

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
Tender Offer Statement Pursuant to Section
14(d)(1) of the Securities Exchange Act of 1934
(Amendment No. 2)
and
SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 22)

AMERICAN REAL ESTATE PARTNERS, L.P.
(Name of Subject Company)

LEYTON LLC
HIGH COAST LIMITED PARTNERSHIP
BECKTON CORP.
CARL C. ICAHN
(Bidders)

DEPOSITARY UNITS REPRESENTING
LIMITED PARTNER INTERESTS
(Title of Class of Securities)

029169109
(CUSIP Number of Class of Securities)

Keith L. Schaitkin, Esq.
Gordon Altman Butowsky
Weitzen Shalov & Wein
114 West 47th Street
New York, New York 10036
(212) 626-0800

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications on Behalf of Bidder)

Calculation of Filing Fee

Transaction Valuation*: \$105,000,000	Amount of Filing Fee: \$21,000
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*For purposes of calculating the filing fee only. This amount assumes the purchase of up to 10 million Units of the subject company for \$10.50 per Unit in cash.

[x] Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$21,000
Form or Registration No.: Schedule 14D-1
Filing Party: Leyton LLC, High Coast Limited Partnership, Beckton Corp. and Carl C. Icahn
Dated Filed: November 20, 1998

AMENDMENT NO. 2 TO SCHEDULE 14D-1/
AMENDMENT NO. 22 TO SCHEDULE 13D

CUSIP No. 029169109

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Leyton LLC
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a) /x/
(b) //
- 3 SEC USE ONLY
- 4 SOURCES OF FUNDS (See Instructions)
AF
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(e) or 2(f) //
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- 7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
6,597,666**
- 8 CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES
(See Instructions)
//
- 9 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7)
14.3%**
- 10 TYPE OF REPORTING PERSON (See Instructions)
OO

**Based upon a preliminary count received from the depositary for the tender offer of Units validly tendered and not withdrawn.

AMENDMENT NO. 2 TO SCHEDULE 14D-1/
AMENDMENT NO. 22 TO SCHEDULE 13D

CUSIP No. 029169109

- 1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
High Coast Limited Partnership
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a) /x/
(b) //

3 SEC USE ONLY

4 SOURCES OF FUNDS (See Instructions)
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(e) or 2(f) //

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
38,112,710**

8 CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES
(See Instructions)

9 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7)
82.7%**

10 TYPE OF REPORTING PERSON (See Instructions)
PN

**Based upon a preliminary count received from the depository for the tender offer of Units validly tendered and not withdrawn.

AMENDMENT NO. 2 TO SCHEDULE 14D-1/
AMENDMENT NO. 22 TO SCHEDULE 13D

CUSIP No. 029169109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Beckton Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a) /x/
(b) //

3 SEC USE ONLY

4 SOURCES OF FUNDS (See Instructions)
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(e) or 2(f) //

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
38,112,710**

8 CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES
(See Instructions)
/x/
Excludes all depositary units owned of record by API Nominee Corp.

9 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7)
82.7%**

10 TYPE OF REPORTING PERSON (See Instructions)
CO

**Based upon a preliminary count received from the depositary for the tender offer of Units validly tendered and not withdrawn.

AMENDMENT NO. 2 TO SCHEDULE 14D-1/
AMENDMENT NO. 22 TO SCHEDULE 13D

CUSIP No. 029169109

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Carl C. Icahn

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a) /x/
(b) //

3 SEC USE ONLY

4 SOURCES OF FUNDS (See Instructions)
AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(e) or 2(f) //

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
38,112,710**

8 CHECK IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES
(See Instructions)
/x/
Excludes all depositary units owned of record by API Nominee Corp.

9 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (7)
82.7%**

10 TYPE OF REPORTING PERSON (See Instructions)
IN

**Based upon a preliminary count received from the depository for the tender offer of Units validly tendered and not withdrawn.

AMENDMENT NO. 2 TO SCHEDULE 14D-1/
AMENDMENT NO. 22 TO SCHEDULE 13D

This Amendment No. 2 to Schedule 14D-1 ("Amendment No. 2") which amends and supplements the Tender Offer Statement on Schedule 14D-1 originally filed with the Securities and Exchange Commission (the "Commission") on November 20, 1998 (the "Schedule 14D-1") by Leyton LLC (the "Purchaser"), High Coast Limited Partnership ("High Coast"), Beckton Corp. and Carl C. Icahn, as amended by Amendment No. 1 filed with the Commission on December 14, 1998, also constitutes Amendment No. 22 to the statement on Schedule 13D of the Purchaser, High Coast, Beckton Corp. and Mr. Icahn (the "Schedule 13D" and together with the Schedule 14D-1, the "Schedules"). The Schedules relate to the Purchaser's offer to purchase up to 10 million depository units representing limited partner interests ("Units") of American Real Estate Partners, L.P. (the "Partnership") at a purchase price of \$10.50 net per Unit, upon the terms and subject to the conditions set forth in the Offer to Purchase dated November 20, 1998 (the "Offer to Purchase") and related Letter of Transmittal, including the Instructions thereto (which collectively constitute the "Offer").

ITEM 10. ADDITIONAL INFORMATION.

Item 10 is hereby amended and supplemented as follows:

At 12:00 midnight, New York City time, on Monday, December 28, 1998, the Offer expired. Based on a preliminary count provided by the depository, 6,597,666 Units had been tendered pursuant to the Offer. A copy of the press release has been filed as Exhibit (a)(10) to this Amendment No. 2 and is incorporated herein by reference in its entirety.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

Item 11(a) is hereby amended to add the following exhibit:

(a)(10) Press Release, dated December 29, 1998.

SIGNATURES

After due 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.

Dated: December 29, 1998

LEYTON LLC

By: HIGH COAST LIMITED PARTNERSHIP,
Member

By: BECKTON CORP.,
General Partner

By: /S/ CARL C. ICAHN
Name: Carl C. Icahn
Title: Chairman of the Board

HIGH COAST LIMITED PARTNERSHIP

By: BECKTON CORP.,
General Partner

By: /S/ CARL C. ICAHN
Name: Carl C. Icahn
Title: Chairman of the Board

BECKTON CORP.

By: /S/ CARL C. ICAHN
Name: Carl C. Icahn
Title: Chairman of the Board

/S/ CARL C. ICAHN
CARL C. ICAHN

[Signature Page for American Real Estate Partners, L.P., Schedule 14D-1/A no. 2 and 13D/A no. 22]

INDEX TO EXHIBITS

EXHIBIT
NUMBER

DESCRIPTION

- - - - -

- - - - -

(a) (10)

Press Release, dated December 29, 1998

Contact: Susan Gordon
702-4309
or
Information Agent:
Beacon Hill Partners, Inc.
Attention: Edward McCarthy
(212) 843-8500

FOR IMMEDIATE RELEASE

TENDER OFFER BY AFFILIATE OF ICAHN EXPIRED

Mount Kisco, N.Y., December 29, 1998 - Carl C. Icahn announced today the completion of the tender offer (the "Offer") by his affiliate, Leyton LLC, a Delaware limited liability company (the "Purchaser"), for up to ten million Depositary Units of American Real Estate Partners, L.P. (NYSE: ACP), a Delaware limited partnership (the "Partnership"). The Offer expired at 12:00 midnight, New York City time, on Monday, December 28, 1998.

The Purchaser has accepted for payment all Depositary Units properly tendered and not withdrawn pursuant to the Offer. Based upon a preliminary count provided by the depositary, the Purchaser reported that approximately 6,597,666 Depositary Units had been tendered pursuant to the Offer.