

LEAP WIRELESS INTERNATIONAL INC
 Form 4
 May 22, 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 *
 RACHESKY MARK H MD

2. Issuer Name and Ticker or Trading Symbol
 LEAP WIRELESS INTERNATIONAL INC [LEAP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 40 WEST 57TH STREET, 24TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
 05/18/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)
 NEW YORK, NY 10019

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 Beneficial Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	05/18/2006		A	2,264 A \$ 0.0001	2,264	D	
Common Stock					3,340,378	I	See Footnotes (1) (3)
Common Stock					8,415,428	I	See Footnotes (2) (3)

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RACHESKY MARK H MD 40 WEST 57TH STREET 24TH FLOOR NEW YORK, NY 10019	X	X		

Signatures

/s/ Mark H. Rachesky, MD 05/22/2006

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).

These shares are held for the account of MHR Institutional Partners II LP, a Delaware limited partnership ("Institutional Partners II"), the general partner of which is MHR Institutional Advisors II LLC, a Delaware limited liability company ("Institutional Advisors II"). The Reporting Person is the managing member of Institutional Advisors II. In such capacity, the Reporting Person may be deemed to be the

- (1) beneficial owner of the shares held for the account of Institutional Partners II. MHR Fund Management LLC ("Fund Management") is a Delaware limited liability company that has an investment management agreement with Institutional Partners II pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares, and accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Institutional Partners II.
- (2) These shares are held for the account of MHR Institutional Partners IIA LP, a Delaware limited partnership ("Institutional Partners IIA"), the general partner of which is Institutional Advisors II. The Reporting Person is the managing member of Institutional Advisors II. In

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such capacity, the Reporting Person may be deemed to be the beneficial owner of the shares held for the account of the Institutional Partners IIA. Fund Management has an investment management agreement with Institutional Partners IIA pursuant to which it has the power to vote or direct the vote and to dispose or to direct the disposition of the shares and, accordingly, Fund Management may be deemed to beneficially own the shares held for the account of Institutional Partners IIA.

- (3) The filing of this statement shall not be deemed an admission that the Reporting Person is the beneficial owner of any securities not held directly for his account for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise.

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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