

ARCH COAL INC
Form 4
February 11, 2008

FORM 4

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Slone Deck

(Last) (First) (Middle)

ONE CITYPLACE DRIVE, SUITE
300

(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
__X__ Officer (give title below) ____ Other (specify below)

VP Investor Rel & Public Aff

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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)
Common stock <u>(1)</u>	02/07/2008		M	1,350	A	10,300	D
Common stock <u>(2)</u>	02/08/2008		M	1,500	A	\$ 11,4375	11,800 D
Common stock	02/08/2008		S	1,500	D	\$ 50	10,300 D

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

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SEC 1474
(9-02)

number.

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 a Underlyi (Instr. 3 a	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance-contingent phantom stock	(3)	02/07/2008		M	2,700	(4)	12/31/2008	Comm stock
Employee stock options (right to buy) (2)	\$ 11.4375	02/08/2008		M	1,500	(5)	07/22/2008	Comm stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Slone Deck ONE CITYPLACE DRIVE SUITE 300 ST. LOUIS, MO 63141	VP Investor Rel & Public Aff

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 5,400 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 2,700 performance contingent phantom shares on February 7, 2008, the reporting person received 1,350 shares of common stock and \$66,298 in cash.
- (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 affected 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.

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The reporting person received 5,400 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

- (4) 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, 2,700 performance-contingent phantom shares vested.

- (5) The reporting person received 1,500 stock options on July 22, 1998. The stock options vested ratably over a three year period as follows: 500 stock options vested on July 22, 1999; 500 stock options vested on July 22, 2000; and 500 stock options vested on July 22, 2001.

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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