

PANHANDLE ROYALTY CO  
Form 4  
December 22, 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 \*  
ROBOTTI ROBERT

2. Issuer Name and Ticker or Trading Symbol  
PANHANDLE ROYALTY CO  
[PHX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
12/20/2006

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

(Street)

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)	
				(A) or (D)	Price			
				Code	V	Amount		
Class A Common Stock, \$0.0166 Par Value	12/20/2006		P	3,052	A	\$ 18.7894	546,384 <sup>(1)</sup> <u>(2) (3) (4)</u>	I See Footnote <u>(6)</u>
Class A Common Stock, \$0.0166 Par Value	12/21/2006		P	5,048	A	\$ 18.8	551,432 <sup>(1)</sup> <u>(2) (4) (5)</u>	I See Footnote <u>(6)</u>

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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ROBOTTI ROBERT		X		

## Signatures

/s/ Robert E. Robotti 12/22/2006

\*\*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) This amount includes 58,344 shares of the Class A Common Stock, \$0.0166 par value (the "Common Stock"), directly owned by the discretionary accounts of Robotti & Company, LLC ("Robotti & Company"), a broker-dealer registered under Section 15 of the Securities Exchange Act of 1934 ("Exchange Act"), as amended, and by the advisory clients of Robotti & Company Advisors, LLC ("Robotti & Company Advisors"), an investment advisor registered under the Investment Advisers Act of 1940, and beneficially owned by its discretionary brokerage customers and advisory clients.
  - (2) This amount includes 5,340 shares of the Common Stock directly owned by Robotti & Company, Incorporated ("ROBT"), the parent holding company of Robotti & Company and Robotti & Company Advisors.
  - (3) This amount includes 464,700 shares of the Common Stock directly owned by The Ravenswood Investment Company, L.P. ("RIC") and beneficially owned by its partners.

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- (4) This amount includes 18,000 shares of the Common Stock, directly owned by Suzanne Robotti ("Su Robotti"), wife of Robert Robotti ("Robotti"), and is held in Su Robotti's IRA account with Robotti & Company
- (5) This amount includes 469,748 shares of the Common Stock directly owned by RIC and beneficially owned by its partners.

Mr. Robotti may be deemed to beneficially own (solely for the purpose of Rule 16a-1(a)(2) under the Exchange Act) the securities set forth in the footnotes above through his proportionate ownership of Robotti & Company, Robotti & Company Advisors and ROBT, by virtue of the investment discretion Robotti & Company and Robotti & Company Advisors has over the accounts of its brokerage

- (6) customers and advisory clients, as managing member of Ravenswood Management Company, L.L.C., which serves as the general partner of RIC, and through his marriage to Su Robotti. Mr. Robotti disclaims beneficial ownership of such securities except to the extent of his pecuniary interest therein.

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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