#### WATSON ROBERT L G

Form 4

January 04, 2007

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** Number:

3235-0287

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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

may continue. See Instruction

obligations

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * WATSON ROBERT L G			2. Issuer Name and Ticker or Trading Symbol ABRAXAS PETROLEUM CORP [ABP]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) 500 N LOOP	(First) 1604 E	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 12/29/2006	Director 10% Owner Other (specify below) CEO/President		
	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
SAN ANTONIO, TX 78232				Form filed by More than One Reporting Person		

(City)	(State) (Z	Table Table	I - Non-De	erivative Securities Ac	quired, Disposed	of, or Beneficial	lly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securities onAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5)  (A) or Amount (D) Price	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)
Abraxas Petroleum Common Stock					704,493	D	
Abraxas Petroleum Common Stock					14,387 (1)	I	401(K) Plan

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	2. Conversion	3. Transaction Date (Month/Day/Year)	Execution Date, if		5. orNumber	6. Date Exer Expiration D	Date	7. Title and A Underlying S	Securities	8. Price of Derivativ
Security (Instr. 3)	or Exercise Price of		any (Month/Day/Year)	Code (Instr. 8)	of Derivativ	(Month/Day. /e	rear)	(Instr. 3 and	4)	Security (Instr. 5)
	Derivative Security				Securitie Acquired					
	security				(A) or					
					Disposed of (D)					
					(Instr. 3,					
					4, and 5)				<b>A6</b>	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock								Abraxas		
Option	<u>(2)</u>					(3)	<u>(4)</u>	Common Stock	623,713	

# **Reporting Owners**

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

WATSON ROBERT L G 500 N LOOP 1604 E SAN ANTONIO, TX 78232

CEO/President

### **Signatures**

Robert L.G. 01/03/2007 Watson

\*\*Signature of Date Reporting Person

### **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).
- As of December 29, 2006 the reporting person had acquired 14,387 shares of ABP common stock under the ABP 401(K) Plan. The (1) information in this report is based on a plan statement dated December 29, 2006.
- (2) Conversion prices range from \$0.66 to \$4.83.
- (3) All but 75,000 shares are currently exercisable. The remaining 75,000 options vest from 9/13/2007 through 9/13/2009.
- (4) Options expire at various dates through 9/13/2015

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.

Reporting Owners 2