

TIDELANDS OIL & GAS CORP/WA

Form 5

February 05, 2007

FORM 5**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).Form 3 Holdings
Reported

Form 4

Transactions

Reported

**ANNUAL 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
Number: 3235-0362Expires: January 31,
2005Estimated average
burden hours per
response... 1.01. Name and Address of Reporting Person *
SMITH JAMES B

(Last) (First) (Middle)

1862 W. BITTERS ROAD,Â BLDG.
#1

(Street)

2. Issuer Name and Ticker or Trading
SymbolTIDELANDS OIL & GAS
CORP/WA [TIDE]3. Statement of Issuer's Fiscal Year Ended
(Month/Day/Year)
12/31/20064. 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)

President and CEO

6. Individual or Joint/Group Reporting

(check applicable line)

SAN ANTONIO,Â TXÂ 78248

☒ 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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/31/2006	Â	J4	Amount 500,000 (1) (A) or (D) D Price \$ 0 (1)	0	I	By Limited Partnership
Common Stock	Â	Â	Â	Â	Â	I	By IRA
Common Stock	Â	Â	Â	Â	Â	D	Â
Common	Â	Â	Â	Â	360,000 (2)	I	By Trust

Stock

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 Underlying Securities (Instr. 3 and 4)
					(A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Non-recourse note with cap feature <u>(1)</u> <u>(2)</u>	\$ 0.8777	12/31/2006	Â	J4	Â 1	12/31/2006 12/31/2006	Common Stock 130,6 <u>(2)</u>
Non-recourse note with cap feature <u>(1)</u> <u>(2)</u>	\$ 0.804	12/31/2006	Â	J4	Â 1	12/31/2006 12/31/2006	Common Stock 134,5 <u>(2)</u>
Non-recourse note with cap feature <u>(1)</u> <u>(2)</u>	\$ 0.7888	12/31/2006	Â	J4	Â 1	12/31/2006 12/31/2006	Common Stock 234,9 <u>(2)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH JAMES B 1862 W. BITTERS ROAD BLDG. #1 SAN ANTONIO, TX 78248	Â X	Â	Â President and CEO	Â

Signatures

/s/ James B.
Smith 01/29/2007

**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).

A limited partnership holding 500,000 shares of the issuer previously pledged such shares in connection with a non-recourse loan in the aggregate amount of \$289,000. The loan was funded in three separate advances at 85% of the market value of the shares on the date of each advance. The per-share loan amounts were \$0.6214 (for the advance made on 11/10/2004), \$0.5695 (for the advance made on

(1) 11/17/2004), and \$0.5588 (for the advance made on 11/27/2004). The non-recourse loan included a "cap" feature which is described in more detail in the Reporting Person's Form 5/A filed on June 20, 2006 for the period ended December 31, 2004. On December 31, 2006, the liquidation price of the pledged shares was below each of the respective loan amounts, and therefore, the limited partnership chose to surrender the pledged shares to the lender with no further obligation.

(2) The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein, if any.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.

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