RGC RESOURCES INC

Form 4 May 23, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

Number:

3235-0287

Expires:

January 31, 2005

0.5

Estimated average burden hours per

response...

subject to Section 16. Form 4 or Form 5 obligations may continue.

Check this box

if no longer

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

See Instruction 1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person *Lee Dale P | | | Symbol | | d Ticker or Trading | 5. Relationship of Reporting Person(s) to Issuer | | | | |
|---|--------------------|------------|--------------------------------|------------------|---------------------------|---|-----------------------|-----------------------|-------------|--|
| | | | RGC R | ESOURO | CES INC [RGCO] | | (Check | all applicable |) | |
| (Last) | (First) | Middle) | 3. Date o | f Earliest T | ransaction | | | | | |
| PO BOX 13 | 3007 | | (Month/I | Day/Year) 006 | | | ector icer (give t | 10% title Othe | | |
| 102011 | | | 03/17/2 | .000 | | below) | Vice Pres | below) ident & Secret | ary | |
| (Street) | | | 4. If Amendment, Date Original | | | 6. Individual or Joint/Group Filing(Check | | | | |
| | | | Filed(Month/Day/Year) | | | Applicable Line) _X_ Form filed by One Reporting Person | | | | |
| ROANOKI | E, VA 24030 | | | | | Form f | filed by Mo | ore than One Rep | porting | |
| (City) | (State) | (Zip) | Tab | le I - Non-l | Derivative Securities Acq | quired, Disp | posed of, | or Beneficiall | y Owned | |
| 1.Title of | 2. Transaction Dat | e 2A. Deem | ied | 3. | 4. Securities Acquired | 5. Amou | unt of | 6. | 7. Nature o | |
| Security | (Month/Day/Year) | Execution | Date, if | Transaction | or(A) or Disposed of (D) | Securitie | es | Ownership | Indirect | |
| (Instr. 3) | | any | | Code | (Instr. 3, 4 and 5) | Benefici | ially | Form: Direct | Beneficial | |
| | | (Month/D | av/Year) | (Instr. 8) | | Owned | | (D) or | Ownership | |

| 1.Title of | 2. Transaction Date | 2A. Deemed | 3. | 4. Securi | ties A | cquired | 5. Amount of | 6. | 7. Nature of |
|------------|---------------------|--------------------|-----------------------------------|---------------------|-----------|-------------|------------------|--------------|--------------|
| Security | (Month/Day/Year) | Execution Date, if | Transaction(A) or Disposed of (D) | | | Securities | Ownership | Indirect | |
| (Instr. 3) | | any | Code | (Instr. 3, 4 and 5) | | | Beneficially | Form: Direct | Beneficial |
| | | (Month/Day/Year) | (Instr. 8) | | | | Owned | (D) or | Ownership |
| | | | | | | Following | Indirect (I) | (Instr. 4) | |
| | | | | | (4) | | Reported | (Instr. 4) | |
| | | | | | (A) | | Transaction(s) | | |
| | | | Code V | Amount | or (D) | Price | (Instr. 3 and 4) | | |
| | | | Coue v | Amount | (D) | τ iice | | | |
| Common | 05/19/2006 | | M | 200 | A | \$ | 712.054 | D | |
| Stock | | | | | | 20.875 | | _ | |
| Common | | | | | | Ф | | | |
| Common | 05/19/2006 | | S | 200 | D | э 25.174 | 512.054 | D | |
| Stock | | | | | | 25.174 | | | |

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Edgar Filing: RGC RESOURCES INC - Form 4

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. Transactic Code (Instr. 8) | 5. Number opf 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. F Der Sec (Ins |
|---|---|--------------------------------------|---|--|--|--|--------------------|---|--|----------------------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Employee Stock Option | \$ 20.875 | 05/19/2006 | | M | 200 | <u>(1)</u> | 11/30/2009 | Common Stock | 200 | |

Reporting Owners

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

Lee Dale P PO BOX 13007 ROANOKE, VA 24030

Vice President & Secretary

Signatures

Dale P. Lee by Howard T. Lyon, POA dated 05/17/2006

05/23/2006

**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).
- (1) All options fully exercisable six months after date of grant

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