

**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)**

Re: Docket No. 3423

**Hearing Date:
April 23, 2013 at 10:00 a.m. (CT)**

**UNITED MINE WORKERS' OBJECTION TO THE DEBTORS' SECOND MOTION TO
EXTEND THE DEBTORS' EXCLUSIVE PERIODS WITHIN WHICH TO FILE A
PLAN OF REORGANIZATION AND SOLICIT VOTES THEREON**

The United Mine Workers of America (UMWA) objects to entry of an order extending the Debtors' exclusive periods to file a Chapter 11 plan and solicit acceptances thereof for the following reasons:

1. **Joinder in the Committee Objection.** The UMWA is a member of the Official Committee of Unsecured Creditors herein. The UMWA generally joins in the Objection of the Committee and incorporates its arguments here.

2. The confluence of simultaneous motions for appointment of a trustee and an equity committee, as well as widespread opposition to extension of exclusivity, and the unseemly piling on of pseudo-objections to the §1113 and §1114 motion, all expressing anxiety about the Debtors' handling of the case, are tantamount to a vote of "no confidence" in the Debtors. After ten months and one previous extension of exclusivity, the Debtors have no buyer and no

investors, having barely commenced a search for them, and no plan to reorganize on a standalone basis, and are poised on the brink of a confrontation with the majority of their mining workforce.

3. The §1113 and §1114 trial will conclude on May 3. Exclusivity expires on May 6. The general anxiety among creditors about the result is palpable in the various pleadings they have filed with the Court.

4. If rejection is granted, events may outpace concerns such as exclusivity. If rejection is denied, and a new and probably last opportunity presents itself for an alternative path to reorganization, it is clear that the Debtors are least likely to be situated to take advantage of that opportunity.

5. In that case, the Debtors will inevitably present essentially the same proposals and simply renew the §1113 and §1114 motion, because they seem to have no other ideas. In any case, renewing exclusivity ensures that the case will be driven by a Patriot that has neither the will nor the ability to achieve a consensual plan, nor the good will of sufficient other parties to build the momentum toward emergence which is now lacking.

6. It follows that this momentum must come from elsewhere. Granting the motion reinforces the failure that has been the trajectory of this case and entrusts the last precious interval when a consensus might emerge in the hands of the one party everyone knows has failed to build it, thus locking out other parties from the possibility of presenting a plan, or a buyer, or an investor. Locking out these other parties would not be justified in these circumstances.

7. The UMWA anticipates that the Debtors will cite their unique role as the fiduciary for all constituents as some justification for retaining exclusivity in the face of general disenchantment with their stewardship of the case. This excuse is unavailing because to have any real hope of a solution to this difficult case, the parties must now work together without the

Debtors as an intermediary. The Debtors clearly cannot do so with their largest creditor, the UMWA, or their second largest, the UMWA Funds, who also do not support the extension of exclusivity. It is perhaps a commentary on the degree to which the Debtors are utterly oblivious to the general lack of confidence in their leadership that they cite “productive and amicable” relations with the Committee as a reason for granting the motion (¶21 of the motion), when the Committee is seeking to terminate exclusivity and makes a compelling case for denying the motion here.

8. Not all companies can reorganize. The UMWA sincerely hopes that this one can, but the Debtors have shown no indication that they are finding the path out of bankruptcy. Breaking exclusivity may create the conditions for the buyer or investor or other constituent to step forward and show the way.

9. **The Motion Should Be Denied.** For the foregoing reasons, the Court should deny the motion.

Dated this 16th day of April, 2013.

s/ Frederick Perillo
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing document was filed on April 16, 2013 using the Court's CM/ECF system and that service will be accomplished upon all counsel of record by operation of that system.

s/ Frederick Perillo