

SCHEDULE 13D
(Rule 13d-101)

Under the Securities Exchange Act of 1934

(Amendment No. 3)

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)

October 10, 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	7	SOLE VOTING POWER
SHARES		1,275,000 shares
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		1,275,000 shares
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 and Amendment No. 2 (the "Amendment No. 2"), filed with the Commission on August 26, 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 3. 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 October 10, 1997, Ashland Inc. issued a press release stating that on October 9, 1997 Melamine Chemicals, Inc. and Borden Chemicals, Inc. announced that a definitive agreement had been reached which provides for Borden Chemicals, Inc. to purchase all the outstanding shares of Melamine Chemicals, Inc. for \$20.50 per share, to be paid in cash at closing.

In response to the announcement, Paul W. Chellgren, Chairman of the Board and Chief Executive Officer of Ashland Inc. stated that Ashland was pleased that the process of selling Melamine Chemicals, Inc. appears to have been successful. He stated that "While we currently have only limited information regarding the offer, at this price level Ashland Inc. would be willing to withdraw its \$14.75 per share offer and tender its shares." Ashland currently owns 23.1 percent of Melamine."

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 - Ashland Inc. press release dated October 10, 1997.

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.

October 10, 1997

/s/ Thomas L. Fezell

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

EXHIBIT INDEX

Exhibit No.	Description
99.1	Ashland Inc. press release dated October 10, 1997.

FOR FURTHER INFORMATION:

Doug Sheils
(606) 329-3587

FOR IMMEDIATE RELEASE
October 10, 1997

Chellgren responds to Melamine Chemicals, Inc. definitive agreement

Ashland, Ky. -- In a news release Thursday evening, Melamine Chemicals, Inc. and Borden Chemicals Inc. announced that a definitive agreement has been reached which provides for Borden Chemicals, Inc to purchase all of the outstanding shares of Melamine Chemicals, Inc. for \$20.50 per share, to be paid all in cash at closing.

In response to the announcement, Paul W. Chellgren, chairman of the board and chief executive officer of Ashland Inc., which owns 23.1 percent of Melamine, said, "We are pleased that the process of selling Melamine Chemicals, Inc. appears to have been successful. While we currently have only limited information regarding the offer, at this price level Ashland Inc. would be willing to withdraw its \$14.75 per share offer and tender its shares. We look forward to reviewing the specifics of the Borden Chemical offer."

Ashland Inc. is a large energy and chemical company engaged in petroleum refining and marketing; coal; and highway construction. Ashland Chemical is the largest distributor of chemicals and plastics in North America and a leading supplier of specialty chemicals worldwide. Ashland's major consumer brands include Valvoline(R) motor oils, Zerex(R) antifreeze and Pyroil(R) Performance Products automotive chemicals. As one of the largest independent refiners in the nation, Ashland is also a leading regional gasoline marketer, with products marketed under the SuperAmerica(R) and Ashland(R) brand names.

Ashland's Internet address is <http://www.ashland.com>