

PEABODY ENERGY CORP

Form 4

May 17, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
WALCOTT ROGER B JR

(Last) (First) (Middle)

701 MARKET STREET

(Street)

ST. LOUIS, MO 63101-1826

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

PEABODY ENERGY CORP [BTU]

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

05/15/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)

EVP - Strategy & Bus. Services

6. Individual or Joint/Group Filing(Check
Applicable Line)

____X____ Form filed by One Reporting Person

____ Form filed by More than One Reporting Person

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)
			Code	V	Amount	(A) or (D) Price			
Common Stock	05/15/2007		M		13,587	A \$ 10.4875	32,367	I <u>(1)</u>	By Trust
Common Stock	05/15/2007		M		7,520	A \$ 19.3275	39,887	I <u>(1)</u>	By Trust
Common Stock	05/15/2007		S		2,000	D \$ 50.85	37,887	I <u>(1)</u>	By Trust
Common Stock	05/15/2007		S		4,100	D \$ 50.9	33,787	I <u>(1)</u>	By Trust
Common Stock	05/15/2007		S		100	D \$ 50.91	33,687	I <u>(1)</u>	By Trust

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Common Stock	05/15/2007	S	1,800	D	\$ 50.92	31,887	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	6,107	D	\$ 50.95	25,780	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	200	D	\$ 50.96	25,580	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	2,000	D	\$ 50.98	23,580	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	300	D	\$ 50.99	23,280	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	2,900	D	\$ 51	20,380	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	200	D	\$ 51.01	20,180	I <u>(1)</u>	By Trust
Common Stock	05/15/2007	S	1,400	D	\$ 51.02	18,780	I <u>(1)</u>	By Trust
Common Stock						23,746	D <u>(2)</u>	

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

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SEC 1474
(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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 10.4875	05/15/2007		M		13,587		01/02/2007	01/02/2014	Common Stock	13,587
Employee Stock	\$ 19.3275	05/15/2007		M		7,520		01/03/2007	01/03/2015	Common Stock	7,520

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WALCOTT ROGER B JR 701 MARKET STREET ST. LOUIS, MO 63101-1826			EVP - Strategy & Bus. Services	

Roger B. Walcott, Jr. By: Joseph W. Bean,
Attorney-in-Fact 05/17/2007

Date _____

- | | | |
|-----|---|--|
| * | If the form is filed by more than one reporting person, <i>see</i> Instruction 4(b)(v). | |
| ** | Intentional misstatements or omissions of facts constitute Federal Criminal Violations. <i>See</i> 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). | |
| (1) | Upon exercise of the options, the shares are immediately transferred to a family trust. | |
| (2) | Includes 15,746 shares held pursuant to the Company's Employee Stock Purchase Plan. | |
| (3) | Not applicable. | |
| (4) | The numbers reported in this Column 9 of Table II do not include an additional 486,502 options with different expiration dates and exercise prices. | |

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