

ALLIANCE RESOURCE PARTNERS LP
 Form 4
 February 15, 2011

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN 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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MARSHALL CARY P

2. Issuer Name and Ticker or Trading Symbol
ALLIANCE RESOURCE PARTNERS LP [ARLP]

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

(Last) (First) (Middle)
 1717 S. BOULDER AVENUE, SUITE 400
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/11/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP Corporate Finance

TULSA, OK 74119
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Price				
				Code	V	Amount			
Common units	02/11/2011		M	3,550	A	(4)	11,218	D	
Common unit	02/11/2011		F	1,178	D	\$	72.14	10,040	D
						(5)			

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

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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, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted unit	(4)	02/11/2011		M	3,550	02/11/2011	(3)	Common unit	3,550
Phantom unit	(2)	02/14/2011		A	75	(1)	(3)	Common unit	75

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARSHALL CARY P 1717 S. BOULDER AVENUE SUITE 400 TULSA, OK 74119			VP Corporate Finance	

Signatures

/s/ Cary P. Marshall by Mindy Kerber, pursuant to power of attorney dated February 2, 2007 02/15/2011

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The Phantom units are to be settled in cash upon the reporting person's death or termination.
- (2) 1 for 1
- (3) Not applicable

- On January 25, 2011 the Partnership's Compensation Committee determined that the vesting requirement for the 2008 Long-Term Incentive Plan grants had been satisfied. As a result restricted units were determined to be vested effective January 1, 2011 and subsequently issued on February 11, 2011 based upon the closing price of the common units at February 8, 2011 of \$72.14.
- (5) Upon vesting, restricted units are withheld by the Partnership for the payment of tax liability at the vesting price of \$72.14.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.