

OLSON JOHN R
Form 4
February 14, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

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

SPOKANE, WA 99201

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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial 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.

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

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) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

Edgar Filing: OLSON JOHN R - Form 4

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

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.