

BOYD GAMING CORP  
Form 4  
August 08, 2006

**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 \*  
GAUGHAN MICHAEL J

2. Issuer Name and Ticker or Trading Symbol  
BOYD GAMING CORP [BYD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
2950 INDUSTRIAL ROAD

3. Date of Earliest Transaction (Month/Day/Year)  
08/07/2006

Director  10% Owner  
 Officer (give title below)  Other (specify below)

CEO - Coast Casinos, Inc.

(Street)  
LAS VEGAS, NV 89109

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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
Common Stock	08/07/2006		S <sup>(1)</sup>		11,842,504	D	\$ 32.4844
							<u>(2)</u>
Common Stock	08/07/2006		S <sup>(3)</sup>		3,447,501	D	\$ 32.4844
							500,000 <u>(1)</u>

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

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(9-02)

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 36.76	08/04/2006		J <sup>(4)</sup>	150,000	<sup>(5)</sup>	12/08/2014	Common Stock	150,000
Employee Stock Option (Right to Buy)	\$ 39.96	08/04/2006		J <sup>(4)</sup>	115,000	<sup>(6)</sup>	10/19/2015	Common Stock	115,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GAUGHAN MICHAEL J 2950 INDUSTRIAL ROAD LAS VEGAS, NV 89109	X	X	CEO - Coast Casinos, Inc.	

## Signatures

Brian A. Larson, Attorney-in-Fact for Michael J. Gaughan  
Date: 08/08/2006

\*\*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) Pursuant to an Underwriting Agreement, dated August 1, 2006 (the "Underwriting Agreement"), among the reporting person, the issuer and Deutsche Bank Securities Inc. and Lehman Brothers Inc., as representatives of the several underwriters set forth therein (collectively, the "Underwriters"), the reporting person sold 11,842,504 shares of the issuer's common stock to the Underwriters at a per share price to the public of \$33.75. The offering was effected pursuant to a registration statement filed on Form S-3ASR (No. 333-130404) under the Securities Act of 1933, as amended, by the issuer with the Securities and Exchange Commission on December 16, 2005, as supplemented to date, which includes a prospectus supplement dated August 1, 2006. The transaction closed on August 7, 2006, and closing was subject to certain conditions not within the reporting person's control. Pursuant to the terms of the Underwriting Agreement, the reporting person has granted the . . . (Continued under "Remarks")

(2) Represents the net per share proceeds of the offering to the reporting person, after applicable underwriting discounts and commissions.

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(3) Pursuant to a Stock Purchase Agreement, dated August 1, 2006 (the "Stock Purchase Agreement"), between the reporting person and the issuer, the reporting person sold 3,447,501 shares of the issuer's common stock that he owned to the issuer at a per share price of \$32.4844. The transaction closed on August 7, 2006 and closing was subject to certain conditions, including the closing of the registered public offering discussed under Note 1 above, which were not within the reporting person's control. Pursuant to the terms of the Stock Purchase Agreement, the reporting person and the issuer have agreed that, if and to the extent that the Underwriters do not exercise in full their over-allotment option described in Note 1 above, the issuer will purchase from the reporting person all of his remaining shares of issuer common stock at a price of \$32.4844 per share.

(4) Pursuant to the terms of a Unit Purchase Agreement, dated as of July 25, 2006, as amended (the "Unit Purchase Agreement"), by and among the issuer, the reporting person and certain affiliates of the issuer, the reporting person agreed to surrender for cancellation, prior to the concurrent closings of the transactions described in Notes 1 and 3 above, all options to purchase issuer common stock held by the reporting person (without additional consideration). The reporting person surrendered his options for cancellation on August 4, 2006 in accordance with the terms of the Unit Purchase Agreement.

(5) At the time of cancellation as described in Note 4 above, this option was vested and exercisable with respect to 50,000 shares.

(6) At the time of cancellation as described in Note 4 above, this option was vested and exercisable with respect to 0 shares.

### Remarks:

#### Remarks:

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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