

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)

Objection Deadline:

October 15, 2013 at 4:00 p.m.

(prevailing Central Time)

Hearing Date:

October 22, 2013 at 10:00 a.m.

(prevailing Central Time)

Hearing Location:

Courtroom 7 North

SUMMARY SHEET PURSUANT TO UNITED STATES TRUSTEE GUIDELINES FOR
REVIEWING APPLICATIONS FOR COMPENSATION AND REIMBURSEMENT OF
EXPENSES FILED UNDER 11 U.S.C. §§ 330 AND 331

FIRST INTERIM APPLICATION

Name of Applicant:

Greenberg Traurig, LLP

Authorized to Provide Professional Services to:

Debtors and Debtors in Possession

Date of Retention:

June 19, 2013 *nunc pro tunc* to May 1, 2013

Period for which compensation and
reimbursement are sought:

May 1, 2013 through July 31, 2013

Amount of compensation sought as actual,
reasonable, and necessary

\$152,758.25¹

Amount of expense reimbursement sought as
actual, reasonable, and necessary:

\$1,499.14

This is a(n): ___ monthly X interim ___ final application

Prior Applications filed: **None**

¹ This amount reflects a voluntary fee reduction in the amount of \$4,543.75.

**COMPENSATION BY PROFESSIONAL
MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013**

I. Partners/Counsel

NAME	DEPARTMENT	POSITION	YEAR ADMITTED TO BAR	HOURS	RATE(S) ²	AMOUNT(S)
Mark E. Solomons	Litigation	Shareholder	1971 NY 1980 DC	88.6	\$305.00	\$27,023.00
Laura M. Klaus	Litigation	Shareholder	1979 DC	124.8	\$305.00	\$38,064.00
Shari L. Heyen	Bankruptcy	Shareholder	1990 TX	12.7	\$700.00	\$8,890.00
TOTAL SHAREHOLDERS AND COUNSEL:				226.1		\$73,977.00

II. Associates/Contract/Law Clerks

NAME	DEPARTMENT	POSITION	YEAR ADMITTED TO BAR	HOURS	RATE(S)	AMOUNT(S)
Patricia Karppi	Litigation	Contract	1993 VA 1995 DC	70.6	\$260.00	\$18,356.00
W. W. Prochot	Litigation	Associate	1997 NY 1997 DC	33.3	\$305.00	\$10,156.50
Catherine Sevchenko	Litigation	Contract	2003 DC	49.5	\$275.00	\$13,612.50
Elizabeth S. Trentacos	Litigation	Law Clerk	2013 VA	42.9	\$250.00	\$10,725.00
Rebecca Rosenthal	Bankruptcy	Associate	2008 IL	30.2	\$350.00	\$10,570.00
David R. Eastlake	Bankruptcy	Associate	2008 NY 2012 TX	37.7	\$375.00	\$14,137.50
TOTAL ASSOCIATES/CONTRACT/LAW CLERKS:				264.2		\$77,557.50

III. Paraprofessionals

NAME	DEPARTMENT	POSITION	HOURS	RATE(S)	AMOUNT(S)
Jon R. Tabor	Litigation	Paraprofessional	11.0	\$175.00	\$1,925.00
Gail L. Jamrok	Bankruptcy	Paraprofessional	14.5	\$265.00	\$3,842.50
TOTAL PARAPROFESSIONALS:			25.5		\$5,767.50

TOTAL:		515.8		\$157,302.00
<i>LESS: Hours Written Off and Voluntary Reduction of Fees</i>		(17.9)		(\$4,543.75)
GRAND TOTAL:		497.9		\$152,758.25

² Hourly rates for litigation professionals are capped at \$305.00.

**COMPENSATION BY PROJECT TIMEKEEPER
MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013**

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Shareholders	\$327.19	226.1	\$73,977.00
Associates	\$296.44	246.3 ³	\$73,013.75 ⁴
Blended Attorney Rate:	\$311.16		
TOTAL:		472.4	\$146,990.75

**COMPENSATION BY PROJECT CATEGORY
MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013**

PROJECT DESCRIPTION	HOURS	AMOUNT
Benjamin, Irvin C.v. Arch of Illinois, Inc. and Arch Coal, Inc.	8.6	\$2,623.00
Berry, Elizabeth J.(Damon L.) v. Peabody Coal Company	19.0	\$5,351.00
Boring, Phyllis G. (William) v. EACC	1.0	\$305.00
Bowen, Myra L. (Hubert Bowen, Sr.) v. Peabody Coal. Co.	1.4	\$349.00
Chumley, Wilma v. Peabody Coal Company	19.4	\$5,511.00
Cline, Carl H. v. Eastern Associated Coal Corporation	0.7	\$213.50
Cummins, James S. v. Peabody Coal Company	0.7	\$213.50
Dickerson, James v. Eastern Associated Coal Corp.	2.7	\$797.50
Dixon, Jerome R. v. Highland Mining Co.	1.1	\$296.50
Figg, Girthel G. v. Peabody Coal Co.	1.4	\$427.00
Foley, Charles E. v. Apogee Coal Company	5.6	\$1,643.00
Gibson, Edward H. v. Eastern Associated Coal	9.1	\$2,775.50
Gosnell, Harold M. v. Eastern Associated Coal Corp.	20.4	\$6,209.00
Gower, Harvey J. v. Eastern Associated Coal Co.	42.9	\$10,725.00
Grace, Charles E. v. Peabody Coal Company	23.0	\$6,197.00
Hardison, Earon v. Peabody Coal Company	4.6	\$1,403.00
Harlan, David R. v. Peabody Coal Company	0.3	\$91.50
Hill, Eva (Arthur) v. Peabody Coal Company	45.0	\$13,686.00
Hudson, Gary W. v. Pine Ridge Coal Company	3.9	\$1,163.50
Kinney, John O. v. Peabody Coal Co.	1.5	\$444.50
Lewis, Jeff v. Eastern Associated Coal Corporation	2.2	\$671.00
Lusk, Joan H. (Ralph J., Jr.) v. Eastern Associated Coal Co.	0.1	\$17.50
Maggard, Ray v. Peabody Coal Company	1.4	\$427.00
Marshall, James v. Eastern Associated Coal Corp.	4.8	\$1,438.00

³ This amount includes 17.9 hours written off by GT.

⁴ This amount includes a voluntary fee reduction of \$4,543.75.

PROJECT DESCRIPTION	HOURS	AMOUNT
May, Deloris E. (William G.) v. Peabody Coal Co.	4.4	\$1,329.00
McDonald, Ronniev. Heritage Coal Company	1.0	\$305.00
McGuire, Johnny v. Colony Bay Coal Company	3.2	\$976.00
Miller, Donnie Lee v. Arch of WV	6.0	\$1,830.00
Morgan, Don Jean v. Peabody Coal Co.	22.8	\$6,954.00
Oyler, Donald Edward v. Peabody Coal Company	34.0	\$9,331.50
Penrod, William D v. Peabody Coal Co.	0.5	\$152.50
Richardson, Jr., John E. v. Peabody Coal Company	2.4	\$732.00
Russelburg, Joseph v. Peabody Coal Company, et al.	3.1	\$945.50
Smith, Harlan O'Bryan v. Peabody Coal Company	0.8	\$244.00
Steward Jr., Harold v. Peabody Coal Company	7.7	\$2,057.00
Stewart, Wanda (Harry) v. Peabody Coal Company, et al.	1.8	\$549.00
Taylor, Robert S. v. Peabody Coal Company	0.3	\$91.50
Toler, Alvin L. v. Eastern Assoc. Coal Corp.	5.0	\$1,525.00
Toler, Arvis R. v. Eastern Associated Coal Corp.	39.6	\$11,138.00
Toler, Maxine (James Dewey) v. EACC	1.8	\$523.00
Tolliver, Ethel E. (Michael) v. Eastern Associated Coal Corp.	10.0	\$2,742.00
Trump, Janice Faye (Jessee Willard) v. Eastern Associated	9.7	\$2,750.50
Vest, Roy v. EACC, et al.	2.0	\$519.00
Ward, Peggy Ruth (John C.) v. Peabody Coal Company	1.5	\$457.50
West, John Douglas v. Peabody Coal Company	28.0	\$7,578.00
Whitmer, Bennie v. Peabody Coal Company	5.1	\$1,386.50
Williams, Harold L. v. Rivers Edge Mining, Inc.	0.6	\$183.00
Williams, Louis A. v. Peabody Coal Company	1.7	\$505.50
Wilson, Paul A. v. Peabody Coal Company	0.2	\$61.00
Young, William A. v. Apogee Coal Co./Arch of Illinois	6.6	\$2,000.00
Bankruptcy	95.2	\$37,457.50
TOTAL:	515.8	\$157,302.00
<i>LESS: Hours Written Off and Voluntary Reduction of Fees</i>	(17.9)	(\$4,543.75)
GRAND TOTAL:	497.9	\$152,758.25

EXPENSES SUMMARY
MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013

DISBURSEMENT	AMOUNT
Copies	\$530.10
Travel, Lodging and Meals	\$355.36
Messenger/Overnight Deliveries	\$443.49
Research and Pacer Charges	\$4.1
Postage	\$166.09
TOTAL:	\$1,499.14

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**FIRST INTERIM APPLICATION OF GREENBERG TRAURIG, LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL
FOR THE DEBTORS AND DEBTORS-IN-POSSESSION FOR THE
PERIOD MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013**

Greenberg Traurig, LLP (“GT”), special counsel to Patriot Coal Corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Cases”), for its first interim application (the “Application”), pursuant to sections 330(a) and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for allowance of compensation for professional services rendered by GT during the period May 1, 2013 through and including July 31, 2013 (the “Compensation Period”), and for reimbursement of its actual and necessary expenses incurred during the Compensation Period, respectfully represents:

Background

1. On July 9, 2012 (the "Petition Date"), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "SDNY Bankruptcy Court"). On December 19, 2012, the SDNY Bankruptcy Court entered an order transferring the Cases to this Court [Docket No. 1789] (the "Transfer Order"). Pursuant to the Transfer Order, all orders entered by the SDNY Bankruptcy Court prior to entry of the Transfer Order are to remain in full force and effect.

2. The Cases are being jointly administered. 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. As of the date hereof, no trustee or examiner has been appointed in the Cases.

3. On July 18, 2012, the Office of the United States Trustee for the Southern District of New York appointed the Official Committee of Unsecured Creditors (the "Committee") pursuant to section 1102 of the Bankruptcy Code.

4. On August 2, 2012, the SDNY Bankruptcy Court entered an Order to Establish Procedures for Compensation and Reimbursement of Expenses [Docket No. 262] (the "Interim Compensation Order").

5. On May 28, 2013, the Debtors filed an application to retain GT as special counsel effective as of May 1, 2013 [Docket No. 4079] (the "Retention Application").¹ Pursuant to the

¹ As set forth in the Retention Application, GT was previously authorized to advise the Debtors on the Retained Matters (as defined below) under the Order Authorizing the Debtors to Employ Ordinary Course Professionals, *Nunc Pro Tunc* to the Petition Date, entered by the SDNY Bankruptcy Court on August 2, 2012 [Docket No. 263] (the "OCP Order"). Under the OCP Order, monthly fees for ordinary course professionals are capped at \$50,000 (the "Monthly Cap"), with any excess amounts requiring approval pursuant to the procedures set forth in the OCP Order. Furthermore, if payments to an ordinary course professional will exceed \$500,000 over the course of these Cases (the "Aggregate Cap"), that professional

Retention Application, the Debtors sought to employ and compensate GT on an hourly basis to act as the Debtors' special litigation counsel in the Cases and anticipated that GT would render, among others, the following professional services:

- a. prepare, on behalf of the Debtors, all necessary and appropriate motions, proposed orders, other pleadings, notices and other documents in connection with certain federal black lung litigation (the "Retained Matters");
- b. advise and assist the Debtors in connection with any settlements concerning the Retained Matters; and
- c. perform all other necessary or appropriate legal services in connection with the Retained Matters.

6. On June 19, 2013, this Court entered an Order granting the Retention Application [Docket No. 4166] (the "Retention Order"). Pursuant to the Retention Order, GT was retained as special counsel for the Debtors effective as of May 1, 2013. The Retention Order authorized GT to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses pursuant to sections 330 and 331 of the Bankruptcy Code.

7. On August, 21, 2013, the Court entered an order [Docket No. 4497] extending the Debtors' exclusive periods within which to file a plan of reorganization and solicit votes thereon to December 1, 2013 and January 30, 2014, respectively.

8. The Debtors have filed monthly operating reports for each month since the Petition Date. Counsel for the Debtors has informed GT that, to date, all quarterly fees due to the U.S. Trustee have been paid.

9. As indicated, this is the first interim fee application that GT has filed in these Cases. By this Application, GT seeks interim allowance pursuant to the Interim Compensation

must file a separate retention application under section 327 of the Bankruptcy Code. GT's fees never exceeded the Monthly Cap. However, the Debtors and GT anticipated that GT's aggregate fees in these Cases would exceed the Aggregate Cap during May 2013, roughly ten (10) months after the Petition Date. Accordingly, the Debtors sought to retain GT as special counsel under section 327(e) of the Bankruptcy Code.

Order with respect to the sums of \$152,758.25 (which includes a voluntary reduction of professional fees sought in the amount of \$4,543.75) as compensation for services rendered during the Compensation Period and \$1,499.14 for reimbursement of actual and necessary expenses incurred during the Compensation Period, for a total of \$154,257.39.

Jurisdiction and Venue

10. The Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Summary of Professional Compensation and Reimbursement of Expenses Requested

11. This Application has been prepared in accordance with (a) the Bankruptcy Code, (b) the Bankruptcy Rules, (c) the Local Rules of the Bankruptcy Court for the Eastern District of Missouri (the "Local Rules"), (d) the Executive Office for the United States Trustees' Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the "UST Guidelines"), and (e) the Interim Compensation Order (and, collectively with the Local Rules and the UST Guidelines, the "Guidelines").

12. In accordance with the Interim Compensation Order, GT has filed monthly fee statements covering the periods: (a) May 1, 2013 through May 31, 2013, filed on June 24, 2013 [Docket No. 4211]; (b) June 1, 2013 through June 30, 2013, filed on July 23, 2013 [Docket No. 4355]; and (c) July 1, 2013 through July 31, 2013, filed on August 19, 2013 [Docket No. 4483] (the "July Fee Statement").² After filing the July Fee Statement, GT agreed to a voluntary

² After filing the July Fee Statement and at the request of the Debtors, GT voluntarily agreed to reduce its professional fees requested in the July Fee Statement by \$4,543.75, which amount includes 17.9 hours

reduction of professional fees sought in the July Fee Statement in the amount of \$4,543.75. As of the filing date hereof, no objections have been filed concerning the foregoing monthly fee statements.

13. By this Application, GT seeks allowance in full of interim compensation for professional services rendered to the Debtors during the Compensation Period in the aggregate amount of \$152,758.25 (which includes the \$4,543.75 voluntary reduction of professional fees agreed to by GT after filing of the July Fee Statement), and for reimbursement of actual, necessary expenses incurred in connection with such services in the aggregate amount of \$1,499.14, for a total of \$154,257.39. During the Compensation Period, GT attorneys and paraprofessionals expended a total of 515.8 hours for which compensation is sought.

14. In accordance with the Interim Compensation Order, GT will have received payments to date totaling \$123,705.74, which amount represents \$122,206.60 for services rendered during the Compensation Period and \$1,499.14 for reimbursement of expenses incurred during the Compensation Period. By this Application, GT seeks payment of \$30,551.65, which amount represents the Court-ordered 20% holdback of GT's requested fees during the Compensation Period.

15. During the Compensation Period, other than pursuant to the Interim Compensation Order, GT has not received any payment or promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between GT and any other person, other than partners of the firm, for the sharing of compensation to be received for services rendered in these Cases.

written off by GT and other voluntary reductions. As a result of this reduction, total professional fees requested in the July Fee Statement amount to \$46,099.75.

16. The fees charged by GT in these Cases are billed in accordance with its agreed-upon billing rates and procedures in effect during the Compensation Period. The rates charged by GT for the services rendered in these Cases do no (and will not) exceed the rates GT customarily charges for services rendered in comparable matters. In fact, the capped hourly rate of \$305.00 charged by GT for its legal services rendered in connection with the Retained Matters reflects a substantial negotiated discount from the rates that GT customarily charges for work of this type. During the Compensation Period, the capped hourly rate agreed to by GT for its legal services rendered in connection with the Retained Matters resulted in the Debtors receiving a discount in the amount of \$97,855.00, as reflected in the below chart.

Professional	Hours Billed	Standard Hourly Rate	Amount at Standard Hourly Rate	Discounted Hourly Rate	Amount at Discounted Hourly Rate	Discount
Karppi, Patricia	70.6	\$320.00	\$22,592.00	\$260.00	\$18,356.00	\$4,236.00
Klaus, Laura M.	124.8	\$650.00	\$81,120.00	\$305.00	\$38,064.00	\$43,056.00
Prochot, W.W.	33.3	\$550.00	\$18,315.00	\$305.00	\$10,156.50	\$8,158.50
Sevcenko, Catherine	49.5	\$320.00	\$15,840.00	\$275.00	\$13,612.50	\$2,227.50
Solomons, Mark E.	88.6	\$750.00	\$66,450.00	\$305.00	\$27,023.00	\$39,427.00
Trentacost, Elizabeth	25.0 ³	\$280.00	\$7,000.00	\$250.00	\$6,250.00	\$750.00
TOTAL DISCOUNT:			\$211,317.00		\$113,462.00	\$97,855.00

Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable assignments in a competitive national legal market.

17. Prior to the filing of this Application, GT filed with the Court and served on the Debtors, the U.S. Trustee, counsel for the Committee, and counsel to the Debtors' postpetition lenders monthly fee statements setting forth GT's fees for professional services rendered and expenses incurred during the Compensation Period. As of the filing date hereof, no objections have been filed to any of these monthly fee statements. The Debtors have been provided a copy

³ This amount includes a voluntary write-off of 17.9 hours by GT after filing the July Fee Statement. The hours written off by GT are included in the voluntary fee reduction of \$4,543.75.

of this Application for their review and will have completed their review of same prior to the hearing on the Application.

18. Pursuant to the UST Guidelines and the Local Rules, annexed to the U.S. Trustee summary section preceding this Application is a schedule setting forth all GT professionals who have performed services for the Debtors during the Compensation Period, the capacities in which each individual is employed by GT, the department in which each individual practices, the hourly billing rate charged by GT for services performed by such individuals, the year in which each attorney was first licensed to practice law, and the aggregate number of hours expended in this matter and fees billed therefor.

19. Annexed hereto as **Exhibit A** is a schedule specifying the categories of actual, necessary expenses for which GT is seeking reimbursement and the total amount for each such expense category. All entries itemized in GT's expense records comply with the requirements set forth in the Guidelines.

20. Annexed hereto as **Exhibit B** is a summary of the number of hours and amounts billed by GT during the Compensation Period, organized by project categories.

21. GT maintains computerized records of time spent by all GT attorneys and paraprofessionals in connection with these Cases.⁴

22. As of the date hereof, GT does not hold a retainer.

23. To the extent that time or disbursement charges for services rendered or expenses incurred relate to the Compensation Period, but were not processed prior to the preparation of

⁴ Detailed time and expense records were filed with GT's monthly fee statements for the Compensation Period. Parties in interest required to be served with monthly fee statements pursuant to the Interim Compensation Order have previously received such records. Copies of these records will be made available to other parties in interest upon reasonable request.

this Application, GT reserves the right to request compensation for such services and reimbursement of such expenses in a future application.

Summary of Services by Project

24. The following is a summary of the significant professional services rendered by GT during the Compensation Period. This summary is organized in accordance with the internal system of project codes set up by GT for these Cases. These categories, including a description of the services rendered by GT professionals, are generally described below. GT submits that its fees in these categories are reasonable and necessary in light of the complexity of the issues involved in each of the matters. GT's assistance in addressing and resolving these issues is critically important to the Debtors and their efforts to successfully reorganize.

- a. Federal Black Lung Litigation
Fees: \$115,300.75⁵; Hours: 402.7⁶

This category consists of time spent by GT handling all aspects of certain federal black lung litigation pending against the Debtors and includes the Retained Matters for which GT was retained. During the Compensation Period, GT continued to serve as the Debtors' principal appellate counsel for the defense of Federal Black Lung claims. GT's services included appearances before the United States Courts of Appeals for the Fourth and Sixth Circuits, and briefing of appeals and oral arguments in those courts. GT's services also included the filing and briefing of appeals before the Benefits Review Board, U.S. Department of Labor, which hears appeals from decisions of administrative law judges in claims litigated under the Black Lung Benefits Act. Where an appeal is successful GT typically represents the Debtors in remand proceedings before administrative law judges, files briefs, and obtains and submits evidence as needed. GT also represents the Debtors in health care benefit disputes arising under the Black

⁵ This amount includes the \$4,543.75 voluntary reduction of fees.

⁶ This amount includes the 17.9 hours written off by GT.

Lung Act and the Medicare Program, which may involve the development of evidence, and administrative hearings and appeals. GT represents the Debtors in federal district courts in matters related to the foregoing where necessary. GT also provides oral and written advice and opinions on a regular basis when requested to do so. GT and predecessor firms have had great success in these engagements on behalf of the Debtors and have represented them and predecessor companies for more than 32 years.

- b. Bankruptcy
Fees: \$37,457.50; Hours: 95.2

25. This category consists of time spent, among other things, preparing and filing GT's Retention Application and monthly fee statements. In connection with GT's retention as special counsel to the Debtors, GT had to expend significant time conducting an extensive conflicts search. The list of potential parties in interest provided to GT included an extraordinary number of names and entities that GT had to search in its internal conflicts database. The sheer size of the search took GT's internal conflicts department almost a week to process and resulted in thousands of pages of conflict search results. GT had to review the voluminous results one-by-one and, where appropriate, conduct further due diligence to determine if an actual conflict was present. This took a substantial amount of time. In addition, GT worked closely with counsel for the Debtors in preparing for the hearing on GT's Retention Application and resolving certain issues in connection with GT's Retention Order.⁷ In addition, GT expended time during the Compensation Period preparing and filing its monthly fee statements in accordance with the Interim Compensation Order. Given the large number of matters that GT is handling for the

⁷ After the original GT retention order was entered by the Court, it was discovered that the wrong order had been inadvertently uploaded to the Court. The correct retention order was later uploaded and entered by the Court.

Debtors, preparation and filing of GT's monthly fee statements necessarily requires a certain amount of time and expense.

26. The foregoing professional services performed by GT were necessary and appropriate to these Cases, including the federal black lung litigation pending against the Debtors, and in the best interests of the Debtors, their estates, creditors, and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the issues involved and tasks performed. The professional services were performed with expedition and in an efficient manner.

27. The professional services performed by partners and associates of GT were rendered by litigation and restructuring attorneys in several offices. GT enjoys a national reputation for its expertise in litigation and complex financial reorganizations and large-scale restructurings of troubled entities.

28. Professional services performed by GT on behalf of the Debtors during the Compensation Period required an aggregate expenditure of 472.4 recorded hours (which includes the 17.9 hours written off) by GT's shareholders and associates. Of the aggregate time expended, 226.1 recorded hours were expended by shareholders of GT and 246.3 recorded hours (which includes the 17.9 hours written off) were expended by associates of GT and contract attorneys.

29. During the Compensation Period, GT billed the Debtors for time expended by attorneys based on hourly rates ranging from \$250.00 to \$700.00 per hour. Allowance of compensation in the amount requested would result in a blended hourly rate for attorneys of approximately \$311.16 (based on 472.4 recorded hours at GT's agreed-upon billing rates in effect at the time of performance of services).

Actual and Necessary Expenses of GT

30. As set forth in Exhibit B hereto, GT has incurred or disbursed \$1,499.14 in expenses in providing services to the Debtors during the Compensation Period. These expenses are reasonable and necessary in light of the size and complexity of these Cases and the Retained Matters for which GT was retained. Reimbursements are sought at actual cost. Additionally, the amounts for such reimbursements do not exceed those set forth in the Guidelines.

31. The actual expenses incurred in providing professional services were necessary, reasonable and justified under the circumstances to serve the needs of the Debtors and their estates, including with respect to the Retained Matters.

32. In accordance with the Guidelines, GT is seeking reimbursement for standard photocopying expenses at the lesser of \$0.15 per page or cost. On several occasions, overnight delivery of documents and other materials was required as a result of circumstances necessitating the use of such express mail delivery services. These expenses are not included in GT's overhead for the purpose of setting billing rates.

Requested Compensation Should be Allowed

33. Section 331 of the Bankruptcy Code provides for compensation of professionals and incorporates the substantive standards of section 330 that governs the Court's award of such compensation. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." *Id.* § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded to [a] professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Id. § 330(a)(3).

34. GT respectfully submits that the services for which it seeks compensation and the expenditures for which it seeks reimbursement in this Application were necessary for and beneficial to the administration of these Cases and the Retained Matters for which GT was retained. Such services and expenditures were necessary to and in the best interests of the Debtors, their estates and their creditors. GT further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates and all parties in interest.

35. Whenever possible, GT has sought to minimize the costs of its services by utilizing talented junior attorneys and paraprofessionals to handle more routine matters. A small group of the same GT attorneys was utilized for the vast majority of the work performed in an

effort to minimize costs. Additionally, GT has made every effort to minimize its expenses in these Cases, including the Retained Matters for which GT was retained.

Johnson Factors

36. Local Rule 2016(1)(B) requires that all professional fee applications analyze the twelve (12) factors for allowance of compensation set forth in *Johnson v. Georgia Highway Express*, 388 F.2d 714 (5th Cir. 1974) (the “Johnson Factors”). See also *P.A. Novelly v. Palans*, 960 F.2d 728 (8th Cir. 1992); *Chamberlain v. Kula*, 213 B.R. 729, 736-39 (B.A.P. 8th Cir. 1997).

37. GT respectfully submits that its Application satisfies all of the *Johnson Factors*, as described below.

(a) The time and labor required. GT’s representation of the Debtors in connection with the Retained Matters required significant time and effort during the Compensation Period.

(b) The novelty and difficulty of questions. During the Compensation Period, GT represented the Debtors in numerous matters involving varying degrees of novelty and complexity. Many of these matters involved complicated legal issues requiring a high degree of skill and specialization.

(c) The skill required to perform legal services properly. GT believes that its lawyers have demonstrated the skill levels necessary for the vigorous representation of the Debtors’ interests in the matters that GT is handling, including the Retained Matters.

(d) The preclusion of employment due to acceptance of matters for the Debtors. While GT’s retention in these Cases did not preclude GT from taking other engagements, GT’s professionals involved in the Cases and the Retained Matters have

devoted significant time and attention to those matters and were, to that extent, otherwise unavailable to address other matters.

(e) The customary fee. The rates charged by GT in representing the Debtors are consistent with the rates charged to the Debtors prior to these Cases. These rates are at, or in many instances, significantly lower than the rates GT charges other clients on similar matters.

(f) Whether the fee is fixed or contingent. The fees requested in this Application are requested on an hourly basis, and in many instances, are being billed at hourly rates that reflect a substantial discount, as set forth herein.

(g) Time limitations imposed by the client or the circumstances. Many of the matters GT is handling involve significant time constraints and limitations.

(h) The amount involved and the results obtained. GT worked diligently to advocate for the Debtors and has obtained results that are reasonable under the circumstances presented.

(i) The experience, reputation, and ability of the attorneys. The professionals representing the Debtors are highly skilled and experienced in the matters for which they are handling.

(j) The undesirability of the case. Coal companies are typically not well-received by juries, making litigation difficult. However, there is nothing undesirable about representing the Debtors in the matters GT is handling.

(k) The nature and length of the professional relationship with the Debtors. As previously disclosed, GT has provided legal services similar to those it is currently providing prior to these Cases.

(l) Awards in similar cases. The fees requested in this Application are proportionate to, and in many instances, are significantly less than fees requested in similar matters given the substantially discounted hourly rates of attorneys working on the Retained Matters.

38. In sum, the services rendered by GT were necessary and beneficial to the Debtors' estates and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved. Accordingly, approval of the compensation for professional services and reimbursement of expenses sought herein is warranted.

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Conclusion

WHEREFORE, GT respectfully requests entry of an order (i) providing an allowance of compensation for professional services rendered during the Compensation Period in the amount of \$152,758.25 and reimbursement of actual and necessary expenses GT incurred during the Compensation Period in the amount of \$1,499.14; (ii) authorizing the Debtors to immediately pay to GT that portion of fees and expenses requested for the Compensation Period not yet paid; (iii) providing that the allowance of such compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to GT's right to seek additional compensation for services performed and expenses incurred during the Compensation Period that were not processed at the time of the Application, and (iv) such other and further relief as is just, proper and equitable.

Dated: Houston, Texas
September 5, 2013

Respectfully submitted,

/s/ David R. Eastlake

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Special Counsel for the Debtors

EXHIBIT A

SUMMARY OF EXPENSES INCURRED BY GREENBERG TRAURIG, LLP,
AS SPECIAL COUNSEL TO THE DEBTORS, FOR THE PERIOD
MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013

DISBURSEMENT	AMOUNT
Copies	\$530.10
Travel, Lodging and Meals	\$355.36
Messenger/Overnight Deliveries	\$443.49
Research and Pacer Charges	\$4.10
Postage	\$166.09
TOTAL:	\$1,499.14

EXHIBIT B

SUMMARY OF SERVICES RENDERED BY GREENBERG TRAURIG, LLP,
AS SPECIAL COUNSEL TO THE DEBTORS, BY PROJECT CATEGORY FOR
THE PERIOD MAY 1, 2013 THROUGH AND INCLUDING JULY 31, 2013

PROJECT DESCRIPTION	HOURS	AMOUNT
Benjamin, Irvin C.v. Arch of Illinois, Inc. and Arch Coal, Inc.	8.6	\$2,623.00
Berry, Elizabeth J.(Damon L.) v. Peabody Coal Company	19.0	\$5,351.00
Boring, Phyllis G. (William) v. EACC	1.0	\$305.00
Bowen, Myra L. (Hubert Bowen, Sr.) v. Peabody Coal. Co.	1.4	\$349.00
Chumley, Wilma v. Peabody Coal Company	19.4	\$5,511.00
Cline, Carl H. v. Eastern Associated Coal Corporation	0.7	\$213.50
Cummins, James S. v. Peabody Coal Company	0.7	\$213.50
Dickerson, James v. Eastern Associated Coal Corp.	2.7	\$797.50
Dixon, Jerome R. v. Highland Mining Co.	1.1	\$296.50
Figg, Girthel G. v. Peabody Coal Co.	1.4	\$427.00
Foley, Charles E. v. Apogee Coal Company	5.6	\$1,643.00
Gibson, Edward H. v. Eastern Associated Coal	9.1	\$2,775.50
Gosnell, Harold M. v. Eastern Associated Coal Corp.	20.4	\$6,209.00
Gower, Harvey J. v. Eastern Associated Coal Co.	42.9	\$10,725.00
Grace, Charles E. v. Peabody Coal Company	23.0	\$6,197.00
Hardison, Earon v. Peabody Coal Company	4.6	\$1,403.00
Harlan, David R. v. Peabody Coal Company	0.3	\$91.50
Hill, Eva (Arthur) v. Peabody Coal Company	45.0	\$13,686.00
Hudson, Gary W. v. Pine Ridge Coal Company	3.9	\$1,163.50
Kinney, John O. v. Peabody Coal Co.	1.5	\$444.50
Lewis, Jeff v. Eastern Associated Coal Corporation	2.2	\$671.00
Lusk, Joan H. (Ralph J., Jr.) v. Eastern Associated Coal Co.	0.1	\$17.50
Maggard, Ray v. Peabody Coal Company	1.4	\$427.00
Marshall, James v. Eastern Associated Coal Corp.	4.8	\$1,438.00
May, Deloris E. (William G.) v. Peabody Coal Co.	4.4	\$1,329.00
McDonald, Ronniev. Heritage Coal Company	1.0	\$305.00
McGuire, Johnny v. Colony Bay Coal Company	3.2	\$976.00
Miller, Donnie Lee v. Arch of WV	6.0	\$1,830.00
Morgan, Don Jean v. Peabody Coal Co.	22.8	\$6,954.00
Oyler, Donald Edward v. Peabody Coal Company	34.0	\$9,331.50
Penrod, William D v. Peabody Coal Co.	0.5	\$152.50
Richardson, Jr., John E. v. Peabody Coal Company	2.4	\$732.00
Russelburg, Joseph v. Peabody Coal Company, et al.	3.1	\$945.50
Smith, Harlan O'Bryan v. Peabody Coal Company	0.8	\$244.00
Steward Jr., Harold v. Peabody Coal Company	7.7	\$2,057.00
Stewart, Wanda (Harry) v. Peabody Coal Company, et al.	1.8	\$549.00

PROJECT DESCRIPTION	HOURS	AMOUNT
Taylor, Robert S. v. Peabody Coal Company	0.3	\$91.50
Toler, Alvin L. v. Eastern Assoc. Coal Corp.	5.0	\$1,525.00
Toler, Arvis R. v. Eastern Associated Coal Corp.	39.6	\$11,138.00
Toler, Maxine (James Dewey) v. EACC	1.8	\$523.00
Tolliver, Ethel E. (Michael) v. Eastern Associated Coal Corp.	10.0	\$2,742.00
Trump, Janice Faye (Jessee Willard) v. Eastern Associated	9.7	\$2,750.50
Vest, Roy v. EACC, et al.	2.0	\$519.00
Ward, Peggy Ruth (John C.) v. Peabody Coal Company	1.5	\$457.50
West, John Douglas v. Peabody Coal Company	28.0	\$7,578.00
Whitmer, Bennie v. Peabody Coal Company	5.1	\$1,386.50
Williams, Harold L. v. Rivers Edge Mining, Inc.	0.6	\$183.00
Williams, Louis A. v. Peabody Coal Company	1.7	\$505.50
Wilson, Paul A. v. Peabody Coal Company	0.2	\$61.00
Young, William A. v. Apogee Coal Co./Arch of Illinois	6.6	\$2,000.00
Bankruptcy	95.2	\$37,457.50
TOTAL:	515.8	\$157,302.00
<i>LESS: Hours Written Off and Voluntary Fee Reduction</i>	<i>(17.9)</i>	<i>(\$4,543.75)</i>
GRAND TOTAL:	497.9	\$152,758.25