

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D  
(Rule 13d-101)

Under the Securities Exchange Act of 1934

(Amendment No. 2)

Melamine Chemicals, Inc.  
(Name of issuer)

Common Stock  
(Title of class of securities)

585332 10 9  
(CUSIP number)

Thomas L. Feazell  
1000 Ashland Drive  
Russell, KY 41169  
(606) 329-3403  
(Name, address and telephone number of person  
authorized to receive notices and communications)

August 26, 1997  
(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box. X

CUSIP No. 585332 10 9

13D

1 NAME OF REPORTING PERSONS Ashland Inc.  
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
61-0122250

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  
Not Applicable (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS  
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEM 2(d) or 2(e)  
Not Applicable

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Kentucky

NUMBER OF SHARES	7	SOLE VOTING POWER	1,275,000 shares
BENEFICIALLY OWNED BY	8	SHARED VOTING POWER	0
EACH	9	SOLE DISPOSITIVE POWER	1,275,000 shares
REPORTING PERSON WITH	10	SHARED DISPOSITIVE POWER	0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,275,000 shares

12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES Not Applicable
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 23.4%
14	TYPE OF REPORTING PERSON CO

Securities and Exchange Commission  
Washington, D.C. 20549  
Schedule 13D

Ashland Inc. ("Ashland") hereby amends and supplements its Schedule 13D (the "Schedule 13D") originally filed with the Securities and Exchange Commission (the "Commission") on June 30, 1997, as amended by an Amendment No. 1 (the "Amendment No. 1"), filed with the Commission on August 14, 1997, relating to Ashland's ownership of Common Stock, par value \$.01 per share, of Melamine Chemicals, Inc. ("MCI"), as set forth in this Amendment No 2. Capitalized terms not defined herein have the meanings assigned thereto in the Schedule 13D.

Item 4. Purpose of Transaction:

Item 4 of the Schedule 13D is hereby amended to add at the end thereof the following:

"On August 26, 1997, MCI issued a press release stating that Goldman, Sachs & Co. was continuing their review of Ashland's offer and other available alternatives, including the sale of MCI to buyers other than Ashland.

On August 26, 1997, Mr. Chellgren sent a letter to Mr. Crook which stated that Ashland was gratified to have confirmation that Goldman, Sachs & Co. is conducting a structured process to solicit acquisition proposals from other potential buyers. The August 26, 1997 letter also confirmed that Ashland's offer of August 14, 1997 remains outstanding. Ashland stands ready to purchase all the issued and outstanding shares of MCI that it does not already own at a price of \$14.75 per share in cash, subject to confirmatory due diligence and the signing of a definitive merger agreement with customary terms and conditions. The August 26, 1997 letter also stated that because it has been Ashland's experience that a process such as the one undertaken by Goldman, Sachs & Co. should take approximately 90 days, and because MCI is now nearly 60 days into the process, Ashland would hope to see the process completed by October 1, 1997 and that Ashland will review the status of the process and re-evaluate alternative approaches at that time. A copy of the August 26, 1997 letter is attached as an exhibit hereto."

Item 7. Material to be Filed as Exhibits:

Item 7 of the Schedule 13D is hereby amended to add the following exhibit:

- (1) The Acquisition of Issuer Control, Liquidation, Sale of Assets, Merger, or Change in Business or Corporate Structure:

Exhibit 99.1 - Letter dated August 26, 1997  
from Paul W. Chellgren to  
James W. Crook

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

August 26, 1997

/s/ Thomas L. Fezell

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Thomas L. Fezell  
Senior Vice President, General  
Counsel and Secretary

EXHIBIT INDEX

Exhibit No.	Description
99.1	Letter dated August 26, 1997 from Paul W.Chellgren to James W. Crook

[ASHLAND LOGO]

ASHLAND INC. P.O. Box 391 ASHLAND, KENTUCKY 41114 PHONE (606) 329-3333

PAUL W. CHELLGREN  
Chairman of the Board and  
Chief Executive Officer  
(606) 329-3024  
(606) 329-3559 (FAX)

August 26, 1997

Mr. James W. Crook  
Chairman of the Board  
Melamine Chemicals, Inc.  
P.O. Box 748  
Donaldsonville, LA 70346

Dear Jimmy,

We were very pleased to see the Melamine Chemicals, Inc. press release this morning in which you reiterated your plans to engage Goldman Sachs to assist you in reviewing our offer to purchase the outstanding shares of Melamine Chemicals, Inc. It is also gratifying to have confirmation that Goldman Sachs is conducting a structured process to solicit acquisition proposals from other potential buyers. We continue to believe that such a process is in the best interest of the Melamine shareholders, including Ashland Inc.

In light of your board's decision to move forward in this fashion, we wish to confirm that our offer of August 14, 1997 remains outstanding. Ashland stands ready to purchase all of the issued and outstanding shares of Melamine that it does not already own at a price of \$14.75 per share. The offer is subject to confirmatory due diligence and the signing of a definitive agreement containing customary terms and conditions. As I noted in my August 14 letter, this is an all cash offer which is not contingent upon financing.

We trust that our offer will receive full and fair consideration from the Melamine Board as it explores alternatives to maximize value for the Melamine shareholders. It has been our experience that a process, such as the one undertaken by Goldman Sachs, should take approximately 90 days. As you are now nearly 60 days into the process, we would hope to see a conclusion to the process by about October 1, 1997. At that time, Ashland will review the status of your process and will re-evaluate alternative approaches.

We look forward to a continuing dialogue on this important matter.

Sincerely yours,

/s/ Paul W. Chellgren  
Paul W. Chellgren