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UNITED STATES  
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):

August 2, 2006

Arch Coal, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-13105

43-0921172

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

One CityPlace Drive, Suite 300, St. Louis, Missouri

63141

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(314) 994-2725

Not Applicable

Former name or former address, if changed since last report

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 7.01 Regulation FD Disclosure.**

On August 2, 2006, Arch Coal, Inc. announced that it had acquired an interest in Knight Hawk Coal. A copy of the press release announcing the transaction is attached hereto as Exhibit 99.1 and is hereby incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

The following exhibits are attached hereto and filed herewith.

Exhibit No. Description

99.1 Press release dated August 2, 2006

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**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.

Arch Coal, Inc.

August 2, 2006

By: *Robert G. Jones*

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*Name: Robert G. Jones*

*Title: Vice President - Law, General Counsel and Secretary*

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Exhibit Index

Exhibit No.	Description
99.1	Press release dated August 2, 2006

# News from Arch Coal, Inc.

FOR FURTHER INFORMATION:  
Investors – Deck S. Slone 314/994-2717  
Media – Kimberly K. Link 314/994-2936

**FOR IMMEDIATE RELEASE**  
**Wednesday, August 2, 2006**

## **Arch Coal Acquires Interest in Knight Hawk Coal**

ST. LOUIS (August 2, 2006) – Arch Coal, Inc. (NYSE:ACI) today announced that it has acquired a one-third interest in Knight Hawk Coal, a growing coal producer in the Illinois Basin, in exchange for approximately \$15 million in cash and 30 million tons of coal reserves.

“We expect this transaction to create meaningful value for our shareholders,” said Steven F. Leer, Arch’s chairman and chief executive officer. “With its strong management team and skilled workforce, Knight Hawk is well positioned for growth. We expect Illinois Basin coal to play an increasingly vital role in U.S. energy markets, and we view this transaction as a first step for Arch in re-entering this important region.”

The transaction is expected to be accretive to earnings, effective immediately.

Following the transaction, Knight Hawk controls approximately 70 million tons of coal reserves in southern Illinois. The company expects to ship approximately 3 million tons of coal from its mining operations during 2006, and to expand production to nearly 5 million tons by 2008, assuming market conditions warrant.

In addition to its interest in Knight Hawk, Arch controls approximately 230 million tons of coal reserves in southern Illinois.

St. Louis-based Arch Coal is the nation’s second largest coal producer. Through its subsidiary operations in Wyoming, Utah, Colorado, West Virginia, Kentucky and Virginia, Arch Coal provides the fuel for approximately 6% of the electricity generated in the United States.

*Forward-Looking Statements: This press release contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties arise from changes in the demand for our coal by the domestic electric generation industry; from legislation and regulations relating to the Clean Air Act and other environmental initiatives; from operational, geological, permit, labor and weather-related factors; from fluctuations in the amount of cash we generate from operations; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For a description of some of the risks and uncertainties that may affect our future results, you should see the risk factors described from time to time in the reports we file with the Securities and Exchange Commission.*

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