

COLTON S DAVID
Form 4
March 21, 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 *
COLTON S DAVID

2. Issuer Name and Ticker or Trading Symbol
PHELPS DODGE CORP [PD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
03/17/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr VP and General Counsel

C/O PHELPS DODGE CORPORATION, ONE NORTH CENTRAL AVENUE

(Street)

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

PHOENIX, AZ 85004

(City) (State) (Zip)

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| COMMON SHARES | 02/06/2006 | | G | V 454 ⁽¹⁾ D \$ 0 | 20,878 ⁽¹⁾ | D | |
| COMMON SHARES ⁽²⁾ | 03/17/2006 | | M | 3,467 A \$ 37.305 | 45,241 ⁽³⁾ | D | |
| COMMON SHARES ⁽⁴⁾ | 03/17/2006 | | S | 3,467 D \$ 75.2931 | 41,774 | D | |
| COMMON SHARES ⁽²⁾ | 03/17/2006 | | M | 4,266 A \$ 48.095 | 46,040 ⁽⁵⁾ | D | |
| COMMON SHARES ⁽⁴⁾ | 03/17/2006 | | S | 4,266 D \$ 75.2931 | 41,774 | D | |

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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 (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 Underlying (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|
| EMPLOYEE STOCK OPTIONS/RIGHTS TO PURCHASE ⁽²⁾ | \$ 37.305 ⁽⁶⁾ | 03/17/2006 | | M | 3,467 ⁽⁶⁾ | ⁽⁷⁾ 02/04/2014 | COMMON SHARES |
| EMPLOYEE STOCK OPTIONS/RIGHTS TO PURCHASE ⁽²⁾ | \$ 48.095 ⁽⁸⁾ | 03/17/2006 | | M | 4,266 ⁽⁸⁾ | 02/01/2006 02/02/2015 | COMMON SHARES |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| COLTON S DAVID C/O PHELPS DODGE CORPORATION ONE NORTH CENTRAL AVENUE PHOENIX, AZ 85004 | | | Sr VP and General Counsel | |

Signatures

/s/ S. David
Colton

03/21/2006

⁽¹⁾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) THESE SHARES WERE GIFTED PRIOR TO THE MARCH 13, 2006 STOCK SPLIT AND THIS TOTAL REFLECTS PRE-SPLIT SHARES.

(2) EXERCISE OF STOCK OPTIONS AND SAME DAY SALE OF UNDERLYING COMMON SHARES PURSUANT TO THE PHELPS DODGE 2003 STOCK OPTION AND RESTRICTED STOCK PLAN.

(3) ON MARCH 13, 2006, THE COMMON STOCK OF PHELPS DODGE CORPORATION SPLIT 2-FOR-1, RESULTING IN THE REPORTING PERSON'S OWNERSHIP OF 22,620 ADDITIONAL SHARES OF COMMON STOCK. THIS NUMBER ALSO INCLUDES SHARES OF COMMON STOCK ACQUIRED WITHIN THE PHELPS DODGE EMPLOYEE SAVINGS PLAN (401(K) PLAN).

(4) THIS TRANSACTION WAS EFFECTED PURSUANT TO A RULE 10b5-1(c) TRADING PLAN ADOPTED BY THE REPORTING PERSON ON FEBRUARY 6, 2006.

(5) ON MARCH 13, 2006, THE COMMON STOCK OF PHELPS DODGE CORPORATION SPLIT 2-FOR-1, RESULTING IN THE REPORTING PERSON'S OWNERSHIP OF 2,133 ADDITIONAL SHARES OF COMMON STOCK.

(6) THIS OPTION WAS PREVIOUSLY REPORTED AS COVERING 5,200 SHARES AT AN EXERCISE PRICE OF \$74.61, BUT WAS ADJUSTED TO REFLECT THE STOCK SPLIT THAT OCCURRED ON MARCH 13, 2006.

(7) THE OPTION VESTS IN THREE SUBSTANTIALLY EQUAL ANNUAL INSTALLMENTS ON FEBRUARY 3, 2005, 2006 AND 2007.

(8) THIS OPTION WAS PREVIOUSLY REPORTED AS COVERING 6,400 SHARES AT AN EXERCISE PRICE OF \$96.19, BUT WAS ADJUSTED TO REFLECT THE STOCK SPLIT THAT OCCURRED ON MARCH 13, 2006.

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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