Ottaviani William L Form 4 October 04, 2011

FORM 4

OMB APPROVAL

OMB

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

Check this box if no longer subject to

3235-0287 Number: January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue.

Section 16.

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

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Ottaviani William L

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

ZION OIL & GAS INC [ZN]

(Check all applicable)

(First) (Middle) (Last)

(Street)

(State)

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

_X__ Director 10% Owner X_ Officer (give title Other (specify

160 MEADOWVIEW DRIVE

09/30/2011

below) President/COO

6. Individual or Joint/Group Filing(Check

4. If Amendment, Date Original

Applicable Line)

Filed(Month/Day/Year) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

STATE COLLEGE, PA 16801

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Person

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

(City)

Execution Date, if (Month/Day/Year)

(Zip)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (I) Ownership (Instr. 4) (Instr. 4)

(A)

Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

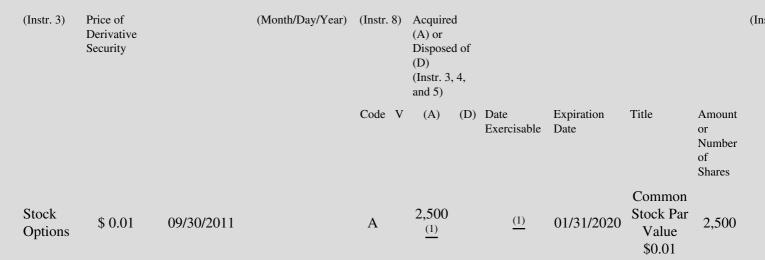
Execution Date, if any

4. 5. Number Transaction of Derivative Expiration Date Securities Code

6. Date Exercisable and (Month/Day/Year)

7. Title and Amount of 8. l Underlying Securities De (Instr. 3 and 4) Sec

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Other

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer

Ottaviani William L

160 MEADOWVIEW DRIVE X President/COO

STATE COLLEGE, PA 16801

Signatures

Brittany Russell AIF for William L.
Ottaviani

**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).

The options were granted under the Company's 2005 Stock Option Plan. Pursuant to the Reporting Person's employment agreement with the company, at the end of each calendar quarter, beginning with the quarter ended March 31, 2010, the Reporting Person is entitled to

fully vested options at a per share exercise price of \$0.01 to purchase such number of the Company's common stock, par value \$0.01 per share (the "Common Stock"), as shall equal \$12,500 divided by the closing price on the last trading day of the respective calendar quarter of the Company's publicly traded share of Common Stock, but in no event less than \$5.00 per share. The closing of Market price on September 30, 2011 was \$1.96; therefore the number of option shares is based on \$5.00.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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