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**Objection Deadline: September 4, 2012 at 4:00 p.m. (prevailing Eastern Time) Hearing Date (if necessary): September 11, 2012 at 1:30 p.m. (prevailing Eastern Time)** 

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

In re:

PATRIOT COAL CORPORATION, et al.,

Chapter 11

Case No. 12-12900 (SCC)

Debtors.<sup>1</sup>

(Jointly Administered)

#### APPLICATION OF THE DEBTORS FOR AUTHORITY TO EMPLOY AND RETAIN STEPTOE & JOHNSON PLLC AS SPECIAL COUNSEL FOR THE DEBTORS <u>NUNC PRO TUNC TO THE PETITION DATE</u>

Patriot Coal Corporation and its subsidiaries that are debtors and debtors in

possession in these proceedings (collectively, the "Debtors") respectfully represent:

#### **Relief Requested**

1. By this application (the "**Application**"), the Debtors seek an order in the form attached hereto as Exhibit A (the "**Order**") authorizing the Debtors, pursuant to sections 327(e), 328(a) and 330 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 2014-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Southern District of New York (the "**Local Bankruptcy Rules**") to retain and employ Steptoe & Johnson PLLC, *nunc pro tunc* to the Petition Date (as defined herein), as their special counsel to perform legal services that will

<sup>&</sup>lt;sup>1</sup> 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.

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be required during these chapter 11 cases. The Debtors request that the Court approve the employment of Steptoe & Johnson PLLC under the terms and conditions set forth in this Application, as more fully described in the Declaration of C. David Morrison, a member of Steptoe & Johnson PLLC, annexed hereto as Exhibit B (the "**Morrison Declaration**").

#### **Background and Jurisdiction**

2. On July 9, 2012 (the "**Petition Date**"), each Debtor commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. 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.

3. Additional information about the Debtors' businesses and the events leading up to the Petition Date can be found in the Declaration of Mark N. Schroeder, Patriot Coal Corporation's Senior Vice President and Chief Financial Officer, filed July 9, 2012 [ECF No. 4], which is incorporated herein by reference.

4. The Court has subject matter jurisdiction to consider 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 determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **Discussion**

5. The Debtors have selected Steptoe & Johnson PLLC as their special counsel because Steptoe & Johnson PLLC provides day-to-day legal advice and training on litigation, environmental, safety, tax, contracts and labor matters, and because Steptoe & Johnson PLLC is currently handling safety administrative litigation before the federal

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Mine, Safety and Health Administration ("MSHA"). These MSHA cases are not stayed by the filing of this Chapter 11 proceeding.

6. Steptoe & Johnson PLLC is intimately familiar with the Debtors' businesses and financial affairs and is well qualified to provide the services required by the Debtors in their chapter 11 cases. Steptoe & Johnson PLLC has represented Patriot since 1995 on well over 100 matters. Accordingly, Steptoe & Johnson PLLC has significant relevant experience with the Debtors to deal effectively and efficiently with the primary legal issues and problems likely to arise in the context of the Debtors' chapter 11 cases with respect to the matters on which Steptoe & Johnson PLLC is to be employed.

7. The Debtors submit that the employment of Steptoe & Johnson PLLC is necessary, appropriate and in the best interests of the Debtors, their estates and their creditors under Bankruptcy Code sections 327(e) and 1107 and should therefore be approved.

#### **Scope of Services**

8. The services of Steptoe & Johnson PLLC are appropriate and necessary to enable the Debtors to execute their duties as debtors and debtors in possession faithfully and to implement the restructuring and reorganization of the Debtors. Subject to further order of this Court, it is proposed that Steptoe & Johnson PLLC be employed to render such litigation, environmental, safety, tax, contracts and labor matter services as may be requested by the Debtors and able to be performed by Steptoe & Johnson PLLC, including:

> (a) Handling administrative safety litigation before state and federal agencies that is not stayed by the filing of the Chapter 11 proceeding; and

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(b) Day-to-day advice and training on litigation, environmental, safety, tax, contracts and labor matters to assist in running Debtors' businesses.

9. To minimize costs, Steptoe & Johnson PLLC has been working and will continue to work closely with the Debtors and each of the Debtors' other retained professionals to clearly delineate each professional's respective duties and to prevent unnecessary duplication of services whenever possible.

#### **Compensation**

10. For the services rendered by Steptoe & Johnson PLLC, the Debtors propose to pay rates that reflect a negotiated discount from the rates that Steptoe & Johnson PLLC customarily charges other clients for work of this type, and to reimburse Steptoe & Johnson PLLC according to its customary reimbursement policies (subject to the limitations of the Fee Guidelines (as defined below)), and respectfully submit that such rates and policies are reasonable. The applicable rates for timekeepers on this matter are set forth in the Morrison Declaration.

11. The Debtors understand that, in connection with the reimbursement of reasonable and necessary expenses, it is Steptoe & Johnson PLLC's policy to charge its clients for certain expenses incurred in connection with providing certain client services, including travel, lodging, photocopying, postage, vendor charges, delivery service and other expenses incurred in providing professional services. Steptoe & Johnson PLLC intends to seek reimbursement for expenses incurred in connection with the representation of the Debtors in accordance with Steptoe & Johnson PLLC's policy, subject to modification as may be required by the Bankruptcy Code, the Bankruptcy Rules, the Local

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Bankruptcy Rules, the Standing Order Establishing Procedures For Monthly Compensation and Reimbursement of Expenses of Professionals [M-412] (Dec. 21, 2010), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases [M-389] (Nov. 25, 2009), any order entered in these chapter 11 cases establishing procedures for interim monthly compensation and reimbursement of expenses of professionals, and the United States Trustee Guidelines (collectively, the "**Fee Guidelines**") and any applicable orders of the Court.

12. All of Steptoe & Johnson PLLC's fees and expenses incurred during these chapter 11 cases will, except as may otherwise be ordered by the Court, be subject to approval of the Court upon proper application by Steptoe & Johnson PLLC in accordance with the Fee Guidelines.<sup>2</sup>

#### Steptoe & Johnson PLLC's Connections

13. To the best of the Debtors' knowledge, Steptoe & Johnson PLLC and its professionals neither represent nor hold any interest adverse to the Debtors or their estates with respect to the matter on which Steptoe & Johnson PLLC is to be employed as required by section 327(e) of the Bankruptcy Code.

14. Additionally, to the best of the Debtors' knowledge, none of Steptoe & Johnson PLLC's professionals (i) is a relative of the bankruptcy judge approving this Application or any trustee for the Office of the United States Trustee for the Southern District of New York (the "**U.S. Trustee**") or (ii) is connected with the bankruptcy judge approving this Application or the U.S. Trustee.

<sup>&</sup>lt;sup>2</sup> On July 19, 2012, the Debtors, by motion, requested an Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, by which professionals would be compensated on an interim basis, which the Court entered on August 2, 2012. [Dkt. No. 262].

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15. The Debtors have been informed that Steptoe & Johnson PLLC will conduct an ongoing review of matters it is handling to ensure that no disqualifying circumstances have arisen, and, if any new facts or relationships that Steptoe & Johnson PLLC believes should be disclosed to this Court and the parties in interest in these cases are discovered, Steptoe & Johnson PLLC will file a supplemental disclosure with the Court and serve such supplemental disclosure on the U.S. Trustee. If any new material, relevant facts or relationships are discovered between review periods, Steptoe & Johnson PLLC will promptly file a supplemental disclosure with the Court and serve such supplemental disclosure on the U.S. Trustee.

16. Accordingly, the Debtors believe that Steptoe & Johnson PLLC satisfies the requirements for employment as special counsel pursuant to section 327(e) of the Bankruptcy Code.

#### **Notice**

17. Consistent with the procedures described in the Order Establishing Certain Notice, Case Management and Administrative Procedures entered by the Court on July 16, 2012 [ECF No. 84] (the "**Case Management Order**"), the Debtors will serve notice of this Motion on (a) the Core Parties and (b) the Non-ECF Service Parties (as those terms are defined in the Case Management Order). 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 and any order approving it will also be made available on the Debtors' case information website (located at www.PatriotCaseInfo.com). In light of the relief requested, the Debtors submit that no further notice is necessary. Pursuant to

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paragraph 21 of the Case Management Order, if no objections are timely filed and served in accordance therewith, an order granting the relief requested herein may be entered without a hearing.

#### **No Previous Request**

18. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

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WHEREFORE, the Debtors respectfully request that the Court grant the relief

requested herein and such other and further relief as is just and proper.

Dated: New York, New York August 27, 2012

By: /s/ Mark N. Schroeder

Mark N. Schroeder Senior Vice President and Chief Financial Officer Patriot Coal Corporation

#### **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.	Brook Trout Coal, LLC
11.	Catenary Coal Company, LLC
12.	Central States Coal Reserves of Kentucky, LLC
13.	Charles Coal Company, LLC
14.	Cleaton Coal Company
15.	Coal Clean LLC
16.	Coal Properties, LLC
17.	Coal Reserve Holding Limited Liability Company
	No. 2
18.	Colony Bay Coal Company
19.	Cook Mountain Coal Company, LLC
20.	Corydon Resources LLC
21.	Coventry Mining Services, LLC
22.	Coyote Coal Company LLC
23.	Cub Branch Coal Company LLC
24.	Dakota LLC
25.	Day LLC
26.	Dixon Mining Company, LLC
27.	Dodge Hill Holding JV, LLC
28.	Dodge Hill Mining Company, LLC
29.	Dodge Hill of Kentucky, LLC
30.	EACC Camps, Inc.
31.	Eastern Associated Coal, LLC
32.	Eastern Coal Company, LLC
33.	Eastern Royalty, LLC
34.	Emerald Processing, L.L.C.
35.	Gateway Eagle Coal Company, LLC
36.	Grand Eagle Mining, LLC
37.	Heritage Coal Company LLC
38.	Highland Mining Company, LLC
39.	Hillside Mining Company
40.	Hobet Mining, LLC
41.	Indian Hill Company LLC
42.	Infinity Coal Sales, LLC
43.	Interior Holdings, LLC
44.	IO Coal LLC
45.	Jarrell's Branch Coal Company
46.	Jupiter Holdings LLC
47.	Kanawha Eagle Coal, LLC
48.	Kanawha River Ventures I, LLC
49.	Kanawha River Ventures II, LLC
50.	Kanawha River Ventures III, LLC

50. Kanawha River Ventures III, LLC

51. KE Ventures, LLC 52. Little Creek LLC 53. Logan Fork Coal Company 54. Magnum Coal Company LLC 55. Magnum Coal Sales LLC 56. Martinka Coal Company, LLC Midland Trail Energy LLC 57. Midwest Coal Resources II, LLC 58. 59. Mountain View Coal Company, LLC 60. New Trout Coal Holdings II, LLC Newtown Energy, Inc. 61. 62. North Page Coal Corp. 63. Ohio County Coal Company, LLC Panther LLC 64. Patriot Beaver Dam Holdings, LLC 65. Patriot Coal Company, L.P. 66. 67. Patriot Coal Corporation 68. Patriot Coal Sales LLC 69. Patriot Coal Services LLC 70. Patriot Leasing Company LLC Patriot Midwest Holdings, LLC 71. Patriot Reserve Holdings, LLC 72. 73. Patriot Trading LLC PCX Enterprises, Inc. 74. 75. Pine Ridge Coal Company, LLC Pond Creek Land Resources, LLC 76. Pond Fork Processing LLC 77. 78. **Remington Holdings LLC** 79. Remington II LLC 80. Remington LLC 81. Rivers Edge Mining, Inc. 82. Robin Land Company, LLC Sentry Mining, LLC 83. 84. Snowberry Land Company Speed Mining LLC 85. Sterling Smokeless Coal Company, LLC 86. TC Sales Company, LLC 87. The Presidents Energy Company LLC 88. 89. Thunderhill Coal LLC 90. Trout Coal Holdings, LLC 91. Union County Coal Co., LLC 92. Viper LLC 93. Weatherby Processing LLC 94. Wildcat Energy LLC 95. Wildcat, LLC 96. Will Scarlet Properties LLC 97. Winchester LLC 98. Winifrede Dock Limited Liability Company 99. Yankeetown Dock, LLC

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### Exhibit A

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

In re:

PATRIOT COAL CORPORATION, et al.,

Chapter 11

Case No. 12-12900 (SCC)

Debtors.<sup>1</sup>

(Jointly Administered)

#### ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF STEPTOE & JOHNSON PLLC AS SPECIAL COUNSEL FOR THE DEBTORS <u>NUNC PRO TUNC TO THE PETITION DATE</u>

Upon the application (the "**Application**")<sup>2</sup> of Patriot Coal Corporation and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the "**Debtors**"), pursuant to section 327(e) of Title 11 of the United States Code (the "**Bankruptcy Code**"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Southern District of New York (the "**Local Bankruptcy Rules**"), for authorization to employ and retain Steptoe & Johnson PLLC as special counsel for the Debtors *nunc pro tunc* to the Petition Date and to compensate Steptoe & Johnson PLLC, pursuant to the terms set forth in the Application; and upon the Declaration of C. David Morrison, a member of Steptoe & Johnson PLLC, filed in support of the Application, annexed to the Application as Exhibit B (the "**Morrison** 

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Application.

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**Declaration**"); and the Court being satisfied, based on the representations made in the Application and the Morrison Declaration, that, as required by section 327(e) of the Bankruptcy Code and section 5002 of the Bankruptcy Rules, Steptoe & Johnson PLLC and its professionals neither hold nor represent any interest adverse to the Debtors or their estates with respect to the matter on which Steptoe & Johnson PLLC is to be employed; and upon consideration of the Declaration of Mark N. Schroeder, Patriot Coal Corporation's Senior Vice President and Chief Financial Officer, filed in support of the Debtors' first-day pleadings on July 9, 2012, [ECF No.4]; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. § 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.) as amended by Standing Order M-431, dated February 1, 2012 (Preska, C.J.); 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); and due and proper notice of the Application having been provided in accordance with the Order Establishing Certain Notice, Case Management and Administrative Procedures entered by the Court on July 16, 2012 [ECF No. 84] 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 having held a hearing with appearances of parties in interest noted in the transcript thereof (the "Hearing")]; and the Court having determined that the legal and factual bases set forth in

the Application [and at the Hearing] establish just cause for the relief granted herein; and

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upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Application is approved, to the extent provided herein, *nunc pro tunc* to the Petition Date; and it is further

ORDERED that the Debtors are hereby authorized to employ and retain Steptoe & Johnson PLLC as their special counsel in the Debtors' chapter 11 cases, all as contemplated by the Application and on the terms provided in the Application and the Morrison Declaration, as modified herein; and it is further

ORDERED that Steptoe & Johnson PLLC is authorized to render the following professional services:

- (a) Handling administrative safety litigation before state and federal agencies that are not stayed by the filing of the Chapter 11 proceeding; and
- (b) Day-to-day advice and training on litigation, environmental, safety, tax, contracts and labor matters to assist in running Debtors' businesses;

and it is further

ORDERED that Steptoe & Johnson PLLC shall be compensated for its services and reimbursed for any reasonable and necessary expenses and disbursements in accordance with the rates and disbursement policies as set forth in the Application, the Morrison Declaration and in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the Standing Order Establishing Procedures For Monthly Compensation and Reimbursement of Expenses of Professionals

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[M-412] (Dec. 21, 2010), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases [M-389] (Nov. 25, 2009), any order entered in these chapter 11 cases establishing procedures for interim monthly compensation and reimbursement of expenses of professionals, and the United States Trustee Guidelines (collectively, the "**Fee Guidelines**") and any other applicable orders of this Court; and it is further

ORDERED that Steptoe & Johnson PLLC shall file fee applications for interim and final allowance of compensation and reimbursement of expenses pursuant to the Fee Guidelines; and it is further

ORDERED that ten business days' notice must be provided by Steptoe & Johnson PLLC to the Debtors, the United States Trustee, and any official committee prior to any increases in the hourly rates set forth in the Morrison Declaration, and such notice must be filed with the Court; and it is further

ORDERED that Steptoe & Johnson PLLC shall use its best 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 Steptoe & Johnson PLLC shall not withdraw as the Debtors' attorneys prior to the effective date of any chapter 11 plan confirmed in these chapter 11

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cases without prior approval of this Court in accordance with Local Bankruptcy Rule 2090-1(e); and it is further

ORDERED that to the extent that there may be any inconsistency between the terms of the Application or the Morrison Declaration 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 the notice procedures set forth in the Application are good and sufficient notice and satisfy Bankruptcy Rule 9014 by providing the parties with a notice and an opportunity to object and be heard at a hearing; and it is further

ORDERED that 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.

Dated: New York, New York

\_\_\_\_\_, 2012

## THE HONORABLE SHELLEY C. CHAPMAN UNITED STATES BANKRUPTCY JUDGE

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### **EXHIBIT B**

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STEPTOE & JOHNSON PLLC 400 White Oaks Boulevard Bridgeport, WV 26330-4500 Telephone: (304) 933-8113 Facsimile: (304) 933-8776 C. David Morrison

*Proposed Attorneys to the Debtors and Debtors in Possession* 

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

In re:

PATRIOT COAL CORPORATION, et al.,

Debtors.<sup>1</sup>

(Jointly Administered)

Case No. 12-12900 (SCC)

Chapter 11

#### DECLARATION OF C. DAVID MORRISON AND DISCLOSURE STATEMENT OF STEPTOE & JOHNSON PLLC IN SUPPORT OF THE APPLICATION OF THE DEBTORS TO EMPLOY AND RETAIN STEPTOE & JOHNSON PLLC <u>AS SPECIAL COUNSEL FOR THE DEBTORS</u>

C. David Morrison declares as follows:

1. I am a member of Steptoe & Johnson PLLC ("S&J" or the "Firm"), a law

firm with its principal office at 400 White Oaks Blvd., Bridgeport, West Virginia; and other offices in Charleston, West Virginia; Morgantown, West Virginia; Wheeling, West Virginia; Huntington, West Virginia; Martinsburg, West Virginia; Lexington, Kentucky; Louisville, Kentucky; Canonsburg, Pennsylvania; Meadville, Pennsylvania; Columbus, Ohio; and Houston, Texas.

<sup>&</sup>lt;sup>1</sup> 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.

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2. I submit this declaration (the "Declaration") in connection with the application (the "Application"), dated August 13, 2012, of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for approval of the Debtors' retention of Steptoe & Johnson PLLC as their special counsel in the above-captioned chapter 11 cases at rates that reflect a negotiated discount from the rates that Steptoe & Johnson PLLC customarily charges to its other clients for work of this type, and in accordance with the Firm's normal reimbursement policies, in compliance with sections 329 and 504 of title 11 of the United States Code (the "Bankruptcy Code"), and to provide disclosure required under Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.

3. To the extent it is brought to my attention that any information disclosed herein requires amendment or modification upon Steptoe & Johnson PLLC'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. Subject to the qualifications herein and to the best of my knowledge, neither I, C. David Morrison, nor any member of the Firm represent or hold any interest adverse to the Debtors or their estates with respect to the matters on which Steptoe & Johnson PLLC is to be employed.

5. Steptoe & Johnson PLLC has in the past represented, currently represents, and may in the future represent, the non-Debtor entities listed on Exhibit 1 (or their affiliates) in matters unrelated to the matters on which Steptoe & Johnson PLLC is to be

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employed in the Debtors' pending chapter 11 cases. Some of those entities are, or may consider themselves to be, creditors or parties in interest in the Debtors' pending chapter 11 cases or to otherwise have interests in these cases. Steptoe & Johnson PLLC does not and will not represent any of the entities listed on Exhibit 1 in matters related to the Debtors' chapter 11 cases.

6. In preparing this Declaration, I relied on information brought to my attention pursuant to procedures Steptoe & Johnson PLLC has used to evaluate compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals by a debtor under the Bankruptcy Code (the "Internal Review Procedures"). Pursuant to the Internal Review Procedures, the Firm has taken the following actions to identify the parties relevant to this Declaration and to ascertain Steptoe & Johnson PLLC's connection to such parties:

(a) Steptoe & Johnson PLLC compared the Potential Parties in Interest list provided by the Debtors and Davis Polk and Wardwell LLP with its list of clients, affiliates of clients, and parties that are or have been adverse to Steptoe & Johnson PLLC's clients; and

(b) Steptoe & Johnson PLLC has sought information from all of its lawyers regarding whether they have been employed by any Potential Parties in Interest in the past.

7. Disclosure with respect to any connections Steptoe & Johnson PLLC has or has had with the Debtors, their significant creditors, or any other Potential Parties in Interest, the Office of the United States Trustee for the Southern District of New York

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(the "U.S. Trustee") or any employee of that office, insofar as I know or have been able

to ascertain after reasonable inquiry, is set forth below:

(a) A description of Steptoe & Johnson PLLC's professional

involvement with various Potential Parties in Interest is as follows:

- (1) AFCO.
  - Represented bank in commercial litigation with AFCO as a co-defendant (closed 2009).
- (2) ACE American Insurance Company.
  - Represent ACE's insureds in personal injury cases and ACE coverage dispute matters (some pending and some resolved).
- (3) Allegheny Land Co.
  - Represented Allegheny in asbestos cases (all closed).
- (4) Alpha Natural Resources.
  - Represented Alpha in Mine Safety and Health Act ("MSHA") administrative matters; and in labor/employment and personal injury litigation.
- (5) American Casualty Company.
  - Provide personal injury and property damage defense for ACC's insureds (some pending and some resolved).
- (6) Apogee Coal Company, LLC.
  - Represent Apogee in:
    - Toxic tort litigation (Silica exposure) (closed);
    - Mine safety matters (current);
    - Cases involving alleged real property damage (closed);

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- Automobile accident case (closed); and
- **O** Workers' compensation cases (closed).
- (7) Arch Coal, Inc.
  - Represented Arch in disability discrimination case and invasion of privacy case (closed).
- (8) Ark Land KH.
  - Adverse to Ark Land on insurance coverage issue (closed 2006); and
  - Represented Ark in chemical exposure case (closed 2010).
- (9) Bank of America.
  - Represent another company in the acquisition of a portfolio of municipal tax-exempt leases from Bank of America Leasing and Bank of America (current).
- (10) Bank of the West.
  - Provided a municipality with advice on the purchase of municipal bonds by Bank of the West (closed).
- (11) Berwind Land Company.
  - Adverse to Berwind in indemnity claim from flood litigation (closed 2008).
- (12) Boone East Development.
  - Adverse to Boone in sales transaction (closed 2006).
- (13) Brody Mining, LLC.
  - Represented Brody in employment discrimination and workplace injury / deliberate intent cases (one closed, two pending).

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- (14) Brook Trout Coal, LLC.
  - Brook Trout has been a co-defendant (not adverse) in some cases involving chemical exposure (closed);
  - Represented Brook Trout in disability discrimination case and invasion of privacy (closed).
- (15) Buffalo Wild Wings, Inc.
  - Represented BWW in automobile case (closed).
- (16) Catenary Coal Company, LLC.
  - Represented Catenary in:
    - Disability discrimination and invasion of privacy case (closed 2011);
    - **O** Deliberate intention case (closed 1996);
    - Automobile accident case (closed 2002);
    - Investigation of fatality (closed 2009);
    - Advice on mine closure (2009);
    - Sex and age discrimination case (closed 2010);
    - Wrongful death case (closed 2011);
    - Alleged wage and hour violations (closed 2012); and
    - Workplace injury / deliberate intent claim (closed 2012).
- (17) Chartis Claims, Inc.
  - Represent Chartis insured in insurance defense cases (current and closed).

- (18) Clay's Trucking.
  - Represent Clay in workplace injury / deliberate intent case (current).
- (19) Coalfield Services Inc.
  - Represent co-defendant of CS in a premises liability case (current); and
  - Represented co-defendants to CS in other commercial litigation matters (last matter closed 2008).
- (20) Cole & Crane.
  - Adverse in real estate transactions (last matter closed 2010).
- (21) Colony Bay Coal Company.
  - Represented Company in:
    - Contract dispute involving high wall mining operation (closed 2011);
    - Labor Wildcat strike cases (all closed); and
    - Employment discrimination case (closed).
- (22) Commonwealth of PA.
  - Adverse to Commonwealth in various state agency actions (some closed, some current).
- (23) Consol Energy, Inc.
  - Consol Energy is affiliated with Party in Interest Island Creek Coal Co.;
  - Represent Consol Energy affiliate CNX, Inc., in property-related work in connection with CNX's gas drilling operations (current);
  - Represented Consol Energy, Inc., in environmental personal injury, transactional and labor/employment matters (some current, some closed).

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- (24) Coyote Coal Company LLC.
  - Represented CCC in workplace injury / deliberate intent claim (closed 2012).
- (25) Dish Network.

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- Represent co-defendant in automobile accident claim involving DN (current).
- (26) Dodge Hill Mining Company, LLC.
  - Provide advice on personnel issues;
  - Represent Dodge Hill in ADA and race discrimination claim (current); and
  - Represent Dodge Hill in MSHA citations (some current, some closed).
- (27) Dominion Hope, Inc.
  - Dominion Hope is affiliated with Dominion Energy;
  - Represent Dominion Energy in labor/employment, environmental and personal injury matters (some current, some closed).
- (28) Duke Energy Carolinas LLC.
  - Represented co-defendants of DEC in asbestos cases (closed).
- (29) Eastern Associated Coal, LLC.
  - Represented EAC in:
    - MSHA litigation;
    - Mass flood litigation cases (matters resolved);
    - Employee benefits litigation (closed 1999);
    - Breach of contract and negligence (closed 2000);
    - Premises liability case (closed 2008);

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- Contract dispute involving high wall mining operation (closed 2011);
- Alleged wage and hour violations (closed 2012);
- Several deliberate intent / workplace injury cases (all closed); and
- Several employment discharge cases (closed).
- (30) Environmental Protection Agency.
  - Adverse to EPA on various environmental and permitting matters for various clients (both active and closed); and
  - Work with various clients on EPA compliance issues.
- (31) Ernest & Young LLP.
  - Represented E&Y in commercial litigation (last matter closed 1995).
- (32) Frontier.
  - Adverse to Frontier in a number of wrongful discharge claims (current); and
  - Represented co-defendant to Frontier in personal injury case (closed 2007).
- (33) Gateway Eagle Coal Company, LLC.
  - Represented Gateway in MSHA litigation.
- (34) Grand Eagle Mining, LLC.
  - Represented GEM in MSHA litigation (closed).
- (35) The Hartford Insurance Co.
  - Represented Hartford's insureds in insurance defense matters.

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- (36) Healthcare Service Corporation.
  - Represent HSC in employment discrimination case before the West Virginia Human Rights Commission (current).
- (37) Highland Mining Company, LLC.
  - Represent Highland in:
    - MSHA litigation (some current, some closed);
    - Workers' compensation discrimination case (closed 2011);
    - Workplace injury / deliberate intent claim (closed 2011); and
    - Workplace injury / deliberate intent claim (closed 2012).
- (38) Huntington National Bank.
  - Represent HNB in:
    - Commercial and mortgage loans (not involving any Patriot entities) (some current, some closed);
    - Collections work (some current, some closed);
    - **O** General employment advice (current); and
    - Several employment discrimination cases (closed).
- (39) IBM.
  - Adverse to IBM in commercial litigation (current); and
  - Adverse to IBM in connection with an acquisition (closed 2010).

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- (40) J. H. Fletcher & Co..
  - Represent co-defendants to Fletcher in toxic tort cases (some current, some closed); and
  - Represent co-defendants to Fletcher in deliberate intent / products liability cases (last closed 2008).
- (41) James N. Magro (Officer/Director).
  - Represented Magro and Consolidation Coal Company in gender discrimination case of *Loughery v. Consolidation Coal Company* (closed).
- (42) Jupiter Holdings LLC.
  - Represented Jupiter in ERISA litigation (closed 2009).
- (43) Kanawha Eagle Coal, LLC.
  - Represented KEC in:
    - State Tax Department matter (closed 2007); and
    - Premises liability case (closed 2008).
- (44) Kanawha River Terminals, LLC.
  - Represent KRT in employment discrimination case (active).
- (45) Key Equipment Finance Inc.
  - Adverse to Key on collections matters (current).
- (46) Liberty International Underwriters.
  - Liberty International Underwriters is affiliated with Liberty Mutual Insurance Company.
  - Represented the insureds of Liberty Mutual in insurance defense cases.
- (47) Logan Fork Coal Company.
  - Represented LFCC in workplace injury / deliberate intent claim (closed 2012).

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- (48) Long Branch Energy.
  - Co-defendant in toxic tort case (current);
  - Represent LBE in issue over contract mining agreement termination (current);
  - Represented LBE in workplace injury / deliberate intent case (closed 1993);
  - Represented LBE contract litigation (closed 2007); and
  - Co-defendant in Silica litigation (closed 2007).
- (49) Magnum Coal Company LLC.
  - Co-defendant in chemical exposure case (current);
  - Represented MCC in:
    - Employee benefits litigation (closed);
    - Exposure to Tetryl case (closed 2011); and
    - Disability discrimination and invasion of privacy case (closed 2010).
- (50) Midland Trail Energy LLC.
  - Represent MTE in MSHA litigation (some current, some closed).
- (51) Mine Safety and Health Administration.
  - Represent various coal companies in matters against and before MSHA.
- (52) Mirant Energy Trading, LLC.
  - Adverse in property / contract dispute (closed 2010).
- (53) Mountain View Coal Company, LLC.
  - Represented MVC in:
    - Employee benefits litigation (closed 1999); and

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- Breach of contract and negligence case (closed 2000).
- (54) National Fire Insurance Company of Hartford.
  - Represented National Fire in fire insurance loss matters and in personal injury matters (last matter closed 2003); and
  - Represented its insureds in personal injury and property damage cases (last matter closed 2007).
- (55) Nelson Brothers LLC.
  - Represent co-defendant to Nelson Brothers in asbestos and chemical exposure cases (some current, some closed).
- (56) Norfolk Southern Railway Company.
  - Represent co-defendant in personal injury case (current);
  - Represent co-defendant in a railroad right of way case (current);
  - Represent NSRC in an industrial hygiene case (current);
  - Represent NSRC in a case before the PA Public Utilities Corporation (current); and
  - Various title exams involving property owned and/or leased) by NSRC (some pending, some closed).
- (57) Occupational Safety and Health Administration.
  - Represent various clients contesting OSHA citations and assisting in OSHA investigations.
- (58) Ohio Department of Natural Resources.
  - Adverse in environmental matters (last matter closed 2007).
- (59) Patriot Coal Corporation.
  - Represent client in:

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- Sexual harassment and deliberate intent claim (current);
- Employee benefits litigation (closed);
- Premises liability case (closed 2008);
- Investigation of fatality (closed 2009);
- Sex and age discrimination case (closed 2010);
- Alleged wage and hour violations (closed 2012);
- Workplace injury / deliberate intent claim (closed 2012); and
- Workplace injury / deliberate intent claim (closed 2012).
- (60) Peabody Energy Corp.
  - Represented Peabody in:
    - Employee benefits litigation (closed 1999);
    - Breach of contract and negligence case (closed 2000);
    - Premises liability case (closed 2008); and
    - Workplace injury / deliberate intent cases, wage and hour cases, premises liability cases, commercial litigation, property damage claims, employment benefits cases, labor and employment cases, and workers' compensation cases (last matter closed 2008).
- (61) Pennsylvania Department of Environmental Protection.
  - Adverse to the DEP representing various clients on permitting issues.
- (62) Remington, LLC.
  - Represent Remington in:

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- MSHA litigation (some current, some closed);
- Sexual harassment and deliberate intent claim (current); and
- Employee benefits litigation (closed).
- (63) Rhino Eastern LLC.
  - Represent Rhino in employment discrimination case (current).
- (64) Rivers Edge Mining, Inc..
  - Represent REM in:
    - MSHA litigation (some current, some closed); and
    - Employment discrimination cases (closed).
- (65) Rowland Land Co.
  - Adverse to Rowland Land on breach of coal lease case (closed 2005); and
  - Represented bank in connection with commercial loan by Rowland Land (last matter closed 2011).
- (66) Shonk Land Company.
  - Represented SLC in personal injury case (closed 2002).
- (67) Southern Land Co.
  - Plaintiff in case where the Firm represents Hobet Mining, a third-party defendant in a premises liability case (pending);
  - Co-defendant in flood cases (closed);
  - Represented Southern Land in premises liability case (closed 1998);
  - Adverse to Southern Land in condemnation case (closed 2003);

- Adverse to Southern Land in drafting and negotiating a ground lease (closed 2010); and
- Adverse to Southern Land in sale of property (closed 2012).
- (68) Speed Mining LLC.
  - Represent Speed in:
    - MSHA litigation (some active, some closed);
    - Racial harassment case (current);
    - Race discrimination case (closed);
    - Workplace injury / deliberate intent claim (closed);
    - Exposure to Silica litigation (closed 2008); and
    - Sexual harassment and retaliatory discharge case (closed 2011).
- (69) State of Indiana.
  - Represent JP Morgan Chase in review of lease purchase documents involving the State.
- (70) State of West Virginia (Insurance Commissioner).
  - Represented Commissioner in matter closed in 1993;
  - Defended injunction matter brought by Commissioner against a client (closed 2008);
  - Adverse in matter involving our client, City National Bank (closed 2011);
  - Represented various clients in applications and other issues before the Commissioner to become self-insured for workers' compensation purposes; and
  - Represented various insurance carriers in matters pending before the WV Insurance Commissioner.

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- (71) Suddenlink.
  - Represent co-defendant in inter-pleader action (current); and
  - Represented Suddenlink in workplace injury / deliberate intent case (closed 2012).
- (72) U.S. Army Corps of Engineers.
  - Work with and adverse to the Corps on permitting and environmental issues (last matter closed 2011).
- (73) U.S. Bank National Association.
  - Represent co-defendants in oil and gas lease for closure action (current);
  - Represented bank adverse to USBNA in a case involving priority of deeds of trust (closed 2008); and
  - Worked on commercial loan transaction with USBNA representing a medical center (closed 2011).
- (74) U.S. Department of Labor.
  - Adverse to the U.S. DOL in a multitude of matters involving wage and hour issues, OSHA issues, and others going back to the 1970's.
- (75) United Mine Workers of America.
  - Adverse to UMWA, its district unions and its local unions, in a multitude of matters going back to the 1960's.
- (76) Verizon.
  - Adverse to Verizon in a number of employment discrimination cases (some active, some closed).
- (77) Webster Trucking.
  - Through insurance carrier, represent Webster in workers' compensation matters (one pending, two closed).

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- (78) West Penn Power Company.
  - Title work involving property owned in part by WPP; and
  - Represented co-defendant to WPP in a number of personal injury cases (last matter closed 2008).
- (79) West Virginia Department of Environmental Protection.
  - Adverse to the DEP in various environmental, permitting and regulatory matters (some current, some closed);
  - Through insurance carrier, represented the DEP in negligence cases (last matter closed 2001); and
  - Represented DEP in a workers' compensation matter (closed 2009).
- (80) West Virginia Department of Natural Resources.
  - Represented the Department in:
    - Personal injury negligence claims (last matter closed 2007);
  - Litigation arising from service station owners claiming damages from environmental leaks (closed 2000);
  - A right of way dispute (closed 2002);
  - Sexual harassment and constructive discharge case (closed 2002);
  - Age discrimination case (closed 2006); and
  - Disability discrimination case (closed 2009).
- (81) West Virginia Office of Miners' Health Safety & Training.
  - Work with clients on regulatory enforcement matters before the OMHST; and
  - Through Brickstreet Mutual Insurance Company, handle workers compensation claims against OMHST (some active, some closed).

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- (82) Winifrede Dock Limited Liability Company.
  - Represented Winifrede in premises liability case (closed 2008).
- (83) Wilmington Trust Company.
  - Represented City Holding Company in various negotiations with Wilmington Trust on commercial matters.
- (84) WPP LLC.
  - Robert M. Steptoe, Jr. served as a neutral on a three person panel in a commercial dispute involving a coal lease (closed 2012).

(b) Six of the above-mentioned Potential Parties in Interest, together with their affiliates, accounted for more than 1% of Steptoe & Johnson PLLC's revenues during the 12 months ended June 2012 (the "**1% Clients**"). Steptoe & Johnson PLLC has considered the position of the 1% Clients in the Debtors' cases and concluded that Steptoe & Johnson PLLC's representation of the Debtors does not create any conflict of interest with the 1% Clients. Relatedly, Steptoe & Johnson does not and will not represent any of the Potential Parties in Interest in any matters related to these proceedings.

(c) A total of 19 members, of counsel lawyers and associates of Steptoe & Johnson PLLC were in the past employed by various Potential Parties In Interest. Also, when previously employed by other professional services firms, some of our lawyers may have performed services for various Potential Parties in Interest. I do not believe any such connections would in any way affect Steptoe & Johnson PLLC's ability to effectively represent the Debtors.

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(d) It is possible that former members are, or were, after leaving Steptoe & Johnson PLLC, affiliated with various Potential Parties In Interest. However, I do not personally know of any such connections and do not believe any such connection would in any way affect Steptoe & Johnson PLLC's ability to effectively represent the Debtors.

(e) Steptoe & Johnson PLLC lawyers appear in cases, proceedings and transactions involving many different attorneys, accountants, financial consultants and investment bankers, some of whom have represented in the past, represent now or may represent in the future claimants and other parties in interest in these cases. Steptoe & Johnson PLLC is not aware of any relationship it has with any such attorneys, accountants, financial consultants and investment bankers that would be adverse to the Debtors or their estates.

(f) It is possible that certain Potential Parties In Interest have provided, and in some cases continue to provide, services to Steptoe & Johnson PLLC.

(g) In addition to the foregoing, after reasonable inquiry, I do not believe there is any connection between Steptoe & Johnson PLLC and bankruptcy judge approving the Application, the U.S. Trustee or any person known by me to be employed as an attorney with the U.S. Trustee.

8. The Debtors have been informed that Steptoe & Johnson PLLC will conduct an ongoing review of its files on each June 30 and December 31 that occurs during the Debtors' cases to ensure that no disqualifying circumstances have arisen, and, if any new facts or relationships that Steptoe & Johnson PLLC believes should be

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disclosed to this Court and the parties in interest in these cases are brought to my attention, Steptoe & Johnson PLLC 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. If any new material, relevant facts or relationships are discovered between the June 30 and December 31 review periods, Steptoe & Johnson PLLC will promptly file a supplemental disclosure with the Court and serve such supplemental disclosure on the U.S. Trustee.

9. Steptoe & Johnson PLLC will be compensated at rates that reflect a 31% discount from the rates that the Firm customarily charges other clients for work of this type. As of the Petition Date, the applicable rates for timekeepers on matters for the Debtors are set forth in the rate chart attached to this Declaration as Exhibit 2. Also in Exhibit 2 are the normal or standard rates for the timekeepers, and when compared to the discounted rates, demonstrates Steptoe & Johnson PLLC's reduction in rates.

10. It is Steptoe & Johnson PLLC's policy to charge its clients for certain expenses incurred in connection with providing certain client services, including, without limitation, travel, lodging, photocopying, postage, vendor charges, delivery service and other expenses incurred in providing professional services. Steptoe & Johnson PLLC intends to seek reimbursement for expenses and disbursements incurred in connection with the representation of the Debtors in accordance with the Firm's policies and in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the Standing Order Establishing Procedures For Monthly Compensation and Reimbursement of Expenses of Professionals [M-412] (Dec. 21, 2010), the Amended Guidelines for Fees and Disbursements for Professionals in

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Southern District of New York Bankruptcy Cases [M-389] (Nov. 25, 2009), any order entered in these chapter 11 cases establishing procedures for interim monthly compensation and reimbursement of expenses of professionals, and the United States Trustee Guidelines (collectively, the "**Fee Guidelines**") and any other applicable orders of this Court.

11. No promises have been received by Steptoe & Johnson PLLC, or, to the best of my knowledge after due inquiry, any member, of counsel, or associate thereof, as to payment or compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and the U.S. Trustee Guidelines. Steptoe & Johnson PLLC has no agreement with any other entity to share with such entity any compensation received by Steptoe & Johnson PLLC or by such entity.

12. Steptoe & Johnson PLLC intends to apply pursuant to section 330 of the Bankruptcy Code for allowances of compensation for professional services rendered in these chapter 11 cases and for reimbursement of actual and necessary expenses incurred in connection therewith in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the Fee Guidelines and any other applicable orders of the Court.

13. The foregoing constitutes the statement of C. David Morrison pursuant to sections 327(e), 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b).

14. 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

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Declaration was executed on August 22, 2012.

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C. David Morrison, Member Steptoe & Johnson PLLC

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# EXHIBIT 1

#### **SCHEDULE 1**

#### (Debtor Entities)

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

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Timekeeper	2012 Patriot Hourly Rate	2012 Patriot MSHA Hourly Rate	2012 Standard Rates	2012 Discount Percentage
Allison J. Farrell	\$160.00	\$143.00	\$215.00	30%
Allison B. Williams	\$160.00		\$205.00	22%
Amy M. Smith	\$205.00		\$320.00	36%
Ancil G. Ramey	\$235.00		\$385.00	39%
Andrew Graham	\$185.00		\$275.00	33%
Armando Benincasa	\$205.00		\$350.00	41%
Bryan R. Cokeley	\$235.00		\$340.00	31%
C. David Morrison	\$235.00		\$350.00	33%
Carolyn A. Wade	\$205.00		\$295.00	31%
Daniel B. Kostrub	\$185.00		\$225.00	18%
David E. Dick	\$235.00		\$345.00	32%
D. Eric Lycan	\$185.00	\$160.00	\$300.00	43%
Frank J. Stanek	\$190.00		\$300.00	37%
Gary W. Nickerson	\$235.00		\$340.00	31%
Gordon H. Copland	\$235.00		\$350.00	33%
Gregory P. Neil	\$160.00	\$143.00	\$210.00	28%
H. Toney Stroud	\$235.00		\$340.00	31%
Hannah B. Curry	\$205.00		\$285.00	28%
James M. Wilson	\$235.00		\$350.00	33%
James C. Wright	\$205.00		\$320.00	36%
James J.A. Mulhall	\$205.00		\$310.00	34%
James W. Heslep	\$190.00		\$250.00	24%
Janis P. White	\$205.00		\$320.00	36%
Jeffrey K. Phillips	\$245.00	\$220.00	\$325.00	28%
Jeffrey M. Cropp	\$205.00		\$280.00	27%
Joanna I. Tabit	\$235.00		\$315.00	25%
Jonathan Ellis	\$185.00	\$160.00	\$230.00	25%
John C. Stump	\$205.00		\$405.00	49%
John R. Callcott	\$235.00		\$310.00	24%
John R. Merinar, Jr.	\$235.00		\$340.00	31%
Joseph A. Curia, III	\$185.00	\$150.00	\$235.00	29%
Joseph U. Leonoro	\$170.00	\$150.00	\$220.00	27%
Kara Cunningham Williams	\$235.00		\$320.00	27%
Karen E. Kahle	\$205.00		\$300.00	32%
L. Frederick Williams	\$235.00		\$425.00	45%
Larry J. Rector	\$235.00		\$345.00	32%
Lori A. Dawkins	\$205.00	\$190.00	\$310.00	36%
Mario R. Bordogna	\$205.00		\$275.00	25%
Mark Jeffries	\$160.00		\$215.00	30%

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Timekeeper	2012 Patriot Hourly Rate	2012 Patriot MSHA Hourly Rate	2012 Standard Rates	2012 Discount Percentage
Marc Bryson	\$170.00	\$150.00	\$225.00	29%
Marsha Hudkins	\$205.00		\$300.00	32%
Matthew B. Hansberry	\$185.00		\$220.00	16%
Melanie A. Norris	\$205.00	\$180.00	\$290.00	34%
Michael D. Mullins	\$205.00		\$310.00	34%
Michelle E. Piziak	\$205.00		\$290.00	29%
Morgan P. Griffith	\$205.00		\$300.00	32%
Nora C. Price	\$205.00	\$190.00	\$325.00	39%
Paul A. Konstanty	\$205.00		\$280.00	27%
Robert D. Pollitt	\$205.00	\$205.00	\$300.00	32%
Robert L. Bailey	\$205.00	\$190.00	\$305.00	35%
Robert M. Steptoe, Jr.	\$235.00	\$235.00	\$375.00	37%
Rodney L. Bean	\$235.00	\$235.00	\$340.00	31%
Russell D. Jessee	\$235.00	\$235.00	\$305.00	23%
Sara E. Hauptfuehrer	\$205.00	\$205.00	\$325.00	37%
Sarah C. McCarty	\$185.00	\$185.00	\$225.00	18%
Sharon O. Flanery	\$235.00	\$235.00	\$425.00	45%
Steven P. McGowan	\$235.00	\$225.00	\$350.00	34%
Susan C. Phillips	\$205.00		\$280.00	27%
Susan L. Deniker	\$205.00		\$310.00	34%
Thomas S. Kleeh	\$235.00		\$310.00	24%
Todd Swanson	\$170.00	\$150.00	\$215.00	26%
Vanessa L. Goddard	\$205.00		\$280.00	27%
Vincent A. Collins	\$205.00		\$350.00	41%
W. Henry Lawrence	\$235.00		\$350.00	33%
William D. Wilmoth		\$225.00	\$350.00	36%
Admin/Professional Staff/MIS				
Law Clerks - 1st Year	\$95.00		\$150.00	37%
Law Clerks - 2nd Year	\$105.00		\$165.00	36%
Law Clerks - 3rd Year	\$115.00		\$180.00	36%
Katy Mallory	\$155.00		\$375.00	59%
Norman Lindell	\$135.00		\$185.00	27%
MIS	\$75.00		\$63.00	-19%
Paralegals				
Brenda J. Powers				
Carla J. Chapman				
Donna M. Swisher	and the second			
Gina M. Cheshire				
John Stemple				

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Timekeeper	2012 Patriot Hourly Rate	2012 Patriot MSHA Hourly Rate	2012 Standard Rates	2012 Discount Percentage
Jonnhy Renee Clay				
Lee G. Mahan				
Lester E. Howard				
M. Leann Smith				
Marlena Ruth Sheff				
Melissa J. McMillan				
Nancy J. Warren				
Sarah B. Sands	N.A.			
Toni G. Limbers				
Renina Fuller				
RATE FOR ALL PARALEGALS:	\$90.00	\$90.00	\$135.00	33%