
**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): December 27, 2007 (December 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 8.01 Other Events.

On December 27, 2007, Arch Coal, Inc. issued a press release announcing that it has called for redemption all outstanding shares of its 5% Perpetual Cumulative Convertible Preferred Stock (the "Preferred Stock") and will redeem all such shares on February 1, 2008. A copy of the press release is attached as Exhibit 99.1 and is hereby incorporated by reference. A summary of the redemption procedures relating to the Preferred Stock is set forth in the notice of redemption, a copy of which is attached as Exhibit 99.2 and is hereby incorporated by reference.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

The following exhibits are attached hereto and filed herewith.

Exhibit No.	Description
99.1	Press release dated December 27, 2007.
99.2	Notice of Redemption of 5% Perpetual Cumulative Convertible Preferred Stock.

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: December 27, 2007

Arch Coal, Inc.

By: /s/ Robert G. Jones
Robert G. Jones
Vice President — Law, General Counsel and Secretary

Exhibit Index

Exhibit
No.

Description

99.1 Press release dated December 27, 2007.

99.2 Notice of Redemption of 5% Perpetual Cumulative Convertible Preferred Stock.

News from
Arch Coal, Inc.



FOR FURTHER INFORMATION:

Deck S. Slone
Vice President, Investor
Relations and Public Affairs
314/994-2717

FOR IMMEDIATE RELEASE
December 27, 2007

Arch Coal Announces Redemption of Preferred Stock

ST. LOUIS (December 27, 2007) – Arch Coal, Inc. (NYSE: ACI) today announced that it has called for redemption all outstanding shares of its 5% Perpetual Cumulative Convertible Preferred Stock and will redeem all such shares on February 1, 2008.

The redemption price payable for each outstanding share of preferred stock is an amount of cash equal to (i) \$50.00 per share (which represents 100% of the liquidation preference) plus (ii) all accumulated and unpaid dividends thereon to the redemption date. As of December 24, 2007, there were 84,881 shares of preferred stock outstanding. Holders of preferred stock may also convert their shares into shares of Arch Coal common stock in accordance with terms of the preferred stock at any time prior to 5:00 p.m., New York City time, on January 31, 2008 at a conversion rate of 4.79701 shares of common stock for each share of preferred stock.

A formal redemption notice has been sent to holders of record of the preferred stock on December 24, 2007. The redemption of the preferred stock and the payment of the redemption price will be made in accordance with the terms specified in the redemption notice and the redemption procedures of The Depository Trust Company. American Stock Transfer & Trust Company will be acting as paying agent in connection with the redemption.

St. Louis-based Arch Coal is one of the nation's largest coal producers. The company's core business is providing U.S. power generators with clean-burning, low-sulfur coal for electric generation. Through its national network of mines, Arch supplies the fuel for approximately 6 percent of the electricity generated in the United States.

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NOTICE OF REDEMPTION
of
5% PERPETUAL CUMULATIVE CONVERTIBLE PREFERRED STOCK
(LIQUIDATION PREFERENCE \$50.00 PER SHARE)
CUSIP No. 039380 20 9

Notice is hereby given that Arch Coal, Inc. (the "Company") has called for redemption and will redeem on Friday, February 1, 2008 (the "Redemption Date") all of its 5% Perpetual Cumulative Convertible Preferred Stock (Liquidation Preference \$50.00 Per Share) (the "Preferred Stock") outstanding at a redemption price of \$50.00 per share of Preferred Stock, without interest, in accordance with Section 6 of the Certificate of Designations Establishing the Designations, Powers, Preferences, Rights, Qualifications, Limitations and Restrictions of 5% Perpetual Cumulative Convertible Preferred Stock (the "Certificate of Designations"). A summary of the redemption procedures relating to the Preferred Stock is set forth below. You should refer to the Certificate of Designations for a complete description of your rights. Terms not defined in this Notice have the meanings assigned to them in the Certificate of Designations.

Payment of the Redemption Price will be made during normal business hours, upon presentation and surrender for payment of your shares of Preferred Stock to American Stock Transfer & Trust Company (the "Paying Agent"), by effecting book entry transfer of a holder's shares of Preferred Stock.

The right of a holder to convert its shares of Preferred Stock into shares of the Company's Common Stock, \$0.01 par value (the "Common Stock"), of the Company will expire at 5:00 p.m., New York City time, on Thursday, January 31, 2008, the last business day prior to the Redemption Date (the "Conversion Expiration Date"), unless the Company shall default in making payment of the Redemption Price then due, in which case the right of the holder to convert its shares of Preferred Stock shall terminate on the date such default is cured and the Preferred Stock is redeemed. Until 5:00 p.m., New York City time, on the Conversion Expiration Date, each holder of Preferred Stock may convert any whole shares of its Preferred Stock into 4.79701 shares of Common Stock, as provided in the Certificate of Designations. As of the date of this Notice, the conversion price of the Preferred Stock is \$10.4232.

Holders of Preferred Stock who want to convert any or all of their Preferred Stock must satisfy the requirements in Section 8 of the Certificate of Designations. To convert the Preferred Shares, a holder must, prior to 5:00 p.m., New York City time, on the Conversion Expiration Date, complete and sign a written notice of conversion, and surrender such notice of conversion and shares of Preferred Stock to be converted to American Stock Transfer & Trust Company, the conversion agent for the Preferred Stock, at the address set forth below:

By hand or courier:

American Stock Transfer & Trust Company
Operations Center
Attention: Reorganization Department
6201 15th Avenue
Brooklyn, New York 11219

By mail:

American Stock Transfer & Trust Company
Operations Center
Attention: Reorganization Department
P.O. Box 2042
New York, New York 10272

For information, call:

(877) 248-6417 or
(718) 921-8317

Unless the Company defaults in making such redemption payment, on and after the Redemption Date, all rights of the holders of the Preferred Stock will cease and terminate, excepting only the right to receive the Redemption Price therefor, and dividends in respect of the shares of Preferred Stock will cease to accrue, without further notice.

Holders of Preferred Stock who do not surrender their shares of Preferred Stock for conversion prior to 5:00 p.m., New York City time, on the Conversion Expiration Date must surrender such shares of Preferred Stock to the Company in order to collect the Redemption Price.

If any shares of Preferred Stock are not surrendered for conversion or redemption, such shares of Preferred Stock shall be deemed to be redeemed, and the Redemption Price shall be deemed due and payable, on the

Redemption Date, payment therefor being subject to presentation and surrender to the Company of such shares of Preferred Shares. No interest will be payable on such amounts.

All inquiries with respect to the surrender of shares of Preferred Stock should be made directly to American Stock Transfer & Trust Company at the address or telephone number above.

Failure to surrender shares of Preferred Stock for conversion before 5:00 p.m., New York City time, on the Conversion Expiration Date will result in the redemption of such shares of Preferred Stock. Such shares of Preferred Stock, however, must be surrendered to the Company to collect the Redemption Price.

Arch Coal, Inc.

By:



Robert G. Jones
Vice President – Law, General Counsel
and Secretary

December 27, 2007