

SANDERSON FARMS INC

Form 4

March 19, 2007

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 *
GRIMES JAMES A

2. Issuer Name **and** Ticker or Trading
Symbol
SANDERSON FARMS INC
[SAFM]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
127 FLYNT ROAD
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/15/2007

____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)
Sec'y/Chief Acctg. Officer

LAUREL, MS 39443

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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 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	03/15/2007		M		2,813	A	\$ 7.4	17,497 D
Common Stock	03/15/2007		M		5,625	A	\$ 12.37	23,122 D
Common Stock	03/15/2007		S		8,438	D	\$ 34.28	14,684 D
Common Stock								12,410 I
								Shares allocated to the Reporting Person's

Issuer
ESOP
account

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
Employee Stock Options (Right to Buy)	\$ 7.4	03/15/2007		M	2,813	04/27/2002 ⁽¹⁾ 04/26/2011	Common Stock	2,813
Employee Stock Options (Right to Buy)	\$ 12.37	03/15/2007		M	5,625	07/25/2003 ⁽¹⁾ 07/24/2012	Common Stock	5,625

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
GRIMES JAMES A 127 FLYNT ROAD LAUREL, MS 39443	Sec'y/Chief Acctg. Officer

Signatures

/s/ D. Michael Cockrell,
Attorney-in-Fact

03/19/2007

__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) Exercisable for a 10-year period, with vesting beginning on the date indicated, which was one year after the date of grant. Vesting continues thereafter at 25% per year on each anniversary date until fully vested.

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.