DOLLAR GENERAL CORP
Form 4
July 10, 2007

FORM 4

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

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

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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
KNUCKLES BARBARA

(Last) (First) (Middle)

100 MISSION RIDGE

(Street)

GOODLETTSVILLE, TN 37072

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
DOLLAR GENERAL CORP [DG]

3. Date of Earliest Transaction (Month/Day/Year)
07/06/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/06/2007		D		1,760.252	D	$ 22	0	D	
Common Stock	07/06/2007		D		100	D	$ 22	0	I	By Son

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 Amo Underlying Secu (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am Nu Sh
Phantom Stock	$ 22	07/06/2007		D			5,134.584	07/06/2007(1)	(1)	Common Stock	5
Restricted Stock Units	$ 22	07/06/2007		D			18,715.62	(3)	(3)	Common Stock	1
Stock Option (right to buy)	$ 14.65	07/06/2007		D			4,096	(6)	02/21/2010	Common Stock	
Stock Option (right to buy)	$ 15.37	07/06/2007		D			3,904	(6)	03/18/2012	Common Stock	
Stock Option (right to buy)	$ 17.6403	07/06/2007		D			3,401	(6)	02/22/2009	Common Stock	
Stock Option (right to buy)	$ 18.2272	07/06/2007		D			3,291	(6)	02/23/2008	Common Stock	
Stock Option (right to buy)	$ 19.55	07/06/2007		D			3,150	(6)	02/26/2011	Common Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KNUCKLES BARBARA 100 MISSION RIDGE GOODLETTSVILLE, TN 37072	X			

Signatures

/s/ Susan S. Lanigan, by Power of Attorney	07/10/2007
**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)	The shares of phantom stock were payable after the reporting person's termination of service as a non-employee director.
(2)	The shares of phantom stock were cashed out in the merger for $22 per share on a 1-for-1 basis.
(3)	Immediately before the effective time of the merger, all unvested Restricted Stock Units became fully vested and immediately exercisable.
(4)	Includes 4,600 Restricted Stock Units that were scheduled to vest on June 5, 2008.
(5)	The Restricted Stock Units were cashed out in the merger for $22 per Restricted Stock Unit on a 1-for-1 basis.
(6)	Immediately before the effective time of the merger, all unvested options became fully vested and immediately exercisable.
(7)	This option, granted February 21, 2000 and vested February 21, 2001, was cancelled in the merger in exchange for a cash payment of $30,105.60, representing the difference between the exercise price of the option and the $22 per share merger consideration.
(8)	The price of the option is the difference between the $22 per share merger consideration and the exercise price.
(9)	This option, granted March 18, 2002 and vested March 18, 2003, was cancelled in the merger in exchange for a cash payment of $25,883.52, representing the difference between the exercise price of the option and the $22 per share merger consideration.
(10)	This option, granted February 22, 1999 and vested February 22, 2000, was cancelled in the merger in exchange for a cash payment of $14,827.34, representing the difference between the exercise price of the option and the $22 per share merger consideration.
(11)	This option, granted February 23, 1998 and vested February 23, 1999, was cancelled in the merger in exchange for a cash payment of $12,416.28, representing the difference between the exercise price of the option and the $22 per share merger consideration.
(12)	This option, granted February 26, 2001 and vested February 26, 2002, was cancelled in the merger in exchange for a cash payment of $7,717.50, representing the difference between the exercise price of the option and the $22 per share merger consideration.

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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