

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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|---|--|---|
| 1. Name and Address of Reporting Person* <u>KELLNER LAWRENCE W</u> (Last) (First) (Middle) 1600 SMITH STREET HQSEO (Street) HOUSTON TX 77002 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>CONTINENTAL AIRLINES INC /DE/ [CAL]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chief Executive Officer |
| | 3. Date of Earliest Transaction (Month/Day/Year) 10/20/2006 | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 | | | |
| Class B Common Stock | 10/20/2006 | | s | | 55.2993 | D | \$34.16 | 340,470.8339 ⁽¹⁾ | D | |
| Class B Common Stock | 10/20/2006 | | s | | 6,525.313 | D | \$34.15 | 333,945.5212 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 6,359.415 | D | \$34.14 | 327,586.1063 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 3,207.357 | D | \$34.13 | 324,378.7492 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 6,857.108 | D | \$34.12 | 317,521.641 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 110.5985 | D | \$34.11 | 317,411.0424 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 1,769.576 | D | \$34.08 | 315,641.4661 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 1,105.985 | D | \$34.07 | 314,535.4809 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 663.5911 | D | \$34.05 | 313,871.8898 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 110.5985 | D | \$34.04 | 313,761.2913 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 331.7956 | D | \$34.03 | 313,429.4957 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 110.5985 | D | \$34.02 | 313,318.8972 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 2,709.664 | D | \$34.01 | 310,609.2334 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 20,958.42 | D | \$34 | 289,650.8139 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 1,824.876 | D | \$33.96 | 287,825.9383 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 11,281.05 | D | \$33.95 | 276,544.8892 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 387.0948 | D | \$33.94 | 276,157.7944 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 276.4963 | D | \$33.93 | 275,881.2981 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 711.7015 | D | \$33.92 | 275,169.5966 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 5,529.926 | D | \$33.9 | 269,639.6706 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 8,294.889 | D | \$33.81 | 261,344.7816 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 5,529.926 | D | \$33.8 | 255,814.8556 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 2,211.97 | D | \$33.78 | 253,602.8852 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 552.9926 | D | \$33.75 | 253,049.8926 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 8,294.889 | D | \$33.7 | 244,755.0035 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 1,271.883 | D | \$33.67 | 243,483.1205 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 1,493.08 | D | \$33.66 | 241,990.0405 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 2,267.27 | D | \$33.61 | 239,722.7709 | D | |
| Class B Common Stock | 10/20/2006 | | s | | 14,322.51 | D | \$33.6 | 225,400.2625 | D | |

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 | | | |
| Class B Common Stock | 10/20/2006 | | s | | 27,649.63 | D | \$33.55 | 197,750.6324 | D | |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |

Explanation of Responses:

1. On October 20, 2006 the reporting person sold a total of 329,687 shares at an average price of \$33.5073. This Form 4 is the 2nd of 3 reports being filed to report these individual transactions. Following such transactions, the reporting person held a total of 20,793 shares. Such total does not include indirect ownership of an additional 200 shares held by a relative of the reporting person, as to which shares the reporting person disclaims beneficial ownership.

/s/ Lawrence W. Kellner by: 10/23/2006
Sarah E. Hagy

** Signature of Reporting Person Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.