



DIVISION OF  
CORPORATION FINANCE  
Mail Stop 7010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

February 27, 2006

**via facsimile and U.S. mail**

Mr. Joseph W. Craft III  
Chief Executive Officer  
Alliance Resource Partners, L.P.  
1717 South Boulder Avenue, Suite 600  
Tulsa, Oklahoma 74119

**Re: Alliance Resource Partners, L.P.  
Form 10-K for the Fiscal Year Ended December 31, 2004  
Filed March 15, 2005  
Letter dated February 14, 2006  
File No. 0-26823**

Dear Mr. Craft:

We have reviewed your letter dated February 14, 2006. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comments are inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

As appropriate, please amend your filing and respond to these comments within 10 business days or tell us when you will provide us with a response. You may wish to provide us with marked copies of amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

Form 10-K for the year ended December 31, 2004

1. We have considered your response to our prior comment number 1 in our letter dated January 23, 2006. We continue to believe that your three operating regions, Illinois, Kentucky and Maryland, are reporting segments for various reasons.

*General.* A presumption exists that your CODM reviewed operating results on a mine-by-mine basis, since the reports provided to your CODM included such information, whether or not it was used by your CODM. See Question 15 in the FASB Staff Implementation Guide to SFAS 131.

*Similar Economic Characteristics.* The average sales price per ton appears to vary significantly, even taking into account the five year history provided in Exhibit A and the detail provided in the footnotes to Exhibit A. As you noted, the two Kentucky mines had significantly higher sales prices than the other six mines.

As for Adjusted EBITDA, the range you describe in the last paragraph on page 4 of your letter dated February 14, 2006 is not narrow. The high amount is 86% greater than the low amount for seven of the eight mines (Hopkins excluded).

Your example provided of the assignment of coal shipments under your centralized marketing function highlights that your Illinois mines, which all mine high sulfur, function many times together. This may be true for other mines in similar geographic locations.

*The nature of the products and services.* Based on disclosure in your Form 10-K for the fiscal year ended December 31, 2004, we note that the products are different. Coal mined at the Illinois operating region (Dotiki, Warrior, Pattiki and Hopkins) is high sulfur; coal mined at the Kentucky operating region (Pontiki and MC Mining) is low sulfur; and coal mined at the Maryland operating region (Mettiki Complex) is medium sulfur. Coal of differing sulfur levels are not similar for aggregation purposes.

As previously mentioned, Mettiki in Maryland appears to meet the quantitative thresholds in paragraph 18 of FAS 131 and does not appear to meet the aggregation criteria in order to combine with any of the other mines. Hopkins does not appear to meet the quantitative thresholds in paragraph 18 of FAS 131, nor does it appear to meet the aggregation criteria in order to combine with the other Illinois mines.

Since it does not appear that you have met all the aggregation criteria detailed in SFAS 131, please revise your disclosures to provide segment data as discussed above.

Joseph W. Craft III  
Alliance Resource Partners, L.P.  
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You may contact Kimberly Calder at (202) 551-3701 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551-3740 with any other questions.

Sincerely,

Barry Stem  
Senior Assistant Chief  
Accountant