

CERTIFICATION

Based upon my inquiry of those individuals immediately responsible for obtaining and preparing the information contained in this 2015 5-year permit renewal application package for Kayenta Mine, I certify per 30 CFR 777.11(c) that such information is true and correct to the best of my information and belief.

As an authorized representative of Peabody Western Coal Company, first being duly sworn, I hereby certify that per 30 CFR 778.9(a), (b), and (d) the AVS information, regarding ownership and control and notice of violation information is accurate, complete, and up-to-date.

Pursuant to 30 CFR 778.11(d), I certify, swear, or affirm under penalty of the Act (Public Law 95-87) that I am the natural person with the greatest level of effective control over the entire proposed operation. I am aware that, as the person with the greatest level of effective control over this proposed operation, I am obligated by the Act to prevent violations and to cause any violation that occurs to be abated promptly. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.



G. Brad Brown
President
Peabody Western Coal Company

State of Arizona)
Navajo) ss.
Coconino County)

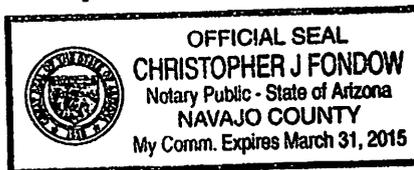
The foregoing instrument was acknowledged before me this 26 day of February, 2015, by G. Brad Brown, President of Peabody Western Coal Company, a Delaware Corporation, on behalf of the corporation.



Notary Public

My Commission Expires:

3-31-15



PERMIT RENEWAL APPLICATION

KAYENTA MINE
PERMIT AZ-0001E

February 26, 2015

PEABODY WESTERN COAL COMPANY

KAYENTA, ARIZONA

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Introduction, 774.15(a), (b)(1)

Pursuant to 30 CFR 774.15(a) and (b)(1), Peabody Western Coal Company (PWCC) hereby submits an application for renewal of Surface Mine Permit AZ-0001E for Kayenta Mine. This package has been submitted at least 120 days prior to the permit expiration date of July 6, 2015. The following information is included in this package to support the application and make it administratively complete. The renewal does not propose any revisions to the approved mining and reclamation plan. The renewal application package contains:

1. Name and address of the permittee, the term of the renewal requested, and permit number as required by 30 CFR 774.15(b)(2)(i)
2. Certificate of liability insurance as required by 30 CFR 774.15(b)(2)(ii).
3. Performance bond assurance as required by 30 CFR 774.15(b)(2)(iii).
4. Newspaper notice and proof of publication as required by 30 CFR 774.15(b)(2)(iv) and 30 CFR 774.15(b)(3).
5. Additional updated information as required by 30 CFR 774.15(b)(2)(v).

Name and Address of Permittee, Permit Number, and Permit Term, 774.15(b)(2)(i).

Name and Address of Permittee:

Peabody Western Coal Company

P. O. Box 650

Navajo Route 41

Kayenta, Arizona 86033

(928) 677-3201

This information is presented on Page 1, Chapter 3, Permit AZ-0001E. Listed below is the current permit number, permit number for the requested renewal permit, and the term of the requested renewal.

Permit Number: AZ-0001E

2015-2020 Permit Number: AZ-0001E

Renewal Term: July 6, 2015 through July 5, 2020

Certificate of Liability Insurance, 774.15(b)(2)(ii).

Attached is a Certificate of Liability Insurance for the Kayenta Complex (which includes Kayenta Mine) indicating compliance with the minimum requirements for liability insurance per 30 CFR 800.60(a). The policy shall be maintained in full force during the life of the permit, this and any subsequent renewals, and the liability period necessary to complete all reclamation operations per 30 CFR 800.60(b).

A copy of the effective Liability Insurance Certificate is always maintained in Attachment 5, Chapter 3, Volume 1 of the Kayenta Mine Permit AZ-0001E as specified on Page 4, Chapter 3 of the permit.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
08/01/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of Tennessee, Inc. c/o 26 Century Blvd. P.O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME	
	PHONE (A/C NO. EXT): 877-945-7378	FAX (A/C NO.): 888-467-2378
	E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE	NAIC#
	INSURER A: ACE American Insurance Company	22667-001
INSURED Peabody Energy Corporation and Subsidiaries Attn: Robert Fenley 701 Market Street Suite 700 St. Louis, MO 63101-1826	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER: 21898631** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR W/D	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			HDOG2733636A	8/1/2014	8/1/2015	EACH OCCURRENCE	\$ 5,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 5,000,000
							GENERAL AGGREGATE	\$ 6,000,000
							PRODUCTS - COMP/OP AGG	\$ 6,000,000
								\$
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS			ISAH08827540	8/1/2014	8/1/2015	COMBINED SINGLE LIMIT (Ea accident)	\$ 5,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB EXCESS LIAB						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				WC STATUTORY LIMITS	
							OTH-ER	
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, if more space is required)
Covers all operations at the Kayenta Complex which includes Kayenta and Black Mesa Mines for bodily injury and property damage, including damage from the use of explosives as a result of surface coal mining and reclamation operations.

See Attached:
The insurer will notify the regulatory authority whenever substantive changes are made in the General Liability policy including any termination or failure to renew to comply with 30CFR

CERTIFICATE HOLDER Office of Surface Mining Reclamation and Enforcements Western Region Attn: Amy McGregor 1999 Broadway, Suite 3320 Denver, CO 80202-3050	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis of Tennessee, Inc.		NAMED INSURED Peabody Energy Corporation and Subsidiaries Attn: Robert Fenley 701 Market Street Suite 700 St. Louis, MO 63101-1826	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER ACE American Insurance Company	NAIC CODE 22667-001		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE
 800.60(c).

NOTICE TO OTHERS ENDORSEMENT - SPECIFIC PARTIES

Named Insured Peabody Energy Corporation			Endorsement Number 13
Policy Symbol HDO	Policy Number G2733636A	Policy Period 08/01/2014 TO 08/01/2015	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

- A. If we cancel the Policy prior to its expiration date by notice to you or the first Named Insured for any reason other than nonpayment of premium, we will endeavor, as set out below, to send written notice of cancellation, via such electronic or other form of notification as we determine, to the persons or organizations listed in the schedule set out below (the "Schedule"). You or your representative must provide us with both the physical and e-mail address of such persons or organizations, and we will utilize such e-mail address or physical address that you or your representative provided to us on such Schedule.
- B. We will endeavor to send or deliver such notice to the e-mail address or physical address corresponding to each person or organization indicated in the Schedule at least 30 days prior to the cancellation date applicable to the Policy.
- C. The notice referenced in this endorsement is intended only to be a courtesy notification to the person(s) or organization(s) named in the Schedule in the event of a pending cancellation of coverage. We have no legal obligation of any kind to any such person(s) or organization(s). Our failure to provide advance notification of cancellation to the person(s) or organization(s) shown in the Schedule shall impose no obligation or liability of any kind upon us, our agents or representatives, will not extend any Policy cancellation date and will not negate any cancellation of the Policy.
- D. We are not responsible for verifying any information provided to us in any Schedule, nor are we responsible for any incorrect information that you or your representative provide to us. If you or your representative does not provide us with the information necessary to complete the Schedule, we have no responsibility for taking any action under this endorsement. In addition, if neither you nor your representative provides us with e-mail and physical address information with respect to a particular person or organization, then we shall have no responsibility for taking action with regard to such person or entity under this endorsement.
- E. We may arrange with your representative to send such notice in the event of any such cancellation.
- F. You will cooperate with us in providing, or in causing your representative to provide, the e-mail address and physical address of the persons or organizations listed in the Schedule.
- G. This endorsement does not apply in the event that you cancel the Policy.

SCHEDULE

Name of Certificate Holder	E-Mail Address	Physical Address
US Bank National Association, as Trustee City of St. Louis		Attn: Corporate Trust Dept. One US Bank Plaza St. Louis, MO 63101
The Colorado Office of Surface Mining reclamation and Enforcement, Western Region		Attn: Amy McGregor 1999 Broadway Suite 3320

Name of Certificate Holder	E-Mail Address	Physical Address
		Denver, CO 80202-3050

All other terms and conditions of this Policy remain unchanged.

 Authorized Representative

Performance Bond Assurance, 774.15(b)(2)(iii).

All performance bonds in effect for the Kayenta Mine operation will continue in full force and effect for the 2015 to 2020 five-year renewal period per 30 CFR 774.15(b)(2)(iii). PWCC calculated the bond liability for the 2010 "worst case" or highest reclamation liability year in June 2010. The bond calculations are presented in Chapter 24, Volume 11A of Permit AZ-0001E. PWCC will provide any additional bond justified and required by OSM per 30 CFR 800.15. The following documents are in force as of February 26, 2015 for the Kayenta Complex (which includes Kayenta Mine). This information is presented in Attachment 10, Chapter 3, Volume 1 of Permit AZ-0001E.

<u>Bond No.</u>	<u>Surety*</u>	<u>Amount</u>
4144114	ZAIC & FDCM	\$14,300,000
6197012	SICA	\$40,000,000
8940860	ZAIC & FDCM	\$46,000,000
9264222	CCC & NFICH	\$28,304,188
9264224	CCC & NFICH	\$18,261,696
9264225	NFICH	\$ 6,261,536
9264241	NFICH	\$ 5,939,744
82154865	CGIC & FIC	\$15,000,000
104536183	TCSCA	\$ 4,105,000
105191031	TCSCA	\$28,000,000
105243347	TCSCA	\$27,219,836
105253365	TCSCA	\$11,800,000
	Total:	\$245,192,000

*CCC - Continental Casualty Company

CGIC - Chubb Group Insurance Companies

FDCM - Fidelity and Deposit Company of Maryland

FIC - Federal Insurance Company

NFICH - National Fire Insurance Company of Hartford

SICA - Safeco Insurance Company of America

TCSCA - Travelers Casualty and Surety Company of America

ZAIC - Zurich American Insurance Company

Upon approval of the permit renewal application, PWCC will provide OSM with any additional bond required by OSMRE pursuant to 30 CFR, Subchapter J.

Newspaper Notice and Proof of Publication, 774.15(b)(2)(iv) and 774.15(b)(3).

Attached is the proposed announcement of application for renewal of surface mining Permit AZ-0001E. According to 30 CFR 773.6(a)(b), 30 CFR 774.15(b)(2)(iv), and 30 CFR 778.21, once the OSM has determined the application to be administratively complete and has approved the proposed newspaper notice, PWCC will commence the publication process. A copy of the approved newspaper advertisement and proof of publication will be filed with OSM and shall be made part of the renewal application within four weeks after the last date of publication. The announcement will be published in the following two newspapers: the Navajo Times and Navajo Hopi Observer.

The advertisement and proof of publication shall be placed in Attachment 11, Chapter 3, Volume 1 of Kayenta Mine Permit AZ-0001E.

PUBLIC NOTICE

Pursuant to the Code of Federal Regulations (CFR), Title 30, Chapter VII, Subchapter E, Part 750 and Subchapter G, Parts 773 and 774, notice is hereby given that Peabody Western Coal Company (PWCC) has filed an application with the Office of Surface Mining Reclamation and Enforcement, Western Region (OSMRE) for renewal of Permit AZ-0001E covering mining operations at Kayenta Mine, Navajo County, Arizona. The permit renewal does not affect any terms and conditions of the existing coal leases, and no new coal leases are associated with the renewal. No new permit area is proposed beyond that which is currently approved. The term of the renewed permit will be from July 6, 2015 through July 5, 2020. This notice is hereby given that:

1. The name and business address of the applicant is: Peabody Western Coal Company, P. O. Box 650, Navajo Route 41, Kayenta, Arizona, 86033.
2. The Kayenta Mine Permit AZ-0001E area is located in northeastern Arizona near the northern edge of Black Mesa within the protracted boundaries of Townships 35 through 37 North, Ranges 17 through 19 East. The operation is contained within the areas shown on the following U.S. Geological Survey 7.5-minute quadrangle maps: Longhouse Valley, Marsh Pass S.E, Owl Spring, Great Spring, Yucca Hill, and Cliff Rose Hill. The permit area is located within the following lands of Navajo County, Arizona that are described relative to the Gila and Salt River Base Meridian.

T35N, R18E - Sections 13, 14, 24, 25, and 36;
T35N, R19E - Sections 1-5 and 7-36;
T36N, R17E - Sections 1-4, 11, and 12;
T36N, R18E - Sections 1-18, 20, and 22-26;
T36N, R19E - Sections 15-22, 25-30, and 32-36;
T37N, R18E - Sections 28, 29, and 32-36.

The permit area with important landmarks is shown on the map included with this public notice.

3. An electronic copy of the application is available for review on the OSMRE, Western Region, Internet website at <http://www.wrcc.osmre.gov>. Paper copies of the application are available for public review and/or inspection at the following four listed locations:

Navajo Nation Minerals Department
Office of Surface Mining
Window Rock Boulevard
Window Rock, AZ 86515

Forest Lake Chapter House
Navajo Route 41
14 miles north of Pinon
Pinon, AZ 86510

The Hopi Tribe
Office of Mining and Mineral Resources
Highway 264
1 mile east of Kykotsmovi
Kykotsmovi, AZ 86039

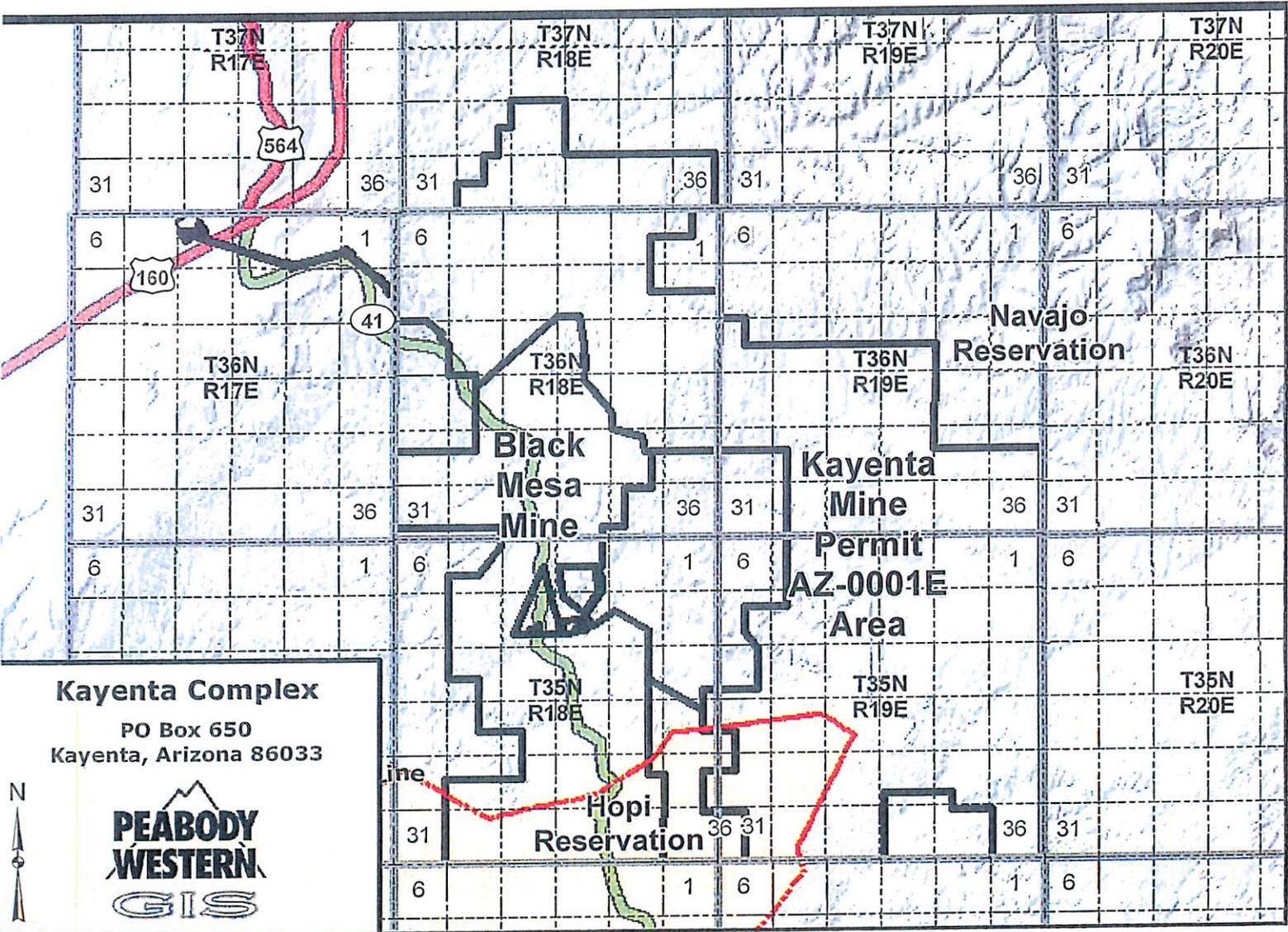
Office of Surface Mining
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050

4. The name and address of the OSMRE representative where written comments, objections, or requests for an informal conference may be submitted is:

Ms. Amy McGregor
Office of Surface Mining
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050
(303) 293-5040
email: amcgregor@osmre.gov

Any written comments, objections, or requests for an informal conference must be submitted to OSMRE before 5:00 p.m., m.d.t., June 1, 2015, which is no less than thirty (30) days after the last publication date of the two newspapers.

In accordance with 30 CFR 773.6(c), any person having an interest that is or may be adversely affected by the decision on the application may request an informal conference. The request must briefly summarize the issues to be raised by the requestor and must state whether the requester desires to have the conference conducted in the locality of the proposed operation.



Kayenta Complex

PO Box 650
 Kayenta, Arizona 86033



Additional Updated Information, 774.15(b)(2)(v).

No new items are being submitted with this five-year Kayenta Mine Permit AZ-0001E renewal application to update information per 30 CFR 774.15(b)(2)(v). PWCC will provide information during the technical review as required by OSM.