

NAPOLITANO STEVEN V
 Form 4
 January 16, 2007

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 NAPOLITANO STEVEN V

(Last) (First) (Middle)

C/O WINSTON & STRAWN, 35 W. WACKER

(Street)

CHICAGO, IL 60601

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 NOVAMED INC [NOVA]

3. Date of Earliest Transaction
 (Month/Day/Year)
 01/16/2007

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 01/16/2007 | | M ⁽⁵⁾ | 4,802 A | \$ 1.88 72,802 | D | |
| Common Stock | 01/16/2007 | | S ⁽⁵⁾ | 4,802 D | \$ 6.9306 68,000 | D | |

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

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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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy) | \$ 1.88 | 01/16/2007 | | M ⁽⁵⁾ | 4,802 | <u>(1)</u> 01/27/2007 | Common Stock | 4,802 |
| Stock Option (right to buy) | \$ 4.45 | | | | | <u>(2)</u> 03/16/2014 | Common Stock | 25,000 |
| Stock Option (right to buy) | \$ 5.96 | | | | | <u>(3)</u> 06/16/2015 | Common Stock | 15,000 |
| Stock Option (right to buy) | \$ 6.87 | | | | | <u>(4)</u> 06/20/2016 | Common Stock | 15,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| NAPOLITANO STEVEN V C/O WINSTON & STRAWN 35 W. WACKER CHICAGO, IL 60601 | X | | | |

Signatures

/s/ John Lawrence /Attorney
in Fact 01/16/2007

 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).

- (1) Subject to certain restrictions, 12,500 of these options vested on 1/21/97, with the remainder vesting 2,083 per month starting on 8/27/97.
- (2) Subject to certain restrictions, 3,125 of these options vested on 9/16/04, with the remainder vesting 520 per month starting on 10/16/04.
- (3) Subject to certain restrictions, 1,875 of these options vested on 12/17/05, with the remainder vesting 312 per month starting on 1/17/06.
- (4) Subject to certain restrictions, 1,875 of these options vested on 12/20/06 with the remainder vesting 312 per month starting on 1/20/07.
- (5) Exercise of option and sale of underlying common stock pursuant to a 10b5-1 sales agreement previously adopted by reporting person.

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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