

OLSON JOHN R  
Form 4  
February 14, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
**OLSON JOHN R**

(Last) (First) (Middle)  
**601 W. RIVERSIDE AVENUE, SUITE 1100**  
  
(Street)

**SPOKANE, WA 99201**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**POTLATCH CORP [PCH]**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/14/2006**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Vice President**

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)	Code	V	Amount	(D)	Price

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

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V				
Stock Option (right to buy)	\$ 42.2707	02/14/2006	D	(1)	2,100	(1)	12/05/2006	Common Stock	2,100
Stock Option (right to buy)	\$ 29.5181	02/14/2006	A	(1)	3,008	(1)	12/05/2006	Common Stock	3,008
Stock Option (right to buy)	\$ 45.9619	02/14/2006	D	(1)	1,522	(1)	12/04/2007	Common Stock	1,522
Stock Option (right to buy)	\$ 32.0957	02/14/2006	A	(1)	2,180	(1)	12/04/2007	Common Stock	2,180
Stock Option (right to buy)	\$ 35.9599	02/14/2006	D	(1)	3,464	(1)	12/03/2008	Common Stock	3,464
Stock Option (right to buy)	\$ 25.1112	02/14/2006	A	(1)	4,961	(1)	12/03/2008	Common Stock	4,961
Stock Option (right to buy)	\$ 39.413	02/14/2006	D	(1)	4,409	(1)	12/02/2009	Common Stock	4,409
Stock Option (right to buy)	\$ 27.5226	02/14/2006	A	(1)	6,314	(1)	12/02/2009	Common Stock	6,314
Stock Option (right to buy)	\$ 30.5421	02/14/2006	D	(1)	4,409	(1)	12/07/2010	Common Stock	4,409
Stock Option	\$ 21.3279	02/14/2006	A	(1)	6,314	(1)	12/07/2010	Common Stock	6,314

(right to buy)									
Stock Option (right to buy)	\$ 27.32	02/14/2006	D <sup>(1)</sup>	1,498	(1)	12/06/2011	Common Stock	1,498	
Stock Option (right to buy)	\$ 19.0779	02/14/2006	A <sup>(1)</sup>	2,145	(1)	12/07/2010	Common Stock	2,145	
Stock Option (right to buy)	\$ 23.7002	02/14/2006	D <sup>(1)</sup>	6,823	(1)	12/05/2012	Common Stock	6,823	
Stock Option (right to buy)	\$ 16.5501	02/14/2006	A <sup>(1)</sup>	9,770	(1)	12/05/2012	Common Stock	9,770	
Stock Option (right to buy)	\$ 31.6066	02/14/2006	D <sup>(1)</sup>	4,199	(1)	12/04/2013	Common Stock	4,199	
Stock Option (right to buy)	\$ 22.0713	02/14/2006	A <sup>(1)</sup>	6,014	(1)	12/04/2013	Common Stock	6,014	
Stock Option (right to buy)	\$ 50.75	02/14/2006	D <sup>(1)</sup>	4,305	(1)	12/02/2014	Common Stock	4,305	
Stock Option (right to buy)	\$ 35.4393	02/14/2006	A <sup>(1)</sup>	6,165	(1)	12/02/2014	Common Stock	6,165	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
OLSON JOHN R 601 W. RIVERSIDE AVENUE SUITE 1100 SPOKANE, WA 99201			Vice President	

## Signatures

Malcolm A. Ryerse,  
Attorney-in-fact

02/14/2006

\_\_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).

- On February 3, 2006, the Board of Directors of Potlatch Corporation, formerly known as Potlatch Holdings, Inc. (the "Company"), declared a special distribution of \$15.15 per share representing the Company's historical, accumulated earnings and profits (the "Special E&P Distribution"), to stockholders of record as of February 14, 2006. The Company's applicable stockholder-approved stock incentive plans require proportionate adjustment of the exercise price and the number of shares of stock covered by outstanding stock option awards under such plans in a manner determined by the Executive Compensation and Personnel Policies Committee of the Company's Board of Directors to reflect the declaration of the Special E&P Distribution. The adjustment of the outstanding stock option award is being reported as a deemed cancellation and regrant of the original stock option to clarify the change in the exercise price and number of shares covered by the subject stock option.
- (1) The stock option has no purchase or sale price, therefore Column 8 has been left blank.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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