

PEABODY ENERGY CORP
 Form 4
 February 17, 2006

FORM 4

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

OMB APPROVAL

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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 *
 ENGELHARDT IRL F

(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)
 02/15/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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	02/15/2006		M	50,000 A \$ 7.145	321,118	D ⁽¹⁾	
Common Stock	02/15/2006		S ⁽²⁾	300 D \$ 86.81	320,818	I ⁽¹⁾	By Family Trust
Common Stock	02/15/2006		S ⁽²⁾	900 D \$ 86.8	319,918	I ⁽¹⁾	By Family Trust
Common Stock	02/15/2006		S ⁽²⁾	100 D \$ 86.76	319,818	I ⁽¹⁾	By Family Trust
Common Stock	02/15/2006		S ⁽²⁾	100 D \$ 86.75	319,718	I ⁽¹⁾	By Family Trust
	02/15/2006		S ⁽²⁾	300 D	319,418	I ⁽¹⁾	

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Common Stock					\$ 86.74			By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.73	319,218	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.7	319,018	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.68	318,818	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.67	318,618	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.66	318,418	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	300	D	\$ 86.64	318,118	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	700	D	\$ 86.63	317,418	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	100	D	\$ 86.62	317,318	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	13,400	D	\$ 86.6	303,918	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	100	D	\$ 86.58	303,818	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	300	D	\$ 86.56	303,518	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	3,700	D	\$ 86.55	299,818	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	400	D	\$ 86.51	299,418	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	5,500	D	\$ 86.5	293,918	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	500	D	\$ 86.49	293,418	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	1,300	D	\$ 86.48	292,118	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	500	D	\$ 86.47	291,618	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	200	D	\$ 86.46	291,418	<u>I (1)</u>	By Family Trust
Common Stock	02/15/2006	<u>S(2)</u>	400	D	\$ 86.45	291,018	<u>I (1)</u>	By Family Trust
	02/15/2006	<u>S(2)</u>	300	D		290,718	<u>I (1)</u>	

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- (1) Pursuant to the Rule 10b5-1 trading plan referred to in footnote 2, upon exercise of the options the shares are immediately transferred to a family trust.
- (2) This sale was effected pursuant to a pre-existing Rule 10b5-1 trading plan adopted by the reporting person.
- (3) Of the 50,000 options exercised, 12,282 were exercisable on May 19, 2001, 17,248 were exercisable on May 22, 2001, 7,960 were exercisable on May 19, 2002, 7,960 were exercisable on May 19, 2003 and 4,550 were exercisable on August 8, 2003.
- (4) Of the 50,000 options exercised, 8,070 expire on May 19, 2008 and 41,930 expire on January 1, 2011.
- (5) Not applicable.
- (6) Does not include an additional 811,886 options with different expiration dates and exercise prices.

Remarks:

Additional transactions from February 15, 2006 were reported on separately filed Form 4s.

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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