

NATURAL GAS SERVICES GROUP INC

Form 4

March 30, 2006

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HUGHES WILLIAM F JR

2. Issuer Name **and** Ticker or Trading
Symbol
NATURAL GAS SERVICES
GROUP INC [NGS]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

42921 NORMANDY LANE

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/08/2006

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

LANCASTER, CA 93536

(City) (State) (Zip)

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

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 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) |
|---------------------------------------|---|---|---|---|--|---|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | | | | | 180,500 | I | By the William and Cheryl Hughes Family Trust |
| Common Stock | | | | | 1,500 | D | |
| Common Stock | 03/08/2006 | | S | | 50,000 | D | \$ 10,000 16.49 |
| | | | | | | | By the William and |

Cheryl
Hughes
Family
Trust

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

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(9-02)**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 or Number of Shares |
| Nonqualified Stock Option (right to buy) <u>(1)</u> | \$ 5.55 | | | | | | | 12/31/2003 | 12/31/2013 | Common Stock | 2,500 |
| Nonqualified Stock Option (right to buy) | \$ 9.34 | | | | | | | 01/05/2005 | 01/05/2015 | Common Stock | 2,500 |
| Nonqualified Stock Option (right to buy) (1) | \$ 16.96 | | | | | | | 12/30/2005 | 12/30/2015 | Common Stock | 2,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HUGHES WILLIAM F JR 42921 NORMANDY LANE LANCASTER, CA 93536 | X | | | |

Signatures

/s/ William F.
Hughes, Jr.

03/29/2006

__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) Such option was granted to the reporting person pursuant to the Natural Gas Services Group, Inc. 1998 Stock Option Plan. The Option vests and is fully exercisable on December 30,2005.

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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