

## **Arch Coal Plans to Issue WARN Notices at its Hobet 21 and Ruffner Operations**

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St. Louis, Missouri – October 28, 1999 - Arch Coal, Inc. (NYSE:ACI) announced today that it plans to issue Worker Adjustment and Retraining Notification (WARN) Act notices on Friday to all employees at its Hobet 21 mining complex in Boone County and Lincoln County, West Virginia, and at its Ruffner mining complex in Logan County, West Virginia. The Hobet 21 complex employs 329 people. The Ruffner complex employs 293 people.

Last week, the U.S. District Court in Charleston, West Virginia, ruled that federal and state agencies had been misinterpreting surface mining laws for more than 20 years. The court's ruling prompted the state to impose a ban on the issuance of nearly all new permits for valley fills and to prohibit the further advancement of nearly all existing fills. Valley fills, which are used to store excess rock and to build water retention structures, are essential for mining in steep terrain.

"Since the decision was issued, Arch has been reviewing each of its mine plans carefully," said Steven F. Leer, Arch Coal's president and chief executive officer. "Through that process, we have learned that we will need to extend the permitted fills at both Hobet 21 and Ruffner in the next few months in order to keep these two operations open. Our eastern surface operations are already facing very severe economic challenges due to an extremely depressed eastern coal market. With the added burden of the court's ruling, we have no choice but to prepare for their possible closure as early as the end of the year."

While the need to extend existing valley fills is most pressing at Hobet 21 and Ruffner, Arch's other West Virginia surface operations could also be forced to curtail production sometime during the next year as a result of the court's ruling.

Last year, Hobet 21 produced 4.1 million tons of low-sulfur coal while the Ruffner complex produced 3.5 million tons.

Arch Coal is one of the nation's largest coal producers, with subsidiary operations in West Virginia, Kentucky, Virginia, Illinois, Wyoming, Colorado and Utah. Through these operations, Arch Coal provides the fuel for approximately 6% of the electricity generated in the United States.