

FOREST OIL CORP

Form 4

May 16, 2006

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 *
ANSCHUTZ CO

2. Issuer Name **and** Ticker or Trading
Symbol
FOREST OIL CORP [FST]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

555 SEVENTEENTH STREET
3. Date of Earliest Transaction
(Month/Day/Year)
05/12/2006

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

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
DENVER, CO 80210
____ Form filed by One Reporting Person
__X__ 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

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

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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 (Instr. 3)	2. Conversion or Exercise Price of	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)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and An Underlying Sec (Instr. 3 and 4)
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Contract (1) (2) (3) (4)	Derivative Security	(1) (2) (3) (4)	05/12/2006	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	A c N c
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,000 (1) (2) (3) (4)	(1)(2)(3)(4)	09/09/2009(1)(2)(3)(4)	Common Stock	
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,000 (1) (2) (3) (4)	(1)(2)(3)(4)	09/10/2009(1)(2)(3)(4)	Common Stock	
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,000 (1) (2) (3) (4)	(1)(2)(3)(4)	10/08/2009(1)(2)(3)(4)	Common Stock	
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,000 (1) (2) (3) (4)	(1)(2)(3)(4)	10/09/2009(1)(2)(3)(4)	Common Stock	
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,000 (1) (2) (3) (4)	(1)(2)(3)(4)	11/09/2009(1)(2)(3)(4)	Common Stock	
Contract (1) (2) (3) (4)		(1) (2) (3) (4)	05/12/2006	J			64,925 (1) (2) (3) (4)	(1)(2)(3)(4)	11/10/2009(1)(2)(3)(4)	Common Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ANSCHUTZ CO 555 SEVENTEENTH STREET DENVER, CO 80210		X		
ANSCHUTZ CORP 555 SEVENTEENTH STREET DENVER, CO 80201		X		
ANSCHUTZ PHILIP F 555 SEVENTEENTH STREET DENVER, CO 80210		X		

Signatures

Thomas A. Richardson, as Attorney-in-Fact for Philip F. Anschutz, Anschutz Company and
The Anschutz Corporation

05/16/2006

__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) On May 12, 2006, The Anschutz Corporation entered into a forward sale contract (the "Contract") that relates to an aggregate of 384,925 shares of common stock. The Contract provides that The Anschutz Corporation will deliver on each of six days in 2009 (each such day is referred to herein as a "Settlement Date"), a number of shares of common stock equal to (i) the applicable Base Amount (as hereinafter defined), and (ii) the applicable Exchange Rate, which will be determined as follows:

(2) (a) If the closing price (the "Settlement Price") of the common stock on the relevant Valuation Date (as hereinafter defined) is less than or equal to \$38.9687 (the "Forward Floor Price"), the Exchange Rate will be one; (b) If the Settlement Price is greater than the Forward Floor Price but less than or equal to \$54.5562 (the "Forward Cap Price"), the Exchange Rate will be equal to the Forward Floor Price divided by the Settlement Price; and (c) If the Settlement Price is greater than the Forward Cap Price, the Exchange Rate will be equal to the Adjusted Forward Floor Price (as hereinafter defined) divided by the Settlement Price. The Adjusted Forward Floor Price will be equal to the Forward Floor Price plus the Settlement Price minus the Forward Cap Price.

(3) The "Base Amount" for each of the first five Settlement Dates equals 64,000, and for the last settlement date equals 64,925. The Valuation Date for each Settlement Date is set forth in Column 6 of Table II of this Form 4 under "Expiration Date."

(4) In consideration therefor, The Anschutz Corporation will receive on May 17, 2006 an aggregate prepayment amount of \$12,314,347. In the event of the payment of dividends (whether cash or in-kind), stock splits, reverse stock splits, spinoffs, mergers or similar events affecting the common stock, the Base Amounts and one or more of the Settlement Price, Forward Floor Price and Forward Cap Price are subject to adjustment depending on the nature of the transaction. The Anschutz Corporation has pledged 384,925 shares of common stock to secure its obligations under the Contract.

(5) Philip F. Anschutz owns 100% of the capital stock of Anschutz Company, which owns 100% of the capital stock of The Anschutz Corporation. The Anschutz Corporation is the registered owner of the securities indicated.

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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