

Top 2016 ILB Coal Producers and Mines

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According to preliminary data provided by MSHA, Illinois Basin (ILB) coal producers operated 64 mines and produced 98.5 million tons of coal during 2016. This is nearly 25 million tons lower than 2015 when 122.6 million tons were produced.

Three producers (Alliance, Murray/Foresight and Peabody) control 68% of the ILB market. Nearly all producers experienced lower production figures from 2015 to 2016.

During 2016 Alliance was the top producer with 25.4 million tons produced. Including full year 2015 White Oak (now Hamilton) mine production, this figure is down from 35 million from the previous year. With this level of production, Alliance controlled 26% of the ILB market during 2016.

Murray Energy/Foresight Energy saw its production drop by 4.5 million tons from 29.5 to 24.0 million tons from 2015 to 2016. The combined company controls 24% of the market.

Peabody controlled 18% of the market with 18 million tons produced during 2016. This figure is down by 3.2 million tons from the previous year. Peabody's maximum production year was in 1998 when they produced 34 million tons.

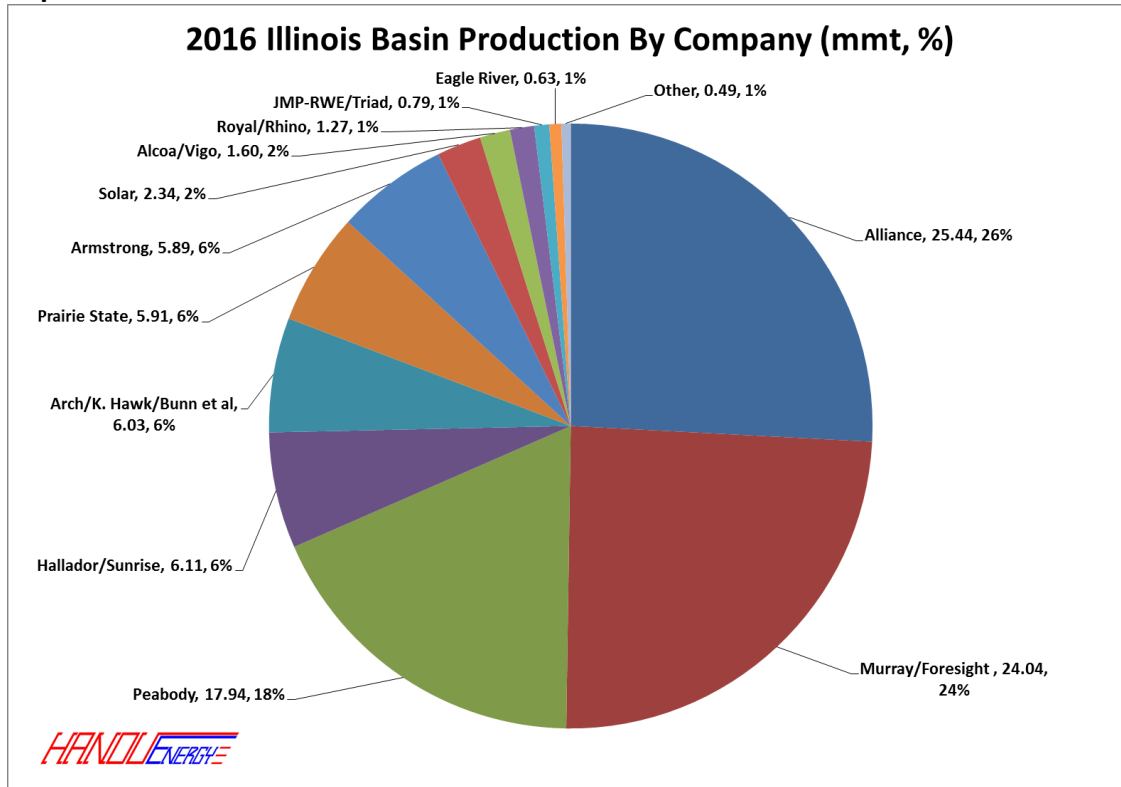
The following table summarizes the ILB producers during 2015 and 2016.

2015-2016 ILB Production by Parent Company

2015-2016 Illinois Basin Production By Company (mmt)			
Company	2015	2016	2016%
Alliance	35.1	25.4	25.7%
Murray/Foresight	29.5	24.0	24.3%
Peabody	21.1	17.9	18.1%
Hallador/Sunrise	7.5	6.1	6.2%
Arch/Knight Hawk/Bunn et al	6.9	6.0	6.1%
Prairie State	5.9	5.9	6.0%
Armstrong	8.2	5.9	6.0%
Solar	2.2	2.3	2.4%
Alcoa/Vigo/White Stallion	2.2	1.6	1.6%
Royal/Rhino	0.8	1.3	1.3%
JMP-RWE/Triad	1.7	0.8	0.8%
Eagle River	0.7	0.6	0.6%
WKY Minerals	0.5	0.2	0.2%
Goldia Crain/SolLPwr	0.00	0.15	0.15%
Sun Energy	0.19	0.08	0.08%
NA Auger Mining, Inc.	0.00	0.02	0.02%
Quest/ERC Mining Indiana	0.003	0.01	0.02%
Chris Gandolfo/G&G	0.000	0.01	0.01%
Wise/Collie	0.006	0.004	0.004%
GNTT/LR Chapman	0.001	0.002	0.002%
Total	122.6	98.5	100%

The following pie chart shows 2016 ILB production by coal producer:

Top Illinois Basin Coal Producers – 2016



Top 2016 ILB Producing Mines

During 2016 there were 30 mines that produced more than 0.9 million tons. These mines produced a total of 92.6 million tons and another 34 mines (including waste coal or “culm” mines) produced 5.9 million tons.

Murray/Foresight’s Sugar Camp longwall complex (MC #1&2) was the largest producer in the ILB with 11.4 million tons produced during 2016. It’s Williamson Pond Creek (Mach #1) longwall mine was fifth with 5.4 million tons produced.

Alliance has the distinction of having the second largest ILB coal mine. During 2016 its River View CM deep mine in West Kentucky produced 8.6 million tons.

Peabody’s Bear Run mine in Indiana produced 7.3 million tons. Bear Run is the largest surface mine that ever existed east of the Mississippi River.

Prairie State’s Lively Grove mine in Illinois comes in fourth with 5.9 million tons. Hallador/Sunrise’s Oaktown Complex coal production from two mines in Indiana is reported separately by MSHA. If combined, the two mines would have ranked fifth as far as size. During 2016 the complex produced 5.7 million tons.

The following are the top ILB mines producing more than 0.9 million tons in 2016:

Top Illinois Basin Producing Mines – 2016

2016 Largest Illinois Basin Coal Mines by Company and Mine						
Parent/Operator	Mine Name	Status	Mine Type	Quality		2016 Production (mmt)
				Btu/Lb.	SO ₂ /mmBtu	
Murray/Foresight/Sugar Camp	Sugar Camp 1&2 (MC-1&2)	A	U-LW	11,825	4.5	11.4
Alliance/River View	River View	A	U-CM	11,526	5.0	8.6
Peabody	Bear Run South	A	S-DL	11,087	4.9	7.3
Prairie State	Lively Grove	A	U-CM	8,398	9.3	5.9
Murray/Foresight/Williamson	Pond Creek (Mach #1)	A	U-LW	11,612	4.6	5.4
Alliance/Gibson County	Gibson South	A	U-CM	11,594	2.5	3.9
Hallador/Sunrise	Oaktown No. 1	A	U-CM	11,680	5.7	3.8
Alliance/Warrior	Cardinal #2	A	U-CM	12,338	5.2	3.8
Alliance/Webster County	Dotiki	A	U-CM	12,177	5.5	3.7
Arch/Knight Hawk/Bunn et al	Prairie Eagle UG	A	U-CM	11,676	5.3	3.3
Alliance/Hamilton	Mine No. 1 (White Oak)	A	U-LW	11,799	4.2	3.0
Peabody	Wild Boar	A	S	11,048	5.5	2.6
Murray/Foresight/Macoupin	Shay No. 1	A	U-CM	11,076	6.0	2.2
Peabody	Francisco UG	A	U-CM	11,488	6.1	2.2
Armstrong	Kronos Underground	A	U-CM	11,699	4.6	2.1
Peabody	Somerville Central	A	S-DL	11,201	5.9	2.1
Hallador/Sunrise	Oaktown No. 2	A	U-CM	11,680	5.7	1.9
Murray	Paradise #9	A	U-CM	11,772	4.8	1.9
Alliance/White County	Pattiki II	C	U-CM	11,614	4.8	1.9
Peabody	Gateway North	A	U-CM	10,971	5.0	1.8
Murray	Galatia/New Era	C	U-LW	11,757	4.2	1.7
Arch/Knight Hawk/Bunn et al	Viper	A	U-CM	10,581	6.7	1.7
Armstrong	Equality	A	S-DL	11,220	5.8	1.6
Peabody	Wildcat Hills Underground	A	U-CM	12,061	4.4	1.5
Murray	Galatia/New Future	A	U-LW	11,757	4.2	1.4
Royal/Rhino	Riveredge	A	U-CM	11,423	4.5	1.3
Solar	Shamrock	A	S	11,281	4.4	1.2
Alcoa/Vigo/White Stallion	Liberty (Squaw Creek)	A	S	11,373	6.4	1.1
Solar	Antioch	A	S	11,000	6.5	1.1
Armstrong	Lewis Creek	A	S-DL	11,145	4.0	0.9
Total Top Mines						92.6
Other (34 mines)	Other (34 mines)	NA	NA	NA	NA	5.9
Grand Total ILB Mines						98.5

Hanou Energy Consulting, LLC recently published its **2017 ILB Coal Control Map** and the map is available for purchase now. The company is also updating its comprehensive and strategic study on the basin. Available in Spring 2017 its **Illinois Basin Coal Supply, Demand and Price Trends 2017–2036** study is regarded as one of the best analyses of the basin available. Hanou is owned and operated by John Hanou. Mr. Hanou can be reached by phone at 410-279-3818 or via email jthanou@hanouenergy.com. His website is <http://hanouenergy.com>.