

Williamson Kemal
 Form 4
 February 07, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Williamson Kemal

2. Issuer Name and Ticker or Trading Symbol
 PEABODY ENERGY CORP [BTU]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 701 MARKET STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/06/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Group VP - U.S. Western Ops.

ST. LOUIS, MO 63101-1826

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/06/2006		M	1,100	A \$ 14.595	8,062 ⁽¹⁾	D
Common Stock	02/06/2006		M	800	A \$ 20.975	8,862 ⁽¹⁾	D
Common Stock	02/06/2006		M	500	A \$ 38.655	9,362 ⁽¹⁾	D
Common Stock	02/06/2006		S	100	D \$ 103.98	9,262 ⁽¹⁾	D
Common Stock	02/06/2006		S	2,300	D \$ 103.8	6,962 ⁽¹⁾	D

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 14.595	02/06/2006		M	1,100	01/02/2006 01/02/2013	Common Stock	1,100	
Employee Stock Option (right to buy)	\$ 20.975	02/06/2006		M	800	01/02/2006 01/02/2014	Common Stock	800	
Employee Stock Option (right to buy)	\$ 38.655	02/06/2006		M	500	01/03/2006 01/03/2015	Common Stock	500	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Williamson Kemal 701 MARKET STREET ST. LOUIS, MO 63101-1826			Group VP - U.S. Western Ops.	

Signatures

Kemal Williamson By: Bryan L. Sutter,
Attorney-in-Fact

02/07/2006

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Includes 538 shares acquired under the Company's Employee Stock Purchase Plan.
- (2) The numbers reported in this column 9 of Table II do not include an additional 26,540 options with different expiration dates and exercise prices.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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