

PEABODY ENERGY CORP

Form 8-K/A

November 09, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 8-K/A  
(Amendment No. 1)  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): **October 16, 2007**

**Peabody Energy Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**

**1-16463**

**13-4004153**

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

**701 Market Street  
St. Louis, Missouri**

**63101-1826**

(Address of principal  
executive offices)

(Zip Code)

Registrant's telephone number, including area code:

**(314) 342-3400**

**Not Applicable**

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Explanatory Note:**

Peabody Energy Corporation ( Peabody or the Company ) filed a Current Report on Form 8-K with the Securities and Exchange Commission ( SEC ) on October 17, 2007 (the Original Form 8-K ), related to, among other things, the announcement by the Board of Directors of Peabody that it approved the spin-off of Patriot Coal Corporation ( Patriot ) from Peabody. The Company disclosed in the Original Form 8-K that it would incur transaction costs in connection with the spin-off but that Peabody determined that, at the time of the filing of the Original Form 8-K, it was unable in good faith to make a determination of the estimates required by paragraphs (b), (c), and (d) of Item 2.05 of the Form 8-K General Instructions. The purpose of this Current Report on Form 8-K/A (Amendment No. 1) is to amend the Original Form 8-K to provide such estimates, which were determined by the Company on November 5, 2007.

**Item 2.05. Costs Associated with Exit or Disposal Activities.**

On October 31, 2007, Peabody completed the spin-off of its wholly-owned subsidiary Patriot, which was accomplished through a special dividend of all outstanding shares of Patriot to Peabody shareholders. In connection with the spin-off, the Company has entered into definitive agreements with Patriot that, among other things, set forth the terms and conditions of the spin-off and provide a framework for the Company's relationship with Patriot after the spin-off. A summary of certain important terms of these definitive agreements can be found under Item 1.01 of our Current Report on Form 8-K filed with the SEC on October 25, 2007, and is incorporated herein by reference.

We estimate that we will incur after-tax transaction costs of approximately \$150 million in connection with the spin-off of Patriot from Peabody. These costs are composed primarily of professional fees (approximately \$25 million), accelerated stock compensation related to certain Patriot employees (approximately \$12 million) and a loss related to a coal supply/purchase agreement (approximately \$100 million).

We estimate that after-tax costs in the range of \$125 million to \$135 million will result in future cash expenditures.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**PEABODY ENERGY CORPORATION**

By: */s/ Richard A. Navarre*

Name: Richard A. Navarre

Title: Chief Financial Officer & Executive  
Vice President of Corporate  
Development

Dated: November 9, 2007