

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)  
C/O PHELPS DODGE CORPORATION, ONE NORTH CENTRAL AVENUE

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

(Street)  
PHOENIX, AZ 85004

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

(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)
				(A) or (D)			
			Code	V	Amount	Price	
COMMON SHARES	02/06/2006		G	V	454 <sup>(1)</sup>	\$ 0	20,878 <sup>(1)</sup> D
COMMON SHARES <sup>(2)</sup>	03/17/2006		M		3,467	\$ 37.305	45,241 <sup>(3)</sup> D
COMMON SHARES <sup>(4)</sup>	03/17/2006		S		3,467	\$ 75.2931	41,774 D
COMMON SHARES <sup>(2)</sup>	03/17/2006		M		4,266	\$ 48.095	46,040 <sup>(5)</sup> D
COMMON SHARES <sup>(4)</sup>	03/17/2006		S		4,266	\$ 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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(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 <sup>(2)</sup>	\$ 37.305 <sup>(6)</sup>	03/17/2006		M	3,467 <sup>(6)</sup>	<sup>(7)</sup> 02/04/2014	COMMON SHARES
EMPLOYEE STOCK OPTIONS/RIGHTS TO PURCHASE <sup>(2)</sup>	\$ 48.095 <sup>(8)</sup>	03/17/2006		M	4,266 <sup>(8)</sup>	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

\*\*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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