

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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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

1. Name and Address of Reporting Person* SMISEK JEFFERY A _____ (Last) (First) (Middle) 1600 SMITH STREET HQSEO _____ (Street) HOUSTON TX 77002 _____ (City) (State) (Zip)			2. Issuer Name and Ticker or Trading Symbol CONTINENTAL AIRLINES INC /DE/ [CAL]			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) President		
			3. Date of Earliest Transaction (Month/Day/Year) 10/20/2006			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		
			4. If Amendment, Date of Original Filed (Month/Day/Year)					

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		M		266,500	A	\$15.78	279,388	D	
Class B Common Stock	10/20/2006		S		2,235.037	D	\$34.2	277,152.963 ⁽¹⁾	D	
Class B Common Stock	10/20/2006		S		2,235.037	D	\$34.19	274,917.926	D	
Class B Common Stock	10/20/2006		S		3,173.753	D	\$34.18	271,744.1735	D	
Class B Common Stock	10/20/2006		S		402.3067	D	\$34.17	271,341.8668	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						Title
Employee Stock Option (right to buy)	\$15.78	10/20/2006		M			266,500	(2)	06/28/2007	Class B Common Stock	266,500	\$0	0	D	

Explanation of Responses:

- On October 20, 2006 the reporting person sold a total of 266,500 shares at an average price of \$33.5073. This Form 4 is the 1st of 3 reports being filed to report these individual transactions. Following such transactions, the reporting person held a total of 12,888 shares.
- The option vested as follows: 167,500 shares on June 28, 2002; 67,500 shares on April 17, 2003; 17,500 shares on April 17, 2004; and 14,000 shares on April 17, 2005. On February 28, 2005, the reporting person forfeited to the company for no value an additional 3,500 shares that would have vested April 17, 2005.

/s/ Jeffery A. Smisek by: Sarah E. Hagy 10/23/2006

** 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.