

HOUSTON EXPLORATION CO

Form 4

June 08, 2007

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CATELL ROBERT B

(Last) (First) (Middle)

KEYSPAN CORPORATION, ONE  
METROTECH CENTER

(Street)

BROOKLYN, NY 11201-3850

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
HOUSTON EXPLORATION CO  
[THX]

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/06/2007

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)

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)
			Code	V	Amount	(A) or (D)	Price
common stock (\$0.01 par value)	06/06/2007		D		9,788	D	11 0

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

**Persons who respond to the collection of  
information contained in this form are not  
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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)		8. P Der Sec (Ins
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
stock option (right to buy)	\$ 20.81	06/06/2007		D	7,000	<u>(2)</u>	09/22/2007	common stock	7,000	\$ 3
stock option (right to buy)	\$ 18.56	06/06/2007		D	2,000	<u>(2)</u>	09/21/2008	common stock	2,000	\$ 4
stock option (right to buy)	\$ 20.94	06/06/2007		D	2,000	<u>(2)</u>	09/20/2009	common stock	2,000	\$ 3
stock option (right to buy)	\$ 26.19	06/06/2007		D	2,000	<u>(2)</u>	09/20/2010	common stock	2,000	\$ 3
stock option (right to buy)	\$ 25.48	06/06/2007		D	2,000	<u>(2)</u>	09/20/2011	common stock	2,000	\$ 3
stock option (right to buy)	\$ 28.8	06/06/2007		D	2,000	<u>(2)</u>	09/20/2012	common stock	2,000	\$ 3
stock option (right to buy)	\$ 35.11	06/06/2007		D	2,000	<u>(2)</u>	09/22/2013	common stock	2,000	\$ 2

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CATELL ROBERT B KEYSPAN CORPORATION ONE METROTECH CENTER BROOKLYN, NY 11201-3850			X	

## Signatures

/s/ Karol L. Adams by Power of Attorney for Robert B.  
Catell

06/08/2007

\_\_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).

Pursuant to the Agreement and Plan of Merger, dated as of January 7, 2007 (the "Merger Agreement"), by and among Forest Oil Corporation ("Forest"), MJCO Corporation, a wholly owned subsidiary of Forest, and The Houston Exploration Company (the "Company"), at the effective time ("Merger I Effective Date") of the merger contemplated therein, each outstanding share of the Company's common stock was converted into the right to receive (i) .84 shares of Forest's common stock and (ii) \$26.25 in cash. This represents \$60.02 per share of consideration to be received by the Company's stockholders based on the average closing price of Forest's common stock during the ten-day valuation period specified in the Merger Agreement. The mix of cash and stock consideration to be received by each of the Company's stockholders will be determined by stockholder elections, subject to proration. As a result of the proration procedures that have not yet been completed as of the date of this filing, it

Pursuant to the Merger Agreement, at the Merger I Effective Time, each non-qualified stock option became immediately and fully vested and was cancelled and converted into the right to receive a cash amount equal to the excess of \$60.02 over the option exercise price multiplied by the number of shares subject to such option.

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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