

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 1)

Arch Coal, Inc.
(Name of Issuer)

Common Stock
(Title of class of Securities)

039380100
(CUSIP Number)

David L. Hausrath
Vice President and
General Counsel
Ashland Inc.
50 E. RiverCenter Boulevard
P.O. Box 391
Covington, KY 41012-0391
(606) 815-3333

(Name, address and telephone number of person
authorized to receive notices and communications)

March 15, 1999
(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box ____.

CUSIP No. 043906 10 6

13D

1. NAME OF REPORTING PERSONS Ashland Inc.
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
61-0122250
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
N/A (b) []
3. SEC USE ONLY
4. SOURCE OF FUNDS 00 (See Item 3)
5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEM 2(d) or 2(e) []
6. CITIZENSHIP OR PLACE OF ORGANIZATION
Kentucky
- | | | | |
|--|----|--------------------------|------------|
| NUMBER OF
SHARES | 7 | SOLE VOTING POWER | 21,935,554 |
| BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH | 8 | SHARED VOTING POWER | 0 |
| | 9 | SOLE DISPOSITIVE POWER | 21,935,554 |
| | 10 | SHARED DISPOSITIVE POWER | 0 |
11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
21,935,554 shares of common stock
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []
13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
56.8% of the shares of common stock
14. TYPE OF REPORTING PERSON
CO

Securities and Exchange Commission
Washington, D.C. 20549
Schedule 13D

Item 1. Security and Issuer

Ashland Inc. ("Ashland") currently owns 21,935,554 shares of common stock ("common stock"), par value \$.01 per share, of Arch Coal, Inc. ("Arch Coal").

Arch Coal is a Delaware corporation with its principal executive offices located at City Place One, Suite 300, Creve Coeur, Missouri 63141.

Item 2. Identity and Background

(a), (b) and (c) Ashland is a Kentucky corporation with its principal executive offices located at 50 E. RiverCenter Blvd., P. O. Box 391, Covington, Kentucky 41012-0391. Ashland is a diversified company with wholly owned operations in distribution, speciality chemicals, motor oil and car care products, and highway construction. Ashland also has a 38-percent equity interest in Marathon Ashland Petroleum LLC and a 57-percent equity interest in Arch Coal.

The executive officers and directors of Ashland and their principal occupations are shown on the attached Schedule I. The business address of each executive officer is shown on Schedule I. Each director's business address is Ashland Inc., c/o Office of the Secretary, 50 E. RiverCenter Boulevard, P. O. Box 391, Covington, KY 41012-0391.

(d-e) During the last five years, neither Ashland nor any of the persons listed in Schedule I hereto, has been (i) convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.

(f) Each executive officer and director is a U.S. citizen.

Item 3. Source and Amount of Funds or Other Consideration

Ashland has its shares of Arch Coal common stock enrolled in Arch Coal's Dividend Reinvestment Plan ("DRIP"). Under the DRIP, the dividends Ashland receives on its Arch Coal common stock are used to purchase additional shares of Arch Coal common stock. The Trustee of the DRIP completed purchases of Arch Coal common stock in the open market for the March 15 dividend on April 7, 1999. Since the Schedule 13D was filed, Ashland has acquired 553,167 shares of Arch Coal common stock through the DRIP.

Item 4. Purpose of Transaction

Ashland acquired the additional Arch Coal common stock for investment purposes.

Ashland, as a shareholder of Arch Coal has no plans or proposals which relate to or would result in: (a) except as noted below, the acquisition by any person of additional securities of Arch Coal, or the disposition of securities of Arch Coal; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving Arch Coal or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of Arch Coal or any of its subsidiaries; (d) any change in the present board of directors or management of Arch Coal, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (e) any material change in the present capitalization or dividend policy of Arch Coal; (f) any other material change in Arch Coal's business or corporate structure; (g) changes in Arch Coal's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of Arch Coal by any person; (h) causing a class of securities of Arch Coal to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of Arch Coal becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or (j) any action similar to any of those enumerated above. However, Ashland currently anticipates that it will continue to acquire shares of Arch Coal common stock through the Arch Coal DRIP.

Item 5. Interest in Securities of the Issuer

I. Ashland

(a) Ashland presently owns 21,935,554 shares of Arch Coal common stock which represents approximately 56.8% of the total issued and outstanding stock of Arch Coal.

(b) Ashland has sole voting power and the sole power to dispose or to direct the disposition of its shares of Arch Coal common stock.

(c) Ashland purchased 192,270 shares of Arch Coal common stock through the Arch Coal DRIP within the last 60 days. Other than this transaction, no other transaction in Arch Coal common stock was undertaken by Ashland. None of the persons listed in Item 2 has effected any transaction relating to Arch Coal common stock within the last 60 days except as disclosed on Schedule II.

(d) Not applicable.

(e) Not applicable.

II. Executive Officers and Directors of Ashland

The beneficial ownership of the common stock of Arch Coal of certain executive officers and directors of Ashland Inc. is listed on Schedule II.

If not listed on Schedule II, the executive officer or director does not beneficially own Arch Coal common stock.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer
None

Item 7. Material to be Filed as Exhibits
None

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

April 19, 1999

(Date)

/s/ David L. Hausrath

David L. Hausrath
Vice President and General Counsel

Schedule I
DIRECTORS AND EXECUTIVE OFFICERS
OF
ASHLAND INC.
PRINCIPAL OCCUPATIONS AND BUSINESS ADDRESSES

DIRECTORS	PRINCIPAL OCCUPATION*
Samuel C. Butler	Partner of Cravath, Swaine & Moore, Attorneys, New York, New York
Frank C. Carlucci	Chairman of the Board of The Carlyle Group, Washington, D.C.
Paul W. Chellgren	Chairman of the Board and Chief Executive Officer of Ashland Inc., Covington, Kentucky
Ernest H. Drew	Former CEO of Westinghouse Industries and Technology Group
James B. Farley	Retired Chairman and Current Trustee of Mutual of New York, New York
Ralph E. Gomory	President of the Alfred P. Sloan Foundation, New York, New York
Bernadine P. Healy	Dean, College of Medicine and Public Health, and Professor of Medicine, The Ohio State University
Mannie L. Jackson	Majority owner and Chairman of the Harlem Globetrotters, International
Patrick F. Noonan	Chairman of the Board of The Conservation Fund, Arlington, Virginia
Jane C. Pfeiffer	Management Consultant, Vero Beach, Florida
Michael D. Rose	Director and member of Executive Committee of Promus Hotel Corporation, Memphis, Tennessee
William L. Rouse, Jr.	Investments, Naples, Florida

* For business addresses, see Item 2.

EXECUTIVE OFFICERS

BUSINESS ADDRESS

PRINCIPAL OCCUPATION

EXECUTIVE OFFICERS	BUSINESS ADDRESS	PRINCIPAL OCCUPATION
Paul W. Chellgren	P. O. Box 391 Covington, KY 41012	Chairman of the Board and Chief Executive Officer
John A. Brothers	P. O. Box 391 Covington, KY 41012	Executive Vice President and Group Operating Officer
James R. Boyd	P. O. Box 391 Covington, KY 41012	Senior Vice President and Group Operating Officer
David J. D'Antoni	P. O. Box 2219 Columbus, OH 43216	Senior Vice President and Group Operating Officer
J. Marvin Quin	P. O. Box 391 Covington, KY 41012	Senior Vice President and Chief Financial Officer
Charles F. Potts	APAC, Inc. 3340 Peachtree Rd., NE Tower Place Atlanta, GA 30326	Senior Vice President; President, APAC, Inc.
James J. O'Brien	P. O. Box 1400 Lexington, KY 40512	Senior Vice President; President, The Valvoline Company
Kenneth L. Aulen	P. O. Box 391 Ashland, KY 41114	Administrative Vice President; Controller
Philip W. Block	P. O. Box 391 Covington, KY 41012	Administrative Vice President
J. Dan Lacy	P. O. Box 391 Covington, KY 41012	Vice President
David L. Hausrath	P. O. Box 391 Covington, KY 41012	Vice President and General Counsel
Richard P. Thomas	P. O. Box 391 Covington, KY 41012	Vice President and Secretary
Peter M. Bokach	P. O. Box 2219 Columbus, OH 43216	Vice President; President of Ashland Distribution Company
James A. Duquin	P. O. Box 2219 Columbus, OH 43216	Vice President; President of Ashland Specialty Chemical Company
Lamar M. Chambers	P. O. Box 391 Covington, KY 41012	Auditor

SCHEDULE II

Executive Officer of Ashland -----	Stock Transactions effected within past 60 days -----	Total Ownership -----
Paul W. Chellgren	January 27, 1999 open market purchase of 3,000 shares at \$12.9375	8,000 - direct
	39 shares purchased with the March 15, 1999 dividend through the Arch Coal DRIP	473 - direct - held in the Arch Coal DRIP
J. A. Fred Brothers	29 shares purchased with the March 15, 1999 dividend through the Arch Coal DRIP	3,000 - direct
		310 - direct - held in the Arch Coal DRIP
J. Marvin Quin	January 27, 1999 open market purchase of 1,000 shares at \$12.875	1,500 - direct
James R. Boyd	February 12, 1999 open market purchase of 2,000 shares at \$10.75	5,000 - direct
Philip W. Block	January 27, 1999 open market purchase of 200 shares at \$13.00	400 - direct
	February 18, 1999 open market purchase of 200 shares at \$9.8125	