

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): July 22, 1998

ARCH COAL, INC.
(Exact name or registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-13105
(Commission file
number)

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

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

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

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Exhibit Index on page 4

Item 5. Other Events.

On July 22, 1998, Arch Coal, Inc. ("Arch Coal") announced that Ashland, Inc., the owner of approximately 55% of Arch Coal's outstanding common stock, pursuant to registration rights held by it under an April 4, 1997 Registration Rights Agreement, will register approximately 2.1 million common shares with the Securities and Exchange Commission for sale in an underwritten public offering.

A copy of Arch Coal's July 22, 1998 press release is filed herewith as an exhibit and incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits. The following exhibit is filed as part of this Current Report on Form 8-K:

Description -----	Exhibit No. -----
Press Release dated July 22, 1998	99.1

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ARCH COAL, INC.
(Registrant)

BY: /s/ Jeffry N. Quinn

Jeffry N. Quinn
Senior Vice President -
Law & Human Resources,
Secretary and General Counsel

DATE: July 22, 1998

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Press Release dated July 22, 1998

ASHLAND INC. GIVES NOTICE OF INTENTION TO SELL SHARES OF ARCH COAL, INC.

St. Louis, MO - Arch Coal, Inc. (NYSE:ACI) today announced that Ashland Inc., pursuant to registration rights held by it under an April 4, 1997 registration rights agreement, will register with the Securities and Exchange Commission (SEC) up to 2,100,000 shares of Arch Coal, Inc. common stock for sale in an underwritten public offering. The sale of such shares will reduce Ashland's ownership percentage in Arch Coal, Inc. from approximately 55% to approximately 49%. It is anticipated that a registration statement relating to these securities will be filed with the SEC in August 1998.

Any offering will be made only by means of a written prospectus, and this release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Arch Coal is the nation's second largest coal producer with subsidiary operations in West Virginia, Kentucky, Virginia, Illinois, Wyoming, Colorado and Utah. Through these operations, Arch Coal provides the fuel for approximately 6% of U.S. electric power generation.