

CRAFT JOSEPH W III
Form 4
March 24, 2003

FORM 4

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

OMB APPROVAL

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed By
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1. Name and Address of Reporting Person* Craft Joseph W. (Last) (First) (Middle) 1717 S. Boulder Avenue Suite 600 (Street) Tulsa, OK 74119			2. Issuer Name and Ticker or Trading Symbol Alliance Resource Partners "ARLP")				6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <u>President and Chief Executive Office</u>			
			3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)		4. Statement for Month/Day/Year 3/24/03		7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person			
					5. If Amendment, Date of Original (Month/Day/Year)					
(City) (State) (Zip)			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 & 5)			5. Amount of Securities Beneficially Owned Following Reported Transactions(s) (Instr. 3 & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Unit								60,000	D	
Common Unit								1,000	I	By sons
Common Unit								1,232,780	I	(1)
Common Unit								21,156	I	(8)
Common Unit								142,844	I	(2)
Common Unit								80,658	I	(3)
Common Unit								230,762	I	(4)

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

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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FORM 4 (continued) 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 & 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 & 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Name of Beneficial Owner (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					
Phantom unit	1 for 1							(5)	(5)			14,581	D	
Restricted unit	1 for 1							(6)	(6)			140,000	D	
Subordinated Units												6,422,531	I	(7)
Restricted unit	1 for 1	3/24/03 ⁽¹⁰⁾		A	45,000			(9)	(9)	Common Unit	45,000	45,000	D	

Explanation of Responses:

(1) The reporting person indirectly holds 1,232,780 Common Units of ARLP through ARH-II, of which he is the sole director and majority shareholder. ARH-II holds all of the outstanding shares of Alliance Resource Holdings, Inc. ("ARH"). ARH, in turn holds all of the outstanding shares of Alliance Resource GP, LLC ("SGP"). The SGP directly holds 1,232,780 Common Units of ARLP as well as other assets. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

(2) The reporting person indirectly holds 142,844 Common Units of ARLP through AMH-II, LLC ("AMH-II"). The reporting person is the majority member of AMH-II and sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

(3) The reporting person indirectly holds 80,658 Common Units of ARLP through Alliance Management Holdings, LLP ("AMH") of which he is the sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

(4) The reporting person indirectly holds 230,762 Common Units of ARLP through AMH-II, LLC ("AMH-II"). The reporting person is the majority member of AMH-II and sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

(5) The Phantom units are to be settled in either cash or ARLP common units, at the election of the Compensation Committee, upon the reporting person's death or termination.

(6) The Restricted units will vest when the issuer meets certain financial tests described in the Agreement of Limited Partnership of the Issuer which would typically be no earlier than September 30, 2004. Once vested the restricted units are to be settled in either cash or ARLP common units, at the election of the Compensation Committee.

(7) The reporting person indirectly holds 6,422,531 Subordinated Units of ARLP through ARH-II, of which he is the sole director and majority shareholder. ARH-II holds all of the outstanding shares of ARH. ARH, in turn holds all of the outstanding shares of SGP. The SGP directly holds 6,422,531 Subordinated Units of ARLP as well as other assets. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein. The Subordinated Units will convert into Common Units if the issuer meets certain financial tests described in the Agreement of Limited Partnership of the Issuer. If these tests are met, one-half of the Subordinated Units will automatically convert into Common Units no earlier than September 30, 2003. The balance would be eligible for conversion no earlier than September 30, 2004.

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(8) The reporting person indirectly holds 21,156 Common Units of ARLP through Alliance Management Holdings, LLC ("AMH") of which he is the sole director. The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein.

(9) The Restricted units will vest on September 30, 2005 provided that the issuer meets certain financial tests and the subordination period described in the Agreement of Limited Partnership ends. Once vested the restricted units are to be settled in either cash or ARLP common units, at the election of the Compensation Committee.

(10) The transaction was approved by the Managing GP's Compensation Committee on March 24, 2003, effective January 1, 2003.

By: /s/ **Joseph W. Craft**

March 24, 2003

Date

**Signature of Reporting Person

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations.
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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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