

MADHAVPEDDI KALIDAS V  
 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 \*  
**MADHAVPEDDI KALIDAS V**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director      \_\_\_\_ 10% Owner  
 Officer (give title below)      \_\_\_\_ Other (specify below)  
 Sr VP-Asia

(Last)      (First)      (Middle)  
**C/O PHELPS DODGE CORPORATION, ONE NORTH CENTRAL AVENUE**  
 (Street)

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

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 Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
COMMON SHARES <sup>(1)</sup>	03/17/2006		M	3,467 A	\$ 37.305	52,649 <sup>(2)</sup>	D
COMMON SHARES <sup>(3)</sup>	03/17/2006		S	3,467 D	\$ 75.3486	49,182	D
COMMON SHARES <sup>(1)</sup>	03/17/2006		M	3,866 A	\$ 48.095	53,048 <sup>(4)</sup>	D
COMMON SHARES <sup>(3)</sup>	03/17/2006		S	3,866 D	\$ 75.3486	49,182	D

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

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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
EMPLOYEE STOCK OPTIONS/RIGHTS TO PURCHASE <sup>(1)</sup>	\$ 37.305 <sub>(5)</sub>	03/17/2006		M	3,467 <sub>(5)</sub>	<sub>(6)</sub> 02/04/2014	COMMO SHARE
EMPLOYEE STOCK OPTIONS/RIGHTS TO PURCHASE <sup>(1)</sup>	\$ 48.095 <sub>(7)</sub>	03/17/2006		M	3,866 <sub>(7)</sub>	02/01/2006 02/02/2015	COMMO SHARE

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MADHAVPEDDI KALIDAS V C/O PHELPS DODGE CORPORATION ONE NORTH CENTRAL AVENUE PHOENIX, AZ 85004			Sr VP-Asia	

**Signatures**

/s/ S. David Colton, Attorney-in-fact for Kalidas V. Madhavpeddi 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).

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

- (2) ON MARCH 13, 2006, THE COMMON STOCK OF PHELPS DODGE CORPORATION SPLIT 2-FOR-1, RESULTING IN THE REPORTING PERSON'S OWNERSHIP OF 26,324 ADDITIONAL SHARES OF COMMON STOCK. THIS NUMBER ALSO INCLUDES A RECONCILIATION OF SHARES OF COMMON STOCK HELD WITHIN THE PHELPS DODGE CORPORATION SUPPLEMENTAL SAVINGS PLAN AND TO ADJUST FOR AN ARITHMETIC ERROR.
- (3) THIS TRANSACTION WAS EFFECTED PURSUANT TO A RULE 10b5-1(c) TRADING PLAN ADOPTED BY THE REPORTING PERSON ON FEBRUARY 6, 2006.
- (4) ON MARCH 13, 2006, THE COMMON STOCK OF PHELPS DODGE CORPORATION SPLIT 2-FOR-1, RESULTING IN THE REPORTING PERSON'S OWNERSHIP OF 1,933 ADDITIONAL SHARES OF COMMON STOCK.
- (5) 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.
- (6) THE OPTION VESTS IN THREE SUBSTANTIALLY EQUAL ANNUAL INSTALLMENTS ON FEBRUARY 3, 2005, 2006 AND 2007.
- (7) THIS OPTION WAS PREVIOUSLY REPORTED AS COVERING 5,800 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.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.