

ARCH COAL INC  
Form 4  
February 11, 2008

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**MESSEY ROBERT J**

(Last) (First) (Middle)  
**ONE CITYPLACE DRIVE**  
  
(Street)

**ST. LOUIS, MO 63141**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**ARCH COAL INC [ACI]**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/07/2008**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Senior Vice President & CFO**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common stock <u>(1)</u>	02/07/2008		M		19,150 A <u>(1)</u> 57,238	D	
Common stock <u>(2)</u>	02/08/2008		M		17,124 A \$ 11.3 74,362	D	
Common stock <u>(2)</u>	02/08/2008		M		8,824 A \$ 9.075 83,186	D	
Common stock <u>(2)</u>	02/08/2008		S/K		25,948 D \$ 49.8 57,238	D	
Common stock					1,083	I	By 401(k) plan

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title Underlying Security (Instr. 3)
Performance-contingent phantom stock	(3)	02/07/2008		M	38,300	(4) 12/31/2008	Common stock
Employee stock option (right to buy) (2)	\$ 11.3	02/08/2008		M	17,124	(5) 04/25/2012	Common stock
Employee stock option (right to buy) (2)	\$ 9.075	02/08/2008		M	8,824	(6) 02/29/2012	Common stock

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

MESSEY ROBERT J  
ONE CITYPLACE DRIVE  
ST. LOUIS, MO 63141

Senior Vice President & CFO

## Signatures

/s/ Gregory A. Billhartz,  
Attorney-in-Fact

02/11/2008

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The reporting person received 76,600 performance-contingent phantom shares on July 28, 2005. One-half of the performance contingent phantom shares vest if the average closing price of Arch Coal, Inc.'s common stock for a period of 20 consecutive trading days meets or exceeds \$40.00, subject to the achievement of certain financial performance targets. Upon vesting of 38,300 performance contingent phantom shares on February 7, 2008, the reporting person received 19,150 shares of common stock and \$940,457 in cash.

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(2) The exercise of employee stock options and sale of underlying shares of common stock by the executive officer reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.

(3) Each performance-contingent phantom share represents a right to receive one share of common stock or the cash value thereof, unless otherwise deferred at the reporting person's election, pursuant to the Arch Coal, Inc. Executive Deferred Compensation Plan.

The reporting person received 76,600 performance-contingent phantom shares on July 28, 2005. One-half of the performance-contingent phantom shares vest if the average closing price of Arch Coal's common stock for a period of 20 consecutive trading days meets or exceeds \$35.00 and the other half of the performance shares vest if the average closing price of Arch Coal's common stock for a period of 20 consecutive trading days meets or exceeds \$40.00, subject, in each case to the achievement of certain financial performance targets. On February 7, 2008, 38,300 performance-contingent phantom shares vested.

(4) The reporting person received 68,500 stock options on April 25, 2002. The stock options vested ratably over a four year period as follows: 17,125 stock options vested on April 25, 2003; 17,125 stock options vested on April 25, 2004; 17,125 stock options vested on April 25, 2005; and 17,125 stock options vested on April 25, 2006.

(5) The reporting person received 68,500 stock options on February 28, 2002. The stock options vested ratably over a four year period as follows: 17,125 stock options vested on February 28, 2003; 17,125 stock options vested on February 28, 2004; 17,125 stock options vested on February 28, 2005; and 17,125 stock options vested on February 28, 2006.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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