

FOREST OIL CORP  
Form 4  
May 12, 2008

**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 \*  
**KEYTE DAVID H**

(Last) (First) (Middle)  
**707 SEVENTEENTH STREET, SUITE 3600**  
(Street)

**DENVER, CO 80202**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**FOREST OIL CORP [FST]**

3. Date of Earliest Transaction (Month/Day/Year)  
**05/08/2008**

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)  
**Executive V.P. & CFO**

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	05/08/2008		A		45,000 A \$ 0	132,629 <sup>(1)</sup>	D
Common Stock	05/08/2008		M		1,100 A \$ 20.02	133,729	D
Common Stock	05/08/2008		S		1,100 D \$ 64.5	132,629	D
Common Stock	05/09/2008		S		900 D \$ 63.83	131,729	D
Common Stock	05/09/2008		S		400 D \$ 63.82	131,329	D

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Common Stock	05/09/2008	S	400	D	\$ 63.81	130,929	D
Common Stock	05/09/2008	S	400	D	\$ 63.8	130,529	D
Common Stock	05/09/2008	S	100	D	\$ 63.79	130,429	D
Common Stock	05/09/2008	S	200	D	\$ 63.78	130,229	D
Common Stock	05/09/2008	S	400	D	\$ 63.77	129,829	D
Common Stock	05/09/2008	S	1,600	D	\$ 63.76	128,229	D
Common Stock	05/09/2008	S	100	D	\$ 63.75	128,129	D

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)	Amount or Number of Shares
Non-Qualified Stock Option (right to buy) <u>(2)</u>	\$ 20.02	05/08/2008		M	1,100	<u>(3)</u> 12/07/2010	Common Stock	1,100

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director      10% Owner      Officer      Other

Reporting Owners

KEYTE DAVID H  
707 SEVENTEENTH STREET  
SUITE 3600  
DENVER, CO 80202

Executive  
V.P. & CFO

## Signatures

By: Lizbeth J. Stenmark, attorney-in-fact For: David H.  
Keyte

05/12/2008

\_\_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 report includes non-reportable acquisitions by the reporting person pursuant to the 1999 Employee Stock Purchase Plan of Forest Oil Corporation.  
On March 2, 2006, Forest completed a spin-off transaction involving a wholly-owned subsidiary, which was subsequently merged with a subsidiary of Mariner Energy, Inc. The number and the exercise price of all outstanding stock options granted under Forest's equity incentive plans were adjusted to reflect the spin-off.
- (3) This option becomes exercisable in installments: 20 percent of this option vests immediately and the remaining 80 percent of this option vests in 20 percent increments on each of the first four anniversaries of the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.