

Arch Coal and Logan County Commission Join Together to Create New Business Development Corporation

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St. Louis, MO - October 23, 1998 - Arch Coal, Inc. and the Logan County (W.Va.) Commission today announced plans to form a new business development corporation for the purpose of creating economic opportunities in southern West Virginia. Arch Coal has agreed to make an initial contribution of \$10,000 to fund the formation and promotion of this corporation.

"We are pleased to be joining forces with the Logan County Commission in this exciting new entity," said Steven F. Leer, Arch's president and chief executive officer. "Southern West Virginia is vitally important to the future of Arch Coal. It is the site of many of our largest mines and the home to many of the 2,500 men and women who work at those mines. We believe this new corporation can have a positive and long-lasting impact on the quality of life in the region."

Business development corporations are non-profit organizations authorized by section 31-14-1 of the West Virginia Code and created to promote, develop and advance business prosperity and economic development in the state. In addition to its own involvement and financial backing, Arch Coal has agreed to solicit the support and involvement of other mining companies, rail carriers, land companies and public utilities.

"We believe mountaintop mining creates two major benefits for the people of southern West Virginia," Leer said. "First, it provides thousands of jobs and tremendous economic benefits to the region during the mining process. Second, it creates the kind of land - complete with roads, sewage systems and electrical infrastructure - that can be used for future economic development. We are eager to work with other coal-related enterprises, as well as business leaders and concerned citizens throughout the region, to ensure that the potential of these new lands is fully realized."

Creation of a multi-purpose recreational facility

As an initial project, Arch will donate land at its Wylo Mine and work with local officials to create a multi-purpose recreational facility. The facility will likely include baseball and softball fields, tennis courts, walking trails and other outdoor facilities.

"We believe this high, rolling terrain is ideal for a host of recreational pursuits," Leer said. "Making the land useful to the people of the region is part of our overall vision for reclaiming our mine sites, and we believe this project will help make that vision a reality."

Arch is currently reviewing its land holdings at Wylo to determine which parcels would be appropriate for such a facility. Arch will also work with the appropriate regulatory agencies to ensure that the existing infrastructure at the site can be used to support this new facility. Arch plans to identify the precise area for donation within the next 90 days.

"We only own a portion of the lands at the Wylo Mine," Leer said. "Over the next three months, we will be working closely with the other land owners in an effort to gain their involvement. It is our belief that many of these land owners will be as enthusiastic as we are to participate in this project."

Arch Coal is the nation's second largest coal producer, with subsidiary operations in West Virginia, Kentucky, Virginia, Illinois, Wyoming, Colorado and Utah. More than 2,500 people are employed at Arch Coal's mining operations in West Virginia, where the company produced over 30 million tons of clean-burning, low-sulfur coal last year.