
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): May 23, 2008 (May 22, 2008)

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 1.01 Entry Into a Material Definitive Agreement.

On May 22, 2008, Arch Coal, Inc. (the "Company") entered into an amendment (the "Amendment") to its accounts receivable securitization program (the "Receivables Program") increasing the size of the program from \$150.0 million to \$175.0 million and extending the expiration date from February 3, 2011 to May 22, 2013. Except as set forth in the Amendment, the Receivables Program remains in full force and effect in accordance with its terms.

As of May 21, 2008, the Company had approximately \$90.8 million and \$58.3 million of borrowings and letters of credit, respectively, outstanding under the Receivables Program.

The Company described the material terms of the Receivables Program in Item 1.01 of its Current Report on Form 8-K filed on February 16, 2006 and Item 1.01 of its Current Report on Form 8-K filed on June 27, 2006, and incorporates those descriptions herein by this reference, appropriately modified as set forth above.

The foregoing description is only a summary and is qualified in its entirety by the provisions of the Amendment. Since the terms of the Amendment may differ from the general information contained herein, you should rely on the actual terms of the Amendment, which is filed with this report as Exhibit 10.1 and is incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Information concerning the amounts for which the Company has become obligated under the Receivables Program, as amended by the Amendment, set forth above under Item 1.01 is hereby incorporated by reference into this Item 2.03.

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

The following exhibit is attached hereto and filed herewith.

Exhibit No.	Description
10.1	Third Amendment to Receivables Purchase Agreement, dated as of May 22, 2008, among Arch Receivable Company, LLC, Arch Coal Sales Company, Inc., Market Street Funding LLC, the various financial institutions party thereto and PNC Bank, National Association, as administrator and as LC Bank.

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: May 23, 2008

Arch Coal, Inc.

By: /s/ Robert G. Jones

Robert G. Jones

Vice President -- Law, General Counsel and Secretary

Exhibit Index

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10.1	Third Amendment to Receivables Purchase Agreement, dated as of May 22, 2008, among Arch Receivable Company, LLC, Arch Coal Sales Company, Inc., Market Street Funding LLC, the various financial institutions party thereto and PNC Bank, National Association, as administrator and as LC Bank.

THIRD AMENDMENT TO
RECEIVABLES PURCHASE AGREEMENT

THIS THIRD AMENDMENT TO RECEIVABLES PURCHASE AGREEMENT (this "Amendment"), dated as of May 22, 2008, is entered into among ARCH RECEIVABLE COMPANY, LLC (the "Seller"), ARCH COAL SALES COMPANY, INC. (the "Servicer"), MARKET STREET FUNDING LLC (the "Issuer"), the various financial institutions party to the Agreement (as defined below) as LC Participants (the "LC Participants"), and PNC BANK, NATIONAL ASSOCIATION, as Administrator (the "Administrator") and as LC Bank (the "LC Bank").

RECITALS

1. The parties hereto are parties to the Receivables Purchase Agreement, dated as of February 3, 2006 (as amended, amended and restated, supplemented or otherwise modified through the date hereof, the "Agreement"); and

2. The parties hereto desire to amend the Agreement as hereinafter set forth.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. Certain Defined Terms. Capitalized terms that are used but not defined herein shall have the meanings set forth in the Agreement.

SECTION 2. Amendments to the Agreement.

(a) The definition of "Dilution Reserve Percentage" set forth in Exhibit I to the Agreement is hereby amended and restated in its entirety as follows:

"Dilution Reserve Percentage" means, on any day, the product of (a) the Dilution Horizon multiplied by (b) the sum of (i) 2.00 times the average of the Dilution Ratios for the twelve most recent calendar months and (ii) the Spike Factor.

(b) Clause (a) of the definition of "Facility Termination Date" set forth in Exhibit I to the Agreement is hereby amended by deleting the date "February 3, 2011" therein and substituting the date "May 22, 2013" therefor.

(c) The amount specified as the "Purchase Limit" in the definition of such term set forth in Exhibit I to the Agreement is hereby amended by changing such amount from "\$150,000,000" to "175,000,000".

(d) The definition of "Total Reserves" set forth in Exhibit I to the Agreement is hereby amended and restated in its entirety as follows:

"Total Reserves" means, at any time, the sum of (a) the Yield Reserve, plus (b) the greater of (i) the Concentration Reserve plus the Minimum Dilution Reserve and (ii) the Loss Reserve plus the Dilution Reserve.

(e) The Commitment of each of the Issuer and the LC Participant is hereby amended to be the amount set forth as the "Commitment" under its name on its respective signature page to this Amendment.

(f) Exhibit I to the Agreement is hereby amended by inserting in the appropriate alphabetical order the following new definitions:

“Minimum Dilution Reserve” means, on any day, an amount equal to (a) the Minimum Dilution Reserve Percentage divided by (b) 100% minus the Minimum Dilution Reserve Percentage on such day.

“Minimum Dilution Reserve Percentage” means, on any day, the product of (a) the average of the Dilution Ratios for the twelve most recent calendar months multiplied by (b) the Dilution Horizon.

SECTION 3. Representations and Warranties. Each of the Seller and the Servicer hereby represents and warrants to the Administrator and the Purchasers as follows:

(a) Representations and Warranties. The representations and warranties made by it in the Transaction Documents are true and correct as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations or warranties were true and correct as of such earlier date).

(b) Enforceability. The execution and delivery by such Person of this Amendment, and the performance of each of its obligations under this Amendment and the Agreement, as amended hereby, are within each of its corporate powers and have been duly authorized by all necessary organizational action on its part. This Amendment and the Agreement, as amended hereby, are such Person’s valid and legally binding obligations, enforceable in accordance with their respective terms.

(c) No Default. Both before and immediately after giving effect to this Amendment and the transactions contemplated hereby, no Termination Event or Unmatured Termination Event exists or shall exist.

SECTION 4. Effect of Amendment. All provisions of the Agreement, as expressly amended and modified by this Amendment, shall remain in full force and effect. After this Amendment becomes effective, all references in the Agreement (or in any other Transaction Document) to “this Agreement”, “hereof”, “herein” or words of similar effect referring to the Agreement shall be deemed to be references to the Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Agreement other than as set forth herein.

SECTION 5. Effectiveness. This Amendment shall become effective as of the date hereof upon receipt by the Administrator of (a) counterparts of this Amendment (whether by facsimile or otherwise) executed by each of the parties hereto and (b) counterparts of that certain amended and restated fee letter by and among the Seller, Issuer, Administrator and Arch Coal, Inc. and dated as of the date hereof (whether by facsimile or otherwise), executed by each of the parties thereto, and receipt by the Administrator of the full amount of the “Amendment Fee” referred to therein.

SECTION 6. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute but one and the same instrument.

SECTION 7. Governing Law. This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York.

SECTION 8. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Agreement or any provision hereof or thereof.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

ARCH RECEIVABLE COMPANY, LLC,
as Seller

By: /s/ James E. Florczak

Name: James E. Florczak

Title: Vice President & Treasurer

ARCH COAL SALES COMPANY, LLC,
as Servicer

By: /s/ James E. Florczak

Name: James E. Florczak

Title: Vice President & Treasurer

MARKET STREET FUNDING LLC,
as Issuer

By: /s/ Doris J. Hearn

Name: Doris J. Hearn

Title: Vice President

Commitment: \$175,000,000

PNC BANK, NATIONAL ASSOCIATION,
as Administrator

By: /s/ William P. Falcon

Name: William P. Falcon

Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as the LC Bank and as an LC Participant

By: /s/ Richard Munsick

Name: Richard Munsick

Title: Senior Vice President

Commitment: \$175,000,000

Pro-Rata Share: 100%