

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

INITIAL STATEMENT OF 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(f) of the Investment Company Act of 1940

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1. Name and Address of Reporting Person*

Chellgren Paul W.

 (Last) (First) (Middle)

P.O. Box 391

 (Street)

Ashland Kentucky 41114

 (City) (State) (Zip)

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2. Date of Event Requiring Statement (Month/Day/Year)

07/01/97

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3. IRS or Social Security Number of Reporting Person (Voluntary)

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4. Issuer Name and Ticker or Trading Symbol

Arch Coal, Inc. (ACI)

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5. Relationship of Reporting Person to Issuer
 (Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

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6. If Amendment, Date of Original (Month/Year)

06/30/97

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7. Individual or Joint/Group Filing (Check applicable line)

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

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Table I -- Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr.5)
Common Stock	4,000	D	
Common Stock	306	D(1)	

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

(1) Total shares held in safekeeping by the bank administrator of the Arch Coal, Inc. Dividend Reinvestment Plan at 07/01/97. Holdings reflect rounding of fractional shares.

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