit A to the Reorganized Debtors' Objection to Claims of Bridgestone Americas Tire Operations LLC (the "Objection"). Capitalized terms not defined in this Declaration have the meanings given to them in the Objection.
3. The item highlighted in gray on Exhibit A arises from a proof of claim filed by Bridgestone that was satisfied upon the Debtors' assumption of an executory contract and payment of the associated cure amount. As provided in Section 9.8(b) of the Plan, this liability has been deemed disallowed in the claims register as having been paid. It is included on Exhibit A for informational purposes only.
4. Following a review of their books and records relating to the Claims, the Reorganized Debtors have determined that their unpaid liabilities to Bridgestone are as shown in

the “Modified Amount and Classification” column of Exhibit A. In particular, these columns reflect the correct priority and amount (if any) owed with respect to each of the Claims.

5. Bridgestone filed all of the Claims as secured claims, alleging unspecified rights of setoff. The Reorganized Debtors are unaware of any amounts owed by Bridgestone to the Debtors that could give rise to setoff.

6. Portions of E.D. Mo. Claim Nos. 201-1 and 204-1 (GCG Claim Nos. 197 and 200) arose under an executory contract that was assumed (and the associated cure amount paid) upon confirmation of the Plan. As a result, these Claims should be reduced, as shown on Exhibit A. The remaining amounts of these Claims do not relate to assumed executory contracts.

7. E.D. Mo. Claim No. 205-1 (GCG Claim No. 201) has been asserted against Patriot Coal Corporation, which is liable only for obligations under the assumed executory contracts described above. Patriot Coal Corporation is not liable for the unpaid amounts owed to Bridgestone, which arise under separate agreements with Bridgestone’s GCR Tire Centers division that have not been assumed.

8. I declare under penalty of perjury that the foregoing is true and correct. Executed on February 20, 2014.

/s/ Robert L. Mead
Robert L. Mead