

PHELPS DODGE CORP
 Form 4
 March 21, 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 *
PERU RAMIRO G

(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)
03/19/2007

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)
Executive VP and CFO

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| Common Shares | 03/19/2007 | | F | 67,360 | D \$ 129.24 | 0 | D |
| Common Shares | 03/19/2007 | | D | 5,000 | D 0 | 0 | D |

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

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SEC 1474 (9-02)

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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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Options (right to buy) | \$ 48.095 | 03/19/2007 | | D | 6,667 | 03/19/2007 | 02/02/2015 | Common Shares | 6,667 |
| Employee Stock Options (right to buy) | \$ 78.995 | 03/19/2007 | | D | 8,267 | 03/19/2007 | 02/01/2016 | Common Shares | 8,267 |
| Employee Stock Options (right to buy) | \$ 121.93 | 03/19/2007 | | D | 8,000 | <u>(3)</u> | 02/07/2017 | Common Shares | 8,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| PERU RAMIRO G C/O PHELPS DODGE CORPORATION ONE NORTH CENTRAL AVENUE PHOENIX, AZ 85004 | | | Executive VP and CFO | |

Signatures

/s/ S. David Colton, Attorney-in-Fact for Ramiro G.
Peru

03/21/2007

**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) Each share disposed of pursuant to a merger agreement (the "Merger Agreement") between the issuer and Freeport-McMoRan Copper & Gold Inc. ("Freeport") in exchange for .67 shares of Freeport common stock and a cash payment of \$88.00.
- (2) Converted into an option to purchase a number of shares of Freeport common stock pursuant to the Merger Agreement.
- (3) The option vests in three substantially equal annual installments on February 6, 2008, 2009 and 2010.

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.