

DAVIS POLK & WARDWELL LLP
450 Lexington Avenue
New York, New York 10017
Telephone: (212) 450-4000
Facsimile: (212) 607-7984
Marshall S. Huebner
Damian S. Schaible
Brian M. Resnick
Michelle M. McGreal

*Counsel to the Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PATRIOT COAL CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 12-12900 (SCC)

(Jointly Administered)

**SUPPLEMENTAL DECLARATION OF
MARSHALL S. HUEBNER AND DISCLOSURE STATEMENT
PURSUANT TO BANKRUPTCY CODE SECTIONS
327, 329 AND 504 AND FEDERAL RULES OF
BANKRUPTCY PROCEDURE 2014(a) AND 2016(b)**

Marshall S. Huebner declares as follows:

1. I am a partner of the firm of Davis Polk & Wardwell LLP (“**Davis Polk**”), a law firm with its principal office at 450 Lexington Avenue, New York, New York 10017, and other offices in Washington, D.C., Menlo Park, London, Paris, Madrid, São Paulo, Tokyo, Beijing and Hong Kong.

¹ The Debtors are the entities listed on Schedule 1 attached to the Application (defined below), filed July 19, 2012. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions, filed July 9, 2012.

2. I submit this supplemental declaration (the “**Supplemental Declaration**”) in connection with the application dated July 9, 2012 (the “**Application**”)² of the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) for approval of the Debtors’ retention of Davis Polk as their attorneys in the above-captioned chapter 11 cases. This Supplemental Declaration supplements the declaration that I filed on July 19, 2012 in support of the retention of Davis Polk in these cases (the “**Initial Declaration**”).

3. Unless otherwise stated in this Supplemental Declaration, I have personal knowledge of the facts set forth herein. To the extent it is brought to my attention that any information disclosed herein requires amendment or modification upon Davis Polk’s completion of further review or as additional party-in-interest information becomes available to it, I intend to file a supplemental declaration reflecting such amended or modified information.

4. In preparing this Supplemental Declaration, I relied on procedures that Davis Polk uses to evaluate its compliance with the requirements of title 11 of the United States Code (the “**Bankruptcy Code**”) and the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) regarding the retention of professionals by a debtor under the Bankruptcy Code (the “**Internal Review Procedures**”), and the information set forth herein is as of August 14, 2012 (the “**Review Date**”), the date on which we commenced our most recent Internal Review Procedures for purposes of this Supplemental Declaration. After discussions with Davis Polk attorneys from substantive project teams for the Debtors’ bankruptcy cases and review of parties that had filed notices of

² Capitalized terms otherwise not defined herein shall have the meanings ascribed to them in the Application.

appearance, Davis Polk created a comprehensive list of all significant counterparties known to the Davis Polk that were not included in the lists of potential parties in interest reviewed in connection with the preparation of the Initial Declaration and with whom the Debtors have litigations, adversary proceedings, adversarial negotiations or from whom the Debtors received objections to a motion or pleading (the “**Supplemental Potential Parties In Interest**”); and, together with the potential parties in interest described in the Initial Declaration, the “**Potential Parties In Interest**”). Beginning on the Review Date, and pursuant to the Internal Review Procedures, Davis Polk took the following actions to ascertain any connections between Davis Polk and the Supplemental Potential Parties In Interest within the two years preceding the Review Date and, with respect to the remaining Potential Parties In Interest, to ascertain any connections with Davis Polk that have arisen since the preparation of the Initial Declaration:

(a) Davis Polk compared each of the Potential Parties In Interest to Davis Polk’s master records database from its conflict clearance and billing records, which includes all clients (and former clients going back five years) for which any attorney time charges have been billed (the “**Records Database**”). The Records Database includes the name of each current or former client; and, for each significant current or former matter for each client or former client, the names of the Davis Polk personnel identified at the time such matter was opened as responsible for such matter and a list of the names of certain other parties directly relevant to such matter. It is the policy of Davis Polk that no new matter may be accepted or opened without completing and submitting to those charged with maintaining the Records Database the information necessary to check each

such matter for conflicts, including the identity of the prospective client, the matter and other relevant parties. Accordingly, the Records Database is regularly updated for every new client retaining Davis Polk and significant matters undertaken for such client.

(b) Any client or client-affiliate matches between the Records Database and the list of Potential Parties In Interest were identified (the “**Client Match List**”).

(c) An attorney then reviewed the Client Match List and deleted individuals or entities that Davis Polk does not currently represent and has not represented in the last two years. The remaining individuals or entities are set forth below in this Supplemental Declaration.

5. Any parties thus identified that Davis Polk represents as a client or has represented as a client within the two years preceding the Review Date were reviewed by Davis Polk associates working under my supervision. Based upon such review, Davis Polk believes that it does not hold or represent an interest that is adverse to the Debtors’ estates (with any relevant representations identified below), and that Davis Polk, its partners, counsel and associates:

(a) are “disinterested persons” as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code;

(b) are not creditors, equity security holders or insiders of the Debtors, except in the de minimis ways set forth below;

(c) are not and were not, within two years before the date of the filing of the Debtors' chapter 11 petitions, a director, officer or employee of the Debtors; and

(d) do not have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason, other than as set forth herein.

6. Supplemental disclosure with respect to any connections Davis Polk has or has had with the Debtors, their significant creditors or any other significant parties in interest, any of their respective attorneys and accountants, the United States Trustee or any employee of that office, insofar as I know or have been able to ascertain after reasonable inquiry, that has arisen since or was not covered by the Initial Declaration, is set forth below.

7. Davis Polk has represented within the two years preceding the Review Date and/or currently represents, and may represent in the future, the Supplemental Potential Parties in Interest listed below in matters unrelated to the Debtors. The list of Supplemental Potential Parties in Interest is the product of implementing the Internal Review Procedures. Davis Polk does not and will not represent any of the Supplemental Potential Parties in Interest listed below in matters related to the Debtors' chapter 11 cases. To the best of my knowledge and information, none were the source of more than 1% of Davis Polk's revenues for the year ended August 31, 2012.

(a) Davis Polk has within the past two years represented Kramer Levin Naftalis & Frankel LLP ("**Kramer Levin**"), counsel to the Official Committee of

Unsecured Creditors, in connection with a discrete and unrelated matter that concluded in 2011. Kramer Levin is not a current client. Davis Polk has never represented Kramer Levin in any matters related to the Debtors.

(b) Davis Polk represents Vitol, Inc. in certain discrete and unrelated matters. Davis Polk has never represented Vitol, Inc. in any matters related to the Debtors.

(c) Davis Polk has within the past two years represented entities that may be affiliates of Hanson Aggregates Davon, LLC in certain discrete and unrelated matters. Davis Polk has never represented Hanson Aggregates Davon, LLC in any matters and has never represented any affiliate of Hanson Aggregates Davon, LLC in any matters related to the Debtors.

8. Davis Polk will conduct an ongoing review of its files on each June 30 and December 31 that occurs during the Debtors' cases, as set forth in the Initial Declaration, to ensure that no disqualifying circumstances have arisen, and, if any new facts or relationships that Davis Polk believes should be disclosed to this Court and the parties in interest in these cases are discovered, Davis Polk will file a supplemental disclosure with the Court and serve such supplemental disclosure on the Office of the United States Trustee for the Southern District of New York.

9. The foregoing constitutes the statement of Davis Polk pursuant to sections 327(a), 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b).

10. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Declaration was executed on September 28, 2012.

/s/ Marshall S. Huebner

Marshall S. Huebner

Davis Polk & Wardwell LLP