

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

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* <u>KELLNER LAWRENCE W</u> <hr/> (Last) (First) (Middle) <u>1600 SMITH STREET</u> <u>HQSEO</u> <hr/> (Street) <u>HOUSTON TX 77002</u> <hr/> (City) (State) (Zip)			2. Issuer Name and Ticker or Trading Symbol <u>CONTINENTAL AIRLINES INC /DE/ [CAL]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>10/20/2006</u> 4. If Amendment, Date of Original Filed (Month/Day/Year)			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) <u>Chief Executive Officer</u> 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		M		329,687	A	\$15.78	350,480	D	
Class B Common Stock	10/20/2006		S		2,764.963	D	\$34.2	347,715.037 ⁽¹⁾	D	
Class B Common Stock	10/20/2006		S		2,764.963	D	\$34.19	344,950.074	D	
Class B Common Stock	10/20/2006		S		3,926.247	D	\$34.18	341,023.8265	D	
Class B Common Stock	10/20/2006		S		497.6933	D	\$34.17	340,526.1332	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			329,687	(2)	06/28/2007	Class B Common Stock	329,687	\$0	0	D	

Explanation of Responses:

- 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 1st of 3 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.
- The option vested as follows: 208,750 shares on June 28, 2002; 83,750 shares on April 17, 2003; 21,250 shares on April 17, 2004; and 15,937 shares on April 17, 2005. On February 28, 2005, the reporting person forfeited to the company for no value an additional 5,313 shares that would have vested April 17, 2005.

/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.