

Naccarati David C
 Form 4
 February 07, 2007

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 *
 Naccarati David C

(Last) (First) (Middle)

C/O PHELPS DODGE CORPORATION, ONE NORTH CENTRAL AVENUE

(Street)

PHOENIX, AZ 85004

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
 02/05/2007

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)
 President, PDMC

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 Indirect Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Shares	02/05/2007		F ⁽¹⁾		468 \$ 122.39	32,314	D
Common Shares	02/06/2007		A		2,500 \$ 121.845	34,814 ⁽³⁾	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 Amount of Underlying Securities (Instr. 3 and 4)
Employee Stock Option/Right to Purchase	\$ 121.845	02/06/2007		A	4,000 (4)	(5) 02/07/2017	Common Shares 4,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Naccarati David C C/O PHELPS DODGE CORPORATION ONE NORTH CENTRAL AVENUE PHOENIX, AZ 85004			President, PDMC	

Signatures

/s/ S. David Colton, Attorney-in-Fact for David Naccarati
 Date: 02/07/2007

**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) Shares withheld to pay state and federal taxes on an award of restricted shares pursuant to the Phelps Dodge 2003 Stock Option and Restricted Stock Plan.
- (2) Award of restricted stock pursuant to the Phelps Dodge 2003 Stock Option and Restricted Stock Plan and includes the right to have shares withheld to satisfy state and federal tax withholding obligations.
- (3) Includes shares of common stock acquired within the Phelps Dodge Employee Savings Plan (401(k) Plan). The Plan provides for the purchase of fractional shares. The number reported is the nearest whole number.
- (4) Grant of stock options pursuant to the Phelps Dodge 2003 Stock Option and Restricted Stock Plan and includes the right to have shares withheld to satisfy state and federal tax withholding obligations.
- (5) The options will vest in three substantially equal annual installments commencing on the first anniversary of the grant date.

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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