

NEMEC JIRI
Form 4
June 19, 2007

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 *
NEMEC JIRI

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)
06/15/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Group VP - U.S. Eastern 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 06/15/2007 | | M | 5,550 A \$ 10.4875 | 5,906 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | | M | 3,072 A \$ 19.3275 | 8,978 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | | M | 283 A \$ 22.12 | 9,261 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | | M | 282 A \$ 22.12 | 9,543 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | | M | 1,128 A \$ 30.505 | 10,671 ⁽¹⁾ | D | |

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| | | | | | | | | |
|--------------|------------|---|-------|---|----------|-----------------------|---|-----------------|
| Common Stock | 06/15/2007 | S | 1,715 | D | \$ 52.3 | 8,956 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | S | 2,400 | D | \$ 52.29 | 6,556 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | S | 2,900 | D | \$ 52.28 | 3,656 ⁽¹⁾ | D | |
| Common Stock | 06/15/2007 | S | 3,300 | D | \$ 52.27 | 356 ⁽¹⁾ | D | |
| Common Stock | | | | | | 19,644 ⁽¹⁾ | I | By Family Trust |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 (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 | |
|---|--|--------------------------------------|--|--------------------------------|--|--|---|----------------------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |
| Employee Stock Option (right to buy) ⁽²⁾ | \$ 10.4875 | 06/15/2007 | | M | 5,550 | 01/02/2007 | 01/02/2014 | Common Stock | 5,550 |
| Employee Stock Option (right to buy) ⁽²⁾ | \$ 19.3275 | 06/15/2007 | | M | 3,072 | 01/03/2007 | 01/03/2015 | Common Stock | 3,072 |
| Employee Stock Option (right to | \$ 22.12 | 06/15/2007 | | M | 283 | 04/19/2006 | 04/16/2015 | Common Stock | 283 |

buy) ⁽²⁾Employee
Stock

| | | | | | | | | |
|--------|----------|------------|---|-----|------------|------------|-----------------|-----|
| Option | \$ 22.12 | 06/15/2007 | M | 282 | 04/19/2007 | 04/16/2015 | Common Stock | 282 |
|--------|----------|------------|---|-----|------------|------------|-----------------|-----|

(right to
buy) ⁽²⁾Employee
Stock

| | | | | | | | | |
|--------|-----------|------------|---|-------|------------|------------|-----------------|-------|
| Option | \$ 30.505 | 06/15/2007 | M | 1,128 | 07/20/2006 | 07/20/2015 | Common Stock | 1,128 |
|--------|-----------|------------|---|-------|------------|------------|-----------------|-------|

(right to
buy) ⁽²⁾

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NEMEC JIRI 701 MARKET STREET ST. LOUIS, MO 63101-1826 | | | Group VP - U.S. Eastern Ops. | |

Signatures

Jiri Nemece By: Bryan L. Sutter,
Attorney-in-Fact

06/19/2007

__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) Amounts have been adjusted to reflect the 2-for-1 stock split effected by the Company in February 2006.
- (2) The number of outstanding stock options and exercise prices have been adjusted to reflect the 2-for-1 stock split effected by the Company in February 2006.
- (3) Not applicable.
- (4) The numbers reported in this column 9 of Table II do not include an additional 181,540 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.