
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

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

Date of report (Date of earliest event reported): November 27, 2007 (November 27, 2007)

Arch Coal, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-13105
(Commission File Number)

43-0921172
(I.R.S. Employer Identification No.)

CityPlace One
One CityPlace Drive, Suite 300
St. Louis, Missouri 63141
(Address, including zip code, of principal executive offices)

Registrant's telephone number, including area code: (314) 994-2700

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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-

Item 7.01 Regulation FD Disclosure.

On November 27, 2007, Steven F. Leer, Chairman and Chief Executive Officer of Arch Coal, Inc., will deliver a presentation at the 2007 FBR Capital Markets Investor Conference that will include written communication comprised of slides. The slides from the presentation are attached hereto as Exhibit 99.1 and are hereby incorporated by reference.

A copy of the slides will be available at <http://investor.archcoal.com/events.cfm> for 30 days.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are attached hereto and furnished herewith.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Slides from the presentation at the 2007 FBR Capital Markets Investor Conference.

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.

Dated: November 27, 2007

Arch Coal, Inc.

By: /s/ Robert G. Jones

Robert G. Jones

Vice President -- Law, General Counsel and Secretary

Exhibit Index

Exhibit	Description
No.	
99.1	Slides from the presentation at the 2007 FBR Capital Markets Investor Conference.



**2007 FBR Capital Markets
Investor Conference**

Steve Leer
Chairman and CEO

New York
November 27, 2007

Unearthing Value

Arch Coal, Inc. 



Forward-looking information

This presentation contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties arise from changes in the demand for our coal by the domestic electric generation industry; from legislation and regulations relating to the Clean Air Act and other environmental initiatives; from operational, geological, permit, labor and weather-related factors; from fluctuations in the amount of cash we generate from operations; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For a description of some of the risks and uncertainties that may affect our future results, you should see the risk factors described from time to time in the reports we file with the Securities and Exchange Commission.

Slide 2





**Long-Term
Macro Fundamentals**

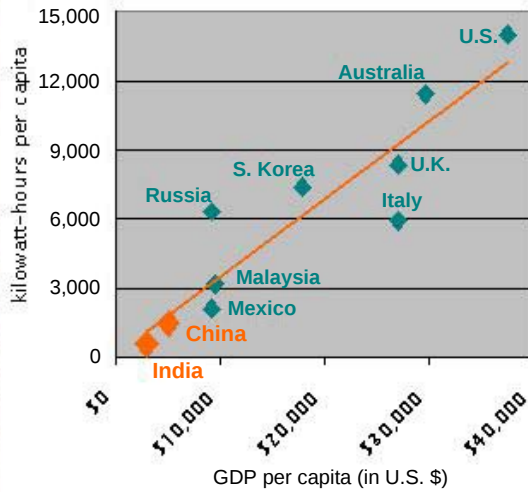
Unearthing Value

Arch Coal, Inc.

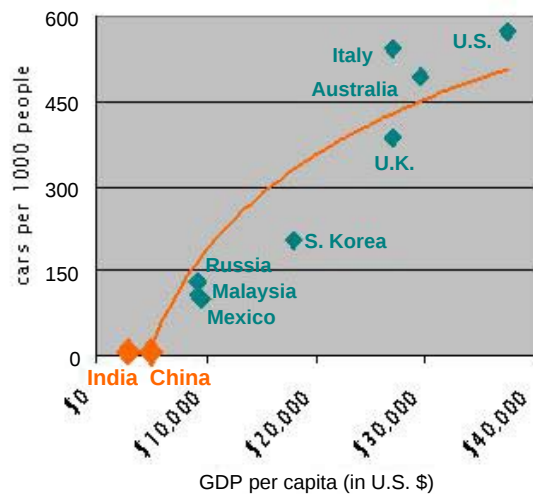


Developing nations will increase energy use, putting pressure on global supply

Electricity Usage per Capita



Passenger Vehicles per 1000 people



Slide 4

Source: United Nations' Human Development Report 2005
2005 World Development Indicators (World Bank)

The resurgence of 'resource nationalism' threatens future U.S. energy supply & security



- National oil companies are likely to increase their dominance of world oil reserves from 60 percent today to close to 75 percent by 2030
- Non-OPEC conventional crude oil and natural gas production expected to peak in the next decade, further increasing OPEC's influence

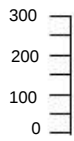
Slide 5

Source: IEA World Energy Outlook 2006

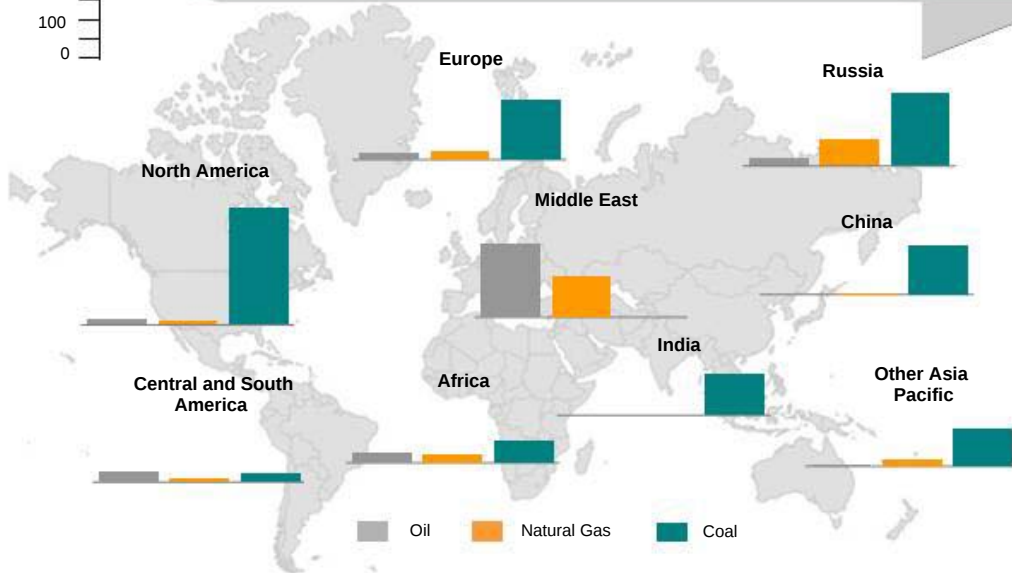


Coal's advantage: abundant, secure and widely dispersed

billions of tons
of oil equivalent



Based on current production levels and proven reserves, coal should outlast gas supplies and oil reserves by more than 2x and 4x, respectively



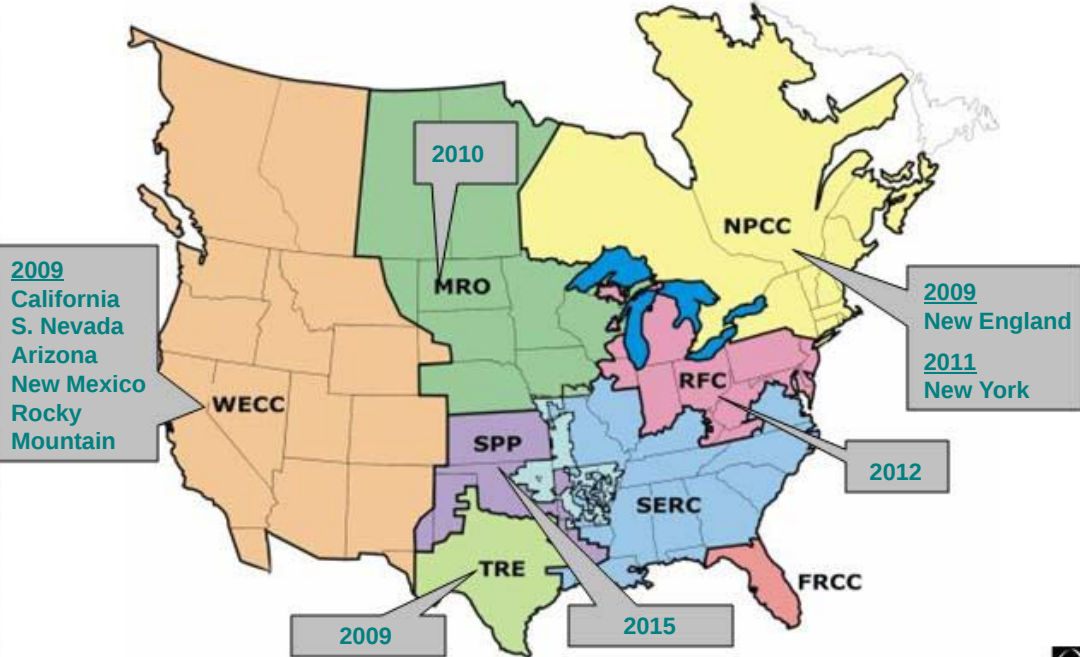
Slide 6

Source: Bank of America, BP Statistical Review and Blackwell Energy Research



In the U.S., electric generation demand is projected to outstrip planned supply growth

North American Reserve Margins Expected to Drop Below Target Levels by:

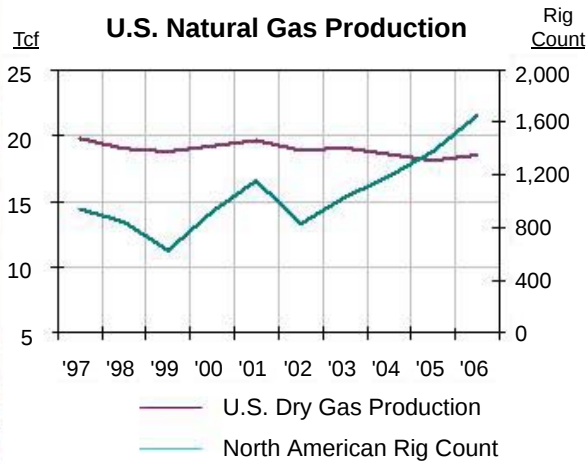


Slide 7

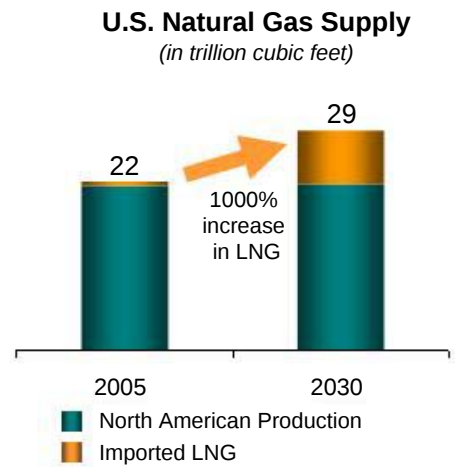
Source: NERC 2007 Long-Term Reliability Assessment



U.S. electric generation will increasingly rely on foreign sources of natural gas



- U.S. dry natural gas production has declined since peaking in 2001 despite an ever increasing number of rigs in production

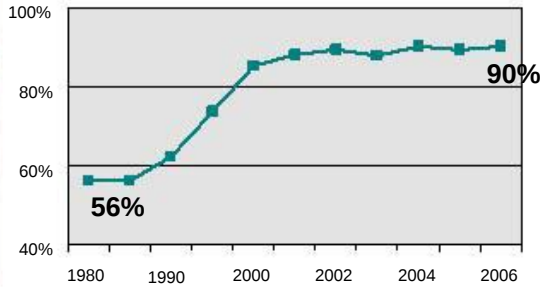


- Increased dependence on foreign natural gas will be required for natural gas just to maintain its share of electric generation



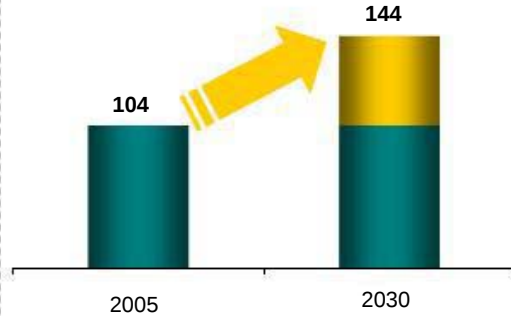
Significant nuclear expansion in the U.S. is necessary just to maintain share

U.S. Nuclear Capacity Factors



- Nuclear utilization has increased substantially over the past 25 years
 - ▶ Since 2000, nuclear utilization has been at or close to 90%
- It is unlikely that utilization can increase further given refueling and maintenance requirements

U.S. Nuclear Plants

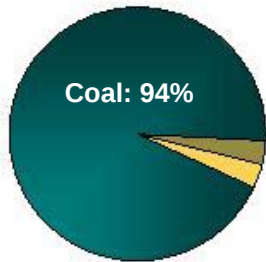


- At least 40 new units are needed just to maintain current share
 - ▶ No new plant additions are forecasted in the next 10 years
- Current nuclear generating infrastructure is aging
 - ▶ By 2030, the average age of nuclear infrastructure will be 50 years old



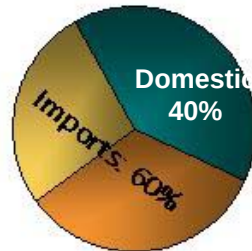
Coal is – and will remain – a vital part of America’s energy future

U.S. Energy Reserves
(in trillion Btu)



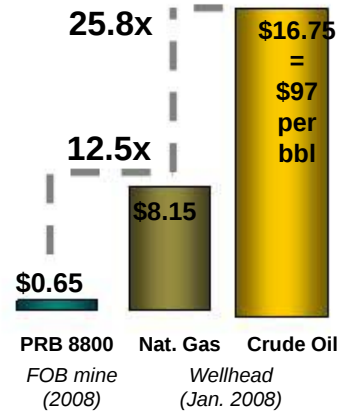
■ Coal ■ Natural Gas ■ Oil

U.S. Petroleum Supply
(million bbls per day)



■ Non-OPEC ■ OPEC ■ Domestic

U.S. Fuel Prices
(\$/mm BTU at 11/23/07)





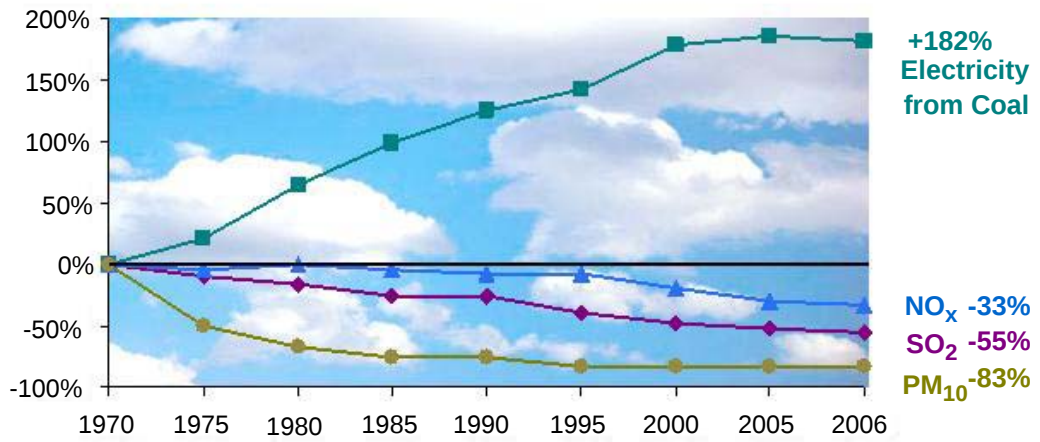
**Climate Concerns and
Clean-Coal Technologies**

Unearthing Value

Arch Coal, Inc.



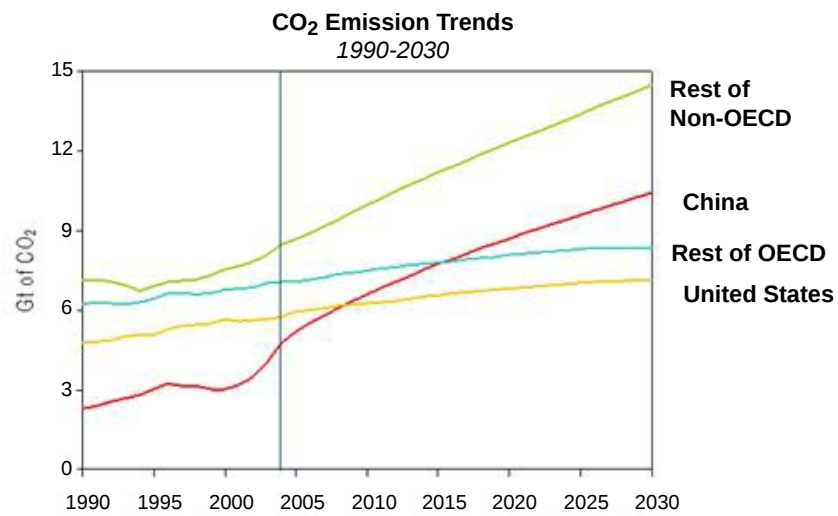
Since 1970, coal has been used in increasingly clean ways in the U.S.



- More progress is expected under existing regulations
- Higher efficiency rates and the eventual deployment of coal gasification technologies create opportunities for reducing carbon intensity as well



Developed world must adopt climate solutions and export these to developing nations



- China is likely to surpass the U.S. in GHG emissions this year
- The growth rate of GHG emissions in developing nations is likely to significantly exceed that of the developed world

Slide 13

Source: IEA World Energy Outlook 2006, *Guardian*



Over the long-term, clean-coal technologies can broaden market demand for coal



- A plug-in hybrid is one entry for coal into the transportation market

- ▶ *Likely to create significant off-peak demand for electricity*

- Coal can be converted into ultra-low-sulfur diesel fuel

- ▶ *At current oil prices, coal-to-liquids facilities are economically feasible*

- Gasification can reduce emissions & transform coal into pipeline-quality natural gas

- ▶ *IGCC & CCS should enable coal to prosper in a carbon constrained world*

Public policy initiatives aimed at domestic energy security are spurring debate on energy legislation and incentives for clean-coal technology development



The U.S. coal industry is educating consumers about the benefits of clean coal

- Industry advocacy campaign
 - ▶ *High profile, national scope*
 - ▶ *TV, radio, print, web, PR*
- Raise awareness and increase support of coal as an American energy solution
- www.americaspower.org



YOU'RE LOOKING AT 50% OF OUR ELECTRICITY.

Many are surprised to learn that half of our country's electricity is generated by coal. It's our most abundant fuel.

Through a \$50 billion investment in new clean coal technologies, today's coal-based generating fleet is already 70 percent cleaner based upon regulated emissions per unit of energy produced. And that's just the beginning.

PAID FOR BY AMERICANS FOR BALANCED ENERGY CHOICES.
To learn more visit AmericasPower.org. ©AEEC 2007

The advertisement features a top section with a coal plug and text, and a bottom section showing a night view of a city with lights reflecting on buildings and streets.

Clean Coal. America's Power.

Slide 15

Source: ABEC





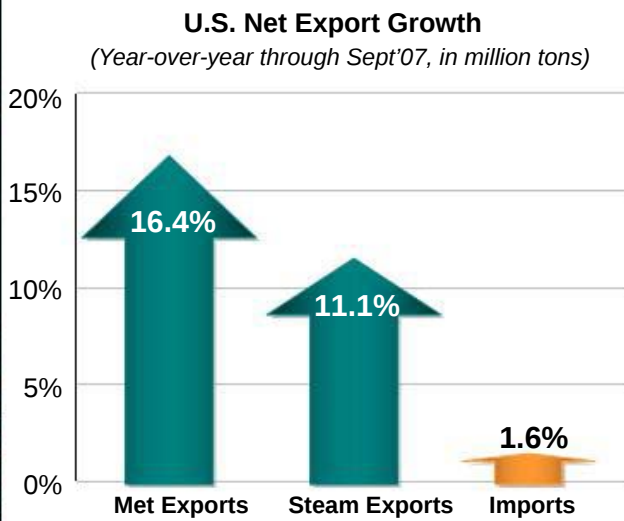
Current Trends

Unearthing Value

Arch Coal, Inc.



Strength in international coal markets is benefiting domestic market



Export growth in 2007 is likely to reach its highest level since 2000, and continue to grow over the next several years

- Strong export market driven by higher coal consumption in Asia coupled with supply constraints in traditional export nations
- Weak U.S. dollar and strong domestic and international steel demand are also factors
- U.S. import growth muted as supply is diverted into higher-priced seaborne trade
- Domestic coal increasingly valued for purposes of supply diversification

Slide 17

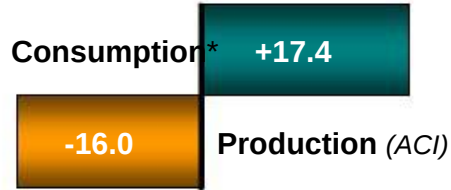
Source: ACI and NMA



U.S. coal market fundamentals have improved during 2007

U.S. Coal Industry Trends

(Year-to-date through Oct'07, in million tons)

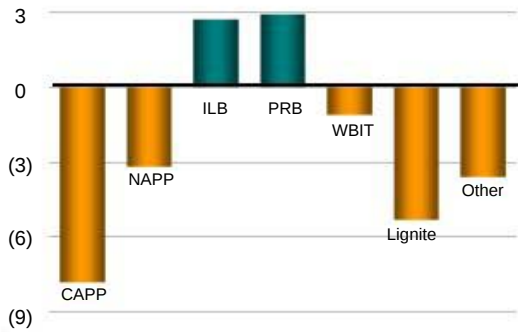


- Coal consumption has rebounded in 2007 due to more normal weather patterns

- Production has declined due to supply constraints and rationalization

Supply Decline by Region

(Year-to-date through Sept'07, in million tons)



- These trends have reduced the build in generator stockpiles this year

- Current stockpiles as of Oct. 31 are estimated at 52 days

- ▶ Typical pre-winter build
- ▶ Arch believes current levels are in target range

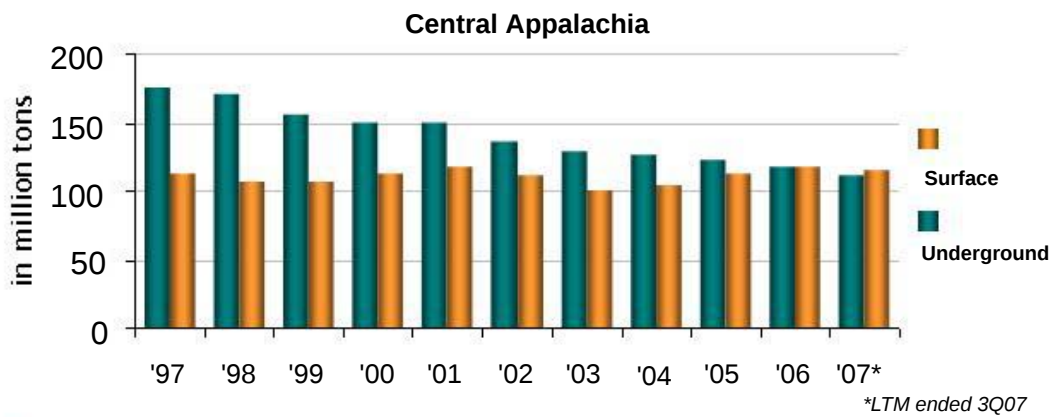
Slide 18

* Coal consumption for electric generation

Source: ACI, NMA and MSHA



Pressures on Central Appalachian coal production continue to build



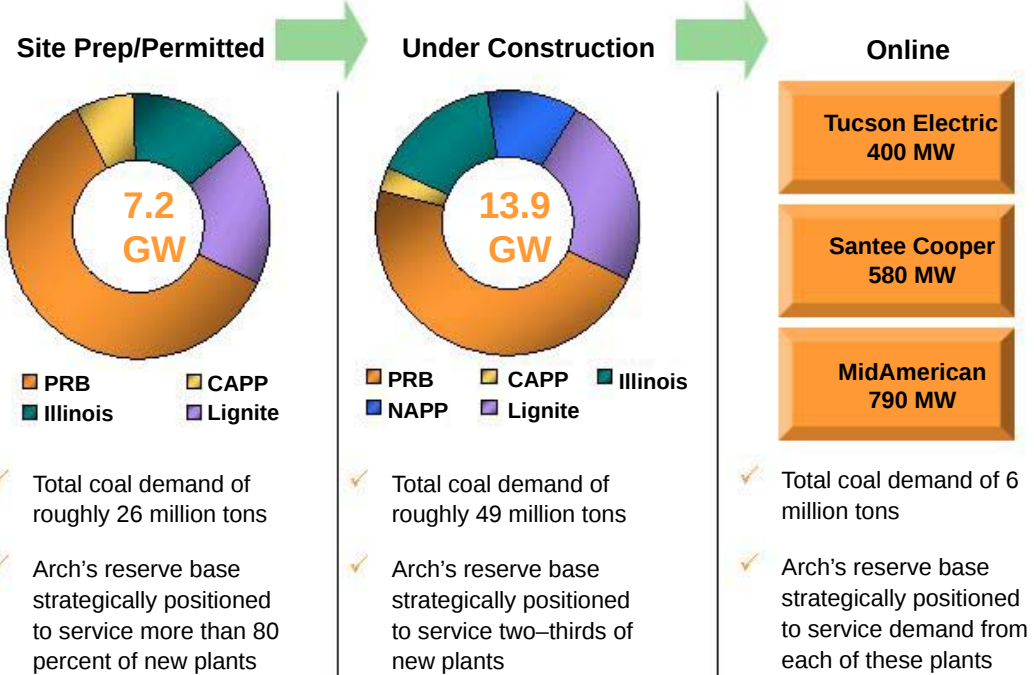
- Despite price spikes in 2001 & 2004, production peaked in 1997
- Cost pressures show no signs of abating
- Loss of synfuel tax credits may idle some high cost mines
- Legal/regulatory hurdles threaten to escalate production decline
- Consolidation and rationalization are widely anticipated

Slide 19

Source: Platts and ACI estimates



Largest coal plant build-out since 1980 will meaningfully expand coal demand



Slide 20

Source: Platts and ACI





Arch Coal

Unearthing Value

Arch Coal, Inc.



About Arch Coal, Inc.



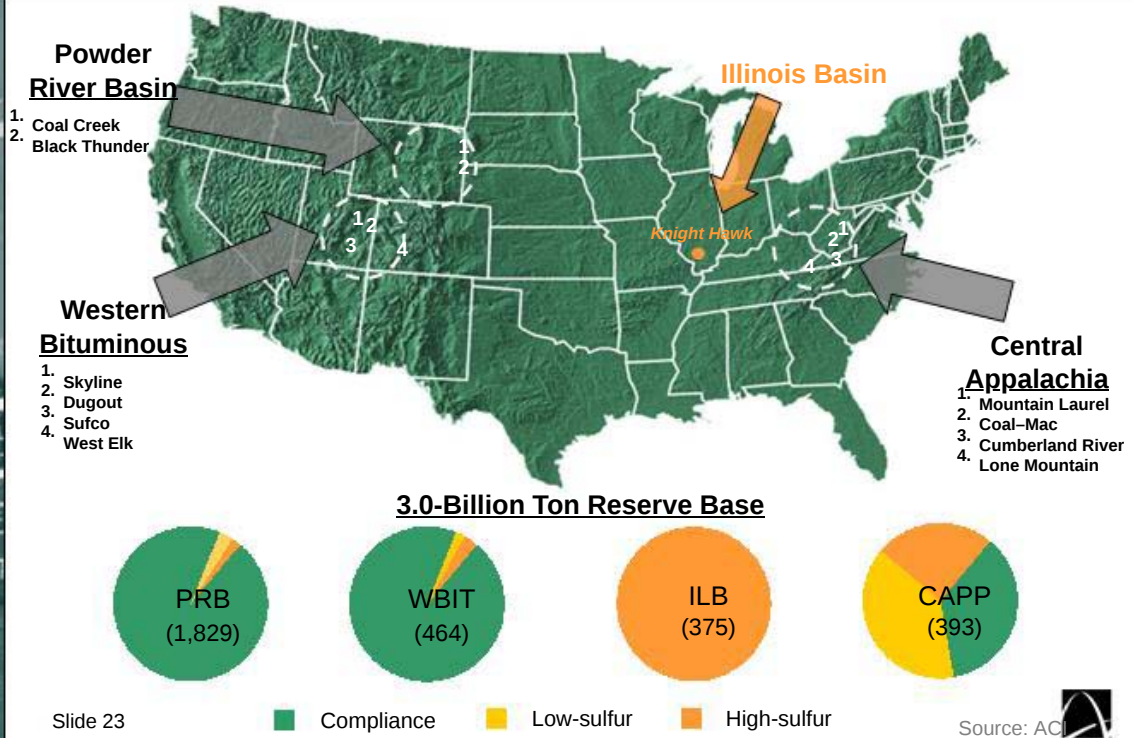
- One of the largest coal producers in the U.S.
- Core business is providing U.S. power generators with clean-burning, low-sulfur coal for electric generation
 - ▶ *Supplies roughly 11% of U.S. coal needs*
 - ▶ *Provides source fuel for roughly 6% of U.S. electricity*
- Talented workforce operates large, modern mines
- Industry leader in mine safety, productivity and reclamation

Slide 22

Source: ACl



Arch's national scope of operations includes presence in four major U.S. coal basins



Arch's mines are strategically positioned to capitalize on improved market trends

Central Appalachia



- Timing of start-up of Mountain Laurel longwall on Oct. 1 is advantageous
- Flexibility to sell 4–5 mm tons into international and domestic met and PCI markets

Slide 24

Western Bituminous



- Supply pressures in the East (and Utah) expected to positively influence price
- Arch benefits as largest producer
- Pursuing opportunities to export steam coal

▶ Mexico's CFE

Powder River Basin



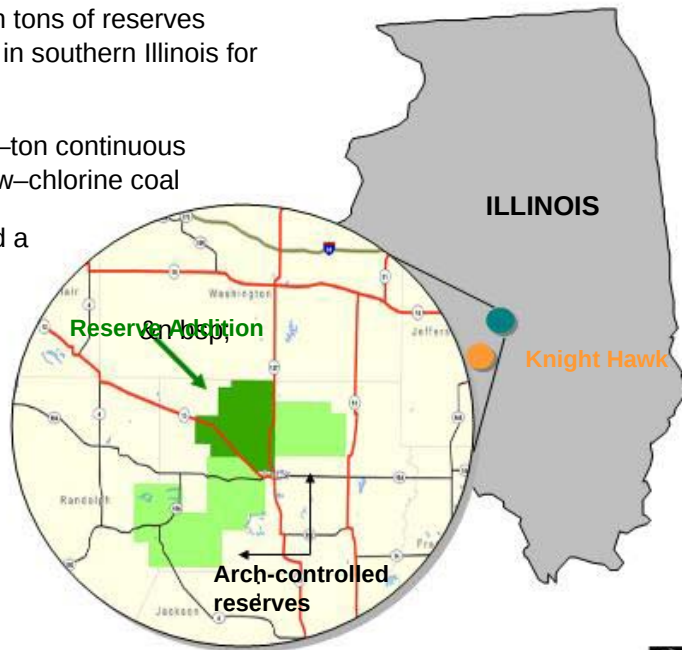
- Domestic supply constraints and sufficient PRB rail capacity should pull coal east
- Arch's open PRB position is an advantage in rising price environment

Source: ACI



Arch has expanded its reserve position in the Illinois Basin

- Recently acquired 157 million tons of reserves adjacent to existing reserves in southern Illinois for roughly \$39 million
- Creates a nearly 300-million-ton continuous reserve block of high-Btu, low-chlorine coal
- Gives Arch the option to build a low-cost, mine-mouth facility for the domestic utility market or a CTL plant, depending on future market conditions
- Additionally, Arch owns an equity interest in Knight Hawk Holdings, a top 10 producer in IL



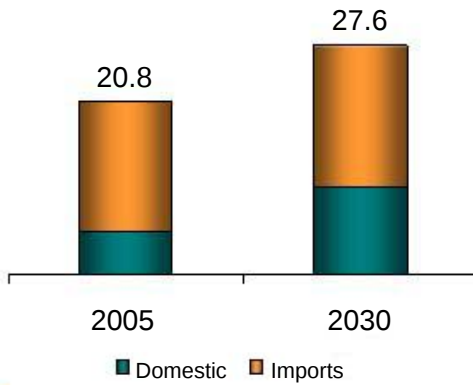
Slide 25

Source: ACl



Arch is advancing clean-coal technology development via a CTL plant in Wyoming

U.S. Refined Product Consumption
(in million bbls per day, per EIA)



- Domestic ■ Imports
- Domestic oil consumption needs are growing, and increasingly will be supplied by imports
- CTL can have a positive impact on the U.S. economy, security & environment

Slide 26



Mine-Mouth CTL Plant

Transportation Fuel



Chemical Feedstock



- Arch owns an equity interest in DKRW Advanced Fuels
- Proposed 13,000 bpd facility will capture CO₂ for enhanced oil recovery

Source: EIA and Arch



Arch's future success hinges on three key pillars of performance

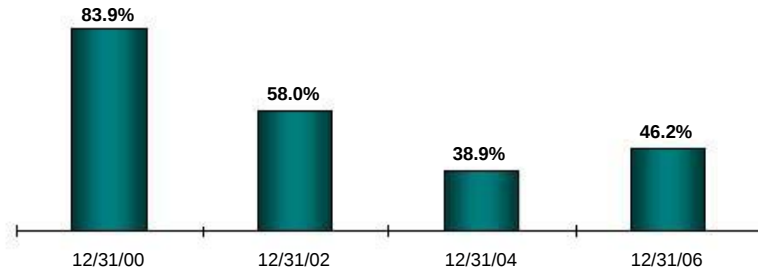


- **Operating the world's safest coal mines**
 - ▶ *Recognized by MSHA's Sentinels of Safety award for operating the nation's safest underground coal mines in 2005 and 2006*
 - ▶ *2006 was second-best year on record for lost-time incidents*
 - ▶ *Outperformed the industry safety average by three times last year*
- **Achieving industry-leading productivity rates**
 - ▶ *Operated three of top eight most productive longwall mines last year*
 - ▶ *Sufco was the most productive underground mine in 2006*
 - ▶ *Surface mines produced 170% more tons than industry average in 2006*
- **Acting as responsible citizens and environmental stewards**
 - ▶ *Third National Good Neighbor Award in past four years*
 - ▶ *U.S. Department of Interior Award for best surface reclamation in 2006*



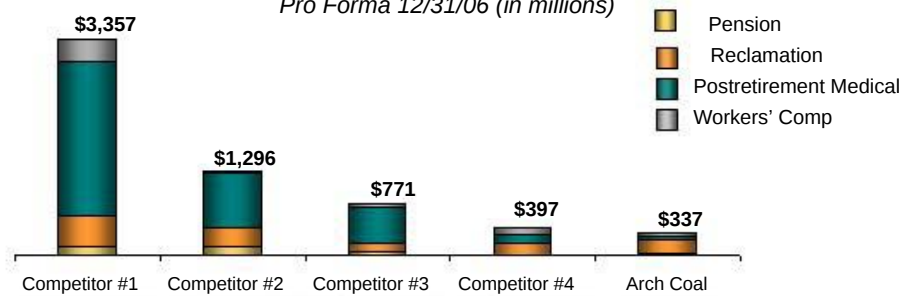
Arch has one of the industry's strongest and cleanest balance sheets

Net Debt as Percentage of Capitalization



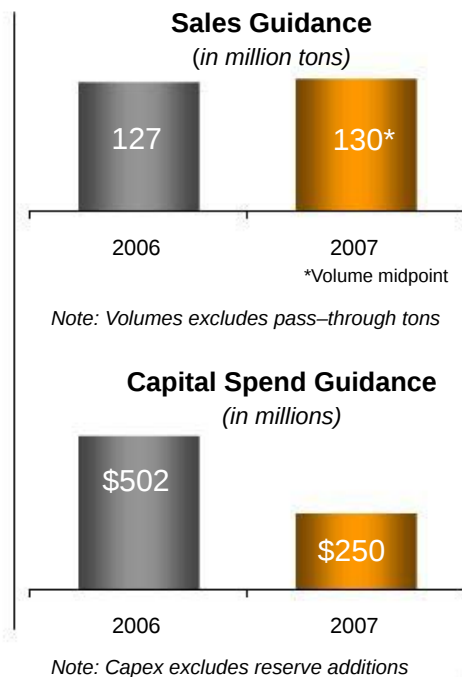
Legacy Liabilities of Largest U.S. Coal Companies

Pro Forma 12/31/06 (in millions)



Arch has reduced production levels and is containing costs in a weak market cycle

- Reduced production targets
 - ▶ Responded to market demand
 - ▶ Preserved value of reserves
- Lowered capital spending
 - ▶ Aligned spending with market demand and reduced production levels
- Focused on cost control
 - ▶ Reoriented mines to maintain production flexibility
 - ▶ Streamlined operations and improved processes



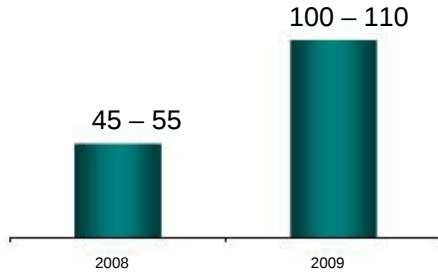
Slide 29

Source: AC

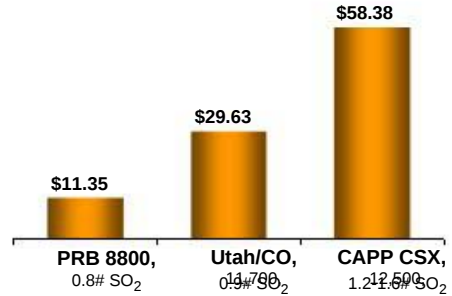


Arch's unpriced position is advantageous in rising price environment

Unpriced Tons
(as of 9/30/07, in million tons)



2008 Coal Daily Prices
(as of 11/23/07, \$/ton)



Market-driven strategy

- ▶ Patient approach
- ▶ Participate in upside potential as prices rise
- ▶ Creates long-term value for shareholders

Encouraging price appreciation

- ▶ Spot pricing above Arch's 3Q07 realized pricing by region
- ▶ Substantially improved pricing in Central Appalachia
- ▶ Moderately improved pricing in Powder River Basin



Arch's future strategic growth possibilities are compelling



- Invest in core businesses to enhance profit growth and return on capital as well as evaluate opportunities to further upgrade and expand reserve base
- Consider acquisitions, divestitures or other investments that strategically fit and create shareholder value
- Expand market for coal (*and perception of coal's value*) through Btu conversion technologies that provide significant upside

